



BYLAWS
OF
THE OXFORD SQUARE CONDOMINIUM ASSOCIATION
MIDDLETOWN TOWNSHIP, BUCKS COUNTY, PENNSYLVANIA

TABLE OF CONTENTS

	Page
Article I. Definitions	1
Article II. The Association	2
Section A. Membership	2
Section B. Location of Meetings	3
Section C. Regular Meetings	3
Section D. Special Meetings	3
Section E. Delivery of Notice of Meetings	4
Section F. Quorum	4
Section G. Proxies	5
Section H. Voting	5
Section I. Membership List	6
Section J. Parliamentary Rules	6
Section K. Actions by Association Without a Meeting	6
Section L. Dissolution	6
Article III. Executive Board of the Association.	7
Section A. Composition	7
Section B. Election	7
Section C. Compensation	8
Section D. Resignations and Removals	8
Section E. Filling Vacancies	8
Section F. Annual Meeting	8
Section G. Regular Meetings	9
Section H. Special Meetings	9
Section I. Notice	9
Section J. Waiver of Notice	9
Section K. Quorum	10
Section L. Voting	10
Section M. Action by Consent	10
Article IV. Officers of the Association	10
Section A. Designation	10
Section B. Powers	11
Section C. Term of Office	11

Section D. Vacancies	12
Section E. Compensation	12
Section F. Liability of Executive Board and Officers	12
Section G. Indemnification of Declarant, Executive Board and Officers	13
Section H. Miscellaneous	14
Article V. Common Expenses	15
Section A. Declaration of Common Expenses	15
Section B. Assessment	15
Section C. Payment	15
Section D. Liability	16
Section E. Subordination	17
Section F. Rights on Foreclosure	17
Article VI. Rights and Duties of Unit Owners ..	19
Section A. Maintenance and Alteration	19
Section B. Sale or Lease of Unit	22
Section C. Mortgages	23
Article VII. Repair or Reconstruction	25
Section A. "Very Substantial" Defined	25
Section B. Partial Destruction	25
Section C. Total Destruction	26
Section D. Repairs	27
Section E. Obsolescence	27
Article VIII. Uses and Restrictions	27
Section A. Nuisance	27
Section B. Conformity to Rules	28
Article IX. Eminent Domain	28
Article X. Compliance and Default	28
Section A. Release	28
Article XI. Miscellaneous	30
Section A. Waiver	30
Section B. Interpretation	30
Section C. Captions	31
Section D. Notices	31
Section E. Severability	32
Section F. Amendment	32
Section G. Effective Date	33

BYLAWS

OF

THE OXFORD SQUARE CONDOMINIUM ASSOCIATION
MIDDLETOWN TOWNSHIP, BUCKS COUNTY, PENNSYLVANIA

ARTICLE I. DEFINITIONS AND APPLICABILITY OF CONDOMINIUM DOCUMENTS

Section A. The following words and terms shall have the meanings respectively ascribed thereto in the Declaration: Act, Association, Buildings, Common Elements, Common Expenses, Condominium, Condominium Documents, Declaration, Declaration of Condominium, Declaration Plat, Declaration Plan, Executive Board, Limited Common Elements, Unit and Unit Owner. All other terms defined in §3103 of the Act and used herein shall have the meanings specified in §3103 of the Act.

Section B. The Declaration, the Plat and Plans, these Bylaws, and any and all Rules and Regulations promulgated from time to time by the Executive Board of the Association governing the details of the use and operation of the property and the use of the common elements shall be binding upon all present and future Unit Owners and their tenants, guests, licensees, servants, agents, and employees, as well as mortgagees, the Executive Board and its agents, and any and all other persons who shall be permitted to use any unit the common elements, or any portion of the property. The acceptance of a deed, Installment Land Sale Contract, mortgage, or any other conveyance relating to any unit or the entering into of a lease relating to a unit, or the act of occupying or using any unit or any portion of the common elements or any facilities on the property shall

constitute an agreement to be subject to and bound by the condominium documents and shall further constitute an acceptance and ratification of all of the provisions thereof. All such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in any unit as though such provisions were recited and stipulated at length in each and every deed, Installment Land Sale Contract, conveyance, mortgage or a lease thereof.

ARTICLE II. THE ASSOCIATION

Section A. Membership. The owners of all units in the condominium shall be members of the Association. Every owner of a unit shall automatically, upon becoming the owner of such unit, become a member of the Association and shall remain a member of the Association until such time as his ownership ceases for any reason. Other than as an incident to a lawful transfer of title to a unit, membership in the Association shall be non-transferable; and any attempt to transfer same shall be null and void. The words "member" or "members" as used in these Bylaws shall mean and refer to a "Unit Owner" or "Unit Owners" as defined herein. If a Unit Owner is a trust, then the member shall be the trustee of such trust. If a Unit Owner or a trustee is a corporation or partnership, the member may be a duly authorized officer, partner, or employee of such Unit Owner or trustee. Lessees of units shall enjoy and exercise the rights of a member when such rights have been duly assigned to such lessee by the Unit Owner under and pursuant to a lease permitted by the provisions of the Declaration.

Section B. Location of Meetings. All annual and special meetings of the Association shall be held at the principal office of the Association, at Middletown Boulevard, Langhorne, Bucks County, Pennsylvania, or at such other place as may be from time to time fixed by the Executive Board and designated in notices of such meetings.

Section C. Regular Meetings. The first regular annual meeting of the Association may be held, subject to the terms hereof on any date at the option of the Association, provided, however, that this first meeting shall be held not less than 60 days nor more than 180 days after PENN'S GRANT CORPORATION, as "Declarant" has sold and delivered by means of Installment Land Sale Contracts or Deeds, any of the units. Regular annual meetings of the Association shall be held at such time and place as specified in the written notice of such meeting, which shall be delivered to all Unit Owners at least seven days prior to the date of such meeting.

Section D. Special Meetings. Special meetings of the members may be called if requested by a majority of the Executive Board or upon the written request of member(s) entitled to cast at least 30% of the votes of all of the members of the Association. The Executive Board shall designate the date, time, and place of all special meetings. Special meetings may be called for the purpose of considering any matters which shall be required or permitted by law or the condominium documents, but no business shall be transacted at the meeting other than as specified in the notice thereof. Written notice of special

meetings shall be delivered to all Unit Owners not less than three days prior to the date of the proposed meeting. Said written notice shall state the date, time, and place of the special meeting and the matters to be considered thereat.

Section E. Delivery of Notice of Meetings. Notice of meetings shall be delivered either personally or by first class mail to Unit Owners at the address given to the Association by said Unit Owners for such purpose or to the Unit Owner's unit if no address for such purpose has been given.

Section F. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of members entitled to cast in excess of 51% of the votes of all members of the Association shall constitute a quorum of any annual or special meeting of members. The subsequent joinder of a Unit Owner or his voting representative in the action taken at a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum. When a quorum is once present to organize the meeting, it cannot be broken by the subsequent withdrawal of a Unit Owner or Unit Owners or his or their voting representatives. If any meeting of members cannot be organized because a quorum is not present, the members present either in person or by proxy may adjourn the meeting to a later date and shall give notice thereof in accordance with Section E of this Article. A quorum at such adjourned meeting shall consist of the number of members present whether or not their combined votes are in excess of 51% of the votes of all members of the Association.

Section G. Proxies. Any member may attend all meetings of the Association either in person or by proxy. Such proxy shall be in writing and shall be delivered to the secretary prior to the meeting for which the proxy has been given. The proxy may be revoked at any time by written notice to the secretary or by the presence of the member at such meeting. No proxy shall endure for more than one meeting and any adjournments thereof. Such proxy shall also become void when the Executive Board has received notice of the death or judicially declared incompetence of the grantor of such proxy or upon receipt of notice of the recordation of the transfer of title of the unit from the grantor of such proxy.

Section H. Voting. At any meeting of the Association, each member shall be entitled to the same number of votes as provided in Exhibit C to the Declaration of Condominium. Acts of the Association including selection of members of the Executive Board, except as otherwise provided by law or the condominium documents, shall require the approval of more than 50% of the votes entitled to be cast by members present in person or by proxy at a meeting of the Association at which a quorum is present. In the event that any member consists of more than one person or legal entity, the voting rights of such member shall not be divided but shall be exercised as though said member consisted of only one person in accordance with the proxy or other designation made by the persons or entities constituting such member. The Declarant may exercise its voting rights with respect to units owned by it.

Section I. Membership List. The secretary of the Association shall compile and keep up to date at the principal office of the Association a complete list of the members and their last known post office addresses. Such list shall also show the allocation of ownership in the common elements assigned to each unit in the condominium documents. This list shall be open to inspection to all members and other persons lawfully entitled to inspect the same at reasonable hours during regular business days and shall be available for inspection during all meetings of the Association.

Section J. Parliamentary Rules. Robert's Rules of Order (current edition) shall govern the conduct of Association meetings when not in conflict with the condominium documents.

Section K. Actions by Association Without a Meeting. Any action required or permitted to be taken by a vote of the members of the Association, except removal of members of the Executive Board, may be taken by written consent, stating the action so taken, of at least that number of members whose votes would have been sufficient to take the action had a meeting been held at which all members were present.

Section L. Dissolution. The Association may be dissolved by its members in accordance with the procedures set forth in the statutes of the Commonwealth of Pennsylvania governing nonprofit corporations. Unless otherwise provided by law, each member of the Association, upon dissolution, shall be deemed to own the same allocation of the undivided interest in the common elements then assigned to his unit pursuant to the condominium documents.

ARTICLE III. EXECUTIVE BOARD OF THE ASSOCIATION

Section A. Composition. The Executive Board of the Association shall initially consist of two individuals, each of whom shall be a Unit Owner or a designee of the Declarant. At such time as there shall be more than two Unit Owners, the Executive Board shall consist of three individuals, each of whom shall be a Unit Owner or a designee of the Declarant.

Section B. Election.

1. Commencing with the first annual meeting and continuing until two or more units have been conveyed by the Declarant to Unit Owners other than Declarant, said Declarant shall have the right to designate one member of the Executive Board. The other Executive Board member shall be designated by the Unit Owners, other than Declarant each year at the annual meeting of the Association.

2. At the first annual meeting of the Association after expiration of the Declarant's right to designate as stated above, one Executive Board member shall be elected to serve a term of three years, one shall be elected to serve a term of two years, and one shall be elected to serve a term of one year. At the expiration of each successive term of each member of the Executive Board, his successor shall be elected to serve for a term of three years until his successor is duly elected or until his death, removal, or resignation. An Executive Board member may serve an unlimited number of terms.

Section C. Compensation. No member of the Executive Board shall receive compensation for his services as a member of the Executive Board.

Section D. Resignations and Removals. Any member of the Executive Board may resign from the Board at any time by written notice to the Board. Any member (other than members designated by Declarant, who may be removed and replaced by Declarant at any time and from time to time) may be removed from the Executive Board with or without cause by the affirmative vote of members of the Association entitled to cast at least 75% of the votes of all members of the Association at a special meeting duly called and held for such purpose. If a member of the Executive Board who is also a Unit Owner shall cease being a Unit Owner, such member may be removed from the Executive Board by the unanimous vote of the other Board members.

Section E. Filling Vacancies. Any vacancy or vacancies on the Executive Board caused by death, resignation, removal from office or otherwise, may be filled by the remaining members of the Executive Board at a special meeting duly called for the purpose, the successor to serve for the balance of the term so filled; provided, however, that a vacancy occurring during the term of members designated by Declarant and which involve one or more members appointed by Declarant shall be filled by Declarant.

Section F. Annual Meeting. The Executive Board shall hold an annual meeting immediately following the annual meeting of the Association for the purpose of electing officers of the

Association and for any other purpose which may be required or permitted by law or the condominium documents.

Section G. Regular Meetings. The Executive Board may hold regular meetings at such time and places as shall be designated by a majority of the Board. Such meetings shall be held at least once every three months and there shall be a meeting of the Executive Board during the last month of each fiscal year of the Association at which the Executive Board shall adopt the budget of the Association for the forthcoming fiscal year.

Section H. Special Meetings. Special meetings of the Executive Board may be called by the president of the Association and shall be called upon the written request of any two members of the Executive Board. The president shall call such meetings not less than five nor more than ten days after receipt of such request and shall designate the time and place of such meetings. No business shall be transacted at the meetings other than as specified in the notice thereof.

Section I. Notice. Written notice of meetings of the Executive Board shall be given to each member of the Executive Board at least five days but not more than twenty days prior to each regular meeting or adjournment thereof and at least two days but not more than ten days prior to each special meeting.

Section J. Waiver of Notice. Before or after any meeting of the Executive Board, whether regular or special, any member may, in writing, waive notice of such meeting. Attendance by a member of any meeting of the Executive Board shall likewise constitute a waiver by him of such notice. If all members are

present at any meeting of the Executive Board, no notice of such meeting shall be required and any business may be transacted at such meeting except as prohibited by law or the condominium documents.

Section K. Quorum. Two members of the Executive Board shall comprise a quorum for the transaction of all business. If at any meeting of the Executive Board there shall be less than a quorum present, the member or members present may adjourn the meeting to a later date; and, at any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting as originally called may be transacted without further notice to any member.

Section L. Voting. At all regular and special meetings of the Executive Board, each Board member shall be entitled to cast one vote, and a majority vote of the Executive Board at any meeting at which a quorum is present shall bind the Executive Board except as otherwise provided herein.

Section M. Action by Consent. If all members of the Executive Board shall consent in writing to any action to be taken by the Board, such action shall be as valid an action of the Executive Board as though it had been authorized at a meeting of the Board.

ARTICLE IV. OFFICERS OF THE ASSOCIATION

Section A. Designation. At each regular annual meeting of the Executive Board, the members present shall elect the following officers of the Association by a majority vote.

1. A president, who shall be a member of the Executive Board, shall preside over the meeting of the Unit Owners and who shall be the chief executive officer of the Association;

2. A secretary, who shall keep the minutes of all meetings of the Unit Owners and who shall, in general, perform all the duties incident to the office of the secretary;

3. A treasurer, who shall be responsible for financial records and books of account and the manner in which such records and books are kept and reported;

4. Such additional officers as the Unit Owners shall see fit to elect.

Section B. Powers. The respective officers shall have the general powers usually vested in such officers provided that the Unit Owners may delegate any specific powers to any other officer or impose such limitations or restrictions on the powers of any officer as the Unit Owners may see fit.

The Executive Board shall have the power to delegate operational management of fiscal affairs to a managing agent. The Executive Board may also delegate such other powers of the Executive Board and/or officers to a managing agent as they shall in their discretion decide.

Section C. Term of Office. Each officer shall hold office for the term of one year and until his successor shall have been appointed or elected and qualified.

Section D. Vacancies. Vacancies in any office shall be filled by the Unit Owners by a majority vote of the remaining members at a special meeting of the Association. Any individual so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be removed for cause at any time by vote of two-thirds (2/3) of all the Unit Owners.

Section E. Compensation. The officers shall receive no compensation for their services as officers unless expressly provided for in a resolution duly adopted by the Unit Owners.

Section F. Liability of Executive Board and Officers. Members of the Executive Board and officers of the Association:

1. Shall not be liable to the Unit Owners as a result of their activities as such member or officer for any mistake or judgment, negligent or otherwise, except for their own willful misconduct or gross negligence; and

2. Shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the Association in their capacity as such member or officer; and

3. Shall have no personal liability in tort to a Unit Owner or any other person or entity direct or imputed, by virtue of acts performed by them or for them, in their capacity as such member or officer; and

4. Shall have no personal liability arising out of the use, misuse or condition of the property which might in

any way be assessed against or imputed to them as a result or by virtue of their capacity as such member or officer.

Section G. Indemnification of Declarant, Executive Board and Officers. The Association shall indemnify and hold harmless the Declarant, every Executive Board member and officer of the Association, his heirs and personal representatives, from and against any and all personal liability and all expense including counsel fees incurred, imposed, or arising out of or in settlement of any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, to which said Declarant, member of the Executive Board or officer may be subject by reason of his actions as Declarant, Board member or Association officer. Said indemnification by the Association shall not be applicable to those instances where such liability or expense is attributable to the gross negligence or willful misconduct of the Board member or officer. In the event of a settlement, indemnification shall be provided only if the Executive Board shall have approved said settlement. Such right of indemnification shall not be exclusive of other rights to which the Declarant, Executive Board members or officers may be entitled. All indemnification paid by the Association and any costs or expenses incurred by the Executive Board or by the Association in connection therewith shall be deemed to be common expenses, provided, however, that nothing in this section shall be deemed to obligate the Association to indemnify any Unit Owner who is or has been a member of the Executive Board or an officer of the Association with respect to

any duties, obligations assumed or liabilities incurred by him by virtue of his membership in the Association or his ownership of a unit.

Section H. Miscellaneous. The Association shall have the power and the responsibility for raising by special assessment or otherwise any sums required to discharge its obligations under this Article IV. The liability of any Unit Owner arising out of a contract made by Declarant, Executive Board member or Association officer, or arising out of any other act of the Declarant, an Executive Board member or officer, or arising out of the aforesaid indemnity in favor of Declarant, Board members and officers, shall be limited to such proportion of the total liability hereunder as such Unit Owner's allocation of undivided interest in the common elements bears to the total interest of all the Unit Owners in the common elements. Every agreement made by the Declarant, Board members or Association officers shall provide that they are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that such Unit Owner's liability thereunder shall be limited to such proportion of the total liability as his allocated interest in the common elements bears to the total allocated interest of all Unit Owners in the common elements. Any indemnification of Declarant, Board members or Association officers as provided under any statute, agreement, or vote of members of the Association as to actions undertaken in another capacity while holding office shall continue as to the person indemnified even after said person has ceased to be a Declarant,

Board member or officer of the Association and shall enure to the benefit of his heirs, executors, administrators, successors, and assigns.

ARTICLE V. COMMON EXPENSES

Section A. Declaration of Common Expenses. The costs and expenses incurred by the Executive Board on behalf of the Association in the performance of its duties and the exercise of its powers, together with all other costs and expenses declared common by the condominium documents or the Act or agreed upon as common expenses by all Unit Owners, are hereby declared to be common expenses to be paid by the Association from monies assessed and collected from Unit Owners.

Section B. Assessment. The Executive Board, on an annual basis, shall estimate the amount of common expenses anticipated for the next fiscal year, including reasonable reserves; and each Unit Owner shall be assessed his proportionate share of the estimated common expenses for the following year, said proportionate share to be determined by multiplying the total estimated common expenses by the individual proportionate undivided interest in the common elements of each Unit Owner. Should the actual amount of common expenses exceed the amount collected for any reason, the Executive Board shall levy an additional assessment against all Unit Owners in an amount sufficient to cover any deficit.

Section C. Payment. Payment by each Unit Owner of his proportionate share of the estimated common expenses shall be made in such monthly, quarterly, semi-annual, or annual

installments as the Executive Board shall elect, each installment payable to the Treasurer of the Association at the principal office of the Association within ten days of its due date.

Assessments or installments thereof which are unpaid for more than thirty days after the due date shall bear interest at a rate of 15% per annum or such other rate as may be determined by the Board. Once interest has accrued, any subsequent payment shall first be applied to payment of interest and then to the payment of the principal amount of the overdue assessment. No Unit Owner may exempt himself from liability with respect to the common expenses by waiver of the enjoyment of the right to use any of the common elements or by abandonment of his unit or otherwise. No Unit Owner may exempt himself from liability with respect to the common expenses by waiver of the enjoyment of the right to use any of the common elements, by abandonment of his unit, due to partial or total destruction of his unit by fire or other casualty or for any other reason whatsoever.

Section D. Liability. If any Unit Owner shall fail or refuse to make any such payment of the common expenses when due, the amount of said expenses together with interest thereon at the rate of 15% per annum shall constitute a lien, enforceable by the Association as provided in the Act, on the interest of such Unit Owner in the condominium.

The Association or its successors and assigns shall have the right to maintain a suit in foreclosure on any such lien. To the amount due and owing by the Unit Owner shall be added the costs of said suit together with legal interest and reasonable

attorney's fees as provided in §3315 of the Act. Furthermore, if any Unit Owner shall fail or refuse to pay his proportionate share of the common expense when due and withholds possession of his unit after demand by the Association in writing setting forth the amount claimed, the Association shall have the right and authority to exercise and enforce any and all rights and remedies as provided for in the Uniform Condominium Act, the Declaration or these Bylaws, or as may otherwise be available at law or in equity for the collection of unpaid assessments.

Section E. Subordination. Any payments, fees, charges, late charges, fines, levies or assessments which may be imposed and levied by the Executive Board pursuant to §3302(a) (10), (11) and (12) or by §3315 of the Act, shall be subordinate to the lien of any recorded first mortgage encumbering any unit of the Condominium in favor of any bank, trust company, savings bank, savings and loan association, mortgage service company, insurance company, credit union, pension fund, or like institutional investor or lender, notwithstanding the priority of lien provision set forth in §3315(b) of the Act.

Section F. Rights on Foreclosure. In the event that title to a unit shall be transferred by Sheriff's sale pursuant to execution upon any lien against the unit, the Treasurer of the Association shall give notice in writing to the Sheriff of any unpaid assessments which are a charge against the unit but which have not been reduced to lien pursuant to §3315 of the Act. The purchaser of the unit at such Sheriff's sale or the purchaser by deed in lieu of foreclosure shall not be liable for unpaid

assessments which become due prior to the Sheriff's sale of the unit. Any such unpaid assessment which cannot be promptly collected from the former Unit Owner shall be reassessed by the Treasurer as a common expense to be collected from all the Unit Owners. The Association shall have the authority to purchase the unit at Sheriff's sale provided such action is authorized by the affirmative vote of Unit Owners owning not less than 75% of the total undivided interest in the common elements. If the Association does effect such purchase, the association shall thereafter have the power to sell, convey, mortgage, or lease such unit to any person whatsoever. Notwithstanding any foreclosure, tax sale, judicial or other forced sale of a unit, including deed in lieu of foreclosure, all applicable provisions of the Condominium Documents shall be binding upon any purchaser at such sale to the same extent as they would bind a voluntary grantee, except that such purchaser shall not be liable for unpaid assessments chargeable to such unit which become due prior to such sale except as otherwise provided in this paragraph.

Upon the voluntary sale or conveyance of a unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments which are charged against the unit as of the date of the sale or conveyance. Such joint and several liability shall be without prejudice to the grantee's right to recover from the grantor the amount of any such assessments which the grantee may pay. Until all such assessments are paid in full, they shall continue to be a charge against the unit, enforceable as set forth in §3315 of the Act. Any person who

shall have entered into a written agreement for the purchase of a unit shall be entitled to obtain a written statement from the Treasurer of the Association setting forth the amount of unpaid assessments charged against the unit and the Unit Owner. Such statement shall be furnished within 10 days after receipt of a written request therefor. In the event that such statement does not reveal the full amount of the unpaid assessments as of the date the statement is rendered, neither the purchaser nor the Unit Owner shall be liable for the payment of an amount in excess of the unpaid assessments due thereon. Any such excess which cannot be promptly collected from the former Unit Owner may be reassessed by the Association as a common expense to be collected from all of the Unit Owners, including the purchaser, his heirs, executors, administrators and assigns.

ARTICLE VI. RIGHTS AND DUTIES OF UNIT OWNERS

Section A. Maintenance and Alteration.

1. Each Unit Owner agrees as follows:

(a) to maintain in good condition and repair his unit and all interior surfaces within or surrounding his unit together with any and all limited common elements reserved for the exclusive use of his unit pursuant to §3202 (2) and (4) of the Act.

(b) to maintain, repair, and replace the fixtures and equipment in his unit which include but are not limited to the following, where applicable: air conditioning and heating units, appliances, drains, plumbing fixtures and connections, electric panels and

wiring, electric outlets and fixtures, doors, windows, screening and glass, fixed or sliding glass doors, carpeting, floor and wall tiles, wallpaper and interior paint.

(c) to pay or such utilities as are separately metered to his unit.

(d) to use only those contractors and subcontractors within his unit as are approved by the Executive Board.

(e) to make no structural addition or alteration to his unit or to the common elements without prior consent of the Executive Board and all mortgagees holding mortgages on his unit and any other unit affected by such addition or alteration.

(f) to make no alteration, decoration, repair, replacement or change of or to the common elements, nor to any outside or exterior portion of the building (whether within a unit or part of the common elements), nor to paint any exterior wall, door, window, balcony or exterior surface, nor to replace anything thereon or affixed thereto, without written consent of the Executive Board, which shall have the responsibility for determining the exterior color schemes of the building and all exteriors and shall be responsible for the maintenance thereof.

(g) to show only such signs as shall be approved by the Executive Board on the common elements or his unit.

(h) to erect no exterior antennas or aerials on his unit or the common elements.

(i) to pay upon demand any and all costs and expenses incurred by the Executive Board to maintain, repair and replace any defect in or damage to the common elements or any fixtures or personal property contained within the common elements occurring as a result of the negligent act or omission of the Unit Owner, his tenants, guests, invitees, agents, servants or employees.

(j) to notify the Association in the event any lien is filed against his unit.

(k) to comply with the provisions of the Condominium Documents and §3307 of the Act and to cause each and every tenant, guest, invitee and occupant of his unit to comply therewith.

2. In the event a Unit Owner fails to maintain his unit or any of his limited common elements as required herein, or in the event a Unit Owner makes any structural addition or alteration without prior consent of the Executive Board or otherwise violates or threatens to violate the provisions hereof, the Executive Board may, without notice:

(a) seek an injunction or decree of specific performance to obtain compliance with the provisions hereof; and

(b) enter the unit or the limited common elements at all reasonable times and perform such work as may be

deemed necessary by the Executive Board to enforce compliance with the provisions hereof; and

(c) levy an assessment against the Unit Owner and the unit for the cost of removing any unauthorized structural addition or alteration or the cost of performing any repairs and maintenance to the unit or the limited common elements that the Executive Board may deem necessary for the cost of restoring the property to good condition and repair, which assessment(s) shall have the same force and effect as all other assessments; and

(d) to recover damages against the Unit Owner and the unit for any costs or expenses incurred by the Executive Board and/or to cure any failure of the Unit Owner to comply with the Condominium Documents.

Section B. Sale or Lease of Unit. No Unit Owner other than Declarant may sell or lease his unit or any interest therein except by complying with the following provisions:

1. Any Unit Owner who has accepted an offer to sell his or her unit shall, within a reasonable period of time of acceptance of said offer, give notice to the Association of the full names of the purchasers and the intended day of settlement.

2. Any offer to sell as accepted by any Unit Owner shall contain a provision requiring the deed as between the purchaser and seller to provide that the acceptance thereof by the grantee shall constitute an assumption of and an

agreement to be bound by the provisions of the Condominium Documents.

3. Any lease for a unit shall be consistent with the Condominium Documents and shall provide that:

(a) the tenant shall not cause the use of the unit to violate the provisions of the Condominium Documents, and any violation thereof shall be deemed to be a breach of the lease; and

(b) the tenant shall conform to and be bound by the provisions of the Condominium Documents, and all Rules and Regulations as promulgated by the Executive Board, all as amended from time to time; and

(c) the liability of the lessor/Unit Owner under the Condominium Documents shall continue notwithstanding the lease.

4. A Unit Owner may assign his ownership rights, votes, and privileges hereunder pursuant to any lease or sublease pursuant to the terms hereof.

5. Any purported sale or lease of a unit in violation of this section shall be null, void and of no effect.

Section C. Mortgages.

1. No Unit Owner shall voluntarily subject his unit to a lien of any mortgage instrument unless in favor of a mortgagee which shall agree in said mortgage instrument to be subject to the terms and conditions of the Act, these Bylaws, the Declaration, and the Rules and Regulations

adopted by the Association. The mortgagee shall waive any and all rights to:

(a) adjust insurance losses; and

(b) participate in any decisions as to whether to repair or restore the property in case of damage or destruction; and

(c) receive insurance proceeds and apply the same to reduction of the mortgage debt except that in the event and to the extent of a distribution of insurance proceeds to Unit Owners under §3312 of the Act or of insurance proceeds being received in excess of the cost of repair or restoration; and

(d) require the escrow of any sums for payment of insurance premiums for any coverages carried by the Association.

2. Whenever a mortgage complying herewith is executed by a Unit Owner, he shall supply an exact copy thereof to the Executive Board and shall deliver to the Executive Board the address of such institutional mortgagee where the Executive Board may deliver and serve all notices to be served upon or delivered to said mortgagee.

3. Part or all of the condominium may be subject from time to time to the lien of one or more construction mortgages made by Declarant. Nothing herein set forth relating to qualifications of mortgages or conditions of mortgages shall affect the construction mortgage(s) or in any way be binding upon the holder(s) thereof.

ARTICLE VII. REPAIR OR RECONSTRUCTION

Section A. "Very Substantial" Defined. The term "very substantial" loss or damage shall mean substantially total destruction of one or more units or loss or damage (regardless of extent) as a result of which at least 80% of the Unit Owners directly affected thereby duly resolve not to proceed with repair or restoration. In the event any dispute shall arise as to whether or not "very substantial" loss or damage has occurred, the finding made by the Executive Board shall be binding upon all Unit Owners.

Section B. Partial Destruction.

1. "Partial Destruction" shall mean loss or damage which is less than "very substantial".

2. In the event of partial destruction, the Association shall promptly repair and restore the property lost or damaged (except as set forth in Section C of this Article), using the proceeds of insurance held by the Association, if any, for that purpose. In such event:

(a) the Executive Board shall promptly obtain reliable and detailed estimates of the cost of such repair, restoration and rebuilding; and

(b) the insurance proceeds shall be disbursed by the Executive Board for the repair and restoration of the property pursuant to the contracts for repair and restoration and upon vouchers initiated by the contractor and approved by the Executive Board. All payees shall deliver receipted bills and waivers of mechanic's lien to

the Executive Board and shall execute and deliver any affidavits required by law or by the Board.

(c) If the net insurance proceeds are insufficient to pay the estimated cost of restoration and repair, the Association upon determination of the deficiency, shall promptly levy an assessment therefore against all Unit Owners in proportion to their undivided interest in the common elements. The Executive Board shall add the assessment funds to the proceeds available for repair and restoration of the property.

Section C. Total Destruction. Where loss or damage occurs which is "very substantial", or where partial destruction occurs but at least 80% of the Unit Owners directly affected thereby duly resolve not to proceed to repair or reconstruct, then and in that event, the condominium may be terminated in accordance with §3220 of the Act. Any agreement of Unit Owners to terminate the condominium must be evidenced by their execution or ratification of a termination agreement in accordance with §3220 (b) of the Act. If the real estate constituting the condominium is to be sold following termination, title to the real estate upon termination shall vest in the Association as trustee for the holders of interests in the unit. Proceeds of the sale shall be distributed to the Unit Owners and lien holders in accordance with §3220 (c) and (f) of the Act.

In the event that the real estate constituting the condominium is not to be sold following termination, title to the real estate shall vest in the Unit Owners as tenants in common in

proportion to their respective interests as provided in §3220 (f) of the Act.

Section D. Repairs. Any repair or restoration must be substantially in accordance with the plans and specifications for the original building, or as the building was last constructed, unless the Executive Board shall approve changes thereto. If any material or substantial change is contemplated, approval of all institutional mortgagees shall also be obtained.

Section E. Obsolescence. In the event it is believed that the building is obsolete, the Association, at any regular or special meeting may call for a vote to determine whether or not the property should be removed from the provisions of the Act and sold. In the event that at least 80% of the Unit Owners voting in accordance with the procedures established in Section C of this Article VII shall determine that the property shall be removed from the provisions of the Act and sold, then the provisions of Section C of Article VII herein shall become applicable as if there had been substantially total destruction to the premises.

ARTICLE VIII. USES AND RESTRICTIONS

Section A. Nuisances. No Unit Owner shall permit or suffer anything to be done or kept in his unit or within the condominium which would jeopardize the soundness or safety of the property, obstruct or interfere with the rights of other Unit Owners, annoy any Unit Owner by unreasonable noises, or constitute a nuisance or illegal act.

Section B. Conformity to Rules. No person shall use any unit or the common elements, or any part thereof or any portion of the condominium property in any manner contrary to the rules and regulations pertaining thereto as from time to time may be promulgated by the Association.

ARTICLE IX. EMINENT DOMAIN

Whenever all or any parts of the common elements shall be taken, injured or destroyed by eminent domain, each Unit Owner shall be entitled to notice thereof by the Executive Board who shall have the sole and exclusive right to participate in the proceedings incident thereto on behalf of all Unit Owners pursuant to an irrevocable Power of Attorney which each Unit Owner shall be deemed to have granted to the Executive Board and its designees by the Unit Owner's acceptance of a deed, an Installment Land Sale Contract, or conveyance to his unit. In any proceeding for the determination of damages, such damages shall be determined for such taking, injury, or destruction as a whole and not for each Unit Owner's interest therein. After such determination, each Unit Owner shall be entitled to a share in the damages in the same proportion as his individual interest in the common elements.

ARTICLE X. COMPLIANCE AND DEFAULT

Section A. Release. Each Unit Owner shall be governed and shall comply with, all of the terms of the Declaration, these Bylaws, the Rules and Regulations, and the Act, as any of the same may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, a default by a

Unit Owner shall entitle the Association, acting through its Executive Board or through any managing agent, to the following relief:

1. Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement (a) rendered necessary by his act, neglect, or carelessness, or the act, neglect or carelessness of his tenants, guests, invitees or licensees; or (b) relating to the condition of any exterior fixtures, such as doors or windows, serving only his unit. This liability shall be only to the extent that such expense is not covered by the proceeds of insurance carried by the Executive Board. Such liability shall include any increase in casualty insurance premiums occasioned by improper use, misuse, occupancy or abandonment of any unit or its appurtenances. Nothing contained herein, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

2. Costs and Attorney's Fees. In any proceedings arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of such proceedings and such reasonable attorney's fees as may be determined by the Courts.

3. Abating and Enjoining Violations by Unit Owners. The violation of any of the Rules and Regulations adopted by the Executive Board, the breach of any Bylaw contained herein or the breach of any provision of the Declaration or the Act shall give the Executive Board the right, with ten (10) days

prior written notice (in addition to any other rights), to:
(a) enter the unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the offending Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass; or (b) enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

ARTICLE XI. MISCELLANEOUS

Section A. Waiver. The failure of the Executive Board to insist upon the strict performance of or compliance with any of the terms, covenants, conditions, or restrictions of the Condominium Documents shall not be construed as a waiver or relinquishment of the term, covenant, condition or restriction. No waiver by the Executive Board of any provision of the Condominium Documents shall be deemed to have been made unless set forth in writing and signed by the Executive Board.

Section B. Interpretation. The provisions of the Condominium Documents shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the condominium. Whenever the context so requires, the use of any gender shall be deemed to include all genders. The use of the singular shall include the plural, and plural shall include the singular.

Section C. Captions. The table of contents, headings and captions used in the Condominium Documents are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text.

Section D. Notices.

1. Whenever notices are required to be sent hereunder, the same may be delivered to Unit Owners either personally or by mail addressed to such Unit Owner at his place of business in the condominium unless the Unit Owner has, by written notice, specified a different address. Proof of such mailing or personal delivery by the Executive Board shall be given by affidavit of the person mailing or personally delivering the notice.

2. Notices to the Association or Executive Board shall be delivered by mail to the offices of the Association at Middletown Boulevard, Langhorne, Bucks County, Pennsylvania 19047.

3. Notices to the Declarant shall be delivered by mail to the offices of Declarant at Suite 303, Penn's Court, 350 South Main Street, Doylestown, Pennsylvania 18901.

4. All notices shall be deemed to have been "sent" when mailed. Any party may change his mailing address by written notice in accordance herewith. Notices required to be given to a devisee or personal representative of a deceased Unit Owner may be delivered either personally or by mail to such representative at his or its address appearing

in the records of the Court wherein the estate of such deceased owner is being administered.

Section E. Severability. The provisions of the Condominium Documents shall be deemed independent and severable, and the validity or enforceability of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof.

Section F. Amendment. Except as otherwise expressly set forth herein or in the Act, the provisions of these Bylaws may be amended by an instrument in writing signed and acknowledged by Unit Owners entitled to cast in excess of 80% of the votes of all members of the Association. However, if any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Act, or with the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time, the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the property, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence. Any such amendment shall be effective upon its recording. If such amendment shall make a change which would have any material

effect upon the rights, privileges, powers or options of Declarant, such amendment shall require the joinder of Declarant in order to be effective. If such amendment would effect in any way the holders of any institutional mortgage holder so affected. Any amendment requiring such approval or joinder shall be void and of no effect unless and until such approval or joinder is obtained.

Any amendment to these Bylaws may be prepared, executed and certified by the President and any other officer of the Association on behalf of the Association.

Section G. Effective Date. These Bylaws shall become effective when the Declaration has been duly recorded. These Bylaws need not be recorded.