

NEWTOWN CROSSING  
COMMUNITY ASSOCIATION

*Declaration of Covenants,  
Conditions and Restrictions*

*Articles of Incorporation  
and By-Laws*

Conformed Copy



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## NEWTOWN CROSSING

### DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made this 30th day of January, 1975, by HOFFMAN ROSNER CORPORATION OF PENNSYLVANIA, a Pennsylvania corporation (hereinafter, together with its successors and assigns, called "Developer").

#### WITNESSETH:

WHEREAS, Developer is the owner or has an interest in the real property described in Exhibit "A" attached hereto and hereby made a part hereof (hereinafter called "Existing Property") and desires to create on portions thereof from time to time a residential community with single family detached homes, single-family attached homes (hereinafter called "townhomes"), condominium units and rental apartments, together with common open spaces and other common facilities for the benefit of said community; and

WHEREAS, Developer desires to provide for the maintenance and operation of said open spaces and other common facilities; and to this end, desires to subject, from time to time, portions of the Existing Property, together with such additions of other real property as may hereafter be made thereto as provided in Article II hereof (hereinafter called "Additional Property"), to the covenants, restrictions, easements, contributions, assessments, charges and liens, hereinafter set forth, when and if at any time hereafter and from time to time Developer declares in a duly executed written instrument, recorded in the office of the Recorder of Deeds of Bucks County, Pennsylvania, that specifically described portions of the Existing Property or the Additional Property, or both, shall be included in and made subject to these covenants, restrictions, easements, contributions, assessments, charges and liens; each and all of which is and are for the benefit of said portions of real property and each owner thereof, and shall attach to and constitute covenants running with the land as to such portions of property at the time of such specific declaration and not before; and

WHEREAS, Developer has deemed it desirable to create an agency to which should be delegated and assigned the powers of owning, maintaining and administering the aforesaid common open space and other common facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the capital contributions, assessments and charges hereinafter created; and

WHEREAS, Developer has caused to be incorporated under the laws of the Commonwealth of Pennsylvania, as a not-for-profit corporation, the NEWTOWN CROSSING COMMUNITY ASSOCIATION (hereinafter together with its successors and assigns called "Association"), for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, Developer declares that, pursuant to the following provisions of this instrument, the First Development Stage (hereinafter defined) is held, transferred, leased, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, contributions, assessments, charges and liens hereinafter set forth (sometimes collectively referred to herein as "Covenants and Restrictions"), and upon recordation of one or more Enabling Declarations or Supplementary Declarations (as defined in paragraph (f) of Article I hereof), or both, portions of the Additional Property described in such Supplementary Declaration(s) and the portions of the Existing Property, other than the First Development Stage, described in such Enabling Declarations, shall be held, transferred, leased, sold, conveyed and occupied subject to the Covenants and Restrictions.

#### ARTICLE I

#### DEFINITIONS

In addition to the words defined elsewhere in this instrument, the following words when used in this instrument or any Enabling Declaration or Supplementary Declaration (hereinafter defined) shall have the following meanings (unless the context shall clearly indicate a contrary intent):

(a) *Common Areas*: Those certain parcels of ground (i) which are shown on any recorded Final Subdivision Plan (hereinafter defined) of any part or parts of the Community (hereinafter defined), and labeled on such plan "Undosz", "Dosz" or "Common Area", and (ii) which are intended to be devoted to the common use and enjoyment of all Owners (hereinafter defined) of Units (hereinafter defined) in the Community, rather than Owners of Units in only the townhome or multi-family areas of the Community, and (iii) which have been at the time of such recording or shall be thereafter conveyed by Developer to the Association.

(b) *Common Facilities*: Those certain buildings, improvements and fixtures which are situated on or in the Common Areas and which are intended to be devoted to the common use and enjoyment of all Owners of Units in the Community and all personal property owned by the Association and which is used or useful in the operation of the Association in the operation, maintenance or repair of the Common Areas and the aforesaid buildings, improvements and fixtures.

(c) *Unit*: Each dwelling unit, regardless of type and form of ownership, situated within the Community and intended for use and occupancy as a residence by a single family. For purposes of this Declaration, a dwelling unit becomes subject to the Covenants and Restrictions upon completion of its framing structure by Developer.

(d) *Recreation Area*: Those portions of the Common Areas designated as such by Developer on any recorded Final Subdivision Plan of any part or parts of the Community.

(e) *First Development Stage*: That certain parcel of real property described in Exhibit "B" attached hereto and hereby made a part hereof and shown on a certain Final Plan of Subdivision of SF-1-East, Hoffman Rosner Corporation's "Newtown Crossing", Newtown Township, Bucks County, Pennsylvania, prepared by Boucher and James, Inc., Engineers and Surveyors of Glenside and Doylestown, Pennsylvania, last revised on September 19, 1974, and recorded in the Office of the Recorder of Deeds in and for Bucks County, Pennsylvania, on December 3, 1974 in Plan Book No. 128, page 47.

(f) *Community*: Such real property as hereby is, or may hereafter be, made subject to these Covenants and Restrictions in the following manner, it being understood that the owner(s) of such real property shall thereby, *ipso facto*, become members of the Association:

(i) In the case of the First Development Stage, by recordation of this instrument in the aforesaid office;

(ii) In the case of portions of the Existing Property other than the First Development Stage, by the recordation in the aforesaid office of (x) an instrument (hereinafter called "Enabling Declaration") declaring that such portions of the Existing Property, specifically described therein, shall thenceforth be included in and subjected to the Covenants and Restrictions, as more fully described in Section 1 of Article II hereof; and (y) a Final Plan of Subdivision for the property which is the subject of such Enabling Declaration;

(iii) In the case of Additional Property, by the recordation in the aforesaid office of (x) an instrument executed by the record owner or owners thereof (hereinafter called "Supplementary Declaration") declaring that such Additional Property, specifically described therein, shall thenceforth be included in and subjected to the Covenants and Restrictions, provided, however, that such an instrument may not be recorded, and shall be of no force or effect whether or not recorded, unless such instrument shall contain therein the certification by two officers of the Association stating that two-thirds (2/3) of each class of voting Members then in the Association have consented to the action described in such Enabling Declaration, all as more fully described in Section 2(a) of Article II hereof; and (y) a Final Plan of Subdivision for the property which is the subject of such Supplementary Declaration; and

(iv) In the case of a merger or consolidation of the Association with another association, as more fully described in Section 2(b) of Article II hereof.

(g) *Owner*: The record owner, whether one or more persons or entities and including Developer where applicable, of the fee simple title to any Unit situated in the Community, it being understood, however, that such term shall not mean or refer to the holder of a mortgage on such Unit unless and until such mortgagee has acquired title to such Unit pursuant to foreclosure or any proceeding or transfer in lieu of foreclosure.

(h) *Member*: Each Owner in his capacity as a member of the Association, as provided in Section 1 of Article III hereof.

(i) *First Mortgagee*: The holder of any recorded first mortgage lien on one or more Units, which holder has delivered to the Treasurer of the Association written notice stating that such holder is the mortgagee of a recorded first mortgage on one or more Units identified in such notice, and stating the address of such holder to which all notices and other communications shall be sent; provided that there are no uncanceled notices to the same effect from another holder of a mortgage on such Unit then on file with the Treasurer.

(j) *Final Subdivision Plan*: A plan of property complying with the requirement for final subdivision plans as specified in the Newtown Township Subdivision and Land Development Ordinance, and (in the case of plans of portions of the Existing Property) conforming substantially to the preliminary development plan of the Existing Property as a Planned Residential Development heretofore given tentative approval by the Supervisors of

Newtown Township, such compliance and conformance being evidenced by the approval of the Supervisors of Newtown Township, shown on such plan.

## ARTICLE II

### PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

*Section 1. Existing Property.* The Existing Property, from which Developer may from time to time declare portions to be specifically included in the provisions of this instrument and thereby to be held, transferred, sold, conveyed and occupied subject to the Covenants and Restrictions, is situated in Bucks County, Commonwealth of Pennsylvania, and is more particularly described on Exhibit "A" attached hereto.

The First Development Stage (which is the portion of the Existing Property which is more fully described in Exhibit "B" attached hereto) is hereby specifically declared to be subject to the provisions of this instrument and included within the Covenants and Restrictions hereof, effective upon the recording of this instrument in the Office of the Recorder of Deeds in and for Bucks County, Pennsylvania, together with or subsequent to the recording in said office of a Final Plan of Subdivision for the First Development Stage.

Additional portions of the Existing Property may be annexed hereto and made subject to this instrument and included within the Covenants and Restrictions hereof by Developer, without the necessity for the consent of the Association or its members, from time to time within the period of ten (10) years from the date of this Declaration, recording an Enabling Declaration to that effect in the aforesaid office, together with or subsequent to the recording in said office of a Final Plan of Subdivision covering the property which is subject to such Enabling Declaration.

*Section 2. Additions to Existing Property.* Additional Property may become subject to these Covenants and Restrictions only in the following manner:

(a) Upon approval in writing of the Association pursuant to the assent of two-thirds (2/3) of each class of voting Members, the owner(s) of any property desirous of adding it to the scheme of these Covenants and Restrictions and subjecting it to the jurisdiction of the Association, may file of record a Supplementary Declaration which shall extend the scheme of these Covenants and Restrictions to such property.

(b) Upon a merger or consolidation of the Association with another association as provided in the Association's By-laws, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions established by this instrument within the Community together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this instrument within the Community except as hereinafter provided.

*Section 3. Deviations from the Covenants and Restrictions.* Enabling Declarations and Supplementary Declarations may contain such complimentary additions or modifications, or both, of the Covenants and Restrictions contained in this instrument as may be necessary to reflect the different character, if any, of the properties covered by such Declarations if such additions or modifications, or both, are not inconsistent with the scheme of this instrument. In no event, however, shall any Enabling Declaration or Supplementary Declaration revoke, modify or add to the Covenants and Restrictions established by this instrument within the First Development Stage.

## ARTICLE III

### MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

*Section 1. Membership.* Every person or entity who is a record owner of a fee simple interest in any Unit in the Community which is hereby, or by Enabling Declaration or Supplementary Declaration in the manner hereinbefore described, included within these Covenants and Restrictions, shall be a Member of the Association, which membership shall be appurtenant to such Unit, and each purchaser of any Unit by acceptance of a deed therefor covenants and agrees to be a Member of the Association whether or not it shall be so expressed in any such deed or other conveyance; provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a Member. Membership shall be expanded from time to time to the extent of the number of Units within

property which is to be added to the property then subject to these Covenants and Restrictions when such additional property is by Enabling Declaration or Supplementary Declaration included within these Covenants and Restrictions and thereby included within the Community which is subject to this instrument.

*Section 2. Voting and Non-Voting Membership.* The Association shall have four (4) classes of voting membership and one (1) class of non-voting membership:

*Class A, B and C.* Class A Members shall be all those Owners of a single family detached dwelling Unit within the Community, with the exception of Developer; Class B Members shall be all those Owners of a townhome dwelling Unit within the Community, with the exception of Developer; Class C Members shall be all those Owners of an apartment dwelling Unit within the Community, whether as a condominium unit or otherwise, with the exception of Developer. Class A, B and C Members shall be entitled to one (1) vote for each Unit in which they hold the interest required for membership by Section 1 of this Article III. When more than one (1) person holds such interest in any Unit, all such persons shall be Members. The vote for each Unit shall be exercised as the Owners of each Unit among themselves determine, but in no event shall more than one vote be cast with respect to any one Unit and fractional votes shall not be permitted.

*Class D.* The Class D Member shall be Developer. The Class D Member shall be entitled to three (3) votes for each Unit in which it holds the interest required for membership by Section 1; provided that the Class D membership, *ipso facto*, shall cease and shall be converted to Class A, B or C membership (depending upon the type of Units then owned by Developer) on the happening of either of the following events, whichever occurs earlier: (a) when the total votes outstanding in the Class A, B and C memberships equal the total votes outstanding in the Class D membership, or (b) the fifth (5th) anniversary of the date of this instrument. In the case of additional memberships being created by the recordation of one or more Enabling Declarations or Supplementary Declarations pursuant to Article II hereof, the tests of clauses (a) and (b) above shall be applied separately to each group of Members added to the Association by each such separate Declaration and the time period stated in clause (b) above shall be five (5) years from the date of recordation of the Enabling Declaration or Supplementary Declaration which adds such group of Members to the Association.

*Class E.* By action of its Board of Directors, the Association may from time to time create a non-voting Class E membership; provided, however, that if at the time such action is taken the Association has received a ruling from the Internal Revenue Service that it is exempt from one or more Federal taxes, the Board of Directors shall not take such action without either a ruling from the Internal Revenue Service or an opinion of tax counsel that such action will not cause the Association to lose such tax-exempt status. Class E memberships may be sold to employees or representatives of Developer, and to such other persons as the Board of Directors shall determine from time to time. The amount of the dues to be paid by Class E members shall be determined by the Board of Directors. Such memberships shall be for a period of one (1) year, may be renewable only with the consent of the Board of Directors and will entitle Class E members to the use of such property and facilities as the Board of Directors shall determine. The funds received from Class E memberships shall be collected by the Association, and used exclusively to defray the costs of the operations of the Association's property and recreational facilities. To the extent of said funds to be so applied, the Board of Directors may (but need not) reduce the annual assessments of Class A, B and C Members. The Board of Directors shall have the right to eliminate at any time the category of Class E membership which had been previously established in accordance with the first sentence of this paragraph. Class E members shall have only those privileges stated above, and shall have no other rights or privileges of Class A, B, C or D Members. The total number of Class E memberships effective at any time shall not exceed the total number of Class A, B and C memberships effective at the same time.

## ARTICLE IV

### COVENANT FOR CAPITAL CONTRIBUTIONS AND MAINTENANCE ASSESSMENTS

*Section 1. Creation of the Lien and Personal Obligation of Capital Contributions and Assessments.* Developer, if and to the extent provided in Section 11 of this Article IV, and each purchaser of any Unit in the Community by acceptance of a deed or other instrument of conveyance therefor, whether or not it shall be so expressed in any such deed or other instrument of conveyance, hereby covenants and agrees, for himself, his heirs, personal representatives, successors and assigns, to pay to the Association: (a) annual assessments or charges, payable monthly; and (b) special assessments for payment of excess real estate taxes (as provided in Section 3 of this Article IV); and (c) capital contributions (described in Section 4 of this Article IV); such contributions and assessments to be fixed, established and collected from time to time as hereinafter provided. Such capital contributions and assessments (or installments of either), together with such interest thereon, late charges, and costs of collection thereof as are hereinafter provided, when due and not fully paid shall be a charge on the land, and shall be a lien upon the property, against which each call for



such contribution or assessment (or installment of either) is made until the same shall be paid in full. Each such capital contribution or assessment (or installment of either), together with such interest thereon, late charges, and cost of collection thereof as are hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when such contribution or assessment (or installment of either) falls due.

*Section 2. Purpose of Assessments.* The assessments levied by the Association shall be used exclusively for the purpose of promoting the pleasure and recreation of the members of the Association and the residents of the Community living in a Member's Unit, and in particular for the maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas and Common Facilities including, but not limited to, the payment of liability insurance premiums and premiums for insurance against fire and other hazards on the Common Areas and/or the Common Facilities and the payment of interest, the cost of maintenance, up-keep and repair of the Common Areas and/or the Common Facilities, and the cost of labor, management, supervision and operation necessary or desirable for the use and enjoyment of the Common Areas and Common Facilities.

*Section 3. Basis and Maximum of Annual Assessments.* Until the calendar year beginning January, 1976, the annual assessment shall be not more than Sixty Dollars (\$60.00) per Unit. On and after January 1, 1976, for each succeeding year, on an annual basis, the annual assessment may be increased by vote of the Members of the Association, as provided in Section 5 of this Article IV.

In the event the maximum annual assessment is not increased by vote of the members of the Association, as provided in Section 5 of this Article IV, this assessment may be increased effective the first day of January of each year on and after January 1, 1976, by action of the Board of Directors of the Association and without the necessity for a vote of the Members, in conformance with the Consumer Price Index for the immediately preceding month of September based on the following method of computation: To determine the percent of increase to be applied to the maximum annual assessment for each year commencing January 1, 1976, first ascertain the Consumer Price Index for the month of September immediately prior to the coming assessment year; then, if such Consumer Price Index is higher than the September, 1974 Consumer Price Index (155.8), subtract the September, 1974 Consumer Price Index from that higher Index (it being understood that if such September Consumer Price Index is not higher than the September, 1974 Consumer Price Index, the maximum annual per Unit assessment for the coming assessment year shall be equal to the maximum annual per Unit assessment for the then current assessment year); then divide the remainder by the September, 1974 Consumer Price Index, thus arriving at the percent of increase above the September, 1974 Consumer Price Index for the coming assessment year. This percentage will be multiplied by the annual per Unit assessment set out in the first paragraph of this Section 3 to determine the dollar amount of increase in the maximum annual per Unit assessment. This amount, when added to the annual per Unit assessment set out in the first paragraph of this Section 3 will establish the maximum annual assessment for each Unit for the coming assessment year. The Consumer Price Index referred to hereinabove shall be deemed to mean the "All Items" figures for the City of Philadelphia as set out in the "Consumer Price Index for Urban Wage Earners and Clerical Workers (including single workers)" 1967 equals 100, published by the United States Department of Labor, Bureau of Labor Statistics. The statistical methods used in computing said Consumer Price Index shall be such as are chosen by the United States Department of Labor for that purpose irrespective of whether the methods are changed from time to time. In the event that the Consumer Price Index ceases to use the 1967 average of 100 as the basis of calculation, or if a substantial change is made in the terms or number of items contained in the Consumer Price Index, then the Board of Directors of the Association shall adjust the Consumer Price Index to the figure that would have been arrived at had the manner of computing the Consumer Price Index in effect at the date of this instrument not been altered. In the event such Consumer Price Index (or a successor or substitute index) is not available, the Board of Directors shall use a reliable governmental or other non-partisan publication (of their choosing) which evaluates the information theretofore used in determining the Consumer Price Index.

The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at an amount less than the maximum annual assessment established in accordance with the preceding paragraphs in this Section 3 or with Section 5 of this Article IV.

If taxes on real estate owned by the Association, as shown by the tax bills received by the Association each year, shall exceed the amounts estimated for such taxes in the budget previously used in determining the annual assessment for such year, the Board of Directors may, without the assent of the members, cause the Association to levy a special assessment to provide funds for payment of such increase in taxes, in such manner and time or times as the Board of Directors shall determine.

Monies received by the Association pursuant to this Section 3 shall be deposited in the general account of the Association.

In the event that the sum of the annual and special assessments for any calendar year shall exceed the Association's expenses for such calendar year, the Board of Directors shall cause the Association either to return the

amount of such excess assessments to the members of the Association promptly after the end of such calendar year or to apply the amount of such excess against the members' annual assessments for the next following calendar year. Any such excess assessments which the Board of Directors elects to return to the members shall be returned to those persons who are members of the Association on the last day of the calendar year in which such excess arose. For purposes of this Section 3, the Association's expenses for a calendar year shall be conclusively deemed to equal the expenses reported on the Association's Federal income tax return for such calendar year.

*Section 4. Capital Contributions.* In addition to the annual and special assessments authorized by Section 3 of this Article IV, the Board of Directors may (and in the case of adequate reserves for replacement of the Common Property, shall), without the assent of the members, cause the Association to require, from time to time on at least thirty (30) days' advance written notice to all members, a capital contribution to the Association (which may be payable in installments if so designated by the Board of Directors and, in the case of capital contributions for the replacement of the Common Property, shall be payable in monthly installments), for the purpose of (a) paying capital expenditures, including (without limitation), the cost of any construction or reconstruction, alteration or replacement of one or more capital improvements upon the Common Areas, the cost of the necessary fixtures and personal property related thereto, and the cost of acquisition or replacement of any major specified item or items of personal property owned or to be owned by the Association, or (b) making principal payments on loans made to the Association, or (c) providing the Association with working capital as reserves against future expenses, or (d) providing funds to cover losses incurred by the Association. Notwithstanding the foregoing, if the total amount of such capital contributions called for in a calendar year exceeds the amount of the annual assessment for the calendar year during which such capital contributions are called for, the portion of such capital contributions in excess of such annual assessment may not be levied without the assent of two-thirds (2/3) of the votes of each class of voting membership in the Association, cast in person or by proxy at a meeting duly called for this purpose, written notice of which shall be given to all voting Members at least thirty (30) days in advance and which shall set forth the purpose of the meeting. All monies received by the Association in payment of the capital contributions referred to in this Section 4 shall be segregated from all other monies of the Association in a separate bank account of the Association, identified as being for funds for the purpose called for in the notice referred to in the next following sentence; shall be set aside and identifiable as such on the books of the Association; and shall be used only for such purpose. The purpose(s) of each capital contribution shall be specified in the notice referred to in the first sentence of this Section 4.

*Section 5. Change in Maximum Annual Assessment by Action of Membership.* Subject to the limitations of Section 3 of this Article IV, for the calendar year 1976 and for each annual period thereafter, the Association may change the maximum annual assessment fixed pursuant to said Section 3 prospectively for any such period, provided that any such change shall have the consent of two-thirds (2/3) of the votes of each class of the voting Members of the Association, cast in person or by proxy at a meeting duly called for this purpose, written notice of which shall be given to all voting Members at least thirty (30) days in advance and shall set forth the purpose of the meeting; provided further, that the limitations of Section 3 of this Article IV shall not apply to any change in the maximum annual assessment made as an incident to a merger or consolidation in which the Association is authorized to participate under its By-laws and under Section 2(b) of Article II hereof.

*Section 6. Quorum for any Action Authorized under Sections 4 and 5.* The quorum required for any action authorized by Sections 4 and 5 of this Article IV shall be as follows: At the first meeting called, as provided in said Sections 4 and 5, the presence at such meeting of Members of the Association, or of proxies, entitled to cast sixty (60) percent of all of the votes of each class of voting members shall constitute a quorum. If the required quorum is not forthcoming at such meeting, another meeting may be called, subject to the notice requirement set forth in said Sections 4 and 5 and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the immediately preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the date of the immediately preceding meeting.

*Section 7. Date of Commencement of Annual Assessments.* The annual assessments provided herein shall commence as to each Unit owned by Developer in any portion of the Existing Property which by Enabling Declaration or Supplementary Declaration has been brought under these Covenants and Restrictions on the first day of the calendar month following the conveyance of title to each such Unit to the first purchaser of each such Unit from Developer.

The first annual assessment against a Unit shall be made pro rata for the balance of the calendar year following the date of closing of the sale and conveyance by Developer of such Unit, respectively (calculated as provided in the next following paragraph) and shall become due and payable in equal monthly installments to be paid each month in advance on or before the first day of the month. The assessments for any calendar year, after such first year, shall become due and payable in equal monthly installments to be paid each month in advance on or before the first day of the month commencing on the first day of January of said year.

The amount of the annual assessment which may be levied for the balance remaining in the first calendar year of assessment against a Unit shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 of this Article IV for such year as the remaining number of months in that calendar year bears to twelve (12). The same reduction in the amount of the annual assessment shall apply to the first assessment levied against any property which is hereafter added to the property then subject to these Covenants and Restrictions at a time other than the beginning of any calendar year.

The due date of any special assessment or capital contribution under Section 3 or Section 4 hereof, respectively, (and whether or not such assessment or capital contribution shall be payable in installments) shall be fixed in the resolution authorizing such assessment.

*Section 8. Duties of the Board of Directors.* At least thirty (30) days in advance of the due date for any capital contribution or annual or special assessment or the first installment of such contribution or assessment, the Board of Directors of the Association shall fix the amount of such contribution or assessment against each Unit, and shall, at that time, prepare a roster of the Units and capital contributions and assessments applicable thereto which shall be kept in the office of the Association and such roster, as well as the other books and records of the Association, shall be open to inspection by any Owner or First Mortgagee. Written notice of the assessment or capital contribution, or both, shall thereupon be sent to every Owner and First Mortgagee subject thereto. The Board of Directors may, in its discretion, designate a form of periodic payments. The Board of Directors may also, in its discretion, designate and retain an agent to collect such capital contributions and assessments on behalf of the Association, to whom payments of such contributions and assessments shall be made.

The Association shall within a reasonable time after written request furnish to any Owner liable for any capital contribution or special or annual assessment, or any First Mortgagee, a certificate in writing signed by an officer of the Association, or a collecting agent designated by the Board of Directors, setting forth whether (and if payable in installments, how much of) such contribution or assessment has been paid as of the date of such certificate and whether there are then any other defaults by such Owner in the performance of his obligations under one or more of the Covenants and Restrictions, the Articles of Incorporation of the Association, the By-Laws of the Association or any recorded Final Subdivision Plan of any part of the Community which default has remained uncured for at least thirty (30) days. Such certificate shall be conclusive evidence of payment of any contribution or assessment (or installment of either) stated in such certificate to have been paid and of the non-existence of any default which is not stated in such certificate to have occurred and to have remained so uncured.

*Section 9. Effect of Non-Payment of Capital Contribution or Assessment: The Personal Obligation of the Owner; The Lien; Remedies of the Association.* If the capital contributions or assessments (or any installments of either) are not paid on the date when due (being the dates specified in Section 7 of this Article IV), then such delinquent contribution, assessment or installment of either shall, together with such interest thereon and the cost of collection thereof as are hereinafter provided, thereupon become a lien on the Unit of the delinquent Owner which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such capital contribution or assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them. Sale or transfer of any Unit shall not affect the continuing lien on such Unit for the amount of any unpaid capital contributions or assessments (or installments of either).

If a capital contribution or assessment (or installment of either) is not paid within thirty (30) days after the due date thereof, such contribution, assessment or installment shall be subject to a \$5.00 late charge and shall bear interest from such due date at the rate of six percent (6%) per annum, and the Association, or its collecting agent designated by the Board of Directors, may bring any action at law against the Owner personally obligated to pay the same and/or to execute upon the Association's lien against the delinquent Owner's Unit, and there shall be added to the amount of such contribution, assessment or installment the costs of preparing and filing the complaint in such action and, in the event a judgment is obtained, such judgment shall include interest on the contribution or assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action. In addition thereto, the Association may deny to the delinquent Owner the use and enjoyment of any of the Common Areas and Common Facilities, except ingress and egress to and from the Owner's Unit, until the delinquent contribution, assessment or installment is paid, together with any interest, costs and other sums set forth above which the Association is entitled to receive; provided, however, that the Association shall have no power to deny to any Owner the use and enjoyment of the Common Areas and Common Facilities during any period of time when either or both of such Common Areas and Common Facilities are being maintained by the Township of Newtown rather than by the Association. No Owner may avoid liability for the capital contributions and assessments provided for herein by non-use of the Common Areas and/or the Common Facilities or by abandonment of his Unit. Any unpaid assessment which cannot be promptly collected from an Owner of a Unit may (but need not) be reassessed by the Board of Directors as a Common Expense to be collected from

all of the Owners, including (by way of illustration and not limitation) a purchaser who acquires title to the Unit owned by the defaulting Owner at a sheriff's sale of such Unit pursuant to execution upon a lien against such Unit (including, without limitation, the Association's lien for delinquent capital contribution(s) and/or assessment(s)), his successors and assigns and any holder of a mortgage who comes into possession of a Unit by deed in lieu of foreclosure or any transfer or assignment in lieu of foreclosure.

*Section 10. Subordination of the Lien to Mortgages.* The lien of the capital contributions and assessments provided for herein shall be subordinate to the lien of any first mortgage placed upon the Unit subject to such capital contribution or assessment prior to the time such capital contribution or assessment becomes a lien on such Unit; provided, however, that such subordination shall apply only to the contributions, assessments or installments which have become due and payable prior to the date of sale of such Unit pursuant to a decree of foreclosure of any such mortgage or prior to the date of a deed, or other instrument of conveyance, of such Unit given by the mortgagor in lieu of foreclosure. Any First Mortgagee who comes into possession of a Unit on which it holds or held a mortgage, pursuant to the remedies provided in such mortgage, foreclosure, such mortgage or deed (or assignment) in lieu of foreclosure, shall take possession of the Unit free of any claims for unpaid assessments, capital contributions, or other charges against such Unit which have accrued prior to the time such First Mortgagee comes into possession of such Unit (except for claims for a pro-rata share of such assessments, capital contributions or other charges resulting from a pro-rata reallocation thereof by the Association to all Units including the mortgaged Unit). Such sale, or deed or instrument of conveyance in lieu of foreclosure, shall not relieve such Unit from liability for any capital contributions or assessments, or installments of either, which thereafter become due nor from the lien of any such subsequent contribution, assessment or installment.

*Section 11. Exempt Units.* Each Unit, for the period prior to the time it is constructed, sold and conveyed by Developer, shall be exempted from the capital contributions, assessments, charges and liens created herein. Such exemption for any such unconveyed Unit shall continue until the time of closing of the sale and conveyance of such Unit by Developer.

Upon the conveyance by Developer to an Owner other than Developer of a Unit which was theretofore entitled to the above exemption, such exemption shall be terminated *ipso facto* and such Unit shall thereafter be subject to the full amount of the capital contributions and assessments elsewhere set forth in this Article IV, prorated from the date of such conveyance.

It is further understood that the following property subject to this Declaration shall be exempt from the capital contributions and assessments, charges and liens created herein: (a) all properties dedicated to and accepted by a local public authority and devoted to public use, from and after the time of acceptance of such dedication; (b) all Common Areas and Common Facilities; (c) any real property owned by one or more not-for-profit corporations created by Developer to own land in the Community which is not included in the First Development Stage and the common elements (but not the condominium units together with their proportionate undivided interest in the common elements) of any condominium project created by Developer, from and after the date such property is conveyed to such corporation or subjected to the condominium form of ownership, as the case may be; (d) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the Commonwealth of Pennsylvania, so long as such properties are not used as a dwelling; and (e) Units used as models by Developer for the time period so used.

The Board of Directors, with the assent of a majority of the votes of each class of voting membership in the Association, cast in person or by proxy at a meeting duly called for this purpose, shall have the right to cause the Association to lease all or any portion or portions of either or both the Common Areas and the Common Facilities to any person(s) or legal entity(ies) including, without limitation, Developer and entities related to Developer, for either or both the operation and maintenance thereof; provided that each such lease shall provide that: (a) all residents of the Community shall at all times retain the right of access to any open space lands which are subject to such lease; (b) the premises demised thereby shall be maintained for the purposes set forth therefor in either or both of this Declaration and the applicable zoning ordinance; and (c) the operation of the demised premises shall be either (i) only for the benefit of the residents of the Community and their guests or (ii) open to the general public; and further provided that the leasing of any Common Areas or Common Facilities or both shall be subject to any restrictions duly placed thereon by any governmental body having jurisdiction thereover, including (without limitation) any applicable restrictions contained in the Newtown Township Zoning Ordinance effective the date of recording this Declaration.

## ARTICLE V

### MAINTENANCE DUTIES AND RIGHTS OF THE ASSOCIATION AND FIRST MORTGAGEES

*Section 1. The Association's Maintenance Duties and Rights.* The Association, in addition to its other powers,

rights and duties as set forth in these Covenants and Restrictions and in its Articles of Incorporation, By-Laws and any Rules and Regulations which the Association may promulgate as hereinafter provided, and as any of the same may be amended, shall maintain, operate and manage all the Common Areas and Common Facilities owned by the Association, including (without limitation) the Recreation Area if owned by the Association (it being understood that the Association may delegate one or more of such duties to one or more independent contractors including, without limitation, Developer and entities affiliated with Developer) or agents or employees of the Association, by lease or contract; shall pay all real estate taxes, personal property taxes or other charges which may be assessed against or levied upon the Common Areas and Common Facilities owned by the Association; shall maintain and otherwise manage the landscaping and grounds in the Common Areas; and shall cause the Association to maintain continually in effect, and to pay the premiums of, fire and extended coverage insurance on the insurable portion of the Common Facilities, comprehensive public liability insurance covering all of the Common Area and Common Facilities, a fidelity bond or insurance policy covering all persons who are responsible for handling the funds of the Association, and such other insurance as the Board of Directors of the Association shall deem to be necessary or desirable, all of which shall be in such amounts and with such companies as the Board of Directors shall determine; provided, however, that if and for so long as any First Mortgagee shall be the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation or any other Federal, State or local agency or instrumentality, then the insurance coverage carried by the Association shall, at a minimum, comply with any applicable requirements of such association, corporation, agency and/or instrumentality.

The extent and frequency of the activities of the Association in carrying out the duties of maintenance and management set forth above shall be decided by the Board of Directors, and the Board of Directors may appoint committees to advise the Board on such matters. The Board of Directors may also promulgate Rules and Regulations to aid in carrying out such maintenance, operation and management duties, and may amend such Rules and Regulations prospectively at any time and from time to time.

*Section 2. Certain Rights of First Mortgagee.*

(a) Notwithstanding anything to the contrary contained in the Covenants and Restrictions or any Enabling Declaration or Supplementary Declaration, unless at least seventy-five percent (75%) of the First Mortgagees of individual Units then in the Community (calculated on the basis of one (1) vote for each first mortgage of an individual Unit held by a First Mortgagee) shall have given their prior written approval (which approval shall not be unreasonably withheld or delayed), the Association shall not be entitled to do any one or more of the following:

(i) By act or omission seek to abandon, partition, subdivide, encumber by a mortgage not complying with the requirements therefor set out in Section 1 of Article VI hereof, sell, convey or transfer any of the Common Areas, the Common Facilities or both; provided, however, that there shall be excluded from the operation of this paragraph (i): (A) the granting of easements for public utilities or for other public purposes, or (B) the sale, conveyance and/or transfer of all or substantially all of the assets of the Association to a nonprofit corporation, not-for-profit corporation, association, trust or other organization for the benefit of the Owners as a group, or (C) the dedication to a governmental entity for use by the general public; provided that the Association shall have received an opinion from legal counsel qualified to practice law in the Commonwealth of Pennsylvania that by the terms of the document(s) effecting such sale(s), conveyance(s), transfer(s), easement(s) or dedication(s), or by law, or both, the property burdened by such easement(s) or which is to be sold, conveyed, transferred and/or dedicated requires such property to be devoted to purposes as nearly as practicable the same as those to which they are required to be devoted by the Association; it being understood that making available Common Property and/or Common Areas for use by additional persons does not, in and of itself, constitute a different purpose to which such Common Property and/or Common Areas are to be devoted.

(ii) Use any method not expressly permitted in this Declaration for the purpose of determining the obligations, assessments, capital contributions or other charges which may be levied against an Owner of a Unit by the Association.

(iii) By act or omission change, waive or abandon any scheme of regulations, or enforcement, thereof, pertaining to any one or more of the following: (A) the architectural design or the exterior appearance of Units, (B) the exterior maintenance of Units, (C) the maintenance of party walls or common fences and driveways, or (D) the upkeep of lawns and plantings in the Community; provided, however, that nothing in this paragraph (iii) shall be deemed to obligate the Association to adopt any such scheme or regulation.

(iv) Fail to maintain fire and extended coverage insurance on insurable Common Facilities on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value of such Common Facilities or renewal of such insurance).

(v) Use hazard insurance proceeds from losses to any of the Common Facilities for purposes other than the repair, replacement or reconstruction of such Common Facilities.

(b) A First Mortgagee of a Unit may, either singly or jointly with First Mortgagees of other Units, on behalf of the Association (i) pay taxes or other charges which are in default and which may become or have become a lien or charge against the Common Areas, the Common Facilities or both, and (ii) pay overdue premiums on one or more hazard insurance policies covering the Common Facilities or secure new hazard insurance coverage of the Common Facilities and the failure of the Association to replace such policy not later than the time it elapses (including any applicable grace period). One or more First Mortgagees making such payments on behalf of the Association shall be entitled to be reimbursed therefor from the Association upon written demand therefor. Upon written request by a First Mortgagee, the Association shall confirm in writing to such First Mortgagee that if any First Mortgagees were to make one or more of the payments referred to in the first sentence of this paragraph (b) on behalf of the Association, such First Mortgagee(s) would thereby be entitled to the reimbursement mentioned in the immediately preceding sentence.

(c) No Owner of a Unit, or any other party, shall have priority over any rights of First Mortgagees of Units pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of any of the Common Areas, Common Facilities, or both; provided, however, that nothing in this paragraph (c) shall be deemed to create, or imply the existence of, any rights of Owners of Units, or their mortgagees, or both, in and to any such insurance proceeds and condemnation awards.

## ARTICLE VI

### USE AND RIGHTS IN COMMON AREAS

*Section 1. Use and Rights of Owners and the Association.* Except as the right may be suspended under Section 9 of Article IV hereof for non-payment of delinquent assessments, or as provided below, each Owner, at the time he becomes an Owner and for so long as he is Owner, is hereby granted an easement of use, enjoyment and access to all of the Common Areas and the Common Facilities in the Community, subject to the Rules and Regulations of the Association as promulgated from time to time and subject to the right of the Association or its designee(s) to charge for use of one or more of the Common Areas and/or Common Facilities. This easement of use, enjoyment and access granted to each Owner shall be deemed to be appurtenant to such Owner's Unit, shall run with the land and shall pass with the title to such Unit. Any Owner may delegate his rights of enjoyment in the Common Areas and the Common Facilities to the members of his family who reside in his Unit or to any tenants of his Unit under a leasehold for a term of one (1) year or more, such rights being subject to suspension in the same manner and to the same extent as those of the Owner of such Unit.

In addition to all other rights and remedies available to the Association, the Association shall have the right to suspend the use and access by any Owner to any of the Common Areas and the facilities thereon, except for ingress and egress to the Owner's Unit, for a period not to exceed thirty (30) days for each infraction of its promulgated Rules and Regulations or these Covenants and Restrictions. The Association or its designee shall have the right to charge reasonable admission and other fees for the use of any Common Areas and/or Common Facilities by guests of Owners or guests of tenants entitled to the use and enjoyment rights of Owners. Developer and the Association, in accordance with and subject to its Articles of Incorporation and By-laws, shall have the right to borrow money for the purposes of improving all or portions of the Common Areas and the Common Facilities owned by the party borrowing such money, and in aid thereof to mortgage all or portions of the Common Areas and/or Common Facilities owned by the borrower, provided that the rights of such mortgagee in the mortgaged Common Areas and mortgaged Common Facilities shall be subject to this instrument and subordinate to the rights of the Owners herein. Notwithstanding anything to the contrary contained in any such mortgage, in the event of a default upon any such mortgage the lender's rights and remedies thereunder and under any note, bond or other debt instrument which is secured by such mortgage shall be limited to the right, after taking possession of the mortgaged properties, to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored.

The Association shall have the right to dedicate all or portions of the Common Areas and/or Common Facilities to any public body, agency, authority or utility for public use, provided that each Owner shall continue to have ingress and egress to his Unit; and further provided that no such dedication shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the votes of each class of voting membership has been recorded, agreeing to such dedication and unless written notice of the proposed dedication is mailed or hand delivered to every Member and First mortgagee at least ninety (90) days in advance of any action taken

*Section 2. Use and Rights of Developer.* Prior to the conveyance by Developer of all completed Units in the First Development Stage, and in each portion of the Existing Property other than the First Development Stage which is brought under these Covenants and Restrictions by the recordation of an Enabling Declaration, Developer shall convey to the Association in fee all of the Common Areas in the First Development Stage and in each such portion of Existing Property, as the case may be, free and clear of all mortgages, liens, encumbrances and title objections except (a) mortgages that comply with the provisions of Section 1 of this Article VI; (b) title objections contained in the owner's title insurance policy issued to Developer when it acquired title to the Existing Property, except that there shall be no title objections for mortgages or liens except as permitted by clause (a) above; (c) easements for utilities as provided below; (d) these Covenants and Restrictions; (e) provisions of the Newtown Township zoning ordinance and other applicable governmental statutes, ordinances, rules and regulations; and (f) current real estate taxes, if any, which shall be prorated between Developer and the Association. Any other Common Areas and/or Common Facilities which are brought under these Covenants and Restrictions pursuant to the provisions of Section 2 of Article II hereof shall be conveyed to the Association in like manner. The Association shall accept the conveyance to it of all Common Areas and Common

Facilities, the title to which conforms to the foregoing requirements. The Common Areas, and Developer's conveyance thereof to the Association, shall be subject to utility easements granted or to be granted for sewer, water, gas, electricity, telephone and any other necessary utilities. If such utilities are not installed, or easements therefor are not granted or reserved, prior to conveyance of the Common Areas, such easements shall be granted later by the Association at the request of Developer. Developer, and its agents and employees, shall have the right to use the Common Areas and Common Facilities without charge during the construction and sales period for the Existing Property and for any additional land which may become subject to these Covenants and Restrictions as provided in Section 2 of Article II hereof.

Subject to the foregoing provisions of this Section 2 and any applicable requirements of Newtown Township, Developer may retain the legal title to the Common Areas and Common Facilities until such time as it has completed improvements thereon and until such time as, in the opinion of Developer, the Association is able to maintain the same but, notwithstanding any provision herein, Developer hereby covenants, for itself, its heirs and assigns that it shall convey the Common Areas and Common Facilities which are then part of the property subject to these Covenants and Restrictions to the Association, not later than the tenth (10th) anniversary of the date hereof.

## ARTICLE VII

### GENERAL PROVISIONS

*Section 1. Enforcement.* These Covenants and Restrictions shall run with, and be binding upon, the First Development Stage and all land which by Enabling Declaration or Supplementary Declaration, as herein provided for, is brought within these Covenants and Restrictions and shall inure to the benefit of and shall be binding upon the Association and all persons owning, leasing, subleasing, or occupying any such land and their heirs, executors, administrators, personal representatives, successors and assigns. These Covenants and Restrictions may be enforced by the Association, which shall have the right to expend Association monies in pursuance thereof, and may also be enforced by the Owner of any Unit in the Community or any one or more of the aforesaid persons benefitted thereby. If these Covenants and Restrictions are enforced by appropriate proceedings by any such Owner or Owners, such Owner or Owners, if successful in such enforcement and if the Association had theretofore refused such enforcement, may be reimbursed by the Association for all or any part of the cost incurred, but such reimbursement shall be solely in the discretion of the Board of Directors of the Association. Enforcement of these Covenants and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any of these Covenants and Restrictions, either to restrain violation or to recover damages, and against the land to enforce any lien created by these Covenants and Restrictions; and failure by the Association or any Owner to enforce any of the Covenants and Restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

*Section 2. Severability.* Invalidation of any one or more of these Covenants and Restrictions or portions hereof by judgment or court order shall in no way affect the validity of any of the other provisions or portions hereof, which shall remain in full force and effect.

*Section 3. Terminology.* The word "he" wherever used in this instrument shall be deemed to be synonymous with the words "she", "it" and "they" and the word "his" shall be deemed to be synonymous with the words "her", "its", and "their". The word "person" may refer to an individual, corporation, partnership or other legal entity except when the context provides otherwise.

*Section 4. Duration.* Subject to the provisions of Section 5 of this Article VII, these Covenants and Restrictions shall remain in full force and effect for a period of forty (40) years from the date hereof, and thereafter they shall be deemed to have been automatically renewed for successive terms of ten (10) years, except that at any time, and from time to time, during the first forty (40) years from the date hereof they may be amended or terminated by the vote of Owners of not less than ninety percent (90%) of the Units then in the Community and after said forty (40) years they may be amended or terminated by the vote of Owners of not less than seventy-five percent (75%) of the Units in the Community. Such amendment (pursuant to this Section 4) or termination shall be effected by recording in the office of the Recorder of Deeds of Bucks County, Pennsylvania, a document executed by the required number of Owners, setting out such amendment(s) or stating that these Covenants and Restrictions shall be terminated as provided therein. Provided, however, that no such instrument of amendment or termination, at whatever time executed, shall be effective unless made and recorded at least two (2) years prior to the effective date of such amendment or termination and unless a true copy of such instrument shall be mailed or hand delivered to every Owner and First Mortgagee at least ninety (90) days prior to the date on which the Owners are to decide whether to approve such instrument.

*Section 5. Amendment.*

(a) A power coupled with an interest is hereby retained by and granted to Hoffman Rosner Cor-

poration of Pennsylvania (acting by and through its duly authorized officers), its successors, assigns or designees, as attorney-in-fact to amend one or more of this Declaration, the By-laws of the Association, or the Articles of Incorporation of the Association, for the purpose of either or both (a) compliance with requirements of any one or more of the Veterans Administration, the Department of Housing and Urban Development, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, any successor to any of such organizations and any other Federal, state or local governmental entity or agency serving a like function, or (b) meeting requirements of the Internal Revenue Code of 1954, as now or hereafter amended, (i) relating to organization exempt from tax under Section 501(c) (7) thereof (or any successor to such Section) or (ii) specifically exempting homeowners' associations from any Federal income tax; provided that Developer shall have no obligation to cause any such amendment to be made. The acceptance of each deed, mortgage or other instrument with respect to any Unit which is subject to these Covenants and Restrictions shall be deemed to be a confirmation of such power to such attorney-in-fact and shall be deemed to constitute a consent and agreement to and acceptance, confirmation and ratification of all such amendments, which shall be effective upon the recording in the office of the Recorder of Deeds of Bucks County, Pennsylvania of an appropriate instrument, setting forth the amendment, and its authorization pursuant to this Section 5(a), which instrument shall be executed and acknowledged by Developer.

(b) This Declaration, any recorded Enabling Declaration or Supplementary Declaration and any recorded Final Subdivision Plan relating to all or any part of the Community may be amended by action of the Board of Directors of the Association alone, without the necessity for obtaining the approval or consent of any Owner other than Developer (if Developer is then an Owner of one or more Units), Members, First Mortgagees or any other holders of one or more liens on any part of the Community if, and only if:

(i) such amendment is necessary in the judgment of the Board of Directors to cure any ambiguity therein, or supplement or correct anything contained therein (or omitted therefrom) which is inaccurate, incomplete or inconsistent with anything contained elsewhere therein or in any of the other documents referred to hereinabove or with the actual physical condition of one or more parts of the Community; and

(ii) the Board of Directors shall have received an opinion of legal counsel to the effect that the proposed amendment is permitted by subparagraph (i) of this Section 5(b); and

(iii) in the case of an amendment to one or more recorded Final Subdivision Plans, the Board of Directors shall have received a like opinion from the surveyor, engineer or architect who prepared such Plan(s). Each such amendment shall be effective upon the recording in the office of the Recorder of Deeds of Bucks County, Pennsylvania, of an appropriate instrument setting forth the amendment and its due approval by the Board of Directors (and Developer, if its approval is required, as aforesaid) pursuant to this Section 5(b), which instrument shall be executed and acknowledged by the appropriate officers of the Association (and by Developer, if its approval is required as aforesaid).

(c) The provisions of Section 4 of this Article VII shall not apply to any amendment permitted by the provisions of this Section 5. Notwithstanding anything to the contrary in this Section 5, if and to the extent that any amendment to this instrument shall affect property rights or interests of Newtown Township in and to the Community or any portion or portions thereof, the written consent of such Township to such amendment shall be obtained prior to recording thereof. Developer and the Association may rely upon the opinion of their respective legal counsels that a particular amendment to this instrument does not affect property rights or interests of Newtown Township in and to the Community or any portion or portions thereof.

*Section 6. Notices.* Any notice or other communication required to be sent to any Member, Owner or First Mortgagee under the provisions of this instrument shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member, Owner or First Mortgagee on the records of the Association at the time of such mailing. Notice to the Association shall be sent in the same manner addressed to its President or Secretary at the Newtown Crossing Community Club, Newtown, Pennsylvania 18940, or to such other address of which the Association shall have notified the Members in the aforesaid manner.

*Section 7. Captions.* The paragraph captions in this instrument, and any Table of Contents, are for convenience only and do not in any way define, limit, describe or amplify the terms and provisions of this instrument or the scope or intent thereof.

*Section 8. Rights of Newtown Township, Etc.* Nothing in this instrument is intended or shall be construed as limiting or destroying any rights which the Township of Newtown, or the public generally, may now or in the future have



in and to any part of the Community by reason of law or any provision expressly granting such rights herein or in any duly recorded deed of dedication, Enabling Declaration, Supplementary Declaration or Final Subdivision Plan.

IN WITNESS WHEREOF, HOFFMAN ROSNER CORPORATION OF PENNSYLVANIA (Developer herein) has caused its corporate seal to be affixed hereunto and has caused its name to be signed to this instrument by its Vice President and attested by its Secretary this 30 day of January, 1975.

HOFFMAN ROSNER CORPORATION  
OF PENNSYLVANIA

By Stuart Reich

Vice President

Attest: Bert Hoffman

Secretary

CORPORATE SEAL

CONSENT OF MORTGAGEE

Intending to be legally bound, the undersigned, being the holders of all mortgages on the "Existing Property" described in the foregoing Declaration, hereby consent to the recording thereof against such Existing Property, provided, however, that in the event of foreclosure under either or both of said mortgages, the mortgagee(s) thereunder shall have the right of exclusive use and control of the premises then subject to the lien of such mortgage(s); and further provided, however, that this consent is given with the express understanding that the foregoing Declaration does not create any liability or obligation on the part of such mortgagee(s) or create any restriction or encumbrance upon, or rights superior to rights of such mortgagee(s) in and to, the premises which shall be subject to the lien of such mortgage(s) at the time the foregoing Declaration becomes effective as to such premises.

Dated this 5th day of February, 1975:

Witness: \_\_\_\_\_

EDNA W. PEARSON, mortgagee under mortgage from Linda Vandegrift, dated April 21, 1972 and recorded on April 24, 1972 in the Office for the Recording of Deeds in and for Bucks County in Mortgage Book 1834, page 234.

HIDDEN VALLEY ASSOCIATES, a co-partnership, mortgagee under mortgage from Hoffman Rosner Corporation of Pennsylvania, dated November 1, 1973 and recorded on November 9, 1973 in the aforesaid office in Mortgage Book 1918, Page 1098.

Witness: R. Harrington

By: \_\_\_\_\_  
Gilbert Cooper, General Partner

Witness: R. Harrington

\_\_\_\_\_  
Eugene Cooper, General Partner

Witness: Jean Hull

\_\_\_\_\_  
Olga Schorsch, General Partner

Constituting All the Partners  
of Hidden Valley Associates

## EXHIBIT "A"

### LEGAL DESCRIPTION OF "EXISTING PROPERTY"

ALL THAT CERTAIN tract of land situate in the Township of Newtown, County of Bucks, Commonwealth of Pennsylvania, as shown on a Plan of Survey and Topographical Survey of Property Situate in Newtown Township, Bucks Co., Penna., dated June 21, 1973 and last revised October 30, 1973, made by Tri-State Engineers and Land Surveyors, Inc., 530 Street Road, Southampton, Pennsylvania, bounded and described as follows:

BEGINNING at a point a corner of lands of the Commonwealth of Pennsylvania in the center line of Richboro-Newtown Road (33.00 feet wide); thence from the said point of beginning and passing through the bed of Richboro-Newtown Road and in or near the center line thereof, and crossing a 30.00 foot wide sanitary sewer easement, N 77 degrees 33' 15" E 1838.15 feet to an angle point a corner; thence continuing through the bed of said road and in or near the center line thereof, and crossing a 20.00 foot wide Sun Pipe Line Co. Right of Way, N 86 degrees 23' 15" E 740.70 feet to a point a corner of lands of Stanley B. Sutton, Sr; thence along said lands, and passing over a concrete monument (found) 24.82 feet from the beginning of this line S 11 degrees 13' 15" E 315.67 feet to a concrete monument (found) a corner; thence continuing along said lands N 86 degrees 25' 15" E 278.50 feet to a concrete monument (found) a corner of lands of Stanley B. Sutton, Jr.; thence along said lands N 78 degrees 46' 15" E 424.85 feet to a concrete monument (found) a corner; thence continuing along said lands and passing over a concrete monument (found) 23.15 feet from the end of this line N 11 degrees 13' 45" W 316.67 feet to a point a corner in the bed of Richboro-Newtown Road said point being in or near the center line thereof; thence passing through the bed of said road and in or near the center line thereof N 78 degrees 46' 15" E 244.41 feet to an angle point a corner; thence continuing through the bed of said road and in or near the center line thereof N 78 degrees 32' 45" E 493.26 feet to a P. K. nail set for a corner of lands of Joseph S. Roches, Jr.; thence along said lands of Joseph S. Roches, Jr. S 10 degrees 56' 45" E 110.00 feet to a concrete monument (found) a corner; thence continuing along said lands N 79 degrees 03' 15" E 99.00 feet to an iron pin set for a corner of lands of the Jesse E. Terry Profit Sharing Trust Fund; thence along said lands S 10 degrees 44' 15" E 1613.81 feet to a concrete monument (found) a corner in line of lands of William and Harold Lownes and Charles Lownes, Jr.; thence along line of said lands S 77 degrees 43' 45" W 344.97 feet to an iron pin set for a corner; thence continuing along said lands S 12 degrees 00' 45" E 554.67 feet to an iron pin set for a corner of lands of Raymond Cornell; thence along said lands, and crossing a 25.00 foot wide right-of-way hereinafter described, S 10 degrees 52' 15" E 725.56 feet to an iron pin set for a corner; thence continuing along said lands N 80 degrees 37' 15" E 764.51 feet to an iron pin set for a corner of lands of Kenneth A. Mammel; thence along said lands S 15 degrees 36' 30" E 249.55 feet to an iron pin set for a corner; thence continuing along said lands and along lands of Lucretia Mammel S 68 degrees 11' 30" E 227.11 feet to a point a corner in the center line of Buck Road; thence passing through the bed of Buck Road and in or near the center line thereof and crossing a 30.00 foot wide sanitary sewer easement, S 24 degrees 45' 00" W 2220.68 feet to a point a corner the northeasterly side of the Neshaminy Creek; thence along the northeasterly and easterly side thereof in a northwesterly and northerly direction crossing a 30.00 foot wide sanitary sewer easement and crossing a 20.00 foot wide Sun Pipe Line Co. Right of Way for the distance of 7674.60 feet more or less to a point a corner of lands of the Commonwealth of Pennsylvania; thence along said lands the three following courses and distances viz: (1) passing over a railroad spike (found) on the bank of the said Neshaminy Creek S 88 degrees 38' 00" E 81.00 feet to a copper weld (found) a corner; thence (2) N 47 degrees 31' 00" E 100.00 feet to an iron pin set for a corner; thence (3) N 30 degrees 41' 00" E 250.00 feet to the point and place of beginning.

CONTAINING 374.5815 Acres.

## EXHIBIT "A"

EXCEPTING THEREOUT AND THEREFROM, ALL THAT CERTAIN tract of land situate in the Township of Newtown, County of Bucks, Commonwealth of Pennsylvania, as shown on the aforementioned plan of survey prepared by Tri-State Engineers and Land Surveyors, Inc., 530 Street Road, Southampton, Pennsylvania, bounded and described as follows:

BEGINNING at an interior point a corner of lands of which this was a part in the center line of a 30.00 foot wide right of way, said point being measured the two following courses and distances from an iron pin a common corner of lands of Raymond Cornell and lands of William and Harold Lownes and Charles Lownes, Jr. in line of lands of which this was a part viz: (1) passing through lands of which this was a part S 79 degrees 13' 15" W 674.06 feet to a concrete monument (found) an angle point; thence (2) continuing through said lands S 75 degrees 18' 45" W 972.66 feet; thence from the said point of beginning passing through lands of which this was a part and along the center line of the said 30.00 foot wide right of way S 10 degrees 32' 00" E 126.00 feet to an iron pin (found) a corner; thence continuing through lands of which this was a part S 79 degrees 28' 00" W 531.71 feet to a concrete monument (found) a corner; thence continuing through said lands N 28 degrees 02' 00" W 708.80 feet to a concrete monument (found) a corner;

thence continuing through said lands N 79 degrees 28' 00" E 744.85 feet to a corner in the center line of a 30.00 foot wide right of way aforesaid; thence still continuing through lands of which this was a part and along the center line of the said 30.00 foot wide right of way S 10 degrees 32' 00" E 550.00 feet to the point and place of beginning.

CONTAINING 9.9054 Acres.

## EXHIBIT "B"

### LEGAL DESCRIPTION OF "FIRST DEVELOPMENT STAGE"

ALL THAT CERTAIN parcel of land situated in the Township of Newtown, County of Bucks, Commonwealth of Pennsylvania, bounded and described in accordance with a plan titled Mortgage Release Plan prepared by Boucher and James, Inc., Consulting Engineers, Doylestown, Pennsylvania dated March 12, 1974, and revised August 29, 1974.

BEGINNING at a point being the northerlymost corner of the parcel of land, said beginning point being in the title line of Richboro Road (State Route No. 332) presently thirty-three feet (33') wide, proposed to be widened along the southerly side to a width of fifty feet (50') from the said title line. Said beginning point also being located the two (2) following courses and distances measured along the said title line of Richboro Road from a corner of land now or late Stanley B. and Mariam M. Sutton (1) N 78 degrees 46' 15" E 244.410 feet; THENCE (2) N 78 degrees 32' 45" E 493.260 feet.

THENCE from the first mentioned point and place of beginning along the northeasterly lines of this parcel and land now or late Terry J. E., Inc., Employment Profit Sharing Trust, the following three (3) courses and distances to wit: (1) S 10 degrees 56' 45" E 110.000 feet; THENCE (2) N 79 degrees 03' 15" E 99.000 feet; THENCE (3) S 10 degrees 44' 15" E 1613.810 feet to a point, said point being in the line of land now or late Charles D. Lownes, Jr., William L. Lownes, and Harold W. Lownes; THENCE along land of same the following two (2) courses and distances to wit: (1) S 77 degrees 43' 45" W 344.970 feet, (2) S 12 degrees 00' 45" E 32.000 feet to a point; THENCE through land of which this is a part, the following seventeen (17) courses and distances to wit: (1) S 73 degrees 09' 49" W 460.000 feet; THENCE (2) N 44 degrees 20' 04" W 183.373 feet; THENCE (3) N 11 degrees 27' 15" W 335.400 feet; THENCE (4) N 71 degrees 56' 39" E 96.106 feet to a point of curve; THENCE (5) by same by a line curving to the left having a radius of 20.000 feet and arc length of 29.111 feet to a point of tangent; THENCE (6) N 11 degrees 27' 15" W 459.124 feet to a point of curve; THENCE (7) by same by a line curving to the left having a radius of 20.000 feet and arc length of 31.331 feet to a point of tangent; THENCE (8) S 78 degrees 47' 17" W 99.547 feet to a point of curve; THENCE (9) by a line curving to the right having a radius of 7530.000 feet and arc length of 474.168 feet to a point of reverse curve; THENCE (10) by a line curving to the left having a radius of 4440.00 feet and arc length of 505.296 feet to a point of tangent; THENCE (11) S 75 degrees 52' 32" W 189.512 feet; THENCE (12) N 14 degrees 07' 28" W 613.519 feet; THENCE (13) N 16 degrees 23' 24" W 225.018 feet to a point of curve; THENCE (14) by a line crossing a twenty foot (20') Sun Pipe Line Corporation easement along an arc of a circle having a radius of 35.000 feet the arc distance of 47.172 feet to a point of tangent, said point located on the southerly side of Richboro Road as proposed to be widened, aforesaid; THENCE (15) by same 86 degrees 23' 15" W 99.310 feet to an angle point in same; THENCE (16) still along same S 77 degrees 33' 15" W 81.138 feet to a point; THENCE (17) N 12 degrees 26' 45" W 50.000 feet to a point in the aforesaid title line of Richboro Road; THENCE by said title line N 77 degrees 33' 15" E 85.000 feet to an angle point in same; THENCE still along same N 86 degrees 23' 15" E 740.700 feet to a corner in line of land now or late Stanley B. and Mariam M. Sutton aforesaid; THENCE by same the four (4) following courses and distances to wit: THENCE (1) S 11 degrees 13' 15" E 315.670 feet; THENCE (2) N 86 degrees 25' 15" E 278.500 feet; (3) N 78 degrees 46' 15" E 424.850 feet; THENCE (4) N 11 degrees 13' 45" W 316.670 feet to a point in the aforesaid title line of Richboro Road. THENCE by said title line N 78 degrees 46' 15" E 244.410 feet to an angle point in same; THENCE still along same N 78 degrees 32' 45" E 493.260 feet to the above first mentioned point and place of beginning.

CONTAINING 53.298 acres of land.

BEING the parcel of land which is the subject of a certain Final Plan of Subdivision of SF-1-East in Hoffman Rosner Corporation's "Newtown Crossing", Newtown Township, Bucks County, Pennsylvania, prepared by Boucher and James, Inc., Engineers and Surveyors of Glenside, Pa. and Doylestown, Pa., last revised on September 19, 1974 and recorded on December 3, 1974 in the Office of the Recorder of Deeds in and for Bucks County in Plan Book No. 128, page 47.

COMMONWEALTH OF PENNSYLVANIA:

SS

COUNTY OF BUCKS:

On this 30th day of January, 1975, before me, a notary public in and for the County aforesaid, the undersigned officer, personally appeared Stuart Reich, who acknowledged himself to be the Vice President of HOFFMAN ROSNER CORPORATION OF PENNSYLVANIA, a corporation, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Bernita Nolan

Notary Public

My Commission Expires

January 23, 1978

STATE OF FLORIDA:

SS.

COUNTY OF POLK

On this 5th day of February, 1975, before me, a notary public in and for the County aforesaid, personally appeared EDNA W. PEARSON, known to me (satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and acknowledged that she executed it for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Maryanne Small

Notary Public

My Commission Expires:

December 11, 1976

COMMONWEALTH OF PENNSYLVANIA:

SS.

COUNTY OF BUCKS:

On this 4th day of February, 1975, before me, a notary public in and for the County aforesaid, personally appeared GILBERT COOPER, EUGENE COOPER, OLGA SCHORSCH, all the co-partners of Hidden Valley Associates, known to me (satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and acknowledged that they executed it for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Shirley J. Hines

Notary Public

My Commission Expires

May 26, 1975

**COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
CORPORATION BUREAU**

In compliance with the requirements of 15 Pa. S. Section 7316 (relating to articles of incorporation) the undersigned, desiring to be incorporated as a nonprofit corporation, hereby certifies (certify) that:

1. The name of the corporation is:

NEWTOWN CROSSING COMMUNITY ASSOCIATION

2. The location and post office address of the initial registered office of the corporation in this Commonwealth is:

12th Floor Packard Building  
15th and Chestnut Streets  
Philadelphia, Pennsylvania 19102

3. The corporation is incorporated under the Nonprofit Corporation Law of the Commonwealth of Pennsylvania for the following purpose or purposes: To promote the pleasure, recreation, safety and welfare of the residents within the development known as Newtown Crossing, which is situated south of Richboro-Newtown Road and west of Buck Road in Newtown Township, Bucks County, Pennsylvania, and such additions thereto as may hereafter be brought within the jurisdiction of this corporation by annexation as provided in Article 9 herein, hereafter referred to as "The Properties", and for this purpose to: (a) own, acquire, build, operate and maintain recreation parks, tennis courts, swimming pools, golf courses, commons, driveways and footways (including, without limitation, buildings, structures and personal property incident thereto) hereinafter collectively referred to as "the common properties and facilities"; (b) fix assessments (or charges) to be levied against The Properties; (c) enforce any and all covenants, restrictions, and agreements applicable to The Properties; (d) pay taxes, if any, on the common properties and facilities; and, (e) insofar as permitted by law, do any other thing that in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the common properties and facilities by the residents of The Properties. Notwithstanding the foregoing purposes and powers, the Board of Directors shall have no power to do anything inconsistent with the conduct of a tax exempt social club as that term is defined in the Internal Revenue Code Section 501(c)(7).

The corporation does not contemplate pecuniary gain or profit, incidental or otherwise.

4. The term for which the corporation is to exist is: Perpetual

5. The corporation is organized upon a nonstock basis.

6. DELETED

7. DELETED

8. The name and post office address of each incorporator is:

Carol Buckalew  
12th Floor Packard Building  
15th and Chestnut Streets  
Philadelphia, Pennsylvania 19102

9. Additions to the properties described in Article 3 need be made only in accordance with the provisions of the recorded covenants and restrictions applicable to such properties. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties, and membership of this corporation to such properties. Where the applicable covenants require that certain additions be approved by this corporation, such approval must have the assent of two-thirds of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting. At the first meeting duly called as provided herein, the presence of members, or of proxies, entitled to cast sixty (60) per cent of all of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth hereinabove, and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, *provided that* no such subsequent meeting shall be held more than sixty (60) days following such preceding meeting.

10. The persons who shall act as the directors of the corporation until the election of their successors at the first

annual meeting of the corporation, to be held on April 2, 1975, are:

Patrick McGarigle  
Dari McLaughlin  
Stuart Reich  
Donald Seymour  
Maurice Wallack

At the first meeting of the aforesaid Board of Directors, said Board shall adopt By-laws for the corporation and elect corporate officers.

11. These Articles may be amended in accordance with the law; *provided that* the voting and quorum requirements specified for any action under any provision of these Articles shall apply also to any amendment of such provision; and *provided further* that no amendment shall be effective to impair or dilute any rights of members that are governed by the recorded covenants and restrictions applicable to The Properties (as, for example, membership and voting rights) which are part of the property interests created thereby unless the corresponding provision(s) of such covenants and restrictions shall be simultaneously amended (in the manner provided therein) to make such provision(s) consistent with the amendment hereto.





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 OF THE  
 NEWTOWN CROSSING COMMUNITY ASSOCIATION

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BY-LAWS  
OF THE  
NEWTOWN CROSSING COMMUNITY ASSOCIATION

ARTICLE I  
NAME AND ADDRESS

The name of the corporation is the NEWTOWN CROSSING COMMUNITY ASSOCIATION. The principal office of the corporation shall be located at the Newtown Crossing Community Club, Newtown, Pennsylvania 18940, but meetings of members and directors may be held at such places within the Commonwealth of Pennsylvania as may be designated by the Board of Directors.

ARTICLE II  
DEFINITIONS

*Section 1. "Association"* shall mean and refer to NEWTOWN CROSSING COMMUNITY ASSOCIATION, a not-for-profit corporation organized under the laws of the Commonwealth of Pennsylvania, its successors and assigns.

*Section 2. "Properties"* shall mean and refer to that certain real property described in Exhibit "C" to the Declaration (hereinafter defined) and such additions to such real property as may hereafter be brought within the jurisdiction of the Association as provided in Section 1 or Section 2 of Article II of the Declarations.

*Section 3. "Declaration"* shall mean and refer to the Newtown Crossing Declaration of Covenants, Conditions and Restrictions, applicable to the Properties, dated January 30, 1975, recorded in the Office of the Recorder of Deeds in and for Bucks County, Pennsylvania in Deed Book 2153 at page 47, as the same may be amended from time to time pursuant to the terms thereof.

*Section 4. "Common Areas"* shall mean and refer to all ground owned by the Association for the common use and enjoyment of the Owners (hereinafter defined).

*Section 5. "Common Facilities"* shall mean and refer to all buildings, improvements and fixtures situated on or in the Common Areas and owned by the Association and all personal property owned by the Association included in the definition of "Common Facilities" in Section 1 of Article I of the Declaration.

*Section 6. "Unit"* shall mean and refer to each dwelling unit, regardless of type or form of ownership, located within the Properties.

*Section 7. "Owner"* shall mean and refer to the record owner, whether one or more persons or entities and including the Developer (hereinafter defined) where applicable, of the fee simple title to any Unit or portion of any Unit, which is a part of the Properties, but shall not mean or refer to the mortgagee of such Unit unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding or transfer in lieu of foreclosure.

*Section 8. "Developer"* shall mean and refer to Hoffman Rosner Corporation of Pennsylvania, a Pennsylvania corporation, its agents, successors, and assigns.

*Section 9. "Member"* shall mean and refer to those persons entitled to voting membership in the Association, as provided in the Declarations.

*Section 10. "First Mortgagee"* shall mean and refer to those holders of first mortgages on Units who are defined as being "first Mortgagees" in Article I of the Declaration.

ARTICLE III  
ASSOCIATION PURPOSES AND POWERS

*Section 1. Purposes.* The Association has been organized for the purposes set out in Articles 3 and 9 of its Articles of Incorporation, as the same may be amended from time to time as provided by law.

*Section 2. General Powers.* Except as otherwise provided in the following Section of this Article III, the Association shall have all powers permitted by law in order to carry out the purposes of the Association.

*Section 3. Mergers and Consolidations.* Subject to the provisions of the Declaration, and to the extent permitted by law, the Association may participate in mergers and consolidations with nonprofit or other not-for profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all Members at least thirty (30) days in advance and which shall set forth the purpose of the meeting. At the first meeting duly called as provided herein, the presence of Members, or of proxies, entitled to cast sixty (60) percent of all of the votes of each class of voting membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in this Section 3, and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following such preceding meeting.

*Section 4. Mortgages; Other Indebtedness.* The Association shall have the power to mortgage its properties except to the extent that such power is limited in the Declaration. The total debts (other than accounts payable incurred in the ordinary course of business) of the Association, including the then unpaid principal amounts of mortgage loans which the Association is personally obligated to pay, shall not exceed the total of twenty (20) years' annual assessments current at that time, provided that authority to exceed said maximum in any particular case may be given by an affirmative vote of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all Members at least thirty (30) days in advance and which shall set forth the purpose of the meeting. At the first meeting duly called as provided herein, the presence of Members, or of proxies, entitled to cast sixty (60) percent of all of the votes of each class of voting membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in this Section 4, and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following such preceding meeting.

*Section 5. Dedication of Properties or Transfer of Function to Public Agency or Utility.* The Association shall have the power to dispose of its real property only as authorized herein or in the Declaration.

*Section 6. Dissolution.* The Association shall be dissolved only with the assent given in writing and signed by the Members entitled to cast two-thirds (2/3) of each class of its voting membership. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets (which shall be consonant with Section 7 of this Article III) shall be mailed to every Member at least ninety (90) days in advance of any action taken.

*Section 7. Disposition of Assets upon Dissolution.* Upon dissolution of the Association, the assets, both real and personal of the Association, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, not-for-profit corporation, association, trust or other organization for the benefit of the Owners as a group, so that such assets may be devoted to purposes as nearly as practicable the same as those to which they are required to be devoted by the Association. No such disposition of Association properties shall be effective to divest or diminish any right or title of any Member vested in him under the Declaration and deeds applicable to the Properties unless made in accordance with the provisions of such Declaration and deeds.

## ARTICLE IV

### MEMBERSHIP AND VOTING RIGHTS

*Section 1. Qualifications for Membership.* The qualifications for membership in the Association are set out in Section 1 of Article III of the Declaration.

*Section 2. Voting Rights of Members.* The voting rights of Members and the classes of membership in the Association are set out in Section 2 of Article III of the Declaration.

*Section 3. Conditions of Continued Membership.* As provided in Article IV of the Declaration, the rights of membership are subject to the making of capital contributions called for by the Association and the payment of annual and special assessments levied by the Association, the obligation for which capital contributions and assessments are imposed against each Owner of a Unit and which are secured by a lien upon the Unit against which the call for contribution or assessment is made. A Member who is delinquent in such capital contribution or assessment will be subject to additional charges, all of which may be enforced by an action at law against the Owner, and/or to foreclose the

aforesaid lien.

*Section 4. Suspension of Membership Rights.* The membership rights of any person whose interest in the Properties is subject to the making of capital contributions and the payment of assessments under Section 3 of this Article IV, whether or not he be personally obligated to pay such capital contributions and assessments, may be suspended by action of the Board of Directors during the period when a capital contribution or assessment or installment of either remains unpaid but, upon full payment of such assessment or installment, his rights and privileges shall be automatically restored. If the Directors have adopted and published rules and regulations governing the use of the Common Areas and/or Common Facilities, and the personal conduct of any person thereon, as provided in Section 1 of Article IX hereof, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations or any provision of the Declaration for a period not to exceed thirty (30) days.

*Section 5. Members' Rights of Enjoyment of Common Areas.* Each Member shall be entitled to the use and enjoyment of the Common Areas and Common Facilities as provided by Article VI of the Declaration. Any Member may delegate to one or more members of his family who are residents of his Unit or one or more tenants of his Unit, such Member's rights of enjoyment in the Common Areas and Common Facilities provided in Section 1 of Article VI of the Declaration subject to such rules and regulations as the Board of Directors may from time to time adopt. Such Member shall notify the Secretary in writing of the name of any person or persons to whom such rights are so delegated and of the relationship of the Member to such person(s). The rights and privileges of such person are subject to suspension under Section 4 of this Article IV to the same extent as those of the Member.

## ARTICLE V

### MEETING OF MEMBERS

*Section 1. Annual Meetings.* The first annual meeting of the Members shall be held on April 2, 1975 at the hour of 8 o'clock p.m., and each subsequent regular annual meeting of the Members shall be held at the same time and on the same day of the same month of each year thereafter. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

*Section 2. Special Meetings.* Special meetings of the Members may be called at any time by the president or by the Board of Directors or upon written request of the Members who together are entitled to cast at least one-fourth (1/4th) of the votes of each class of voting membership (other than Class D) then in existence.

*Section 3. Notice of Meetings.* Written notice of each meeting of the Members shall be given by, or at the direction of the secretary or person authorized to call the meeting, by hand delivery or by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Each Member shall register his address with the Secretary at the time of becoming a Member and thereafter at any time such Member wishes to change his address for notice purposes. The aforesaid meeting notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting; provided, however, that if the business of the meeting includes any action governed by the Articles of Incorporation of the Association or the Declaration or Section 3, Section 4 or Section 6 of Article III hereof, notice of such meeting shall be given as therein provided.

*Section 4. Quorum.* The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10th) of the votes of each class of voting membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting except or otherwise provided in the Declaration, until a quorum as aforesaid shall be present or be represented by proxies.

## ARTICLE VI

### BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

*Section 1. Number.* The affairs of this Association shall be managed by a Board of five (5) Directors, who shall be natural persons but need not be Members of the Association.

*Section 2. Term of Office.* The initial Board of Directors named in the Articles of Incorporation shall hold office

until the election of their successors at the first annual meeting of the Members. At the first annual meeting the Members shall elect two (2) directors for a term of one (1) year, two (2) directors for a term of two (2) years, and one (1) director for a term of three (3) years; and at each annual meeting thereafter the Members shall elect that number of directors whose tenure expires on that date, for a term of three (3) years.

*Section 3. Removal.* Any director may be removed from the Board, with or without cause, by a majority vote of the Members. In the event of death, resignation or removal of a director, his successor shall be selected by a majority vote of the remaining directors of the Board and shall serve for the unexpired term of his predecessor.

*Section 4. Compensation.* No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

*Section 5. Action Taken Without a Meeting.* The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## ARTICLE VII

### NOMINATION AND ELECTION OF DIRECTORS

*Section 1. Nomination.* Nomination for election to the Board of Directors shall be made by a Nominating Committee which shall be one of the standing committees of the Association. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

*Section 2. Election.* Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Each Member shall receive as many ballots as he has votes, except that all the co-Owners of a Unit shall receive a single ballot for such Unit. Notwithstanding that a Member may be entitled to more than one vote, he shall exercise on any one ballot only one vote for each vacancy shown thereon. The person(s) receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VIII

### MEETINGS OF DIRECTORS

*Section 1. Regular Meetings.* Regular meetings of the Board of Directors shall be held at least quarterly. They may be held without notice, on such dates and at such place and hour as may be fixed from time to time by resolution of the Board, and, in the absence of such a resolution, regular meetings of the Board of Directors may be called by the president of the Association, after not less than five (5) days notice to each director.

*Section 2. Special Meetings.* Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

*Section 3. Quorum.* A majority of the number of directors shall constitute a quorum for the transaction of business. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

## ARTICLE IX

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

*Section 1. Powers.* The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and the Common Facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in

which such Member shall be in default in the payment of any capital contribution or assessment (or installment of either) called for or levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for each infraction of the other provisions of the Declaration or the promulgated rules and regulations of the Association;

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ, prescribe the duties of, and discharge, one or more of a manager, an independent contractor, and employees or agents, if and when the Board of Directors deems that such employment is necessary or desirable in order to assist the Board in exercising its powers and carrying out its duties.

*Section 2. Duties.* It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all of its acts and the corporate affairs of the Association and to present a detailed report thereof covering the immediately preceding calendar year to the Members at the annual meeting of the Members, or any special meeting when such report is requested in writing by Members who together are entitled to cast one-fourth (1/4th) of the votes of each class of voting membership (other than Class D) then in existence.

(b) supervise all officers, agents and employees of the Association, and see that their duties are properly performed.

(c) as more fully provided in the Declaration:

(1) fix the amount of any capital contribution called for or the amount of the annual or special assessment against each Unit at least thirty (30) days in advance of the due date of such capital contribution or assessment (or the first installment of either, if such contribution or assessment is to be made in installments);

(2) send written notice of each capital contribution or annual or special assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of such capital contribution or assessment (or the first installment of either, if such contribution or assessment is to be made in installments);

(3) take all reasonable steps to obtain payment of capital contributions and assessments (or installments of either) which are not paid within thirty (30) days of their due date, including, without limitation, (where such action is required in the Board's judgment) enforcing the Association's lien rights against the delinquent Owner's Unit and bringing an action at law against the Owner personally obligated to pay the same, or both; and

(4) cause a roster of Units to be prepared, stating the amount of any capital contributions and the annual and special assessments applicable thereto, on which roster shall be reported each payment of such contributions and assessments when received; such roster to be kept in the office of the Association and to be open to inspection by any Member and any First Mortgagee during regular business hours.

(d) issue, or to cause an appropriate officer or collecting agent designated by the Board to issue, upon demand by any Member of First Mortgagee, a certificate setting forth whether or not all capital contributions and assessments (or installments thereof) against such Unit which are then due and payable have been paid as of the date of such certificate. A reasonable charge may be made by the Board for the issuance of such certificates. If a certificate states that a capital contribution or assessment (or an installment of either) has been paid, such certificate shall be conclusive evidence of such payment.

(e) cause a roster of First Mortgagees to be prepared and maintained in a current manner, which roster shall contain the names of all First Mortgagees, and the addresses to which notices to such First Mortgagees are to be sent, and shall identify the Units which are subject to the first mortgages held by such First Mortgagees.

(f) procure and maintain adequate liability, casualty and hazard insurance on property owned by the Association, a fidelity bond or insurance policy covering all persons who are responsible for handling the funds of the Association, directors' and officers' liability insurance for the directors and officers of the Association, if available, and such other insurance as the Board of Directors shall deem to be necessary or desirable in carrying

out its responsibilities under the Declaration.

(g) cause all officers or employees having fiscal responsibilities to be bonded or insured, as it may deem appropriate.

(h) cause the Common Areas and Common Facilities to be maintained, operated and managed.

## ARTICLE X

### OFFICERS AND THEIR DUTIES

*Section 1. Enumeration of Offices.* The officers of the Association shall be a president and vice president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

*Section 2. Election of Officers.* The officers shall be elected by majority vote of the directors at the first meeting of the Board of Directors following each annual meeting of the Members except that the initial Board of Directors named in the Articles of Incorporation shall elect the initial officers of the Association at the first meeting of such Board of Directors.

*Section 3. Term.* The officer of the Association shall be elected annually by the Board with (with the exception of the initial officers who shall serve only until the first meeting of the Board after the first annual meeting of the Members) each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or shall be otherwise disqualified to serve.

*Section 4. Special Appointments.* The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

*Section 5. Resignation and Removal.* Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice thereof to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

*Section 6. Vacancies.* A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

*Section 7. Multiple Offices.* The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article X.

*Section 8. Duties.* The duties of the officers are as follows:

(a) *President.* The president shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out, shall sign all leases, mortgages, deeds and other written instruments on behalf of the Association and shall co-sign all checks and promissory notes of the Association.

(b) *Vice President.* The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

(c) *Secretary.* The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members in books to be kept for that purpose; shall keep the corporate seal of the Association and affix it on all papers requiring said seal; shall serve notice of meetings of the Board of Directors and of the Members; shall keep appropriate current records showing the Members of the Association together with their addresses as registered with him by such Members; and shall perform such other duties as are required by the Board.

(d) *Treasurer.* The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that such a resolution shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Directors; shall co-sign all checks and promissory notes of the Association, provided that such checks shall also be signed by the president or the vice president; shall keep proper books of account; shall maintain the roster of assessments referred to in Section 2(c) (4) of Article IX



hereof and the roster of First Mortgagees referred to in Section 2 (e) of Article IX hereof; shall cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year; shall cause the audited financial statement of the Association to be delivered to each Member prior to the annual meeting of the membership; shall prepare an annual budget for the forthcoming fiscal year and submit it for review and adoption by the Board of Directors; and shall deliver a copy of the adopted budget to each Member.

## ARTICLE XI COMMITTEES

*Section 1. Standing Committees.* The Standing Committees of the Association shall be:

The Nominating Committee  
The Recreation Committee  
The Maintenance Committee  
The Publicity Committee  
The Audit Committee.

Unless otherwise provided herein, each committee shall consist of a Chairman and two (2) or more members who shall be Members of the Association but need not be members of the Board of Directors. The Nominating Committee shall include at least one (1) member of the Board of Directors for board contact. The committees shall be appointed by the Board of Directors promptly after each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting of the Members, and such appointment shall be announced at each such annual meeting. The Board of Directors may appoint such other committees as it deems desirable.

*Section 2. The Nominating Committee* shall have the duties and functions described in Article VII hereof.

*Section 3. The Recreation Committee* shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines.

*Section 4. The Maintenance Committee* shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Areas and Common Facilities, and shall perform such other functions as the Board, in its discretion, determines.

*Section 5. The Publicity Committee* shall inform the members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the Association.

*Section 6. The Audit Committee* shall supervise the annual audit of the Association's books and approve the annual budget prior to its submission to the Board of Directors. The treasurer shall be an ex officio member of the Committee.

*Section 7. Subcommittees.* With the exception of the Nominating Committee, each committee shall have the power to appoint one or more subcommittees from among its membership and may delegate to any such subcommittee any of its powers, duties and functions.

*Section 8. Complaints.* It shall be the duty of each committee to receive complaints from Members on any matter involving Association functions, duties and activities within such committee's field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

*Section 9. Other Committees.* The Board of Directors shall appoint such other committees from time to time as it deems to be appropriate in exercising the powers and carrying out the duties of the Board.

## ARTICLE XII BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and any First Mortgagee. The secretary shall make available for inspection by any Member during reasonable business hours the Declaration and the Articles of Incorporation and the By-Laws of the Association, and copies of the same may be purchased from the secretary at reasonable cost.

**ARTICLE XIII**  
**INDEMNIFICATION**

*Section 1. Directors and Officers.* The Association shall indemnify the officers and directors of the Association to the full extent permitted or allowed by the laws of the Commonwealth of Pennsylvania.

*Section 2. Others.* The Association shall indemnify any person who, by reason of the fact that he is or was an officer or director of the Association, is made a party or is threatened to be made a party to any litigation, claim, suit, action or other proceeding of any kind, against expenses (including reasonable attorneys' fees), liabilities, judgments, costs, fines, penalties, amounts paid in settlement, and other losses, actually and reasonably incurred by him in connection with the defense or settlement thereof, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and if he had no reasonable cause to believe his conduct was unlawful. No indemnification shall be made in respect of any claim or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Association.

*Section 3. Other Indemnification.* The indemnification provided hereby shall not be deemed exclusive of any other rights to which those seeking indemnification (whether or not they are officers or directors) may be entitled under any law, agreement, vote of members or directors or otherwise, both as to action in official capacities and as to action in other capacities, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of the person being so indemnified.

**ARTICLE XIV**  
**CORPORATE SEAL**

The Association shall have a seal in circular form having within its circumference the words:

NEWTOWN CROSSING COMMUNITY ASSOCIATION

**ARTICLE XV**  
**AMENDMENTS**

*Section 1. Procedure.* These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of each class of voting Members present in person or by proxy entitled to vote at such meeting; provided that a quorum of each class of voting Members is present in person or by proxy at such meeting; and provided further that such provisions of these By-Laws as are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration applicable to the Properties may not be amended except as provided in such Declaration.

*Section 2. Amendments to Comply with Governmental Requirements.* A power coupled with an interest is hereby granted to Hoffman Rosner Corporation of Pennsylvania, a Pennsylvania corporation, acting by and through its duly authorized officers, its successors or designees, as attorney-in-fact to amend one or more of these By-Laws, the Articles of Incorporation of the Association, or the Declaration for the purpose of either or both (a) compliance with requirements of either or both the Veterans Administration or the Department of Housing and Urban Development, or any successor to either of such organizations, or (b) meeting requirements of the Internal Revenue Code of 1954, as now or hereafter amended, (i) relating to organizations exempt from tax under Section 501(c)(7) thereof (or any successor to such Section) or (ii) specifically exempting homeowners' associations from any Federal income tax; provided that Developer shall have no obligation to cause any such amendment to be made. The acceptance of each deed or other instrument with respect to any Unit which is subject to the Declaration shall be deemed to be a confirmation of such power to such attorney-in-fact and shall be deemed to constitute a consent and agreement to and acceptance, confirmation and ratification of all such amendments.

**ARTICLE XVI**  
**MISCELLANEOUS**

*Section 1. Fiscal Year.* The fiscal year of the Association shall begin on the first day of January and end on the 31st

day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

*Section 2. Captions.* The paragraph captions in these By-Laws, and any Table of Contents, are for convenience only and do not in any way define, limit, describe or amplify the terms and provisions of these By-Laws or the scope or intent thereof.

*Section 3. Inconsistencies Among Documents.* In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

#### CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the NEWTOWN CROSSING COMMUNITY ASSOCIATION, a Pennsylvania corporation, and

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted by an action by unanimous consent of the Board of Directors thereof dated the 30th day of January, 1975.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the said Association this \_\_\_\_\_ day of \_\_\_\_\_, 1975.

\_\_\_\_\_  
Secretary  
(Corporate Seal)



APPLICANT'S ACC'T. NO.

DSCB:BCL-903 (REV. 7-78)-2

Filing Fee: \$80 plus \$20 for each party corporation in excess of two  
AMB-9

Articles of Merger—  
Business Corporation

*Nonprofit*

88461309

(Line for numbering)

251054

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
CORPORATION BUREAU

7921 *Nonprofit*

Filed this \_\_\_\_\_ day of \_\_\_\_\_  
MAY 31 1988, 19\_\_\_\_  
Commonwealth of Pennsylvania  
Department of State

Secretary of the Commonwealth

(Box for Certification)

In compliance with the requirements of section ~~903~~ of the ~~Business Corporation Law, act of May 5, 1933~~  
(~~P. L. 261~~) (~~15 P. S. §1903~~), the undersigned corporations, desiring to effect a merger, hereby certify that:

1. The name of the corporation surviving the merger is:

Newtown Crossing Community Association

2. (Check and complete one of the following):

The surviving corporation is a domestic corporation and the location of its registered office in this Commonwealth is (the Department of State is hereby authorized to correct the following statement to conform to the records of the Department):

206 Hidden Valley Lane

(NUMBER)

(STREET)

Newtown

(CITY)

Pennsylvania

18940

(ZIP CODE)

The surviving corporation is a foreign corporation incorporated under the laws of \_\_\_\_\_  
(NAME OF JURISDICTION)

and the location of its office registered with such domiciliary jurisdiction is:

(NUMBER)

(STREET)

(CITY)

(STATE)

(ZIP CODE)

3. The name and the location of the registered office of each other domestic business corporation and qualified foreign business corporation which is a party to the plan of merger are as follows:

Newtown Crossing Townhome Association  
12th Floor-Packard Building  
15th and Chestnut Streets  
Philadelphia, Pa. 19107

4. (Check, and if appropriate, complete one of the following):

- The plan of merger shall be effective upon filing these Articles of Merger in the Department of State.
- The plan of merger shall be effective on \_\_\_\_\_ at \_\_\_\_\_.

(DATE)

(HOUR)

5. The manner in which the plan of merger was adopted by each domestic corporation is as follows:

NAME OF CORPORATION

MANNER OF ADOPTION

Newtown Crossing Community Association      2/3 vote of a quorum (at least 60%)  
 of all members entitled to vote.

Newtown Crossing Townhome Association      2/3 vote of a quorum (at least 60%)  
 of all members entitled to vote.

XX

XX

XX

7. The plan of merger is set forth in Exhibit A, attached hereto and made a part hereof.

RECEIVED  
 89 MAY 31 AM 9:56  
 DEPT. OF STATE

88461311

DSCB:BCL-803 (REV. 7-78)-3

IN TESTIMONY WHEREOF, each undersigned corporation has caused these Articles of Merger to be signed by a duly authorized officer and its corporate seal, duly attested by another such officer, to be hereunto affixed this 31<sup>st</sup> day of December, 1987.

Newtown Crossing Community Association

By: Jay Esenbaugh  
(NAME OF CORPORATION)  
(SIGNATURE)  
President  
(TITLE: PRESIDENT, VICE PRESIDENT, ETC.)

Attest:

James D. Ugubant  
(SIGNATURE)  
Secretary  
(TITLE: SECRETARY, ASSISTANT SECRETARY, ETC.)  
(CORPORATE SEAL)

Newtown Crossing Townhome Association

By: Harold Bernick  
(NAME OF CORPORATION)  
(SIGNATURE)  
President  
(TITLE: PRESIDENT, VICE PRESIDENT, ETC.)

Attest:

Charles J. Linneman  
(SIGNATURE)  
Secretary  
(TITLE: SECRETARY, ASSISTANT SECRETARY, ETC.)  
(CORPORATE SEAL)

**INSTRUCTIONS FOR COMPLETION OF FORM:**

- A. If a new corporation results from the transaction the form should be rewritten as Articles of Consolidation and modified accordingly.
- B. A foreign business corporation may be a party to a merger notwithstanding the fact that it has not received a certificate of authority to do business in Pennsylvania. However, if the surviving corporation is a foreign corporation which is not the holder of a Certificate of Authority under the Business Corporation Law on the effective date of the merger, there must be submitted with this form tax clearance certificates from the Department of Revenue and the Bureau of Employment Security of the Department of Labor and Industry with respect to each domestic corporation and qualified foreign corporation evidencing payment of all taxes and charges payable to the Commonwealth.
- C. Any necessary copies of Form DSCB: 17.2 (Consent to Appropriation of Name) or Form DSCB: 17.3 (Consent to Use of Similar Name) shall accompany Articles of Merger effecting a change of name.
- D. Any necessary governmental approvals shall accompany this form.
- E. One of the following statements or the equivalent should be used in the second column of Paragraph 5 to set forth the manner of adoption:
  - "Adopted by action of the board of directors pursuant to section 902.1 of the Business Corporation Law."
  - "Approved by the affirmative vote of the shareholders entitled to vote thereon at a meeting called after at least ten days written notice to all shareholders of record, whether or not entitled to vote thereon, setting forth such purpose."
  - "Approved by a consent or consents in writing, setting forth the action so taken, signed by all of the shareholders entitled to vote thereon, and filed with the secretary of the corporation" (where action is taken by partial written consent pursuant to the Articles, this paragraph should be modified accordingly).
- F. Where more than two corporations are parties to the merger appropriate additional corporate signatures should be added. All parties to the merger shall execute the Articles of Merger, including a nonqualified corporation which is not a surviving corporation and which is not otherwise mentioned in the body of the Articles of Merger.



**AGREEMENT AND PLAN OF MERGER  
OF  
NEWTOWN CROSSING COMMUNITY ASSOCIATION  
AND  
NEWTOWN CROSSING TOWNHOME ASSOCIATION**

THIS AGREEMENT AND PLAN OF MERGER made this <sup>31<sup>st</sup></sup> day of ~~December~~ 1987, by and between Newtown Crossing Community Association, (hereinafter "Community Assoc.") and Newtown Crossing Townhome Association, (hereinafter "Townhome Assoc.") both Pennsylvania Non-profit Corporations,

**WITNESSETH THAT:**

WHEREAS, Community Assoc. is a corporation organized and existing under the Pennsylvania Nonprofit Corporation Law of 1972, as amended, having been incorporated on ~~September 16, 1974~~; and  
6-19-74

WHEREAS, Townhome Assoc. is a corporation organized and existing under the Pennsylvania Nonprofit Corporation Law of 1972, as amended, having been incorporated on August 11, 1975; and

WHEREAS, on September 24, 1987, two-thirds (2/3) of each class of Members as defined in the By-laws and Declaration of Covenants, Conditions and Restrictions of the respective corporations have assented to the merger of the Townhome Assoc. into the Community Assoc. in accordance with the voting requirements of the By-laws of both the Community Assoc. and the Townhome Assoc., and the provisions of the Pennsylvania Nonprofit Corporation Law of 1972, as amended, which provisions and laws permit merger.

NOW, THEREFORE, in consideration of the premises and mutual covenants hereinafter contained, the parties hereto, intending to be legally bound hereby agree, each with the other, pursuant to the provisions of the Pennsylvania Nonprofit Corporation Law of 1972, as amended, as follows:

1. The Townhome Assoc. shall upon and subject to the terms and conditions of this Agreement and Plan of Merger be merged into

the Community Assoc., which shall be the surviving corporation (the "Surviving Corporation") and which shall continue to do business under the corporation name, "Newtown Crossing Community Association", as a corporation organized and existing under the Laws of the Pennsylvania Nonprofit Corporation Law of 1972, as amended.

2. The merger provided for in this Agreement and Plan of Merger shall become effective upon the First (1st) day of November, 1987, provided that Articles of Merger, duly executed by both the Townhome Assoc. and the Community Assoc., have been properly filed with the Department of State of the Commonwealth of Pennsylvania in accordance with the Pennsylvania Nonprofit Corporation Law of 1972 (the "Effective Date"). In the event Articles of Merger are not properly filed by the 1st day of November, 1987, and Effective Date shall be the date on which said Articles of Merger are so filed.

3. The Articles of Incorporation of Newtown Crossing Community Association are hereby amended to reflect this Plan of Merger.

4. The By-laws of Community Assoc. in effect immediately prior to the Effective Date shall constitute the By-laws of the Surviving Corporation upon the Effective Date and thereafter until duly amended.

5. The properties subject to the Declaration of Covenants, Conditions and Restrictions of the Townhome Assoc. filed of record in the Bucks County Recorder of Deeds Office on October 28, 1975, in Deed Book 2178, page 1025 & co., as more fully described in that document, shall continue to be fully and legally restricted by said Declaration of Covenants, Conditions and Restriction, and shall continue to retain the rights and obligations set forth in said Declaration of Covenants, Conditions and Restrictions and the Officers and Directors of the merged entity to be known as Newtown Crossing Community Association shall be responsible for enforcing those distinct restrictions and requirements of the Declaration of Covenants, Conditions and Restrictions of the Townhome Assoc. as they apply to the lands already encumbered thereby, and do not apply to the lands restricted by the Declaration of Covenants, Conditions and Restrictions of the Community Assoc., such as, inter alia, ordering or performing maintenance of the Townhome units,

posting "no parking" signs on streets and to regulate parking in common areas, continuing the Architectural Control Committee, continuing the party wall and unit insurance requirements, and prohibiting the lease or mortgage of Townhome Common Areas.

6. The properties subject to the Declaration of Covenants, Conditions and Restrictions of the Townhome Assoc., filed of record in the Bucks County Recorder of Deeds Office on October 28, 1975, in Deed Book 2178, Page 1025 & co., shall also be fully and legally restricted by the Declaration of Covenants, Conditions and Restrictions of the Community Assoc., filed of record in the Bucks County Recorder of Deed Office on February 6, 1975, in Deed Book 2153, Page 47 & co., and shall, as of the Effective Date, acquire all the rights and obligations set forth in the Declaration of Covenants, Conditions and Restrictions of the Community Assoc.

7. The properties subject to the Declaration of Covenants, Conditions and Restrictions of the Community Assoc., filed of record in the Bucks County Recorder of Deeds Office on February 6, 1975, in Deed Book 2153, Page 47 & co., shall not be fully and legally restricted by the Declaration of Covenants, Conditions and Restrictions of the Townhome Assoc., filed of record in the Bucks County Recorder of Deed Office on October, 28, 1975, in Deed Book 2178, Page 1025 & co., and shall not, as of the Effective Date, acquire all the rights and obligations set forth in the Declaration of Covenants, Conditions and Restrictions of the Townhome Assoc., those Declarations containing items which do not pertain to the single-family dwellings subject to the Declaration of Covenants, Conditions and Restrictions of the Community Assoc.

8. The Directors of the Community Assoc. shall be the Directors of the Surviving Corporation until their successors are duly elected and qualified under the By-laws of the Surviving Corporation.

9. The Officers of the Community Assoc. shall be the Officers of the Surviving Corporation until their successors are duly elected and qualified under the By-laws of the Surviving Corporation.

10. This Agreement and Plan of Merger having been approved by the Members, the proper officers of each corporation shall, and their are hereby authorized and directed to, perform all such further acts and execute and deliver to the proper authorities

for filing all documents, as the same may be necessary or proper, to render the merger effective on the Effective date.

IN WITNESS WHEREOF, Townhome Assoc. and Community Assoc. have caused this Plan and Agreement to be executed in their corporate names by their respective officers and also by their entire Boards of Directors on this 31<sup>st</sup> day of December 1987.

WITNESS:

NEWTOWN CROSSING COMMUNITY ASSOCIATION

[Signature]  
[Signature]

BY: [Signature]  
ATTEST: [Signature]

NEWTOWN CROSSING TOWNHOME ASSOCIATION

[Signature]  
[Signature]

BY: [Signature]  
ATTEST: [Signature]

NEWTOWN CROSSING HOMEOWNERS ASSOCIATION DIRECTORS:

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

[Signature]  
[Signature]  
[Signature]  
[Signature]

NEWTOWN CROSSING TOWNHOME ASSOCIATION DIRECTORS:

[Signature]  
[Signature]

[Signature]  
[Signature]



