

Bylaws Of
Penn's West
Planned Community Association

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Bylaws Of Penn's West Planned Community Association

The undersigned, constituting all of the members of Penn's West Planned Community Association an incorporated association (the "Association") comprised of the Owners of all Units in Penn's West Planned Community created pursuant to a Declaration of Planned Community recorded in the Office of the Recorder of Deeds of Lehigh County (the "Declaration"), hereby adopt the following as the Bylaws of the Association.

ARTICLE I. GENERAL PROVISIONS

Section 1.1. Definitions. All terms not specifically defined herein have the same meanings as in the Declaration, as it may be amended.

Section 1.2. Administration of the Planned Community. The administration of the Planned Community and the operation, regulations and management of the Association shall be governed by these Bylaws, as they may be amended.

Section 1.3. Persons Bound. All present and future owners, mortgagees, lessees and occupants of the Units and Common Elements, their agents and employees, and any other person or entity who may use the Planned Community, are subject to and bound by the provisions of the Declaration, the Plats and Plans, these Bylaws and the Rules in force pursuant to Section 1.4 hereof (collectively referred to herein as the "Planned Community Documents"). The acceptance of a deed, mortgage or other conveyance relating to any Unit, or the entering into of a lease relating to a Unit, or the occupancy of any portion of the Property, shall constitute an agreement to be subject to the Planned Community Documents.

Sections 1.4. Rules. The Executive Board may promulgate Rules governing the Planned Community, and may amend such Rules. Copies of any Rules, amendments or changes (hereafter "Rules") shall be furnished promptly by the Executive Board to each Unit Owner. Without limiting the foregoing, the Executive Board shall have the power to promulgate reasonable Rules governing (i) decoration of Limited Common Elements and (ii) the ownership and enjoyment of pets in the Planned Community, including Rules requiring the registration of pets and reasonable registration fees to help pay for additional maintenance costs incurred by the Association due to pets.

Section 1.5. Office. The Executive Board must maintain an office at the Planned Community or in the management company's office. All costs related to maintaining such office shall be Common Expenses.

ARTICLE II. UNIT OWNERS

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Section 2.1. Membership in the Association of Unit Owners. The Association shall commence operation upon the effective date of the Declaration. Every person who acquires title to a Unit shall automatically become a member of the Association which membership continues for the period of ownership. Membership in the Association is an incident of ownership of a Unit and may not be resigned, terminated or transferred other than by transfer of title to the Unit to which such membership is appurtenant. Transfer of title to a Unit shall automatically constitute transfer of membership in the Association, but the Association may treat the transferor Unit Owner as the member of the Association for all purposes until the Association or Executive Board has actual notice of the transfer.

Section 2.2. Annual Meetings of Unit Owners. After the period of Declarant control, Annual Meetings of Unit Owners shall be held on the second Monday in April. At such annual meetings the Unit Owners shall elect by ballot members of the Executive Board, per Sections 3.3 and 3.4 hereof, and may transact other proper business.

Section 2.3. Special Meetings of the Unit Owners. Effective only after the Special Meeting of Unit Owners held pursuant to Section 3.4 hereof, the President shall promptly call special meetings of the Unit Owners when so directed by a resolution of the Executive Board or by a petition signed by Unit Owners having Percentage Interests aggregating 25% or more, specifying in each case the purpose of such special meeting. Meetings so requested must be held between twenty (20) and thirty (30) days after such request is received. No business shall be transacted other than as specified in the notice.

Section 2.4. Notice of Meetings of the Unit Owners. The Secretary shall give notice of each annual or special meeting of Unit Owners to the Unit Owners in accordance with the provisions of Section 11.2 hereof, at least ten (10) and not more than thirty (30) days prior to the meeting date. The notice shall specify the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws or any Assessment or budget change which is to be considered. Non-agenda items may be considered, at the discretion of the Board.

Section 2.5. Place of Meeting. Meetings of the Unit Owners shall be held at or near the Planned Community.

Section 2.6. Voting.

(a) Each "Unit Owner in Good Standing" shall have one vote per Unit owned at all meetings of Unit Owners. Unit Owners may cast votes either in person, by proxy, or by mail ballots (if authorized by the Executive Board). Proxies may be given only to another Unit Owner or the Declarant, shall be in writing and dated, delivered to the Secretary prior to the meeting and shall be revocable by written notice or actual notice prior to or at a meeting. A proxy shall terminate one year after its date.

(b) The Secretary shall continuously maintain a voting list, which shall be closed on the business day preceding the meeting date. That list shall reflect the owners of record of each Unit. In cases where a business entity is, or more than one individual are, the Unit Owner, such Unit Owner shall designate to the Secretary one or more persons as the person(s) entitled to vote. If only one co-owner of a Unit is present at any meeting, such co-owner or the holder of his proxy shall be entitled to vote, and such vote shall be binding on the non-voting co-owner.

(c) The vote allocated to a Unit must be voted as an entirety, and if the owners or designees of a Unit are unable to agree upon how such vote shall be cast, such vote may not be cast and the owners of such Unit shall be deemed present for the purposes of determining a quorum, but for purposes of determining the result of the vote on such question shall not be deemed to be present or voting at the meeting. If any proposal being voted upon by the Association requires the unanimous consent of Unit Owners, all votes not voted pursuant to the preceding sentence shall be deemed to have been voted in favor of such proposal. Where a Unit is held in a fiduciary capacity, the fiduciary rather than the beneficiary shall be entitled to exercise the appurtenant voting rights.

(d) The voting list shall be kept at the Office of the Association and may be inspected during regular business hours by any Unit Owner or purchaser, and it shall be produced at each meeting of Unit Owners.

Section 2.7. Quorum. The presence in person or by proxy of the owners of 20% all Units shall constitute a quorum. If less than a quorum is present at any meeting, a majority of Unit Owners present may adjourn the meeting, in which event notice of the adjourned meeting shall be given per Section 2.4 hereof. If a quorum is not present at such adjourned meeting, the Unit Owners present may adjourn the meeting a second time, and notice of a third meeting shall be given as aforesaid. At such third meeting, the number of Unit Owners present, in person or by proxy, shall automatically constitute a quorum.

ARTICLE III. THE EXECUTIVE BOARD

Section 3.1. Number and Qualification. The business, operation and affairs of the Planned Community and Association shall be managed for the Unit Owners by an Executive Board per the Declaration and Bylaws. The Executive Board shall consist of five (5) members, all of whom must be adult individuals who are residents of Pennsylvania. All members of the Executive Board, other than those designated by Declarant per Section 3.3 hereof, shall be Unit Owners or partners, officers or stockholders of Unit Owners.

Section 3.2. Powers and Duties. Subject to the Declaration, the Executive Board shall have all powers and duties necessary to administer and manage the business and affairs of the Planned Community and Association. Such powers and duties include,

but are not limited to, the following:

- (a) operating, maintaining, repairing, improving and replacing the Common Elements;
- (b) determining Common Expenses;
- (c) assessing, collecting and paying Common and Expenses;
- (d) promulgating, distributing and enforcing Rules;
- (e) hiring and dismissing employees and agents which the Executive Board deems necessary to manage the business, operation and affairs of the Planned Community and Association, and setting their duties and compensation;
- (f) entering into contracts and amendments to or replacements of deeds, leases and other written instruments or documents on behalf of the Association and authorizing the execution and delivery thereof by its officers;
- (g) opening and maintaining bank accounts and designating signatures therefor;
- (h) the power to purchase, hold, sell, convey, mortgage or lease Units on behalf of the Association or its designee;
- (i) the power to bring, prosecute, defend and settle litigation for and against itself, the Association and the Planned Community, and to pay any adverse judgment entered therein, provided that it shall make no settlement which results in a liability against the Executive Board, the Association or the Planned Community in excess of \$10,000.00 without the prior approval of a majority of Unit Owners;
- (j) obtaining insurance pursuant to the Declaration;
- (k) the power to repair or restore the Common Elements following damage or destruction or a permanent taking by the power of eminent domain or by an action or deed in lieu of condemnation;
- (l) the power to own, purchase, lease, hold and sell or otherwise dispose of items of personal property necessary to manage the business and affairs of the Association and Executive Board, including without limitation furniture, maintenance equipment, appliances and office supplies;
- (m) the duty to keep adequate books and records and to deliver to purchasers of Units (other than from Declarant) any resale certificate required by a potential purchaser of lender, for the preparation of which certificates the Board may charge a reasonable fee;
- (n) the power to borrow money on the credit of the Association to obtain funds for any Executive Board or Association expenditure;
- (o) all powers granted to the Executive Board pursuant to the Declaration.

The Executive Board may appoint committees composed of Unit Owners to make recommendations to the Board with respect to the exercise of powers and duties conferred upon the Board by the Declaration or Bylaws.

After the period of Declarant control, the Executive Board may employ a professional managing agent at a compensation established by the Board, to perform such services as the Board shall authorize. The Executive Board may delegate to the managing agent the powers and duties referred to in clauses (a), (c) (excluding the right to make

Assessments), (e), (j), (k) and (m). The Executive Board shall enter into a written agreement with respect to such agent and the duties, responsibilities and compensation. Each such agreement shall be for an initial term and renewal terms of not longer than one (1) year, and be terminable by the Executive Board for cause (and without payment of any termination fee) upon thirty (30) days' written notice, and terminable by either party without cause (and without payment of any termination fee) upon sixty (60) days' prior written notice.

Section 3.3. Members of First Executive Board and Their Successors.

(a) The members of the "First Executive Board" shall be those persons designated by the Declarant. Except as set forth in Paragraph 3.3 (b) below, the members of the First Executive Board, or their respective successors designated by Declarant, shall serve until the second Special Meeting of Unit Owners is held pursuant to Section 3.4.

(b) The President shall call a Special Meeting of Unit Owners to be held within sixty (60) days after title to twenty-five (25%) percent of all planned Units have been conveyed to persons other than Declarant, at which time two members of the Executive Board shall resign, and the Unit Owners other than Declarant shall elect two Unit Owners as members of the Executive Board, who shall serve for two years or until the special meeting of Unit Owners held pursuant to Section 3.4 hereof, whichever is shorter. If the Special Election Meeting per Section 3.4 hereof is not held within said two (2) year period, all Unit Owners other than Declarant shall elect two Unit Owners to replace the Unit Owner members of the Board on the second anniversary of the Unit Owner election. If either of such elected members shall resign, be removed, die, become incapacitated or no longer be a Unit Owner, the vacancy created shall be filled by a vote of Unit Owners other than Declarant at a special meeting held within forty-five (45) days after such vacancy occurs.

Section 3.4. Election and Term of Office. A second Special Meeting of Unit Owners shall be called by the President following the end of the period of Declarant Control, as defined in the Declaration. At such Special Meeting of Unit Owners all Declarant-appointed members of the Executive Board shall resign and the Unit Owners (including Declarant) shall elect three (3) additional persons to serve on the Executive Board. Elections shall be held in accordance with the procedures set forth below. At the Special Meeting referred to herein, the three (3) candidates receiving the highest number of votes shall be elected to serve two-year terms. The two Board Members serving per paragraph 3.3 shall have their terms re-set to one (1) year from the date of this Special Election. At each subsequent annual meeting, elections shall be held to fill the vacancies on the Executive Board caused by the current expiration of the terms of office of members of the Executive Board, and all persons so elected shall serve a two (2) year term.

Section 3.5. Election Procedures.

(a) The Executive Board shall appoint an Election Committee 45 days prior to any election meeting. The Election Committee shall distribute an Election Notice to all Unit Owners at least 30 days prior to the Election Meeting, which shall contain the time and place thereof, a statement of the number of seats open and the terms of office for each seat. The notice shall also provide a description of the duties of Executive Board members, the election procedures and a Petition of Candidacy.

(b) All Unit Owners shall be invited to file a Petition of Candidacy with the Election Committee, signed by five (5) Unit Owners, at least three (3) weeks before the Election Meeting. The Election Committee shall provide all Unit Owners with a ballot containing the names of all bona fide candidates and a proxy/mail ballot form, at least ten days prior to the Election Meeting.

(c) The election of the Executive Board members shall be by secret ballot. Unit Owners may vote in person, by proxy or by mail ballots. Unit Owners may cast one vote for each Unit owned, per vacancy. Cumulative voting is not permitted. Nominations from the floor are not permitted, unless insufficient Petitions were filed previously to fill all vacant positions.

Section 3.6. Removal of Members of the Executive Board. At any regular or special meeting of Unit Owners, any one or more Executive Board members (other than Declarant appointees per Paragraph 3.3 (a) hereof, who may be removed and replaced only by the Declarant, and at any time) may be removed with or without cause by the affirmative vote of Unit Owners (excluding Declarant) entitled to vote more than two-thirds of the votes allocable to Units owned by persons other than the Declarant, and a successor may then be elected by a vote of Unit Owners (excluding Declarant) to fill the balance of the term of the removed member. Any Executive Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting.

Section 3.7. Vacancies. Vacancies in the Executive Board (other than Declarant appointees) caused by any reason other than the removal of a member by a vote of Unit Owners, shall be filled by a vote of a majority of the remaining members of the Executive Board, even though less than a quorum, promptly after the occurrence thereof, and each person so elected shall be a member of the Executive Board for the remainder of the term so filled.

Section 3.8. Organization Meeting of the Executive Board. An organization meeting of the Executive Board shall be called by the President and held within ten (10) business days following each annual meeting of the Unit Owners, at such time and place as the newly elected members of the Board shall determine, for the purposes of organization, election of officers and any other business.

Section 3.9. Meetings of the Executive Board. Regular meetings of the Executive Board shall be called by the President, and special meetings of the Executive Board may be called by the President or any Board member, and held on notice mailed or delivered three days prior to the meeting date, specifying the time, place and purpose of the meeting. No business may be transacted at a special meeting other than as specified in the notice unless all members attend or waive notice, but at regular meetings called by the President, the Executive Board may transact all business within the authority of the Board. The President shall call no fewer than one meeting of the Executive Board each calendar quarter, unless each member of the Executive Board waives in writing the requirement to hold a particular meeting. One such meeting of the Executive Board shall be held by November 15th to adopt a budget for the following calendar year.

Section 3.10. Place of Meetings. Meetings of the Executive Board shall be held at, or near, the Planned Community.

Section 3.11. Waiver of Notice. Any notice of any meeting of the Executive Board may be waived by any member thereof in writing prior to, at, or subsequent to the meeting, or by attendance.

Section 3.12. Effect of Presence at Meetings of the Executive Board. Any member of the Executive Board present at any meeting thereof shall be deemed to have assented to any action taken unless his dissent is entered on the minutes or unless he shall file his written dissent with the Secretary at or immediately following adjournment, provided that no member may so dissent from any action for which he voted at the meeting.

Section 3.13. Quorum. Three (3) members in office shall constitute a quorum at any meeting of the Executive Board, and the act of a majority of the members at a meeting at which a quorum is present at the beginning of such meeting shall be the act of the Executive Board. If less than a quorum is present at the beginning of any meeting, the members present may adjourn the meeting, and at any adjourned meeting at which a quorum is present any business may be transacted which could have been transacted at the meeting originally called, without further notice.

Section 3.14. Action by Written Consent. The Executive Board may act by unanimous written consent in lieu of a meeting.

Section 3.15. Participation in Meeting by Communications Equipment. One or more member of the Executive Board may participate in and be counted for quorum purposes at any meeting of the Executive Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other.

Section 3.16. Compensation of Members of the Executive Board. No member of the Executive Board shall be compensated for acting as such, unless approved in advance by a Majority of Unit Owners. However, upon approval of the Executive Board, a member may be reimbursed for actual expenses in carrying out his duties.

Section 3.17. Attendance by Unit Owners. Except for the annual budget meeting referred to in Section 3.9 hereof, Unit Owners who are not members of the Executive Board shall not have the right to receive notice of or to attend meetings of the Executive Board, unless the Executive Board in its sole discretion elects to invite all Unit Owners to attend. The Executive Board in its sole discretion may elect to invite some Unit Owners to attend a portion of a meeting relating to the limited number of members. The Secretary shall give Unit Owners notice, in accordance with Section 2.4 hereof, of the annual budget meeting of the Executive Board (accompanied by a copy of the proposed budget) and of all other meetings to which the Executive Board invites Unit Owners. At each such meeting which Unit Owners are entitled to attend, the Unit Owners shall have the right to speak, but not to vote.

ARTICLE IV. OFFICERS

Section 4.1. Number and Qualifications. The officers of the Executive Board and of the Association shall include a President, Treasurer and Secretary, and may include such other assistant officers as the Executive Board may from time to time determine. Each of the mandatory offices must be held by different persons. A Vice President may be elected who shall serve as Acting President in the absence of the President. All officers must be members of the Executive Board or the Management Company (if any).

Section 4.2. Election, Term and Removal. The officers shall be elected annually by the Executive Board at its organization meeting, and shall serve until the next following organization meeting and until their successors are elected. Any officers may be removed at any time, with or without cause, by a majority in number of the members of the Executive Board. Any officer who resigns or is removed from the Executive Board shall be deemed to have simultaneously resigned as an officer or assistant officer.

Section 4.3. Vacancies. Any vacancy through death, resignation, removal or otherwise, shall be filled promptly by the Executive Board, the successor to serve the balance of the term.

Section 4.4. President. The President is the chief executive officer of the Association. He shall preside at all meetings of Unit Owners and of the Executive Board and shall have all powers and duties customarily vested in chief executive officers, including the power to prepare, execute, certify and record instruments on behalf of the Association and Board, including Declaration Amendments.

Section 4.5. Vice President. The Board may have a designated Vice

President. In lieu of a Vice President and in the President's absence, the Treasurer shall exercise the powers of the President.

Section 4.6. Treasurer. The Treasurer shall be the chief financial officer of the Association and shall have charge and custody of the funds of the Association. The Treasurer shall keep or oversee books and records of all assets, liabilities, receipts and expenditures of the Association, and shall keep or oversee an accurate record of such Assessments and payments by each Unit Owner. He shall deposit the funds of the Association in its name in such depositories as the Executive Board may designate. He shall render to the Executive Board on request an account of all his transactions as Treasurer and of the financial condition of the Association, and in general shall have the powers and duties customarily vested in chief financial officers. The Treasurer and any other employee or agent of the Association handling its funds shall furnish a bond in accordance with the requirements of the Declaration, the cost of which bond shall be a Common Expense. If there is no designated Vice President, the Treasurer shall preside at meetings in the absence of the President.

Section 4.7. Secretary. The Secretary shall be responsible to give or oversee requisite notice to Unit Owners and members of the Executive Board and for keeping the minutes of all meetings of the Association and Executive Board. He shall maintain records containing the calls, notices, waivers of notice and minutes of all meetings of the Association and Executive Board, all proxies to vote at meetings of the Association and all written consents of the Executive Board, and he shall maintain the voting list and a list of all addresses submitted for notice purposes pursuant to the Declaration or Bylaws. The Secretary shall be the custodian of all books and records of the Association not controlled by the Treasurer and in general shall have the powers and duties customarily vested in Secretaries.

Section 4.8. Compensation of the Officers. No officer of the Association shall be compensated for acting as such, unless such compensation shall be approved in advance by a Majority of Unit Owners.

Section 4.9. Execution of Instruments. No agreement, deed, lease or other instrument shall be binding upon the Association unless entered into on its behalf by the Executive Board and signed by two officers of the Association, or by one officer and by one other person designated by the Executive Board. Any certificate made pursuant to Section 3.2 (m) above may be executed on behalf of the Association by any one officer or managing agent.

ARTICLE V. LIABILITY AND INDEMNIFICATION

Section 5.1. Liabilities of Individual Unit Owners. The Unit Owners and any lessees or sublessees of a Unit shall be jointly and severally liable for liabilities arising out of their own conduct or arising out of the ownership, occupancy, use, misuse or

condition of that Unit (except when the result of a condition affecting all or other parts of the Planned Community).

ARTICLE VI. USE AND MAINTENANCE OF THE PROPERTY

Section 6.1. Maintenance and Repair of the Planned Community.

(a) All maintenance of and repairs to the Planned Community shall be done by the responsible party, in accordance with a maintenance and repair schedule prepared and adopted by the Executive Board.

(b) Except as decided by the Board, all maintenance (including snow removal, landscaping and grounds keeping), repairs and replacements necessary to keep the Common Elements in good repair and cleanliness shall be done by the Executive Board and charged to all Unit Owners as a Common Expense.

(c) Each Unit Owner shall keep his Unit in a good repair and cleanliness, and may, subject to Article 6.5 below, alter, renovate and improve the interior of a dwelling as the Unit Owner chooses so long as such alteration, renovation and improvement does not damage, impair or infringe upon the property or rights of any other Unit Owner.

(d) Notices of violations of laws, orders, rules or regulations of any governmental agency having jurisdiction relating to the Planned Community shall be complied with by the Executive Board and shall be charged as a Common Expense if the notice of violation pertains to the Common Elements or any portion thereof; and if and to the extent the notice of violation relates to any particular Unit(s), or Limited Common Elements, the Owner(s) of such Unit(s) or those liable for the expense of such Limited Common Elements shall be responsible for correcting the condition at his (or their) own expense.

Section 6.2. Liability of Unit Owners for Damage Caused to Common Elements. Each Unit Owner shall be liable to the Association for all damage to any of the Common Elements, and to any fixtures or personal property contained within the Common Elements, caused by the act, omission or negligence of the Unit Owner, his family, guests, domestic employees, pets, or lessees to the extent not covered by the proceeds of insurance carried by the Association.

Section 6.3. Maintenance, Repairs, Additions, Alterations, Replacements or Improvements to the Common Elements. Except as otherwise provided in these Bylaws, the Executive Board may, subject to the right of 75% of all of the Unit Owners to reject capital expenditures, effect any additions, alterations, improvements, maintenance and repairs to the Common Elements it deems necessary or desirable, provided that in each case where the cost of any single project is estimated by the Executive Board to exceed \$10,000.00, it shall have received the prior approval of a majority of the Unit Owners who attend a meeting, in person or by proxy, called for the purpose of discussing this expenditure.

ARTICLE VII. SALE AND LEASING OF UNITS

Section 7.1. Sale of Units. There shall be no restriction on sale, conveyance or other transfer of any Unit, but any sale, conveyance or other transfer shall be subject to the Planned Community Documents and the provisions of the deeds to the Unit.

Section 7.2. Leasing of Units. No Unit lease may be for less than the entire Unit, and no transient tenants are allowed. The Executive Board may require the registration of Leases and Tenants, and require a reasonable registration fee.

Section 7.3. Notice of Sale or Lease. A Unit Owner must give the Board ten (10) days' written notice prior to any sale, conveyance, transfer or lease of a Unit.

Section 7.4. Imposition of Restrictions. Sections 7.1 and 7.2 hereof may not be amended so as to impose any more onerous restrictions on sale or leasing without an affirmative vote of 90% of the Unit Owners, notwithstanding any contrary, more lenient provision of the Declaration or Bylaws.

ARTICLE VIII. OWNERSHIP OF UNITS BY THE ASSOCIATION

Section 8.1. Purchase of Units by the Association. The Executive Board may purchase or otherwise acquire and hold title to any Unit or interest therein only as a result of enforcement of its lien for Assessments or as a result of execution upon a judgment obtained to collect a delinquent Assessment. The Association may borrow the funds necessary for such purchase and may create a mortgage against the Unit to secure the loan. So long as the Association is the owner of any Unit it shall have the power to hold, sell, convey, lease, mortgage as aforesaid and otherwise deal in and with the Unit, and in so doing it shall be acting on behalf of all other Unit Owners in accordance with their respective Percentage Interests as adjusted pursuant to Section 8.2 hereof. At no time may the Association hold title to more than three (3) Units unless a Majority of Unit Owners approve the acquisition.

Section 8.2. Effect of Ownership of Units by the Association. When the Association has legal or beneficial title to a Unit: (i) the Percentage Interest of that Unit shall be deemed to be zero and the Percentage Interests of all other Units shall be adjusted proportionately; (ii) all Assessments for Common Expenses and all taxes and costs of owning such Unit shall be paid by the Executive Board, and the amounts so paid together with all expenses of purchasing, holding, selling, conveying, mortgaging, leasing or otherwise dealing with the Unit shall constitute Common Expenses; and (iii) the voting rights appurtenant to the Unit shall be suspended and may not be exercised or counted for quorum purposes.

ARTICLE IX. BOOKS, RECORDS AND REPORTS

Section 9.1. Maintenance of Books and Records. The Board shall maintain complete, accurate and current books and records adequate to reflect fully the operations, proceedings and financial condition of the Executive Board and Association. Such books and records shall include without limitation the books and records to be maintained by the Treasurer and Secretary and the voting list to be maintained by the Secretary.

Section 9.2. Access to Books and Records. Such books and records shall be kept at the Planned Community or other location as the Executive Board may determine and shall, after reasonable written notice, be available for examination during regular business hours by the Unit Owners and by persons having binding agreements to purchase Units.

Section 9.3. Reports. The Executive Board shall, within 30 days after receiving a written request, provide a Unit Owner with copy of the annual financial statements.

ARTICLE X. MISCELLANEOUS

Section 10.1. Utilities. To the extent any utility is not individually metered to each Unit, the Association shall purchase such utilities and charge the cost thereof to the Unit Owners as a Common Expense.

Section 10.2. Notices. All notices hereunder shall be sent by first class mail, postage paid, addressed as follows: (i) to the Executive Board, at the Planned Community or managing agent; (ii) to the Association, in care of the Executive Board; (iii) and to the Unit Owners, at their respective addresses within the Planned Community, or at such other addresses as they designate in writing to the Board. All notices of meetings of the Association or of the Executive Board may also be hand delivered to Unit Owners. All notices of change of address shall be deemed to have been given when received.

Section 10.3. Effective Date. These Bylaws shall become effective when the Declaration, Plats and Plans have been duly recorded.

Section 10.4. Headings. The headings herein are for reference only and shall not affect the meaning or interpretation of these Bylaws.

Section 10.5. Invalidity. If any provisions of these Bylaws are determined to be invalid, the determination shall not affect the validity or effect of the remaining provisions hereof or of the Declaration, Plats, Plans or Rules, all of which shall continue in effect as if such invalid provisions had not been included herein.

Section 10.6. Conflicts. These Bylaws shall be construed in accordance with the provisions of the Declaration and the Declaration shall control in the case of any conflict.

Section 10.7. Noncompliance and Waiver. Failure or any threatened failure to comply with these Bylaws or the Rules, with the covenants, conditions and restrictions of the Declaration, in the deed to each Unit or in the Plats and Plans, shall be grounds for an action for the recovery of damages (including the costs of the Executive Board's taking action to correct or remedy any such failure) or for injunctive relief, or both, maintainable by any member of the Executive Board on behalf of the Executive Board or the Association or, in a proper case, by an aggrieved Unit Owner aggrieved by any such noncompliance. The Executive Board shall have the right to do any work and take any steps necessary to correct or prevent any failure or threatened failure to so comply, with the right by itself or its agents or employees to enter any Unit at all reasonable times to do so; the expenses thereof, in each case together with interest at the lesser of 15% per annum or the legal rate then allowed, shall be promptly assessed by the Executive Board against the Unit Owner and shall be collectible and enforceable in accordance with these Bylaws. No restriction, condition, obligation or provision contained in any Planned Community Document or in the deed to any Unit shall be deemed to have been abrogated or waived by reason of any failure, single or repeated, to enforce the same.

Section 10.8. Avoidance of Liens and Notices of Liens and Suits. Each Unit Owner shall pay all municipal charges, claims, taxes or Assessments against his Unit for which a lien could be filed before they shall become delinquent and prior to the time when any lien could attach, and shall, within five (5) days of receipt of notice or of actual knowledge of the attaching of any lien or the filing of any suit or other proceeding against his Unit, give the Executive Board written notice thereof. The Executive Board may, but shall not be obligated to, advance any sums necessary to prevent the attaching of any lien against any Unit, except the lien of a mortgage, and any amounts so advanced shall bear interest at the lesser of 15% per annum or the legal rate then allowed from the date made and shall be promptly assessed by the Executive Board against the Unit Owner and shall be collectible and enforceable as a Delinquency Assessment, as defined in the Declaration.

Section 10.9. Contracts for the Services of the Declarant. Any agreement of the Association for the Declarant, or its affiliate, to provide services to the Association must provide for termination by either party, without cause, without payment of any termination fee or other penalty, upon not more than ninety (90) days' advance notice.

Section 10.10. Cost of Living Increases. All dollar figures herein may be adjusted annually based on the cost of living or similar published indicator, using January 1998 as the base year and rate.

ARTICLE XI. AMENDMENTS

Section 11.1. Amendments to these Bylaws. These Bylaws may be amended by resolution duly adopted at any meeting of Unit Owners, by the affirmative vote of a majority of the total number of votes eligible to be cast at a meeting called for such purpose, whether in person, by mail ballot or by proxy. Declarant must first consent in

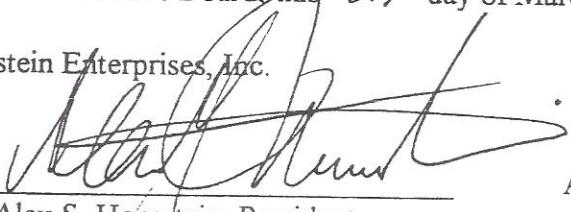
writing to any amendment which would affect the exercise of any Special Declarant Rights, or would otherwise have a material effect upon any of the rights, powers, privileges or options afforded the Declarant hereby.

- Section 11.2. Technical Corrections. Technical corrections to these Bylaws may be made in the exercise of reasonable judgment by the Executive Board, following the criteria and procedures for technical corrections to the Declaration. The Executive Board must receive an opinion from independent legal counsel that the proposed amendment is permitted.

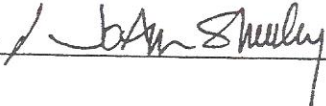
ESTABLISHED AND ADOPTED by the undersigned, being the Declarant (the sole member of Penn's West Planned Community Association) and the members of the First Executive Board, this 27th day of March, 1998.

Hornstein Enterprises, Inc.

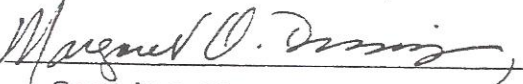
By:


Alex S. Hornstein, President

Attest:



First Executive Board:


Margaret O. Dunning
(PRESIDENT)

