

**SHENANDOAH FOREST  
PROPERTY OWNERS  
ASSOCIATION**

**DISCLOSURE BOOK**

Updated December 2020

## TABLE OF CONTENTS

Virginia Property Owner's Association Act of 1989	1
SFPOA Founding	2
Shenandoah Forest Declarations	2
SFPOA Articles of Incorporation	5
SFPOA By-Laws	6
Building and Architectural Guidelines	13
Financial Facts	13
Assessments	13
Statement of Income and Expenses	14
Insurance Information	14
Non-Payment of Assessments	14
Legal Actions	14
Map of Shenandoah Forest	Attached

Shenandoah Forest  
Property Owners' Association

170 Forest Drive  
Luray VA 22835

Disclosure Document

As required by Chapter 26, Title 55, House Bill 854  
Code of Virginia

Introduction

The Shenandoah Forest is a woodland subdivision located on the eastern face of the Massanutten mountain. The subdivision consists of nearly 500 woodland lots and is located between the South Fork of Shenandoah River where it is designated by the US Park Service as a Natural Scenic Waterway and the George Washington National Forest which encompasses the summit of the Massanutten mountain. The subdivision is located in Page County, Virginia and can be reached by following Virginia Route 211 east from Luray, Virginia. Exactly one mile after crossing the bridge over the South Fork of the Shenandoah River, turn right onto Route 615. Exactly one mile later turn left onto River Road and follow that into the subdivision. The Shenandoah Forest subdivision consists of permanent and vacation homes as well as woodland retreats for its owners.

Shenandoah Forest subdivision is a private property. Common roads and interests of the subdivision are maintained by the Shenandoah Forest Property Owners Association. All property owners are members of the Association as declared by the Articles of Incorporation of the Association and agreed to by the Developer under the Property Owners' Association Act of 1989. The Shenandoah Forest Property Owners Association elects a Board of Directors annually and the Board of Directors selects officers annually. The Association holds an annual meeting of all members.

- I. Property Owners' Association Act
  - A. The sale of all lots within Shenandoah Forest is subject to the provisions of the "Property Owners' Association Act" of 1989.
  - B. The Act mandates that the foregoing statement be included in a contract for sale or resale of any lot in Shenandoah Forest.
  - C. The Act requires that the Association provide to a seller a copy of this disclosure packet, for a cost not to exceed \$100, upon written request by a purchaser.

II. The SHENANDOAH FOREST PROPERTY OWNERS' ASSOCIATION, Inc.

A. General

On May 30, 1975, a group of six property owners met to form the association. A decision was made to meet with the developers of Shenandoah Forest for the purpose of discussing the growing dissatisfaction of lot owners with deteriorating roads and other conditions in the development because of the developers' neglect and nonfeasance. The developers promised to take remedial actions but did nothing. In further meetings with the developers, agreements were reached in which they concurred in a turnover of Shenandoah Forest to the newly formed non-stock and non-profit association, incorporated in Virginia under the provisions of Chapter 2 of Title 13.1 of the Code of Virginia. Included in the agreements were all the rights and responsibilities held by the developers. These included the taking over of all road maintenance, the assessing and collecting of maintenance fees from lot owners, and the overall governing of the community with respect to setting rules, regulations and restrictions.

In an out-of-court settlement in the spring of 1976, the Association was granted all authorities held by the developers; ownership of the roads network, common lots and the bathhouse, the right to register liens against lots whose owners did not pay assessed charges, all billing records in the possession of the developers, and the right to enter into contracts with road maintenance contractors.

B. The Resident Agent for SHENANDOAH FOREST PROPERTY OWNERS' ASSOCIATION, INC. is Mr. Brian White, President SFPOA.

III. DECLARATIONS

A. The following restrictions are recorded in the Page County Court House, Luray, Virginia, and are designed to protect purchasers and property owners and to assure continued property value and appreciation in Shenandoah Forest, Luray District, Page County, Virginia. All deeds recorded for said property shall refer to the restrictions herein listed and shall run with the land.

1. All buildings shall be constructed of either natural stone or wood or a veneer of either.
2. Not more than one residence shall be constructed on lots smaller than one acre in size. Permission to construct more than one building on any lot must be granted in writing by the developers.
3. No residence s all be constructed which is smaller than 250 square feet.

4. Said property is for the private use of property owners, guests of owners, heirs and assigns and no signs, billboards or advertising of any kind shall be erected placed or maintained on any lots, tracts or right-of-ways nor upon any building erected thereon, except directional and information signs of the developers.
  5. All property owners agree, at the time of purchase and possession to pay a yearly assessment of fifteen dollars (\$15.00) which sum is to be used for road and facility maintenance only and which cannot be increased by more than 3% per year.
  6. No lot or tract upon said property may be subdivided without consent in writing from the developers.
  7. No building shall be constructed closer than 25 feet to any roadway.
  8. All drainage fields, septic tanks and cesspools must be approved by the Virginia State Health Department.
  9. The developers reserve unto themselves, their heirs or assigns, the right to erect and maintain telephone and electric light poles, conduits, equipment, sewer, gas and water lines along existing roadways and right-of-ways, or to grant easements or right-of-ways therefor, with the right of ingress and egress for the purpose of erection or maintenance on, over or under a strip of land five (5) feet wide at any point along the side, rear or front lines of any lots or tracts upon said property.
- B. The developers caused to be entered in the Purchase Contracts of many owners that the annual increase in road maintenance fees would be one dollar (\$1.00). (Note: This formula as well as the one recorded in paragraph III A 5, above, has been assiduously followed by the Association in its annual billings as determined from the billing information turned over to the Association by the developers).
- C. It should be noted that wherever there is mention of "the developers" above must since the turnover of authority by them to the Association now be construed to mean the "Association".
- D. Common Use Areas
1. For those lot owners who camp out or picnic, the Association maintains a bathhouse on Lot 22, located on Forest Drive. The bathhouse has separate men's and women's toilet facilities and showers with hot and cold water. The bathhouse is open from the latter part of April through October each year. Fear of freeze dictates closing from November through March.

The lot adjacent to the bathhouse can also be used by owners for picnics. There is a fireplace constructed of stone for use as a charcoal grill.

2. There is a lot owned by the Association at the end of Forest Boundary Road, adjacent to Lots F11 and D16, which may be used for parking to gain foot access to the George Washington National Forest. The lot is not, however, maintained as a finished parking lot.

ARTICLES of INCORPORATION and BY-LAWS

A. ARTICLES OF INCORPORATION Of The SHENANDOAH FOREST PROPERTY OWNERS' ASSOCIATION (As Amended 5/7/83, 1/1/89 and 1/28/06)

We hereby associate to form a non-stock and non-profit corporation under the provisions of Chapter 2 of Title 13.1 of the Code of Virginia and to that end set forth the following:

1. The name of the corporation is: SHENANDOAH FOREST PROPERTY OWNERS' ASSOCIATION, hereinafter called "the corporation".
2. The purposes of the corporation are:
  - a. To promote the common interests of the owners of property in the Shenandoah Forest Subdivision, Luray District, Page County, Virginia.
  - b. To manage and regulate the affairs of the Shenandoah Forest Subdivision and the corporation and specifically to maintain and operate all existing and future common use roads, facilities, utilities, and commonly owned areas in the Subdivision.
3. Membership in the corporation shall consist of all persons who own property in the Shenandoah Forest Subdivision.
  - a. Active members shall be those whose assessments, fees, and dues shall be fully paid.
  - b. All other members shall be inactive members.
  - c. Only active members shall be eligible to vote and to hold office in the corporation.
4. The directors shall appoint a director who is a resident of Page County, Virginia, to serve as registered agent. If no director is thus appointed, the directors shall appoint an active member of the corporation resident in Page County, Virginia, who shall serve as director ex officio.
5. The Post Office address of the SHENANDOAH FOREST PROPERTY OWNERS' ASSOCIATION is:

170 Forest Drive, Luray, Virginia 22835

The name of the County in which the initial registered office is located is Page. The name of the Association's registered agent is Arthur Gregory

who is a resident of Page County, Virginia and who is a director of the corporation.

The number of Directors constituting the initial Board of Directors was seven (eight as of 1/1/89; ten as of 1/28/06). A listing of the names and addresses of the persons currently serving as Directors is attached.

## B. BY-LAWS

### ARTICLE I. Name

This organization shall be known as the Shenandoah Forest Property Owners' Association, a non-profit association of property owners in Shenandoah Forest, District of Luray, Page County, Virginia, hereinafter referred to as the "Association".

### ARTICLE II. Purpose

Section 1. The purposes of the Association are:

- i. To promote the common interests of the owners of property in the Shenandoah Forest Subdivision;
- ii. To manage and regulate the affairs of the Shenandoah Forest Subdivision and the Association in accordance with Commonwealth of Virginia law [Code of Virginia, Chapter 19, Subdivided Land Sales Act], and specifically to maintain and operate all existing and future common use roads, facilities, utilities, and common areas in the Shenandoah Forest Subdivision; and
- iii. To provide for communication and dissemination of information among property owners to facilitate the promotion of their common interests.

### ARTICLE III. Membership

Section 1. All owners of property in the Shenandoah Forest Subdivision are members of the Association by virtue of such ownership.

Section 2. Active members of the Association shall be those members whose assessments and dues are fully paid. All other members shall be inactive members.

Section 3. When ownership of property resides in more than one [1] person, one [1] of those persons shall represent all the others in the Association.



ARTICLE IV. Organization and Governance

Section 1. The Association shall be governed by a board of directors [hereinafter called the "board" and "director(s)"]. The number of directors shall be eight [8] commencing on January 1, 1989; ten (10) commencing on January 28, 2006.

Section 2. Directors shall serve for two [2] years or until their successors have been elected and taken office. One half of the number of directors shall be elected each year.

Section 3. A director may be removed from office by a majority of Association members voting upon a written petition for such action signed by at least fifteen [15] active members and delivered to the president of the Association by U.S. mail. The president shall cause a vote to be held within sixty [60] days of the receipt of such petition, following the procedures for voting set forth below in Article V.

Section 4. If a vacancy occurs on the board of directors, the remaining directors shall appoint an active member of the Association to complete the term of the absent director.

Section 5. Directors' terms of office shall commence on the first meeting of the board of directors following January 1.

ARTICLE V. Nomination and Election of Board Members

Section 1. The president shall appoint a nominating committee chaired by a director to prepare a slate of candidates for the vacant offices of director. The number of candidates slated shall exceed the number of offices to be filled by at least two [2]. Each candidate shall be an active member of the Association and shall have declared his/her willingness to serve if elected.

Section 2. The nominating committee shall provide for each candidate placed on the slate his/her address, former office[s] held in the Association [if any], occupation, and whether the candidate's primary residence is in the Subdivision.

Section 3. The nominating committee shall present its slate of candidates to the president not later than August 1 of each year.

Section 4. The election of directors shall take place between October 1 and October 31 of each year.

Section 5. The election of directors shall be by means of mailed ballots.

Section 6. The president shall direct the secretary of the Association to mail to each member of the Association on or about October 1 the slate of nominees prepared by the nominating committee together with the information specified in Section 2 above about each nominee, and a ballot listing the nominees in alphabetical order with instructions for voting and returning the ballot.

Section 7. The president shall appoint three [3] tellers from among active members, none of whom shall be a candidate for office, who shall receive and tally the ballots. One teller shall be named chief teller. The tellers shall record the number of votes received by each candidate and shall declare elected those candidates corresponding to the number of vacant offices who shall have received the highest number of votes . Tie votes shall be broken by a coin tossed by the chief teller. Invalid ballots shall be segregated and shall not be counted.

Section 8. The chief teller shall report the result of the election in writing to the president within fifteen [15] days of the closing date of the election, showing the number of ballots received, the number judged invalid, and the number of votes received by each candidate. The tellers' report shall become a part of the minutes of the next meeting of the board of directors.

Section 9. The president shall immediately inform the elected persons of their election and shall inform the board of directors of the result. Association members shall be informed of the results within ninety [90] days of the receipt of the tellers' report.

Section 10. All ballots shall be retained by the Association for three [3] years and shall be disposed of as the board of directors shall direct.

## ARTICLE VI. Board of Directors

### Section 1. Meetings:

- i. The board shall meet at least four [4] times each year. Special meetings may be called by the president or by any three [3] directors who shall state the purpose of such meeting in a written notice of meeting.
- ii. All meetings of the board of directors shall be open to members of the Association. Non-members may attend with the prior assent of the president.

- iii. One meeting each year shall be designated as the annual meeting of the Association. The board shall determine the date, place, and agenda of the annual meeting and shall inform the members of such meeting at least thirty [30] days in advance by mail.
- iv. A quorum of the board of directors shall be a majority of directors in office including at least two [2] officers, except as may be provided elsewhere in these by-laws.

Section 2. Responsibilities of the Board of Directors:

- i. The board shall take lawful, prudent, and timely actions to achieve the purposes of the Association.
- ii. The board shall administer the assets and conduct the business of the Association.
- iii. The board shall determine the amounts of, and collect from members of the Association, such assessments, dues, and other levies as are necessary to achieve the purposes of the Association.
- iv. The board of directors shall elect its officers who shall also be the officers of the Association.
- v. The board may remove from office any officer, with or without cause, at a regular or special meeting of the board, having first given each board member written notice of intent to do so at least thirty [30] days in advance.

ARTICLE VII. Election and Terms of Officers

Section 1. In January of each year only the directors whose terms have not expired and those just elected shall meet and shall elect a President, a Vice President, a Secretary, a Treasurer, and such other officers as the board shall designate.

Section 2. The election of officers shall be by written secret ballot.

Section 3. Officers shall serve for one [1] year or until their successors have been elected and taken office.

Section 4. The board shall designate a director to serve as registered agent. The Registered Agent shall be a resident of Page County, Virginia. If no director is so designated, another active member of the Association shall be named registered agent and shall serve as a director ex officio while serving as registered agent.

Section 5. No officer shall serve more than four consecutive terms in the same office.

Section 6. If an office, other than that of President shall fall vacant for any reason, the President shall name a director to serve in that office until the board shall elect a successor. No vacancy shall continue beyond the next following board meeting.

#### ARTICLE VIII. Duties of Officers

Section 1. The President shall:

- i. Preside at all meetings of the board and the Association and serve as member ex officio of every committee except the nominating committee.
- ii. Represent the Association in all relations with Government and other agencies and their representatives.
- iii. Appoint committees and their chairmen and define their duties and duration of service.
- iv. Serve as signatory to contracts, reports, and statements of the Association unless otherwise provided for by these By-laws or the board of directors.
- v. Perform such other duties as may be prescribed by the board of directors.

Section 2. The Vice President shall:

- i. Take the place of the President and perform the President's duties whenever the president is unable to do so. In the event the office of President falls vacant for any reason, the Vice President shall become President and a new Vice President shall be elected.
- ii. Serve as member ex officio of every committee except the nominating committee, but may serve as chair of the nominating committee.
- iii. Perform such other duties as may be prescribed by the board of directors.

Section 3. The Secretary shall:

- i. Maintain the records of the Association as prescribed by law and/or the board of directors.
- ii. Record the minutes of each meeting of the board and the Association and report them at the next meeting of each body.

- iii. Maintain a complete and correct roster of Association members, their addresses, and their property holdings.
- iv. Prepare and mail official correspondence and election materials as directed by the president and the board.
- v. Perform such other duties as may be prescribed by the board of directors.

**Section 4.** The Treasurer shall:

- i. Receive, disburse, and keep appropriate records on all funds of the Association.
- ii. Establish and maintain depositories for funds as approved by the board of directors.
- iii. Maintain necessary and legally required financial and tax records.
- iv. Prepare an annual budget for the approval and adoption by the board of directors and submit periodic written budget reports to the board.
- v. Report the Association's financial status at least every quarter to the board and annually to the members of the Association.
- vi. Prepare and return the Association's tax returns.
- vii. Cause an annual audit of the Association's financial transactions to be carried out by a qualified disinterested auditor selected with the approval of the board, whose report shall be submitted to the board. The treasurer shall communicate the audit report to the members.
- viii. Keep the secretary informed on the status of active and inactive members.
- ix. Perform such other duties as may be prescribed by the board of directors.

**Section 5.** The Secretary and the Treasurer may delegate clerical duties to other Association members or to paid staff provided, however, that the Secretary shall retain responsibility for the correctness of minutes of meetings, the roster of members, and the proper maintenance of records; and provided that the treasurer shall retain accountability for funds and responsibility for the correctness of financial accounts and reports.

Section 6. If and when so authorized by the board, the President shall hire employees for the Association and assume or delegate responsibility for their supervision.

Section 7. The board shall designate one or more officers to sign checks and other financial instruments.

#### ARTICLE IX. Fiscal Year

The fiscal year of the Association shall run from July 1 through June 30 of the following year.

#### ARTICLE X. Amendments to the By-laws

Section 1. Any member of the Association may propose an amendment to the B-y-laws by submitting such proposal in writing to the President.

Section 2. Action on proposed amendments to the By-laws shall be taken at a meeting of the board which has been announced in writing to all members of the Association at least thirty [30] days prior to such meeting.

Section 3. An amendment to the By-laws shall be adopted by the affirmative vote of three-fourths [3/4] of all directors in office.

Section 4. Amendments to the By-laws which have been adopted shall be communicated to the members of the Association within ninety [90] days of the adoption by the board.

#### ARTICLE XI. Rules of Order

The conduct of business at meetings shall be governed by Robert's Rules of Order unless otherwise provided for by resolutions of the board of directors.

#### ARTICLE XII. Dissolution of the Association

Section 1. The Association may be dissolved by the affirmative vote of three-fourths [3/4] of all directors in office.

Section 2. A proposal to dissolve the Association shall be announced to all the members of the Association in writing at least thirty [30] days in advance of a meeting called for that purpose.

Section 3. Legal counsel shall be present at such a meeting.

Section 4. The assets of the Association, should it be dissolved, shall be disposed of at the discretion of the board of directors.

## V. BUILDING AND ARCHITECTURAL GUIDELINES

- A. Covenants and building restrictions imposed on owners by the developers are set forth in Section III A above (see Page 2, above).
- B. The Association has promulgated over the years in newsletters the various Page County building and sanitation requirements and changes in zoning regulations whenever such came to its attention. But the burden of compliance falls upon the prospective builder. The following is offered as guidance only:
  1. A Health permit is required before most building permits are issued. Persons contemplating building any type of structure should contact the Page County Health Department, 75 Court Lane, Luray, VA 22835, for information and updated requirements for the issuance of a health permit.
  2. A Page County building permit is required for any building, including sheds. A building permit is also required for campers and travel trailers unless they have current license plates and are moved out periodically. Permits can be obtained from the Building Inspector's Office, Page County Administration Building, Court Street, in Luray.

## VI. FINANCIAL FACTS

### A. ASSESSMENTS

1. Road Maintenance. During the initial sales period of lots by the developer, each individual sales contract stipulated that an annual fee of fifteen [15] dollars per lot was to be charged. Annual increases of one [1] dollar were to be levied cumulatively and so stipulated in sales contracts of some purchasers. Contracts of other purchasers specified that cumulative annual increases to the basic fee would be three [3] percent. The Association has continued with these formulae despite higher yearly rates of inflation.
2. Administrative Fee. A modest annual fee (currently ten dollars) to cover the costs of periodic mailings including newsletters to lot owners is imposed by the Association. This fee is also used to supplement road maintenance fees to cover costs involved in bathhouse upkeep, snow removal and the like.
3. Special. Since its founding, the Association has not levied any special assessment (as of the end of 1989). Through careful financial planning, reserves set aside have been sufficient to replace road and bridge washouts. However, ravages of nature and weather conceivably could lead to such a levy.

### C. STATEMENT OF INCOME AND EXPENSES

A copy of the most recent Treasurer's Annual Report is attached.

### D. INSURANCE

The Association is currently carrying a \$1,000,000 general liability insurance policy with the Nationwide Insurance Company.

### E. CONSEQUENCES OF NON-PAYMENT OF ASSESSMENTS

Failure to pay assessments when due (by October 31 of each year) can result in the placing of a lien or "warrant in debt" against an owners' property. Under the provisions of the Code of Virginia, Chapter 19, "Subdivided Land Sales Act of 1978", as amended, Section 55-344 D, authority is granted and conferred upon an Association to file liens on lots within a subdivision for unpaid assessments. The Act also provides for award of court costs and attorney fees in the event that enforcement of the lien is required.

## VII. LEGAL

1. There are no pending legal actions against the Association.
2. No outstanding legal suits by the Association are pending against any property owner. However, a number of liens have been filed with the Page County District Court against a few lot owners who are in arrears in the payment of annual assessments.
3. FY 2021 dues breakdown: \$56.28 dues, \$35.00 special assessment, \$10.00 administration fee, total per year per lot = \$101.28.
4. As of January 1, 2020 the SFPOA board consists of the following individuals:

<b>Name</b>	<b>Position</b>	<b>Term Ends</b>
Becky Brill	Secretary	12/31/21
Bob Dixon	Director	12/31/21
Billie Caudill	Director	12/31/20
Carl Fulton	Treasurer	12/31/20
Joe Gabrielli	Director	12/31/20
RJ Judd	Vice President	12/31/21
Brian White	President/Resident Agent	12/31/20



