

(Amended)

**BYLAWS OF COLUMBIA COURT HOMEOWNERS
ASSOCIATION**

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COLUMBIA COURT HOMEOWNERS' ASSOCIATION, INC.**

I. ASSOCIATION MEMBERSHIP & POWER; EXECUTIVE BOARD

1.1. Membership. The Columbia Court Homeowners Association, Inc. ("Association") is a Pennsylvania nonprofit corporation organized under the Pennsylvania Nonprofit Corporation Law of 1988, 15 Pa.C. S.A. Section 5101 et seq. ("Law"), and comprised of all of the Unit Owners in the Columbia Court Planned Community ("Planned Community"). The Association is authorized by the Declaration of Columbia Court Planned Community in accordance with the Pennsylvania Planned Community Act, 68 Pa.C.S.A. 5105 et seq. ("Act").

1.2. Power. The Association may:

- (a) adopt and amend Bylaws and Rules and Regulations;
- (b) adopt and amend budgets for revenues, expenditures and reserves, and collect assessments for Common Expenses from Unit Owners;
- (c) hire and terminate managing agents, including a Property Management Company, and other employees, agents and independent contractors;
- (d) institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself, or two or more Unit Owners, on matters affecting the Planned Community;
- (e) make contracts and incur liabilities;
- (f) cause additional improvements to be made as a part of the Common Facilities;
- (g) acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property (provided, Common Facilities may be conveyed or subjected to a security interest only in accordance with Section 5318 of the Act);
- (h) grant easements, leases, licenses and concessions through or over the Common Facilities;
- (i) impose and receive payments, fees or charges for the use, rental or operation of the Common Facilities;
- (j) impose charges for late payment of assessments and, after notice and a hearing, levy reasonable fines for violations of the Declaration, Bylaws and Rules and Regulations;
- (k) impose reasonable charges to be established by the Executive Board for the preparation and recordation of amendments to the Declaration, resale certificates required by Section 5407 of the Act or statements of unpaid assessments required by Section 5315 of the Act; (The Association may refuse to furnish resale certificates and statements of unpaid assessments until the fees are paid. Any unpaid fees may be assessed as a Common Expense against the Unit for which the certificate or statement is furnished.)
- (l) impose a capital improvement fee, but no other fees, on the resale or transfer of Units in accordance with Section 5302 of the Act;
- (m) provide for the indemnification of its Officers and Executive Board members, and maintain officers and directors liability insurance;
- (n) exercise any other powers conferred by the Act, Declaration or Bylaws;
- (o) exercise all other powers that may be exercised in the Commonwealth of Pennsylvania by legal entities of the same type as the Association;

- (p) exercise any other powers necessary and proper for the governance and operation of the Association; and
 - (q) assign its right to future income, including the right to receive Common Expense assessments, to the extent that the Declaration expressly provides.
- 1.3. Executive Board. Except as otherwise provided in the Declaration, Bylaws or Act, the Executive Board of the Association may act in all instances on behalf of the Association.

ARTICLE II. ASSOCIATION OFFICERS

2.1. Designation. The principal Officers of the Association include the President, Secretary and Treasurer, all of whom are elected by the Executive Board. The Executive Board may appoint other Officers as are deemed necessary. The Officers will take office on election. All Officers will be Unit Owners. The President will be a member of the Executive Board. Other Officers may but need not be members of the Executive Board. Any two offices may be held by the same Person, except for the offices of President and Secretary.

2.2. President. The President is the chief executive officer of the Association, and will preside at all meetings of the Association or Executive Board. The President will, in general, perform all of the duties incident to the office of president of a nonstock corporation organized under the laws of the Commonwealth of Pennsylvania including, but not limited to, the discretionary power to appoint committees from among the Unit Owners to assist in the conduct of the affairs of the Association. The President may cause to be prepared and may execute amendments to the Declaration and Bylaws on behalf of the Association, following authorization and approval of the particular amendment, as applicable. The President may fulfill the role of the Treasurer in the absence of the Treasurer.

2.3. Secretary. The Secretary will, in general, perform all of the duties incident to the office of secretary of a nonstock corporation organized under the laws of the Commonwealth of Pennsylvania including, but not limited to, keeping the minutes of all meetings of the Association and Executive Board and having charge of such books and papers as the Executive Board may direct. The Secretary may cause to be prepared and may attest to execution by the President of amendments to the Declaration and Bylaws on behalf of the Association, following authorization and approval of the particular amendment, as applicable.

2.4. Treasurer. The Treasurer will, in general, perform all of the duties incident to the office of treasurer of a nonstock corporation organized under the laws of the Commonwealth of Pennsylvania including, but not limited to, having the responsibility for Association funds and securities. That responsibility includes: depositing all moneys and other valuable effects into such depositories as may be designated by the Executive Board; keeping full and accurate financial records and books of accounts showing all receipts and disbursements; and preparing all required financial data. The Treasurer may endorse, on behalf of the Association, for collection only, checks, notes and other obligations; and may endorse or transfer, on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association, or as fiduciary for others.

The Treasurer will take the place of the President and perform presidential duties when the President is absent or unable to act. If neither the President nor the Treasurer is able to so act, the Executive Board will appoint

another Executive Board member to act in the place of the President on an interim basis. The Treasurer will also perform such other duties as may be imposed by the President or Executive Board.

2.5. Execution of Instruments. Except as otherwise provided in the Bylaws, all agreements, contracts, leases, deeds, checks and other instruments of the Association will be executed by any Officer of the Association, or any other Person or Persons designated by the Executive Board.

2.6. Resale Certificates & Statements of Unpaid Assessments. The Treasurer or, in the Treasurer's absence, a designated Person, may prepare, certify and execute resale certificates and statements of unpaid assessments as provided in Subsection 1 .2.(k) of the Bylaws.

2.7. Election. The Officers of the Association shall be elected annually at the organization meeting of each new Executive Board, and shall hold office at the discretion of the Executive Board.

2.8. Removal. On the affirmative vote of a majority of Executive Board members, any Officer may be removed, with or without cause, and a successor may be elected at any regular Executive Board meeting, or at any special meeting of the Executive Board called for that purpose. Any member of the Executive who is absent from three meetings will be automatically removed from office.

2.9 Compensation. Each board member will receive a fee from the Association for the performance of their duties, as well as reimbursement for necessary expenses incurred in connection therewith. The amount of the fee will be \$240.00 annually, payable June 30th for the prior year of service. If a member does not serve a full year, their fee will be pro-rated.

III. ASSOCIATION MEETINGS

3.1. Annual Meetings. Regular meetings of the Association will be held annually. At such meetings the Executive Board members will be elected by ballot of the Unit Owners in accordance with the provisions of Article IV of the Bylaws. The Unit Owners may transact other business as may properly come before them at the annual meeting.

3.2. Budget Meetings. Meetings of the Association to consider proposed budgets will be called in accordance with Article VI of the Declaration. Proposed budgets may be considered at annual meetings or special meetings called for other purposes as well.

3.3. Special Meetings. Special meetings of the Association may be called by the President, by a majority of the members of the Executive Board or by Unit Owners representing twenty percent of the votes of the Association.

3.4 Location. Meetings of the Association shall be held at a location convenient to the Unit Owners that will be designated by the President or Executive Board.

3.5. Notice. The Secretary will cause notice of any meeting of the Association, other than a budget meeting, to be hand delivered or sent prepaid by United States mail to the mailing address of each Unit, or to any other mailing address designated in writing by the Unit Owner, not less than ten, or more than sixty, days in advance of the meeting. The Secretary will cause notice of a budget meeting to be delivered by the methods, to the addresses and in the form described above, not less than fourteen, or more than thirty days after mailing of the budget summary. No action shall be taken at any meeting except as stated in the notice.

3.6. Waiver of Notice. A Unit Owner may waive notice of any meeting of the Association in writing, and such waiver will be deemed equivalent to receipt of notice.

3.7. Adjournment. At any meeting of the Association, a majority of Unit Owners present in person or by proxy may adjourn the meeting to another time.

3.8. Order of Business. The order of business at all Association meetings will be as follows:

- (a) roll call, or sign in procedure;
- (b) proof of notice of meeting;
- (c) reading of minutes of preceding meeting;
- (d) reports;
- (e) establishment of number and term of membership of the Executive Board (if required and noticed);
- (f) election of members to the Executive Board (if required and noticed);
- (g) ratification of budget (if required and noticed);
- (h) unfinished business; and
- (i) new business.

IV. ASSOCIATION VOTING

4.1. Unit Vote. Voting at all Association meetings will be on the basis of one vote per Unit owned.

4.2. Entity Ownership of Unit. If the Owner of a Unit is a corporation, partnership, association, other legal or commercial entity or any combination thereof, the natural person entitled to cast the vote for that Unit will be the person named in a certificate executed by that entity according to its governing documents. If the Owner of a Unit is a trust, the trustee or trustees will be deemed to be the Owner for voting purposes.

4.3. Multiple Ownership of Unit. If the ownership of a Unit is in more than one natural person, the natural person entitled to cast the vote of the Unit will be the person named in a certificate executed by all of the Owners of the Unit and filed with the Secretary of the Association. In the absence of the named person from the meeting, or in the event of failure to execute and file such a certificate, the person owning the Unit who is present at the meeting will be entitled to cast the vote of the Unit. If more than one of the multiple Owners is present at the meeting, the vote allocated to that Unit may be cast only in accordance with the Owners' unanimous agreement. There will be deemed unanimous agreement if any one of the multiple Owners casts the vote allocated to that Unit without protest promptly being made to the Officer presiding over the meeting by any of the other Owners of the Unit. Such a certificate will be valid until revoked by a subsequent certificate similarly executed.

4.4. Unit Owner Approval or Disapproval. Subject to the provisions of the Act, Declaration and Bylaws, wherever the approval or disapproval of a Unit Owner is required, the approval or disapproval will be made only by the person who would be entitled to cast the vote of the Unit at any meeting of the Association, as described in Subsections 4.2 and 4.3 above.

4.5. Proxies. The vote allocated to a Unit may be cast pursuant to a proxy duly executed by the Unit Owner. The Unit Owner may grant the proxy in favor of another Unit Owner, or a Mortgagee. If there are multiple Owners of a Unit, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy except by actual notice of revocation to the Officer presiding over the meeting. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one year after its date unless it specifies a short term.

4.6. Quorum. Except as otherwise provided in the Bylaws, the Unit Owners present, in person or by proxy, at any meeting of the Association will constitute a quorum at such meeting.

4.7. Majority of Unit Owners. Owners of more than fifty percent of the Units in the Planned Community and, therefore, more than fifty percent of the votes in the Association constitute a Majority. Majority of Unit Owners shall only be required as follows: (a) to reject a proposed annual budget pursuant to Section 6.1, (b) to ratify non-budgeted common expense assessments pursuant to Section 6.3, or (C) as otherwise may be specifically required for certain actions as expressly set forth in the Bylaws, as they may be amended from time to time.

4.8. Resolutions. Unless otherwise provided in the Declaration, Bylaws or Act, the adoption of a resolution requires the vote, in person or by proxy, of the Majority of Unit Owners at a duly convened meeting of the Association at which a quorum is present.

4.9. Budget. The Executive Board's expenditure or borrowing of monies or incurrence of expenses, in an amount greater than fifteen percent of the current annual operating budget will require the prior approval of the

Majority of Unit Owners at either a regular meeting or a special meeting called for such purpose.

4.10. Executive Board Elections. In Executive Board elections, each Unit Owner is entitled to cast its vote for each vacancy to be filled. The nominees receiving the highest number of votes will be elected. If nominees are being elected for unequal terms, the nominees receiving the highest number of votes will be elected to the longest terms.

4.11 Binding Effect. The vote of the Majority of Unit Owners present, in person or by proxy, at a meeting at which a quorum is present is binding on all of the Unit Owners for all purposes, except where a higher percentage vote is required in the Declaration or Bylaws.

ARTICLE V. ASSOCIATION RECORDS

5.1. Records. The Association will maintain the following records:

- (a) an account for each Unit indicating the name and address of each Unit Owner, the name and address of each Mortgagee which has given notice of its mortgage to the Association, the amount of each Common Expense assessment, the date on which each assessment becomes due, the amounts paid on the account and the balance due;
- (b) an account for each Unit indicating any other fees payable by the Owner;
- (c) a record of any capital expenditure in excess of Five Thousand Dollars (\$5,000.00) approved by the Executive Board for the current and next two succeeding fiscal years;
- (d) a record of any amount and accurate account of, the current balance of any reserve for capital expenditures, replacement and emergency repairs, together with the amount of those portions or reserves designated by the Association for a specific project;
- (e) the most recent regularly prepared Association balance sheet and income and expense statement, if any;
- (f) the current operating budget;
- (g) a record of any unsatisfied judgments against the Association, and any pending suits in which the Association is a defendant;
- (h) a record of insurance coverage provided for the benefit of the Association and Unit Owners;
- (i) a record of any alterations or improvements to Units, of which the Association has knowledge, which violate any provisions of the Declaration;
- (j) a record of any violations with respect to any portion of the Planned Community, or any health, safety, fire or building codes or laws, ordinances, or regulations of which the Association has knowledge;
- (k) a record of the actual cost of maintaining the Common Facilities, irrespective of discounts and allowances;
- (l) state and federal income tax returns;
- (m) minutes of proceedings of the incorporators, Association, Executive Board, Executive Board committees, and waivers of notice; and
- (n) any and all other records required by the Law.

5.2. Examination. All records maintained by the Association will be available for examination and copying by any Unit Owner, Mortgagee or duly authorized agent or attorney. The examination shall take place during normal business hours, after reasonable notice, and will be at the expense of the Person examining the records.

5.3. Audit. The Association's financial records will be reviewed annually by a licensed accountant or similarly qualified Person. The cost of the annual review of the financial records will be a Common Expense unless otherwise provided in the Planned Community Documents.

VI. EXECUTIVE BOARD

6.1. Association's Governing Body. As governing body of the Association, the Executive Board has the powers and responsibilities, and is subject to the limitations, provided by Sections 5302 and 5303 of the Act.

6.2. Makeup. The Executive Board will consist of five members. If a Unit is owned by a corporation, partnership, association, trust, other legal or commercial entity or any combination thereof, any officer, partner or employee of the Unit Owner will be eligible to serve as an Executive Board member, and deemed to be a Unit Owner for the purposes of the preceding sentence.

6.3. Term. Executive Board members will serve three-year terms, or until their successors qualify and are elected.

6.4. Standard of Care. The members of the Executive Board are to exercise such standard of care as required by law.

6.5. Property Management Company. The Executive Board may employ a Property Management Company for the Planned Community to perform such duties and services as the Executive Board authorizes.

6.6. Removal. The Unit Owners may remove any member of the Executive Board, with or without cause, by a two-third vote of all of the Unit Owners present and entitled to vote at any regular or special meeting of the Unit Owners at which a quorum is present. Any member of the Executive Board who misses three meetings will be automatically removed from office.

6.7. Vacancies. Vacancies on the Executive Board, as a result of any reason other than the removal of an Executive Board member by a vote of the Unit Owners, may be filled at a special meeting of the Executive Board held for that purpose at any time after the occurrence of the vacancy, even though the Executive Board members present at the meeting constitute less than a quorum. The procedures are as follows:

(a) With respect to vacancies of seats formerly occupied by Executive Board members elected by Unit Owners, a successor may be elected by a majority of the remaining Executive Board members.

Each Executive Board member so elected or appointed will serve for the remainder of the term of the replaced member

6.8. Regular Meetings. The time and place of the Executive Board meeting will be fixed at the Unit Owners meeting. No notice to the newly elected Executive Board members will be necessary in order to legally constitute the meeting, provided that a majority of the Executive Board members are present. The Executive Board may set a schedule of additional regular meetings by resolution, and no further notice is necessary to constitute such regular meetings.

6.9. Special Meetings. Special meetings of the Executive Board may be called by the President or by a majority of the Executive Board members on at least three business days notice to each Executive Board member. The notice will be hand delivered or mailed, and include the time, place and purpose of the meeting.

6.10. Location. Meetings of the Executive Board will be held at a location convenient to all Unit Owners.

6.11. Waiver of Notice. An Executive Board member may waive notice of any meeting of the Executive Board in writing, and such waiver will be deemed equivalent to receipt of notice. Attendance by an Executive Board member at any meeting of the Executive Board will constitute a waiver of notice. If all of the Executive Board members are present at any meeting, no notice will be required and any business may be transacted at such meeting.

6.13. Quorum. At all meetings of the Executive Board, a majority of the Executive Board members will constitute a quorum. If, at any meeting, less than a quorum is present, a majority of those present may adjourn the meeting to another time. At any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

6.14. Majority. The vote of a majority of the Executive Board members present at a meeting at which a quorum is present will constitute the decision of the meeting.

6.15. Consent in Lieu of Meeting. Unless prohibited by law, any action which may be taken at a meeting of the Executive Board may be taken without a meeting if authorized by a written consent. The consent will be signed by all of the Executive Board members who would be entitled to vote on the action at the meeting, and filed with the Secretary of the Association.

6.16. Compensation. An Executive Board member may receive a fee from the Association for the performance of the members' duties, as well as reimbursement for necessary expenses incurred in connection therewith. The amount of the fee may be set by resolution of the Unit Owners. See ARTICLE IT at 2.9.

6.17. Form Resale Certificate. The Executive Board will adopt a form resale certificate in accordance with Section 5407 of the Act.

ARTICLE VII: VIOLATION OR BREACH BY UNIT OWNER

7.1. Abatement & Enjoinment. The violation of any of the Rules and Regulations currently included in the Declaration or subsequently promulgated by the Executive Board, or the breach of any of the provisions of the Declaration or Bylaws, gives the Executive Board the following rights, after notice and a hearing, in addition to any other rights provided in the Bylaws:

(a) The Executive Board has the right to enter the Unit on which, or as to which, the violation or breach exists, and to abate and remove, at the expense of the Unit Owner, any structure, thing or condition (except for additions or alterations of a permanent nature) that is existing and creating a danger to the Planned Community contrary to the intent and meaning of the provisions of the Planned Community documents. The Executive Board will not be deemed liable for any manner of trespass by virtue of such entry. In the case of an emergency, the above referenced notice and hearing requirement is not applicable.

(b) The Executive Board has the right to enjoin, abate or remedy by appropriate legal proceedings, either at law or at equity, the continuance of any such violation or breach.

7.2. Fines. Following notice and a hearing determined and held by the Executive Board, the Executive Board may, by resolution, levy a fine of up to ten dollars (\$10.00) per day for each day that a violation persists after such notice and hearing. Provided the amount of the fine may not exceed the amount necessary to insure compliance with the rule or order of the Executive Board.

ARTICLE VIII. INDEMNIFICATION

8.1. Indemnification. The Association shall indemnify every officer and Executive Board member against any and all expenses, including but not limited to counsel fees, reasonably incurred or imposed upon any officer or Executive Board member in connection with any action, suit or other proceeding (including settlement of any settlement or proceeding, if approved by the then governing Executive Board, to which he or she may be a party by reason of being or having been an officer or Executive Board member. The officers and Executive Board members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officer and Executive Board members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officer or Executive Board members may also be members of the Association), and the Association shall indemnify and forever hold each such officer and Executive Board member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive

of any other rights to which any officer or Executive Board member, or former officer or Executive Board member, may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

IX. AMENDMENTS

9.1. With Unit Owner Approval. The Bylaws may be amended by the vote of the Majority of Unit Owners.

9.2. Without Unit Owner Approval. The Executive Board may effect an appropriate amendment without the approval of the Unit Owners if the Executive Board determines that the amendment is necessary:

- (a) to cure any ambiguity, or to correct or supplement any provision of the Bylaws that is defective, missing or inconsistent with any other provision of the Bylaws, Declaration or Act; or
- (b) to conform to the requirements of the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation with respect to planned communities.

Prior to effecting the amendment, the Executive Board must be in receipt of an opinion from independent legal counsel that the proposed amendment is permitted within the terms of this Section.

ARTICLE X. MISCELLANEOUS

10.1. Address. The office of the Association is to be located at a location convenient to Unit Owners. Any mail to be delivered to the Association or the Executive Board may be sent to Property Management Company.

10.2. Notice. All notice to the Association or Executive Board shall be delivered to the office of the Association, or to such other address as the Executive Board designates. Such designation will be in writing to all Unit Owners and to all Mortgagees which have given notice of their mortgages to the Association. Except as otherwise provided, notice to any Unit Owner will be sent to its address as it appears in the records of the Association. Notice to any Mortgagee will be sent to the address designated by it in writing to the Association. The manner of delivery will be by certified mail, return receipt requested, except where otherwise specified. All notice is deemed given when mailed, except for notice of address changes which is deemed given when received.

10.3. Fiscal Year. The Association's fiscal year will be July 1 through June 30.

10.4 Waiver. No restriction, condition, obligation or provision contained in the Bylaws will be deemed to have been abrogated or waived by reason of any failure to enforce the, same, irrespective of the number of violations or breaches that may occur.

The foregoing were adopted as the Bylaws of the Columbia Court Homeowners Association.

