

**BYLAWS**

of

**HAMPTON HALL**

**CONDOMINIUM ASSOCIATION**

As revised and updated through August 9, 2006

**Table of Contents**

ARTICLE I Introductory Provisions ..... 4

    1.1. Applicability ..... 4

    1.2. Definitions ..... 4

    1.3. Compliance ..... 4

    1.4. Office ..... 4

ARTICLE II The Association ..... 4

    2.1. Composition ..... 4

    2.2. Annual Meetings ..... 4

    2.3. Place of Meetings ..... 5

    2.4. Special Meetings ..... 5

    2.5. Notice of Meetings ..... 5

    2.6. Adjournment of Meetings ..... 5

    2.7. Voting ..... 5

        2.7.1. By percentage Interest ..... 5

        2.7.2. Eligibility (Delinquency) ..... 5

        2.7.3. Eligibility (Multiple Owners) ..... 5

        2.7.4. Votes Needed for Passage ..... 6

        2.7.5. Voting for Executive Board ..... 6

        2.7.6. Units Owned by Association ..... 6

        2.7.7. No Cumulative or Class Voting ..... 6

        2.7.8. Judges of Election ..... 6

    2.8. Proxies ..... 7

    2.9. Quorum ..... 7

    2.10. Conduct of Meetings ..... 7

ARTICLE III Executive Board ..... 7

    3.1. Number and Qualification ..... 7

    3.2. Managing Agent ..... 7

    3.3. Election and Term ..... 8

        3.3.1. Term of Office ..... 8

3.3.2.	No term limits .....	8
3.3.3.	Staggered Terms .....	8
3.3.4.	Nominations .....	9
3.4.	Removal or Resignation .....	9
3.4.1.	Removal .....	9
3.4.2.	Resignation .....	9
3.5.	Vacancies .....	9
3.6.	Organization Meeting .....	9
3.7.	Regular Meetings .....	10
3.8.	Special Meetings .....	10
3.9.	Waiver of Notice .....	10
3.10.	Quorum .....	10
3.11.	Compensation .....	10
3.12.	Conduct of Meetings .....	10
3.13.	Action Without Meeting .....	10
3.14.	Validity of Contracts with Interested Executive Board Members .....	11
ARTICLE IV	Officers .....	11
4.1.	Designation .....	11
4.2.	Election of Officers .....	11
4.3.	Removal of Officers .....	12
4.4.	President .....	12
4.5.	Vice President .....	12
4.6.	Secretary .....	12
4.7.	Treasurer .....	12
4.8.	Signature Authority .....	12
4.9.	Compensation of Officers .....	12
ARTICLE V	Common Expenses; Budgets .....	13
5.1.	Fiscal Year .....	13
5.2.	Annual Budget .....	13
5.2.1.	Contents .....	13
5.2.2.	Deadlines .....	13
5.2.3.	Effect .....	14
5.3.	Monthly Assessments; Accounting .....	14
5.3.1.	General Common Expenses .....	14
5.3.2.	Limited Expenses .....	15
5.3.3.	Monthly Basis; Due Date; Lien .....	15
5.3.4.	Reserves; Special Assessments .....	15
5.3.5.	Itemized Accounting .....	16
5.4.	Further Assessments .....	16
5.5.	Fines .....	16
5.6.	Effect of Failure to Prepare or Adopt Budget .....	16
5.8.	Accounts; Audits .....	16
5.9.	Rejection of Budget; Limitations on Expenditures and Borrowing .....	16

5.9.1	Rejection of Budget or Capital Expenditure by Owners .....	16
5.9.2	Advance Approval of Certain Transactions.....	17
5.10	Responsibility for Payment of Common Expenses and Other Assessments.....	17
5.10.1	No Right to Opt Out.....	17
5.10.2	Of Seller, Upon Sale of Unit.....	17
5.10.3	Of Buyer, Upon Purchase of Unit.....	17
5.11.	Collection of Assessments.....	18
5.12.	Statement of Common Expenses.....	18
ARTICLE VI	Compliance and Default .....	18
6.1	Obligation to Comply With Governing Documents.....	18
6.2	Remedies for Non-Compliance:.....	18
6.2.1	Indemnification.....	18
6.2.2	Costs and Attorney's Fees .....	18
6.2.3	No Waiver of Rights .....	18
6.2.4	Abating and Enjoining Violations by Unit Owners.....	19
ARTICLE VII	Amendments.....	19
7.1.	Amendments to Bylaws.....	19
7.2.	Limited Power of Executive Board to Amend .....	19
7.3.	Approval of Mortgagees.....	20
7.4.	Amendments to the Declaration .....	20
ARTICLE VIII	Maintenance of the Property .....	20
8.1.	Association to Maintain Common Elements.....	20
8.1.1	Exception: Appurtenant Common Elements .....	20
8.1.2	Exception: Fault of Owner.....	20
8.2.	Unit Owner to Maintain Unit. ....	20
8.2.1.	Duty to Maintain; Minimizing Disturbance; Reporting Problems .....	20
8.2.2	Harm to Others from Failure to Maintain Unit.....	21
ARTICLE IX	Miscellaneous .....	21
9.1.	Notices.....	21
9.2.	Captions.....	21
9.3.	Gender and Number .....	21
Article X	Leasing and Ownership.....	21
10.1	Policy.....	21
10.2	Rentals and Leases. ....	21
10.2.1	Advance Approval Required.....	22
10.2.2	20% Cap.....	22
10.2.3	Lease Requirements.....	22
10.2.4	Security Deposit.....	23
10.2.5	Related Rules .....	23
10.3	Limitation on Ownership .....	23

## **ARTICLE I**

### **Introductory Provisions**

1.1. **Applicability.** These Bylaws provide for the governance of the Condominium Association created by the recording of the Declaration of Condominium for Hampton Hall Condominium in the office of Recorder of Deeds of Allegheny County, Pennsylvania at Deed Book Volume 6981, page 553, pursuant to the requirements of Section 3306 of the Pennsylvania Uniform Condominium Act ("the Act").

1.2. **Definitions.** Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration of Condominium or, if not defined therein, the meanings specified or used for such terms in the Act.

1.3. **Compliance.** Pursuant to the provisions of the Act, every Unit Owner and all Persons who occupy a Unit shall comply with these Bylaws.

1.4. **Office.** The Office of the Condominium, the Association, and the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

## **ARTICLE II**

### **The Association**

2.1. **Composition.** The Association is hereby organized on the date hereof as an unincorporated association. The Association shall consist of all of the Unit Owners acting as a group in accordance with the Act, the Declaration and these Bylaws. The Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting assessments and charges, arranging for the management of the Condominium and performing all of the other acts that may be required or permitted to be performed by the Association pursuant to the Act and the Declaration. The foregoing responsibilities shall be performed by the Executive Board or Managing Agent as more particularly set forth in these Bylaws.

2.2. **Annual Meetings.** The annual meetings of the Association shall be held on the last Monday of September of each year unless such date shall occur on a holiday, in which event the meeting shall be held on the succeeding Monday. At such annual meetings the Executive Board shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 3.3 of these Bylaws and such other business as may properly come before the meeting may be transacted.

2.3. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Executive Board.

2.4. Special Meetings. The President shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon a petition signed and presented to the Secretary by Unit Owners entitled to cast at least twenty-five percent (25%) of the votes in the Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within 45 days after receipt by the President or Secretary of said resolution or petition; provided, however, if the purpose includes the consideration or the rejection of a budget or capital expenditure pursuant to Section 5.9 below, such meeting shall be held within 15 days after receipt of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

2.5. Notice of Meetings. The Secretary shall give notice to each Unit Owner of all meetings of the Association. Notice of annual or regularly-scheduled meetings of the Association shall be given at least twenty days but not more than sixty days before the meeting. Notice of special meetings shall be given at least ten days but not more than forty-five days, prior to such meeting. The notice shall state the time, place and purpose of the meeting. The giving of a notice of meeting in the manner provided in this Section and Section 9.1 of these Bylaws shall be considered service of notice.

2.6. Adjournment of Meetings. If at any meeting of the Association a quorum is not present, Unit Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight hours after the time for which the original meeting was called.

2.7. Voting.

2.7.1. By percentage Interest. Voting at all meetings of the Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be the Percentage Interest assigned to his Unit in the Declaration.

2.7.2. Eligibility (Delinquency). Any Unit Owner who is more than forty-five (45) days delinquent in the payment of any assessments shall not be entitled to vote.

2.7.3. Eligibility (Multiple Owners).

2.7.3.1. By Designated Voter. Where a Unit is owned by more than one Owner, one of said Owners may be designated to cast the Unit's vote, by submitting to the Secretary a written certificate

signed by all co-Owners of the Unit. Such certificate shall be valid until revoked by one or more co-Owners in a written certificate submitted to the Secretary.

- 2.7.3.2. By Any Co-Owner. If the designated voter for a Unit is absent, or if no certificate of designation is on file with the Secretary, then any co-Owner may cast the Unit's vote. If more than one co-Owner is present, then such vote shall be cast only in accordance with their unanimous agreement, pursuant to Section 3310(a) of the Act. There shall be deemed to be unanimous agreement to a vote cast by a co-Owner unless protest of such vote is promptly made at the meeting by any other co-Owner.
- 2.7.3.3. Other Approvals or Disapprovals. Subject to the requirements of the Act, wherever the approval or disapproval of a Unit Owner is required by the Act, the Declaration or these Bylaws, such approval or disapproval may be made by a co-Owner who would be entitled to cast the vote of such Unit at any meeting of the Association.
- 2.7.4. Votes Needed for Passage. Adoption of a resolution or decision requires the assent of either (a) more than fifty percent (50%) of the total ownership interest or (b) two-thirds (2/3) of the aggregate Percentage Interest of votes cast, in person or by proxy, at a duly convened meeting of the Association at which there is a quorum present in person or by proxy.
- 2.7.5. Voting for Executive Board. In elections for Executive Board members, each Unit Owner shall be entitled to vote for as many nominees as there are vacancies to be filled. The candidates receiving the greatest Percentage Interest of votes cast in such elections shall be elected. If Executive Board members are being elected to unequal terms, the candidates receiving the greatest Percentage Interest of votes shall be elected to the longest terms.
- 2.7.6. Units Owned by Association. No votes allocated to a Unit owned by the Association may be cast.
- 2.7.7. No Cumulative or Class Voting. There shall be no cumulative or class voting.
- 2.7.8. Judges of Election. All votes shall be tallied by tellers appointed by the President.

2.8. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner or a Permitted Mortgagee. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of written notice of revocation from the grantor(s) of the proxy. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

2.9. Quorum. Except as set forth below, the presence in person or by proxy of Unit Owners having twenty percent (20%) or more of the aggregate Percentage Interest at the commencement of a meeting shall constitute a quorum at all meetings of the Association. If a meeting is adjourned pursuant to Section 2.6 above, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if persons entitled to cast ten percent of the votes which may be cast for the election of the Executive Board are present in person or by proxy at the beginning of the meeting.

2.10. Conduct of Meetings. The President (or in his/her absence, one of the vice-presidents) shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws or the Act.

### ARTICLE III

#### Executive Board

3.1. Number and Qualification. The affairs of the Association shall be governed by an Executive Board. The Executive Board shall be composed of not less than three nor more than five natural persons, all of whom shall be Unit Owners. No more than one member shall be elected from any unit.

3.2. Managing Agent. The Executive Board may employ for the Condominium a "Managing Agent" at a compensation established by the Executive Board. The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, where a Managing Agent does not have the power to act under the Act, the Declaration or these Bylaws, such duties shall be performed as advisory to the Executive Board. The Executive Board may delegate to the Managing Agent all of the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers:

- a. to adopt the annual budget and any amendment thereto or to assess any Common Expenses;

- b. to adopt, repeal or amend Rules and Regulations;
- c. to designate signatories on Association bank accounts;
- d. to borrow money on behalf of the Association;
- e. to acquire and mortgage Units;
- f. to designate Reserved Common Elements;
- g. to allocate Limited Common Elements.

Any contract with the Managing Agent must provide that it may be terminated with cause on no more than thirty (30a) days' written notice and without cause on no more than ninety (90) days' written notice. The term of any such contract may not exceed one year.

3.3. Election and Term. An election shall be held at each annual meeting of the Association to fill vacancies on the Executive Board.

3.3.1. Term of Office. The regular term of office of an Executive Board member shall be two years. A member of the Executive Board shall hold office until the election of his/her successor. Exception: A member's term of office shall be deemed terminated immediately in any of the following circumstances:

3.3.1.1. Ineligibility. The member ceases to be a Unit Owner, or otherwise becomes ineligible to serve; or

3.3.1.2. Incapacity. The member becomes unable to serve, e.g. by reason of death or adjudication of incompetency; or

3.3.1.3. Removal or Resignation. The member is removed or resigns pursuant to Section 3.4.

3.3.2. No term limits. An Executive Board member may serve an unlimited number of terms and may succeed himself/herself.

3.3.3. Staggered Terms. It is intended that Board members shall serve staggered terms. If a vacancy occurs because of early termination of a Board member due to resignation or other cause, then the person elected at the next Annual Meeting to fill that early vacancy, as described in Section 2.7.5, shall serve out the remaining term of the departing Board member, rather than serving a full two-year term.



3.3.4. Nominations. Candidates for the Executive Board may be nominated for election as follows:

3.3.4.1. Petition. Any Unit Owner may submit to the Secretary at least thirty days before the meeting at which the election is to be held a nominating petition signed by Unit Owners owning at least five Units in the aggregate, together with a statement that the person nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. The Secretary shall mail or hand deliver the submitted items to every Unit Owner along with the notice of such meeting.

3.3.4.2. From the Floor. Nominations may be submitted from the floor at the meeting at which the election is held.

3.4. Removal or Resignation.

3.4.1. Removal. At any regular or special meeting of the Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Unit Owners entitled to cast a majority of all votes in the Association and a successor may then and there be elected to fill the vacancy thus created. Any Unit Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit Owner shall be given at least ten days notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting.

3.4.2. Resignation. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit.

3.5. Vacancies. Vacancies on the Executive Board shall promptly be filled by a vote of a majority of the remaining members of the Executive Board present at a duly convened meeting. Provided notice is duly given of the purpose of the meeting, such vote shall be effective even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Executive Board until a successor shall be elected at the next annual meeting of the Association. In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term. Exception: If the vacancy results from removal of a Board member at an Owners' meeting, the vacancy shall be filled in accordance with Section 3.4.1 rather than this Section.

3.6. Organization Meeting. At the Annual Meeting, the President (even if he/she is the outgoing President) shall announce the time and place of the first meeting of the new Executive Board, to occur within ten (10) days thereafter. No further notice shall be necessary to the newly elected members of the Executive Board in order legally to constitute such meeting, if

a majority of the Executive Board members shall be present at such meeting.

3.7. Regular Meetings. Regular meetings of the Executive Board may be held at such time and place as shall be determined from time to time by a majority of the members, but such meetings shall be held at least once every three months during each fiscal year. Written notice of regular meetings, and of the business to be conducted, shall be given to each member by personal delivery, mail, email or fax, at least three business days prior to the day named for such meeting.

3.8. Special Meetings. Special meetings of the Executive Board may be called by the President on at least three business days' notice to each member, given by personal delivery, mail, email or fax, which notice shall state the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two members of the Executive Board.

3.9. Waiver of Notice. Any member may at any time, in writing, waive notice of any meeting of the Executive Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Executive Board shall constitute a waiver of notice by him of the time, place and purpose of such meeting. If all members are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.

3.10. Quorum. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other.

3.11. Compensation. Unless approved by a majority of the Unit Owners, no member of the Executive Board shall receive any compensation from the Association for acting as such, other than reimbursement for any expenses incurred in the performance of his duties.

3.12. Conduct of Meetings. The President shall preside over all meetings of the Executive Board and the Secretary shall keep a minute book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Executive Board if and to the extent not in conflict with the Declaration, these Bylaws or the Act.

3.13. Action Without Meeting. Any action by the Executive Board required or

permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board. Action may also be taken by conference telephone or other electronic means whereby all Board members can participate simultaneously.

4. 3.14 Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm, or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

5. 3.14.1 Disclosure. The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board member or members; or

3.14.2 Not Unconscionable. The Contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.14 hereof.

## ARTICLE IV

### Officers

4.1. Designation. The principal officers of the Association shall be the President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint a Vice President, an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary. The President and Vice President shall be resident Unit Owners as well as being members of the Executive Board. Any other officers may, but need not, be resident Unit Owners or members of the Executive Board.

4.2. Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Board and shall hold office at the pleasure of the Executive Board.

4.3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Executive Board, any officer may be removed, either with or without cause, and a successor may be elected at any meeting of the Executive Board called for such purpose.

4.4. President. The president shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Executive Board and have all of the general powers and duties which are incident to the office of president of a corporation organized under the laws of Pennsylvania including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his/her discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall cease holding such office at such time as he/she ceases to be a member of the Executive Board.

4.5. Vice President. The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint some other member of the Executive Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be delegated or assigned by the Executive Board or by the President. The Vice President shall cease holding such office at such time as he/she ceases to be a member of the Executive Board.

4.6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Executive Board, have charge of such books and papers as the Executive Board may direct, maintain a register setting forth the place to which all notices to Unit Owners and Permitted Mortgagees hereunder shall be delivered and, in general, perform all the duties incident to the office of secretary of a corporation organized under the laws of Pennsylvania. The Secretary shall, upon request, provide any Person, or cause to be provided to any Person entitled thereto a written statement or certification of the information required to be provided by the Association pursuant to Sections 3315(g), 3407(b) of the Act and Sections 5.3.3 and 5.12 below, upon payment of the fee set by the Executive Board for such service.

4.7. Treasurer. The Treasurer shall have the responsibility for the safekeeping of Association funds and securities, be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data, and be responsible for the deposit of all monies in the name of the Executive Board, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Executive Board and, in general, perform all the duties incident to the office of treasurer of a corporation organized under the laws of Pennsylvania.

4.8. Signature Authority. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of \$5,000 shall be executed by any two officers of the Association. All such instruments for expenditures or obligations of \$5,000 or less may be executed by any one officer of the Association.

4.9. Compensation of Officers. No officer who is also a member of the Executive Board shall receive any compensation from the Association for acting as such officer, but may be

reimbursed for any out-of-pocket expenses incurred in performing his/her duties; provided, however, the Secretary and Treasurer may be compensated for their services if the Executive Board determines such compensation to be appropriate.

## ARTICLE V

### Common Expenses; Budgets

5.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board.

5.2. Annual Budget.

5.2.1. Contents. The Executive Board shall adopt an annual budget for the Association containing estimates of the amounts which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services. Such estimates shall cover at least the following items:

5.2.1.1. Maintenance. The total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Association to maintain, repair and replace.

5.2.1.2. Common Expenses. The cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or a resolution of the Association. The budget shall segregate General Common Expenses and Limited Common Expenses, if any.

5.2.1.3. Reserves. Such reasonable amounts as the Executive Board considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements.

5.2.2. Deadlines.

5.2.2.1. Adoption of Budget. The Executive Board shall adopt the annual budget for the Association on or before the first day of November of each year (or sixty days before the beginning of the fiscal year, if the fiscal year is other than the calendar year).

5.2.2.2. Distribution of Budget to Owners. On or before the next

succeeding fifth day of November (or fifty-five days before the beginning of the fiscal year if other than the calendar year), the Executive Board shall make the budget available for inspection at the Association office and shall send to each Unit Owner a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses.

5.2.2.3. Effect of Failure to Meet Deadline. The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

5.2.3. Effect. The annual budget shall constitute the basis for determining each Unit Owner's assessments for General Common Expenses and Limited Expenses. The budget shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 5.9.

5.3. Monthly Assessments; Accounting.

5.3.1. General Common Expenses.

5.3.1.1. Calculation. The Executive Board shall calculate the monthly assessments for General Common Expenses against each Unit as follows

5.3.1.1.1. Total Estimated General Common Expenses. First, the Board shall determine the total estimated General Common Expenses for the Condominium for the year, as set forth in the budget adopted by the Board for the fiscal year in question. (This consists of the total amount of the estimated funds required for the operation of the Property, including a reasonable reserve; it does not include Limited Expenses.)

5.3.1.1.2. Unit's Share of General Common Expenses. To determine each Unit's share of the year's General Common Expenses, the total estimated General Common Expenses described in Section 5.3.1.1 shall be multiplied by that Unit's Percentage Interest (expressed in decimal form). The resultant product, divided by twelve (12), represents the Unit's monthly share of General Common Expenses.

5.3.1.2. Providing for Shortages. Any net shortage with regard to General Common Expenses, after application of such

reserves as the Executive Board may determine, shall be assessed promptly against the Unit Owners in accordance with their Percentage Interests and shall be payable in one or more monthly assessments, as the Executive Board may determine.

5.3.2. Limited Expenses.

5.3.2.1. Calculation. The Executive Board shall calculate the monthly assessments for Limited Expenses, if any, against each Unit obligated to pay Limited Expenses by (1) determining the estimated amount of any Limited Expense, as set forth in the budget adopted by the Executive Board for the fiscal year in question; (2) multiplying by the share of said Limited Expense allocated to each such Unit as provided in the Act and the Declaration, and (3) dividing the resultant product by 12. If the budget contains multiple Limited Expenses, this calculation shall be performed separately for each.

5.3.2.2. Providing for Shortages. Any net shortage with regard to a Limited Expense shall be assessed promptly against the Unit Owners obligated to pay said Limited Expense in accordance with their allocable shares and shall be payable in one or more monthly assessments, as the Executive Board may determine.

5.3.3. Monthly Basis; Due Date; Lien. Such assessments shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments, shall be due and payable on the first day of each calendar month, and shall be a lien against each Owner's Unit as provided in the Act and the Declaration.

5.3.4. Reserves; Special Assessments. The Executive Board shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including nonpayment of any Unit Owner's assessments, the Executive Board may at any time levy further assessments for General Common Expenses and/or Limited Expenses which shall be assessed against the Unit Owners either according to their respective Percentage Interests (with regard to General Common Expenses) or in

accordance with allocable shares (with regard to Limited Expenses), whichever is appropriate, and shall be payable in one or more monthly assessments as the Executive Board may determine.

5.3.5. Itemized Accounting. Within one hundred and twenty (120) days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner, and to each Permitted Mortgagee who has registered an address with the Secretary for that purpose, an itemized accounting of the funds received and expenditures made for Common Expenses during such fiscal year.

5.4. Further Assessments. The Executive Board shall serve notice on all affected Unit Owners of any further assessments made pursuant to this Article V or otherwise as permitted or required by the Act, the Declaration and these Bylaws, by a statement in writing giving the amount and reasons therefor, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly assessment which is due more than ten days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such monthly assessments. Such assessments shall be a lien as of the effective date as set forth in Section 5.3.3.

5.5. Fines. The Executive Board shall have the power to levy fines as set forth in the Act, which shall be considered as a further assessment against the Unit as set forth in Section 5.4.

5.6. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

5.8. Accounts; Audits. All sums collected by the Executive Board with respect to assessments against the Unit Owners or from any other source may be commingled into a single fund. Reserves shall be maintained in a separate fund, although different types of reserves may be commingled in one reserve fund. All books and records of the Association shall be kept in accordance with good and accepted accounting practices, and the same shall be reviewed at least once each year by an independent accountant retained by the Executive Board.

5.9. Rejection of Budget; Limitations on Expenditures and Borrowing.

5.9.1 Rejection of Budget or Capital Expenditure by Owners. Anything herein to the contrary notwithstanding, the Association, by majority vote of all votes in the Association, may reject any budget or capital expenditure approved by the Executive Board, within thirty days after approval by the Executive Board. Such a vote by Owners shall be deemed timely if it



occurs at a Special Meeting of the Association convened, pursuant to Section 2.4 of these Bylaws, in response to a petition submitted to the Secretary within 30 days after notice is given to Owners of the adoption of said budget or capital expenditure.

5.9.2 Advance Approval of Certain Transactions. The power of the Executive Board to expend funds, incur expenses or borrow money on behalf of the Association is subject to the requirement that advance Owner approval must be obtained for certain large transactions.

5.9.2.1 Required Approval. Transactions of the type described in Section 5.9.2.2 must be approved in advance by a two-thirds (2/3) majority of votes cast, in person or by proxy, at a meeting of the Association duly convened for such purpose, and at which a quorum is present, in accordance with the provisions of these Bylaws.

5.9.2.2 Covered transactions. The approval described in this Subsection 5.9.2 shall be required to (i) expend funds or incur expenses that it is reasonably anticipated will cause the total of all expenses in the budget (including reserves) to be exceeded by more than ten percent (10%), and (ii) to borrow money so that loans of the Association then outstanding would exceed ten percent (10%) of the total expenses in the budget (including reserves).

5.10 Responsibility for Payment of Common Expenses and Other Assessments. Each Unit Owner shall pay the Common Expenses assessed by the Executive Board pursuant to the provisions of this Article V.

5.10.1 No Right to Opt Out. No Unit Owner may exempt himself from liability for his/her contribution toward Common Expenses or other assessments by waiver of the use and enjoyment of any of the Common Elements, nor by abandonment of his/her Unit, nor by any other unilateral action.

5.10.2 Of Seller, Upon Sale of Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recordation of a legitimate conveyance by him in fee of such Unit.

5.10.3 Of Buyer, Upon Purchase of Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefor.

5.11. Collection of Assessments. The Executive Board shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty days from the due date. Any assessment not paid within five days after its due date shall accrue a late charge in the amount of 5% of the overdue assessment in addition to interest at the rate of 15% per annum or such other rate as may be determined by the Executive Board.

5.12. Statement of Common Expenses. Upon written request, the Executive Board shall promptly provide any Unit Owner, contract purchaser or Permitted Mortgagee a written statement of all unpaid assessments for Common Expenses due from such Unit Owner. The Executive Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

## ARTICLE VI

### Compliance and Default

6.1 Obligation to Comply With Governing Documents. Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Declaration, these By-Laws, the Rules and Regulations and the Act, as any of the same may be amended from time to time.

6.2 Remedies for Non-Compliance. In addition to the remedies provided in the Act and the Declaration, a default by a Unit Owner shall entitle the Association, acting through its Executive Board, to the following relief:

6.2.1 Indemnification. Each Unit Owner shall indemnify and hold harmless the Association for any expense or liability incurred by the Association as a result of such default, or of any other wrongful act or omission, of the said Owner or said Owner's tenants, guests, invitees or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Association. Such duty to indemnify shall extend to any increase in insurance premiums occasioned by such acts or by misuse or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any by any insurance company of its rights of subrogation.

6.2.2 Costs and Attorney's Fees. In any proceedings arising out of any alleged default by a Unit Owner, the Association shall be entitled to recover the costs of such proceeding and reasonable attorney's fees.

6.2.3 No Waiver of Rights. The failure of the Association, the Executive Board or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Executive Board Rules and Regulations or the Act shall not constitute a

waiver of the right of the Association, the Executive Board or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Executive Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, the Rules and Regulations or the Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Declaration, these Bylaws, the Rules and Regulations or the Act or at law or in equity.

- 6.2.4 Abating and Enjoining Violations by Unit Owners. The violation of any of the Rules and Regulations adopted by the Executive Board, or the breach of any Bylaws contained herein or the breach of any provision of the Declaration or the Act, shall give the Executive Board the right, in addition to any other rights: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

## ARTICLE VII

### Amendments

7.1. Amendments to Bylaws. Amendment of these Bylaws requires assent of either (a) more than fifty percent (50%) of the total ownership interest or (b) two-thirds (2/3) of the aggregate Percentage Interest of votes cast, in person or by proxy, at a meeting of the Association duly convened for that purpose and at which there is a quorum present in person or by proxy.

7.2. Limited Power of Executive Board to Amend. If any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

7.3. Approval of Mortgagees. These Bylaws contain provisions concerning various rights and interests of Permitted Mortgagees. Such provisions in these Bylaws are to be construed as covenants for the protection of such Permitted Mortgagees on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of these Bylaws impairing or affecting such rights, priorities, remedies or interests of a Permitted Mortgagee shall be adopted without its or their prior written consent.

7.4. Amendments to the Declaration. Any two officers or Executive Board members of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

## ARTICLE VIII

### Maintenance of the Property

8.1. Association to Maintain Common Elements. The Association shall be responsible for the maintenance, repair and replacement of all of the Common Elements (including the Limited Common Elements) as defined herein or in the Declaration, whether located inside or outside of the Units, the cost of which shall be charged to all Unit Owners as a common expense, subject to the following exceptions:

8.1.1 Exception: Appurtenant Common Elements. The Unit Owner of any Unit to which a Limited Common Element is appurtenant shall perform the normal maintenance for that Limited Common Element, including keeping it in a clean and sanitary condition, free and clear of snow, ice and any accumulation of water and shall also be responsible for all repairs thereto caused or permitted by his negligence, misuse or neglect. All structural repairs or replacements shall be made by the Association, and the cost shall be a common expense unless said structural repairs or replacements were necessitated by the wrongful act of a Unit Owner as set forth in subsection 8.1.2.

8.1.2 Exception: Fault of Owner. If the Executive Board determines, by a vote of eighty percent (80%) or more, that any expense covered by this Section 8.1 was necessitated by the negligence, misuse, neglect, or other wrongful act of a Unit Owner, then such expense shall be assessed against the Unit Owner at fault.

8.2. Unit Owner to Maintain Unit.

8.2.1. Duty to Maintain; Minimizing Disturbance; Reporting Problems. Each Unit Owner shall keep his Unit and its equipment, appliances and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting and varnishing that may at any time be necessary to maintain the good appearance and condition of his Unit. Each Unit Owner shall

perform his responsibility in a manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Executive Board or the managing agent any defect or need for repairs for which the Association is responsible.

- 8.2.2 Harm to Others from Failure to Maintain Unit. Each Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from his failure or negligence to perform any of the maintenance or repairs required by this section, or otherwise by his negligence or neglect.

## ARTICLE IX

### Miscellaneous

9.1. Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail postage prepaid (or otherwise as the Act may permit), (i) if to a Unit Owner, at the single address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owner, or (ii) if to the Association, the Executive Board or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each such Person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

9.2. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

9.3. Gender and Number. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

## Article X

### Leasing and Ownership

10.1 Policy. It is the policy of the Hampton Hall Condominium Association to promote and preserve the character of Hampton Hall as a residential condominium consisting primarily of owner-occupied units. For purposes of this Article, occupancy of a unit by a parent, child, sibling, or other close relative of the owner is deemed equivalent to owner-occupancy.

- 10.2 Rentals and Leases.

- 10.2.1 Advance Approval Required. Any rental of a unit to a non-family member must be approved in advance by the Executive Board. Approval will not be unreasonably withheld if the proposed rental meets all requirements concerning lease agreement and security deposit, as well as complying with all other provisions of these Governing Documents.
- 10.2.2 20% Cap. No more than 20 per cent of the total number of units may be rented to non-family members at any one time, subject only to the following exceptions:
- 10.2.2.1 Grandfather Provision. Any owner of a unit which is leased to a non-family member as of September 29, 2003, in compliance with the Governing Documents, may continue to lease that unit until the unit is sold or otherwise conveyed to a new owner, without being subject to the 20 per cent cap, provided the Owner is in compliance with this Article and these Governing Documents.
- 10.2.2.2 Exception for Temporary Absence. An owner-occupant who will be absent temporarily, and who intends in good faith to return and resume occupancy of the unit, may request an exception to the rental cap in order to rent his/her unit during the temporary absence. The board may approve such a temporary exception for one year, and approval may be extended as appropriate. By way of example, and without limitation, this exception is intended to provide for absences due to illness, family obligations, non-permanent job assignment, and sabbatical. Approval of a request for temporary exception shall not be unreasonably withheld if the proposed rental meets other requirements of these documents concerning leasing of units.
- 10.2.2.3 Hardship Exception. In the event of hardship, the Board may approve a temporary rental, not to exceed one year. Approval of a good faith request for hardship exception shall not be unreasonably withheld if the proposed rental meets other requirements of these documents concerning leasing of units.
- 10.2.3 Lease Requirements. Any rental of a unit to a non-family member must be pursuant to a written, executed lease agreement, which must be for a term of at least one year and must contain the Addendum approved by the Executive Board. A copy of the executed lease must be furnished to the Executive Board prior to the commencement date of the lease. Each such lease shall be deemed to include the following provisions:

- 10.2.3.1 Lessee's Obligations; No Voting Rights. Lessee agrees to be bound by all terms and conditions contained in the Declaration, By-Laws and Rules and Regulations of the Association and the lessee agrees to assume all duties and responsibilities and be jointly and severally liable with the Unit Owner for all of the liabilities and for the performance of all obligations applicable to unit Owners under the Uniform Condominium Act of the Commonwealth of Pennsylvania, the Declaration, By-Laws and the Rules & Regulations or otherwise whatsoever during the term of this Lease. Nothing contained in the Lease shall create any voting rights in the lessee with respect to the Unit leased hereunder, which rights remain solely vested in the Unit Owner under the Declaration, By-Laws and the Rules & Regulations.
- 10.2.3.2 No Sublet. Lessee further agrees that he shall not sublet or assign this Lease.
- 10.2.3.3 Owner's Continued Liability. The liability of Unit Owner hereunder, and under the Governing Documents as a whole, shall continue during the tenancy of any lease.
- 10.2.4 Security Deposit. Every owner leasing to a non-family member is required to post with the Association a refundable security deposit to secure compliance with the Governing Documents by the lessee and to cover any damage to the Common Elements by the lessee. The security deposit will be for a reasonable amount established by the Executive Board.
- 10.2.5 Related Rules. The Board may promulgate such additional Rules & Regulations relating to the leasing of Units as from time to time the Board shall determine are in the best interest of the Association.

10.3 Limitation on Ownership. With respect to units acquired after September 29, 2003, no person or entity may own more than one unit which is not occupied by the owner or a family member of the owner. Ownership of any beneficial interest, part interest, through a corporation, in a business or other fictitious name, of more than one non-owner-occupied unit shall be considered a violation of this section.

THESE, THE BYLAWS OF HAMPTON HALL CONDOMINIUM ASSOCIATION, originally adopted in 1984, have been revised and updated to incorporate amendments and resolutions duly adopted by the Hampton Hall Condominium Association at its annual meeting on September 26, 2005.

HAMPTON HALL CONDOMINIUM ASSOCIATION

By: Russell J. Caruth, President

Date: 8/20/06

By: [Signature], Secretary

Date: 8/20/06



# HAMPTON HALL CONDOMINIUM ASSOCIATION

## RULES ENFORCEMENT PROCEDURES

This policy applies to all violations of the Declaration, Bylaws or Rules and Regulations (Governing Documents), except where different procedures or penalties are specifically provided for in the those Governing Documents. The purpose of this policy is to establish a consistent and fair procedure for dealing with violations and complaints of violation.

1. **Complaint of Violation.** A complaint of violation may be initiated by the Executive Board on its own initiative, or by any owner, occupant, employee or the management representative. Anyone wishing to initiate a complaint must document the violation in writing, providing as much of the following information as possible:
  - a. Name and unit number (or address) of the offending party
  - b. Name and unit number (or address) of the person reporting the violation
  - c. Nature of the violation, including when and where it occurred
  - d. What the reporting party personally observed
  - e. Any other information that might aid in resolving the violation.
  
2. **Initial Review of Complaint.** Upon receipt of a complaint, the Board shall conduct such investigation as it deems warranted in the circumstances. If there is sufficient reason to believe a violation may have occurred, and if such informal action as the Board deems appropriate does not succeed in correcting the problem, the Board shall proceed with a Notice of Violation. Exceptions: The Board may omit one or more steps and take expedited action if it deems that circumstances warrant, e.g. (1) if there is a risk of damage to persons or property, or (2) the violation is repetitive.
  
3. **Notice of Violation.** The Board shall deliver to the alleged violator and/or responsible unit owner a written Notice of Violation. Delivery may be accomplished by regular mail, certified mail, or personal delivery to the individual's address of record. The Notice of Violation shall set forth the following:
  - a. Description of the violation
  - b. Demand that the violation cease immediately (or by such deadline as the Board deems reasonable under the circumstances)
  - c. Demand for such repair, reimbursement, or other remedial action as the Board deems appropriate under the circumstances
  - d. What must be done if the recipient wishes to contest the Notice of Violation, and the deadline for such action.

The omission of any information or demand from the Notice of Violation shall not constitute a waiver or otherwise prejudice the Association's rights and remedies.

4. **Contesting Notice of Violation.** If a Notice of Violation is properly and timely contested, the Board shall conduct such further investigation and consider such further evidence as it deems appropriate under the circumstances. The contesting party shall be given the opportunity to present relevant information, evidence and argument in writing rebutting the alleged violation and/or challenging the appropriateness of the demanded

remedial action. The Board shall then make a determination (1) whether there is sufficient evidence of the violation to warrant enforcement, and (2) whether the demanded remedial action should be modified. The Board shall notify the violator and/or responsible owner in writing of its decision and shall afford

If the Board concludes there is not sufficient evidence to warrant further enforcement action, it shall issue a written notice of its conclusion to all parties involved. If the Board determines there is sufficient evidence of the violation, it shall so notify the violator and/or responsible owner, affording a reasonable opportunity for compliance with the Notice of Violation.

5. **Penalty Letter.** If a violation is not fully remedied in response to a Notice of Violation, the Board shall issue a Penalty Letter to the violator and/or unit owner. Delivery may be accomplished by regular mail, certified mail, or personal delivery to the individual's address of record. The Warning Letter shall set forth the following:
  - a. Description of the violation
  - b. Demand that the violation cease immediately (or by such deadline as the Board deems reasonable under the circumstances)
  - c. Demand for such repair, reimbursement, or other remedial action as the Board deems appropriate under the circumstances, with deadline(s) for such action
  - d. Imposing a fine on the violator and/or responsible unit owner. (The Board may set the fine in an amount between \$25 and \$100, depending on the seriousness of the situation, whether this is a first-time offense, and such other circumstances as the Board deems relevant.)
  - e. Warning that continued failure to remedy the violation will result in the imposition of an additional penalty until the violation is remedied or adequate assurances of such remedy are provided to the Board's satisfaction. (The Board may set this additional penalty in an amount up to \$20 per day, depending on the seriousness of the situation, whether this is a first-time offense, and such other circumstances as the Board deems relevant.)
  - f. What must be done if the recipient wishes to appeal the Penalty Letter, and the deadline for such action.
  - g. A reminder that the violator and/or responsible unit owner are responsible for any damage caused by the violation, including any costs and attorney's fees.

The omission of any information or demand from the Penalty Letter shall not constitute a waiver or otherwise prejudice the Association's rights and remedies.

6. **Appeal.** A person who appeals from a Penalty Letter shall be given a prompt hearing before the Board, at which he/she can present evidence and argument challenging the remedial action demanded, the penalty imposed, and/or the underlying determination of violation. The Board shall promptly review the appeal and reach a decision, which may be to affirm, modify or vacate the Penalty Letter. The Board shall render its decision, including the reasons therefore, in writing to all parties involved.
7. **Limited Stay During Appeal.** Fines and penalties imposed in a Penalty Letter shall be stayed during the pendency of an appeal. However, unless vacated on appeal, any repair costs or other remedy imposed, including interest, shall be deemed retroactive to the date of the original Notice of Violation.

8. **Legal Action.** If the violation is not fully remedied in response to the above actions, the Board may refer the matter to legal counsel for action. The violator and/or responsible owner shall be responsible for interest, costs and attorney's fees in accordance with law and the Association's governing documents.

**HAMPTON HALL CONDOMINIUM ASSOCIATION**

VIOLATION REPORT

For the Board to take corrective action, a violations of the governing documents must be documented in writing. Please use this form to report a violation.

1. Name and address of offending party:

\_\_\_\_\_

2. Name and address of person reporting violation:

\_\_\_\_\_

3. Nature of violation:

\_\_\_\_\_

4. Date and time violation occurred:

\_\_\_\_\_

5. Location where the violation occurred:

\_\_\_\_\_

6. What you observed:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Any other pertinent information that may aid the Board in resolving the violation:

\_\_\_\_\_

\_\_\_\_\_

By signing this complaint form, I hereby attest that the information is true to the best of my knowledge.

\_\_\_\_\_

Date

\_\_\_\_\_

Signature of Person Reporting Violation

Return completed form to:

ACRI COMMERCIAL REALTY, INC.  
290 PERRY HIGHWAY  
PITTSBURGH, PA 15229

**Hampton Hall Condominium Association**

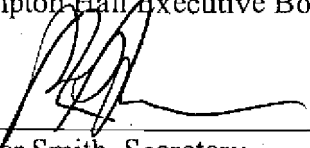
**Resolution for Adoption of  
Rules Enforcement Procedures**

**WHEREAS** Section 700.306 of the Unit Property Act grants the Executive Board ("Board") the power to establish rules and establish penalties for infractions; and

**WHEREAS** the Board wishes to establish procedures for the fair, efficient and consistent handling of violations of the Declaration, Bylaws or Rules and Regulations ("Governing Documents");

**IT IS HEREBY RESOLVED** that the attached Rules Enforcement Procedures are adopted effectively immediately and shall apply as indicated therein.

Hampton Hall Executive Board

  
\_\_\_\_\_  
Roger Smith, Secretary

8/9/06  
\_\_\_\_\_  
Date

AMENDMENT TO BY-LAWS OF THE HAMPTON HALL

CONDOMINIUM ASSOCIATION

This Amendment to By-Laws of the Hampton Hall Condominium Association is made as of this 24<sup>th</sup> day of September 2001.

Paragraph 3.3. Election and Term of Office. of the By-Laws of the Hampton Hall Condominium Association is hereby amended as follows:

Paragraph 3.3.b(2) is hereby amended by deleting the italicized words from this Paragraph:

(2) Nominations may be submitted from the floor at the meeting at which the election is held *for each vacancy on the Executive Board for which no more than one person has been nominated by petition.*

Paragraph 3.3.b(2) shall now read:

“(2) Nominations may be submitted from the floor at the meeting at which the election is held.”

This Amendment shall become effective immediately.

CERTIFICATE

DANIEL RUSSELL, the duly elected President of the Hampton Hall Executive Board, and Dorothy McClure the duly elected Secretary of the Hampton Hall Executive Board hereby warrant that the Amendment herein has been consented to by vote Unit Owners entitled to cast a majority of the votes in the Association.

Daniel Russell  
President

Dorothy B. McClure  
Secretary

ACKNOWLEDGEMENT

Commonwealth of Pennsylvania  
County of Allegheny

On this 24 day of SEPTEMBER 2001, before me, the undersigned officer, personally appeared DANIEL RUSSELL and Dorothy McClure, both known to me (or satisfactorily proven) who acknowledged that they executed this instrument for the purposes stated therein.

Fred C. Jug, Jr.  
Notary Public

Notarial Seal  
Fred C. Jug, Jr., Notary Public  
Pittsburgh, Allegheny County  
My Commission Expires Nov. 24, 2003

**BYLAWS**

of

**HAMPTON HALL**

**CONDOMINIUM ASSOCIATION**

As revised and updated through August 9, 2006

**Table of Contents**

ARTICLE I Introductory Provisions ..... 4

    1.1. Applicability ..... 4

    1.2. Definitions ..... 4

    1.3. Compliance ..... 4

    1.4. Office ..... 4

ARTICLE II The Association ..... 4

    2.1. Composition ..... 4

    2.2. Annual Meetings ..... 4

    2.3. Place of Meetings ..... 5

    2.4. Special Meetings ..... 5

    2.5. Notice of Meetings ..... 5

    2.6. Adjournment of Meetings ..... 5

    2.7. Voting ..... 5

        2.7.1. By percentage Interest ..... 5

        2.7.2. Eligibility (Delinquency) ..... 5

        2.7.3. Eligibility (Multiple Owners) ..... 5

        2.7.4. Votes Needed for Passage ..... 6

        2.7.5. Voting for Executive Board ..... 6

        2.7.6. Units Owned by Association ..... 6

        2.7.7. No Cumulative or Class Voting ..... 6

        2.7.8. Judges of Election ..... 6

    2.8. Proxies ..... 7

    2.9. Quorum ..... 7

    2.10. Conduct of Meetings ..... 7

ARTICLE III Executive Board ..... 7

    3.1. Number and Qualification ..... 7

    3.2. Managing Agent ..... 7

    3.3. Election and Term ..... 8

        3.3.1. Term of Office ..... 8



3.3.2.	No term limits .....	8
3.3.3.	Staggered Terms .....	8
3.3.4.	Nominations .....	9
3.4.	Removal or Resignation .....	9
3.4.1.	Removal .....	9
3.4.2.	Resignation .....	9
3.5.	Vacancies .....	9
3.6.	Organization Meeting .....	9
3.7.	Regular Meetings .....	10
3.8.	Special Meetings .....	10
3.9.	Waiver of Notice .....	10
3.10.	Quorum .....	10
3.11.	Compensation .....	10
3.12.	Conduct of Meetings .....	10
3.13.	Action Without Meeting .....	10
3.14.	Validity of Contracts with Interested Executive Board Members .....	11
ARTICLE IV	Officers .....	11
4.1.	Designation .....	11
4.2.	Election of Officers .....	11
4.3.	Removal of Officers .....	12
4.4.	President .....	12
4.5.	Vice President .....	12
4.6.	Secretary .....	12
4.7.	Treasurer .....	12
4.8.	Signature Authority .....	12
4.9.	Compensation of Officers .....	12
ARTICLE V	Common Expenses; Budgets .....	13
5.1.	Fiscal Year .....	13
5.2.	Annual Budget .....	13
5.2.1.	Contents .....	13
5.2.2.	Deadlines .....	13
5.2.3.	Effect .....	14
5.3.	Monthly Assessments; Accounting .....	14
5.3.1.	General Common Expenses .....	14
5.3.2.	Limited Expenses .....	15
5.3.3.	Monthly Basis; Due Date; Lien .....	15
5.3.4.	Reserves; Special Assessments .....	15
5.3.5.	Itemized Accounting .....	16
5.4.	Further Assessments .....	16
5.5.	Fines .....	16
5.6.	Effect of Failure to Prepare or Adopt Budget .....	16
5.8.	Accounts; Audits .....	16
5.9.	Rejection of Budget; Limitations on Expenditures and Borrowing .....	16

5.9.1	Rejection of Budget or Capital Expenditure by Owners .....	16
5.9.2	Advance Approval of Certain Transactions.....	17
5.10	Responsibility for Payment of Common Expenses and Other Assessments.....	17
5.10.1	No Right to Opt Out.....	17
5.10.2	Of Seller, Upon Sale of Unit.....	17
5.10.3	Of Buyer, Upon Purchase of Unit.....	17
5.11.	Collection of Assessments.....	18
5.12.	Statement of Common Expenses.....	18
ARTICLE VI	Compliance and Default .....	18
6.1	Obligation to Comply With Governing Documents.....	18
6.2	Remedies for Non-Compliance:.....	18
6.2.1	Indemnification.....	18
6.2.2	Costs and Attorney's Fees .....	18
6.2.3	No Waiver of Rights .....	18
6.2.4	Abating and Enjoining Violations by Unit Owners.....	19
ARTICLE VII	Amendments.....	19
7.1.	Amendments to Bylaws.....	19
7.2.	Limited Power of Executive Board to Amend .....	19
7.3.	Approval of Mortgagees.....	20
7.4.	Amendments to the Declaration .....	20
ARTICLE VIII	Maintenance of the Property .....	20
8.1.	Association to Maintain Common Elements.....	20
8.1.1	Exception: Appurtenant Common Elements .....	20
8.1.2	Exception: Fault of Owner.....	20
8.2.	Unit Owner to Maintain Unit. ....	20
8.2.1.	Duty to Maintain; Minimizing Disturbance; Reporting Problems .....	20
8.2.2	Harm to Others from Failure to Maintain Unit.....	21
ARTICLE IX	Miscellaneous .....	21
9.1.	Notices.....	21
9.2.	Captions.....	21
9.3.	Gender and Number .....	21
Article X	Leasing and Ownership.....	21
10.1	Policy. ....	21
10.2	Rentals and Leases. ....	21
10.2.1	Advance Approval Required.....	22
10.2.2	20% Cap.....	22
10.2.3	Lease Requirements.....	22
10.2.4	Security Deposit.....	23
10.2.5	Related Rules .....	23
10.3	Limitation on Ownership .....	23

## **ARTICLE I**

### **Introductory Provisions**

1.1. **Applicability.** These Bylaws provide for the governance of the Condominium Association created by the recording of the Declaration of Condominium for Hampton Hall Condominium in the office of Recorder of Deeds of Allegheny County, Pennsylvania at Deed Book Volume 6981, page 553, pursuant to the requirements of Section 3306 of the Pennsylvania Uniform Condominium Act ("the Act").

1.2. **Definitions.** Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration of Condominium or, if not defined therein, the meanings specified or used for such terms in the Act.

1.3. **Compliance.** Pursuant to the provisions of the Act, every Unit Owner and all Persons who occupy a Unit shall comply with these Bylaws.

1.4. **Office.** The Office of the Condominium, the Association, and the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

## **ARTICLE II**

### **The Association**

2.1. **Composition.** The Association is hereby organized on the date hereof as an unincorporated association. The Association shall consist of all of the Unit Owners acting as a group in accordance with the Act, the Declaration and these Bylaws. The Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting assessments and charges, arranging for the management of the Condominium and performing all of the other acts that may be required or permitted to be performed by the Association pursuant to the Act and the Declaration. The foregoing responsibilities shall be performed by the Executive Board or Managing Agent as more particularly set forth in these Bylaws.

2.2. **Annual Meetings.** The annual meetings of the Association shall be held on the last Monday of September of each year unless such date shall occur on a holiday, in which event the meeting shall be held on the succeeding Monday. At such annual meetings the Executive Board shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 3.3 of these Bylaws and such other business as may properly come before the meeting may be transacted.

2.3. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Executive Board.

2.4. Special Meetings. The President shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon a petition signed and presented to the Secretary by Unit Owners entitled to cast at least twenty-five percent (25%) of the votes in the Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within 45 days after receipt by the President or Secretary of said resolution or petition; provided, however, if the purpose includes the consideration or the rejection of a budget or capital expenditure pursuant to Section 5.9 below, such meeting shall be held within 15 days after receipt of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

2.5. Notice of Meetings. The Secretary shall give notice to each Unit Owner of all meetings of the Association. Notice of annual or regularly-scheduled meetings of the Association shall be given at least twenty days but not more than sixty days before the meeting. Notice of special meetings shall be given at least ten days but not more than forty-five days, prior to such meeting. The notice shall state the time, place and purpose of the meeting. The giving of a notice of meeting in the manner provided in this Section and Section 9.1 of these Bylaws shall be considered service of notice.

2.6. Adjournment of Meetings. If at any meeting of the Association a quorum is not present, Unit Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight hours after the time for which the original meeting was called.

2.7. Voting.

2.7.1. By percentage Interest. Voting at all meetings of the Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be the Percentage Interest assigned to his Unit in the Declaration.

2.7.2. Eligibility (Delinquency). Any Unit Owner who is more than forty-five (45) days delinquent in the payment of any assessments shall not be entitled to vote.

2.7.3. Eligibility (Multiple Owners).

2.7.3.1. By Designated Voter. Where a Unit is owned by more than one Owner, one of said Owners may be designated to cast the Unit's vote, by submitting to the Secretary a written certificate

signed by all co-Owners of the Unit. Such certificate shall be valid until revoked by one or more co-Owners in a written certificate submitted to the Secretary.

- 2.7.3.2. By Any Co-Owner. If the designated voter for a Unit is absent, or if no certificate of designation is on file with the Secretary, then any co-Owner may cast the Unit's vote. If more than one co-Owner is present, then such vote shall be cast only in accordance with their unanimous agreement, pursuant to Section 3310(a) of the Act. There shall be deemed to be unanimous agreement to a vote cast by a co-Owner unless protest of such vote is promptly made at the meeting by any other co-Owner.
- 2.7.3.3. Other Approvals or Disapprovals. Subject to the requirements of the Act, wherever the approval or disapproval of a Unit Owner is required by the Act, the Declaration or these Bylaws, such approval or disapproval may be made by a co-Owner who would be entitled to cast the vote of such Unit at any meeting of the Association.
- 2.7.4. Votes Needed for Passage. Adoption of a resolution or decision requires the assent of either (a) more than fifty percent (50%) of the total ownership interest or (b) two-thirds (2/3) of the aggregate Percentage Interest of votes cast, in person or by proxy, at a duly convened meeting of the Association at which there is a quorum present in person or by proxy.
- 2.7.5. Voting for Executive Board. In elections for Executive Board members, each Unit Owner shall be entitled to vote for as many nominees as there are vacancies to be filled. The candidates receiving the greatest Percentage Interest of votes cast in such elections shall be elected. If Executive Board members are being elected to unequal terms, the candidates receiving the greatest Percentage Interest of votes shall be elected to the longest terms.
- 2.7.6. Units Owned by Association. No votes allocated to a Unit owned by the Association may be cast.
- 2.7.7. No Cumulative or Class Voting. There shall be no cumulative or class voting.
- 2.7.8. Judges of Election. All votes shall be tallied by tellers appointed by the President.

2.8. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner or a Permitted Mortgagee. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of written notice of revocation from the grantor(s) of the proxy. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

2.9. Quorum. Except as set forth below, the presence in person or by proxy of Unit Owners having twenty percent (20%) or more of the aggregate Percentage Interest at the commencement of a meeting shall constitute a quorum at all meetings of the Association. If a meeting is adjourned pursuant to Section 2.6 above, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if persons entitled to cast ten percent of the votes which may be cast for the election of the Executive Board are present in person or by proxy at the beginning of the meeting.

2.10. Conduct of Meetings. The President (or in his/her absence, one of the vice-presidents) shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws or the Act.

### ARTICLE III

#### Executive Board

3.1. Number and Qualification. The affairs of the Association shall be governed by an Executive Board. The Executive Board shall be composed of not less than three nor more than five natural persons, all of whom shall be Unit Owners. No more than one member shall be elected from any unit.

3.2. Managing Agent. The Executive Board may employ for the Condominium a "Managing Agent" at a compensation established by the Executive Board. The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, where a Managing Agent does not have the power to act under the Act, the Declaration or these Bylaws, such duties shall be performed as advisory to the Executive Board. The Executive Board may delegate to the Managing Agent all of the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers:

- a. to adopt the annual budget and any amendment thereto or to assess any Common Expenses;

- b. to adopt, repeal or amend Rules and Regulations;
- c. to designate signatories on Association bank accounts;
- d. to borrow money on behalf of the Association;
- e. to acquire and mortgage Units;
- f. to designate Reserved Common Elements;
- g. to allocate Limited Common Elements.

Any contract with the Managing Agent must provide that it may be terminated with cause on no more than thirty (30a) days' written notice and without cause on no more than ninety (90) days' written notice. The term of any such contract may not exceed one year.

3.3. Election and Term. An election shall be held at each annual meeting of the Association to fill vacancies on the Executive Board.

3.3.1. Term of Office. The regular term of office of an Executive Board member shall be two years. A member of the Executive Board shall hold office until the election of his/her successor. Exception: A member's term of office shall be deemed terminated immediately in any of the following circumstances:

3.3.1.1. Ineligibility. The member ceases to be a Unit Owner, or otherwise becomes ineligible to serve; or

3.3.1.2. Incapacity. The member becomes unable to serve, e.g. by reason of death or adjudication of incompetency; or

3.3.1.3. Removal or Resignation. The member is removed or resigns pursuant to Section 3.4.

3.3.2. No term limits. An Executive Board member may serve an unlimited number of terms and may succeed himself/herself.

3.3.3. Staggered Terms. It is intended that Board members shall serve staggered terms. If a vacancy occurs because of early termination of a Board member due to resignation or other cause, then the person elected at the next Annual Meeting to fill that early vacancy, as described in Section 2.7.5, shall serve out the remaining term of the departing Board member, rather than serving a full two-year term.

3.3.4. Nominations. Candidates for the Executive Board may be nominated for election as follows:

3.3.4.1. Petition. Any Unit Owner may submit to the Secretary at least thirty days before the meeting at which the election is to be held a nominating petition signed by Unit Owners owning at least five Units in the aggregate, together with a statement that the person nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. The Secretary shall mail or hand deliver the submitted items to every Unit Owner along with the notice of such meeting.

3.3.4.2. From the Floor. Nominations may be submitted from the floor at the meeting at which the election is held.

3.4. Removal or Resignation.

3.4.1. Removal. At any regular or special meeting of the Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Unit Owners entitled to cast a majority of all votes in the Association and a successor may then and there be elected to fill the vacancy thus created. Any Unit Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit Owner shall be given at least ten days notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting.

3.4.2. Resignation. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit.

3.5. Vacancies. Vacancies on the Executive Board shall promptly be filled by a vote of a majority of the remaining members of the Executive Board present at a duly convened meeting. Provided notice is duly given of the purpose of the meeting, such vote shall be effective even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Executive Board until a successor shall be elected at the next annual meeting of the Association. In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term. Exception: If the vacancy results from removal of a Board member at an Owners' meeting, the vacancy shall be filled in accordance with Section 3.4.1 rather than this Section.

3.6. Organization Meeting. At the Annual Meeting, the President (even if he/she is the outgoing President) shall announce the time and place of the first meeting of the new Executive Board, to occur within ten (10) days thereafter. No further notice shall be necessary to the newly elected members of the Executive Board in order legally to constitute such meeting, if



a majority of the Executive Board members shall be present at such meeting.

3.7. Regular Meetings. Regular meetings of the Executive Board may be held at such time and place as shall be determined from time to time by a majority of the members, but such meetings shall be held at least once every three months during each fiscal year. Written notice of regular meetings, and of the business to be conducted, shall be given to each member by personal delivery, mail, email or fax, at least three business days prior to the day named for such meeting.

3.8. Special Meetings. Special meetings of the Executive Board may be called by the President on at least three business days' notice to each member, given by personal delivery, mail, email or fax, which notice shall state the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two members of the Executive Board.

3.9. Waiver of Notice. Any member may at any time, in writing, waive notice of any meeting of the Executive Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Executive Board shall constitute a waiver of notice by him of the time, place and purpose of such meeting. If all members are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.

3.10. Quorum. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other.

3.11. Compensation. Unless approved by a majority of the Unit Owners, no member of the Executive Board shall receive any compensation from the Association for acting as such, other than reimbursement for any expenses incurred in the performance of his duties.

3.12. Conduct of Meetings. The President shall preside over all meetings of the Executive Board and the Secretary shall keep a minute book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Executive Board if and to the extent not in conflict with the Declaration, these Bylaws or the Act.

3.13. Action Without Meeting. Any action by the Executive Board required or

permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board. Action may also be taken by conference telephone or other electronic means whereby all Board members can participate simultaneously.

4. 3.14 Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm, or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

5. 3.14.1 Disclosure. The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board member or members; or

3.14.2 Not Unconscionable. The Contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.14 hereof.

## ARTICLE IV

### Officers

4.1. Designation. The principal officers of the Association shall be the President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint a Vice President, an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary. The President and Vice President shall be resident Unit Owners as well as being members of the Executive Board. Any other officers may, but need not, be resident Unit Owners or members of the Executive Board.

4.2. Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Board and shall hold office at the pleasure of the Executive Board.

4.3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Executive Board, any officer may be removed, either with or without cause, and a successor may be elected at any meeting of the Executive Board called for such purpose.

4.4. President. The president shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Executive Board and have all of the general powers and duties which are incident to the office of president of a corporation organized under the laws of Pennsylvania including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his/her discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall cease holding such office at such time as he/she ceases to be a member of the Executive Board.

4.5. Vice President. The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint some other member of the Executive Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be delegated or assigned by the Executive Board or by the President. The Vice President shall cease holding such office at such time as he/she ceases to be a member of the Executive Board.

4.6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Executive Board, have charge of such books and papers as the Executive Board may direct, maintain a register setting forth the place to which all notices to Unit Owners and Permitted Mortgagees hereunder shall be delivered and, in general, perform all the duties incident to the office of secretary of a corporation organized under the laws of Pennsylvania. The Secretary shall, upon request, provide any Person, or cause to be provided to any Person entitled thereto a written statement or certification of the information required to be provided by the Association pursuant to Sections 3315(g), 3407(b) of the Act and Sections 5.3.3 and 5.12 below, upon payment of the fee set by the Executive Board for such service.

4.7. Treasurer. The Treasurer shall have the responsibility for the safekeeping of Association funds and securities, be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data, and be responsible for the deposit of all monies in the name of the Executive Board, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Executive Board and, in general, perform all the duties incident to the office of treasurer of a corporation organized under the laws of Pennsylvania.

4.8. Signature Authority. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of \$5,000 shall be executed by any two officers of the Association. All such instruments for expenditures or obligations of \$5,000 or less may be executed by any one officer of the Association.

4.9. Compensation of Officers. No officer who is also a member of the Executive Board shall receive any compensation from the Association for acting as such officer, but may be

reimbursed for any out-of-pocket expenses incurred in performing his/her duties; provided, however, the Secretary and Treasurer may be compensated for their services if the Executive Board determines such compensation to be appropriate.

## ARTICLE V

### Common Expenses; Budgets

5.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board.

5.2. Annual Budget.

5.2.1. Contents. The Executive Board shall adopt an annual budget for the Association containing estimates of the amounts which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services. Such estimates shall cover at least the following items:

5.2.1.1. Maintenance. The total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Association to maintain, repair and replace.

5.2.1.2. Common Expenses. The cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or a resolution of the Association. The budget shall segregate General Common Expenses and Limited Common Expenses, if any.

5.2.1.3. Reserves. Such reasonable amounts as the Executive Board considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements.

5.2.2. Deadlines.

5.2.2.1. Adoption of Budget. The Executive Board shall adopt the annual budget for the Association on or before the first day of November of each year (or sixty days before the beginning of the fiscal year, if the fiscal year is other than the calendar year).

5.2.2.2. Distribution of Budget to Owners. On or before the next

succeeding fifth day of November (or fifty-five days before the beginning of the fiscal year if other than the calendar year), the Executive Board shall make the budget available for inspection at the Association office and shall send to each Unit Owner a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses.

5.2.2.3. Effect of Failure to Meet Deadline. The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

5.2.3. Effect. The annual budget shall constitute the basis for determining each Unit Owner's assessments for General Common Expenses and Limited Expenses. The budget shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 5.9.

5.3. Monthly Assessments; Accounting.

5.3.1. General Common Expenses.

5.3.1.1. Calculation. The Executive Board shall calculate the monthly assessments for General Common Expenses against each Unit as follows

5.3.1.1.1. Total Estimated General Common Expenses. First, the Board shall determine the total estimated General Common Expenses for the Condominium for the year, as set forth in the budget adopted by the Board for the fiscal year in question. (This consists of the total amount of the estimated funds required for the operation of the Property, including a reasonable reserve; it does not include Limited Expenses.)

5.3.1.1.2. Unit's Share of General Common Expenses. To determine each Unit's share of the year's General Common Expenses, the total estimated General Common Expenses described in Section 5.3.1.1 shall be multiplied by that Unit's Percentage Interest (expressed in decimal form). The resultant product, divided by twelve (12), represents the Unit's monthly share of General Common Expenses.

5.3.1.2. Providing for Shortages. Any net shortage with regard to General Common Expenses, after application of such

reserves as the Executive Board may determine, shall be assessed promptly against the Unit Owners in accordance with their Percentage Interests and shall be payable in one or more monthly assessments, as the Executive Board may determine.

5.3.2. Limited Expenses.

5.3.2.1. Calculation. The Executive Board shall calculate the monthly assessments for Limited Expenses, if any, against each Unit obligated to pay Limited Expenses by (1) determining the estimated amount of any Limited Expense, as set forth in the budget adopted by the Executive Board for the fiscal year in question; (2) multiplying by the share of said Limited Expense allocated to each such Unit as provided in the Act and the Declaration, and (3) dividing the resultant product by 12. If the budget contains multiple Limited Expenses, this calculation shall be performed separately for each.

5.3.2.2. Providing for Shortages. Any net shortage with regard to a Limited Expense shall be assessed promptly against the Unit Owners obligated to pay said Limited Expense in accordance with their allocable shares and shall be payable in one or more monthly assessments, as the Executive Board may determine.

5.3.3. Monthly Basis; Due Date; Lien. Such assessments shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments, shall be due and payable on the first day of each calendar month, and shall be a lien against each Owner's Unit as provided in the Act and the Declaration.

5.3.4. Reserves; Special Assessments. The Executive Board shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including nonpayment of any Unit Owner's assessments, the Executive Board may at any time levy further assessments for General Common Expenses and/or Limited Expenses which shall be assessed against the Unit Owners either according to their respective Percentage Interests (with regard to General Common Expenses) or in

accordance with allocable shares (with regard to Limited Expenses), whichever is appropriate, and shall be payable in one or more monthly assessments as the Executive Board may determine.

5.3.5. Itemized Accounting. Within one hundred and twenty (120) days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner, and to each Permitted Mortgagee who has registered an address with the Secretary for that purpose, an itemized accounting of the funds received and expenditures made for Common Expenses during such fiscal year.

5.4. Further Assessments. The Executive Board shall serve notice on all affected Unit Owners of any further assessments made pursuant to this Article V or otherwise as permitted or required by the Act, the Declaration and these Bylaws, by a statement in writing giving the amount and reasons therefor, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly assessment which is due more than ten days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such monthly assessments. Such assessments shall be a lien as of the effective date as set forth in Section 5.3.3.

5.5. Fines. The Executive Board shall have the power to levy fines as set forth in the Act, which shall be considered as a further assessment against the Unit as set forth in Section 5.4.

5.6. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

5.8. Accounts; Audits. All sums collected by the Executive Board with respect to assessments against the Unit Owners or from any other source may be commingled into a single fund. Reserves shall be maintained in a separate fund, although different types of reserves may be commingled in one reserve fund. All books and records of the Association shall be kept in accordance with good and accepted accounting practices, and the same shall be reviewed at least once each year by an independent accountant retained by the Executive Board.

5.9. Rejection of Budget; Limitations on Expenditures and Borrowing.

5.9.1 Rejection of Budget or Capital Expenditure by Owners. Anything herein to the contrary notwithstanding, the Association, by majority vote of all votes in the Association, may reject any budget or capital expenditure approved by the Executive Board, within thirty days after approval by the Executive Board. Such a vote by Owners shall be deemed timely if it

occurs at a Special Meeting of the Association convened, pursuant to Section 2.4 of these Bylaws, in response to a petition submitted to the Secretary within 30 days after notice is given to Owners of the adoption of said budget or capital expenditure.

5.9.2 Advance Approval of Certain Transactions. The power of the Executive Board to expend funds, incur expenses or borrow money on behalf of the Association is subject to the requirement that advance Owner approval must be obtained for certain large transactions.

5.9.2.1 Required Approval. Transactions of the type described in Section 5.9.2.2 must be approved in advance by a two-thirds (2/3) majority of votes cast, in person or by proxy, at a meeting of the Association duly convened for such purpose, and at which a quorum is present, in accordance with the provisions of these Bylaws.

5.9.2.2 Covered transactions. The approval described in this Subsection 5.9.2 shall be required to (i) expend funds or incur expenses that it is reasonably anticipated will cause the total of all expenses in the budget (including reserves) to be exceeded by more than ten percent (10%), and (ii) to borrow money so that loans of the Association then outstanding would exceed ten percent (10%) of the total expenses in the budget (including reserves).

5.10 Responsibility for Payment of Common Expenses and Other Assessments. Each Unit Owner shall pay the Common Expenses assessed by the Executive Board pursuant to the provisions of this Article V.

5.10.1 No Right to Opt Out. No Unit Owner may exempt himself from liability for his/her contribution toward Common Expenses or other assessments by waiver of the use and enjoyment of any of the Common Elements, nor by abandonment of his/her Unit, nor by any other unilateral action.

5.10.2 Of Seller, Upon Sale of Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recordation of a legitimate conveyance by him in fee of such Unit.

5.10.3 Of Buyer, Upon Purchase of Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefor.



5.11. Collection of Assessments. The Executive Board shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty days from the due date. Any assessment not paid within five days after its due date shall accrue a late charge in the amount of 5% of the overdue assessment in addition to interest at the rate of 15% per annum or such other rate as may be determined by the Executive Board.

5.12. Statement of Common Expenses. Upon written request, the Executive Board shall promptly provide any Unit Owner, contract purchaser or Permitted Mortgagee a written statement of all unpaid assessments for Common Expenses due from such Unit Owner. The Executive Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

## ARTICLE VI

### Compliance and Default

6.1 Obligation to Comply With Governing Documents. Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Declaration, these By-Laws, the Rules and Regulations and the Act, as any of the same may be amended from time to time.

6.2 Remedies for Non-Compliance. In addition to the remedies provided in the Act and the Declaration, a default by a Unit Owner shall entitle the Association, acting through its Executive Board, to the following relief:

6.2.1 Indemnification. Each Unit Owner shall indemnify and hold harmless the Association for any expense or liability incurred by the Association as a result of such default, or of any other wrongful act or omission, of the said Owner or said Owner's tenants, guests, invitees or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Association. Such duty to indemnify shall extend to any increase in insurance premiums occasioned by such acts or by misuse or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any by any insurance company of its rights of subrogation.

6.2.2 Costs and Attorney's Fees. In any proceedings arising out of any alleged default by a Unit Owner, the Association shall be entitled to recover the costs of such proceeding and reasonable attorney's fees.

6.2.3 No Waiver of Rights. The failure of the Association, the Executive Board or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Executive Board Rules and Regulations or the Act shall not constitute a

waiver of the right of the Association, the Executive Board or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Executive Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, the Rules and Regulations or the Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Declaration, these Bylaws, the Rules and Regulations or the Act or at law or in equity.

- 6.2.4 Abating and Enjoining Violations by Unit Owners. The violation of any of the Rules and Regulations adopted by the Executive Board, or the breach of any Bylaws contained herein or the breach of any provision of the Declaration or the Act, shall give the Executive Board the right, in addition to any other rights: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

## ARTICLE VII

### Amendments

7.1. Amendments to Bylaws. Amendment of these Bylaws requires assent of either (a) more than fifty percent (50%) of the total ownership interest or (b) two-thirds (2/3) of the aggregate Percentage Interest of votes cast, in person or by proxy, at a meeting of the Association duly convened for that purpose and at which there is a quorum present in person or by proxy.

7.2. Limited Power of Executive Board to Amend. If any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

7.3. Approval of Mortgagees. These Bylaws contain provisions concerning various rights and interests of Permitted Mortgagees. Such provisions in these Bylaws are to be construed as covenants for the protection of such Permitted Mortgagees on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of these Bylaws impairing or affecting such rights, priorities, remedies or interests of a Permitted Mortgagee shall be adopted without its or their prior written consent.

7.4. Amendments to the Declaration. Any two officers or Executive Board members of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

## ARTICLE VIII

### Maintenance of the Property

8.1. Association to Maintain Common Elements. The Association shall be responsible for the maintenance, repair and replacement of all of the Common Elements (including the Limited Common Elements) as defined herein or in the Declaration, whether located inside or outside of the Units, the cost of which shall be charged to all Unit Owners as a common expense, subject to the following exceptions:

8.1.1 Exception: Appurtenant Common Elements. The Unit Owner of any Unit to which a Limited Common Element is appurtenant shall perform the normal maintenance for that Limited Common Element, including keeping it in a clean and sanitary condition, free and clear of snow, ice and any accumulation of water and shall also be responsible for all repairs thereto caused or permitted by his negligence, misuse or neglect. All structural repairs or replacements shall be made by the Association, and the cost shall be a common expense unless said structural repairs or replacements were necessitated by the wrongful act of a Unit Owner as set forth in subsection 8.1.2.

8.1.2 Exception: Fault of Owner. If the Executive Board determines, by a vote of eighty percent (80%) or more, that any expense covered by this Section 8.1 was necessitated by the negligence, misuse, neglect, or other wrongful act of a Unit Owner, then such expense shall be assessed against the Unit Owner at fault.

8.2. Unit Owner to Maintain Unit.

8.2.1. Duty to Maintain; Minimizing Disturbance; Reporting Problems. Each Unit Owner shall keep his Unit and its equipment, appliances and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting and varnishing that may at any time be necessary to maintain the good appearance and condition of his Unit. Each Unit Owner shall

perform his responsibility in a manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Executive Board or the managing agent any defect or need for repairs for which the Association is responsible.

- 8.2.2 Harm to Others from Failure to Maintain Unit. Each Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from his failure or negligence to perform any of the maintenance or repairs required by this section, or otherwise by his negligence or neglect.

## ARTICLE IX

### Miscellaneous

9.1. Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail postage prepaid (or otherwise as the Act may permit), (i) if to a Unit Owner, at the single address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owner, or (ii) if to the Association, the Executive Board or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each such Person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

9.2. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

9.3. Gender and Number. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

## Article X

### Leasing and Ownership

10.1 Policy. It is the policy of the Hampton Hall Condominium Association to promote and preserve the character of Hampton Hall as a residential condominium consisting primarily of owner-occupied units. For purposes of this Article, occupancy of a unit by a parent, child, sibling, or other close relative of the owner is deemed equivalent to owner-occupancy.

- 10.2 Rentals and Leases.

- 10.2.1 Advance Approval Required. Any rental of a unit to a non-family member must be approved in advance by the Executive Board. Approval will not be unreasonably withheld if the proposed rental meets all requirements concerning lease agreement and security deposit, as well as complying with all other provisions of these Governing Documents.
- 10.2.2 20% Cap. No more than 20 per cent of the total number of units may be rented to non-family members at any one time, subject only to the following exceptions:
- 10.2.2.1 Grandfather Provision. Any owner of a unit which is leased to a non-family member as of September 29, 2003, in compliance with the Governing Documents, may continue to lease that unit until the unit is sold or otherwise conveyed to a new owner, without being subject to the 20 per cent cap, provided the Owner is in compliance with this Article and these Governing Documents.
- 10.2.2.2 Exception for Temporary Absence. An owner-occupant who will be absent temporarily, and who intends in good faith to return and resume occupancy of the unit, may request an exception to the rental cap in order to rent his/her unit during the temporary absence. The board may approve such a temporary exception for one year, and approval may be extended as appropriate. By way of example, and without limitation, this exception is intended to provide for absences due to illness, family obligations, non-permanent job assignment, and sabbatical. Approval of a request for temporary exception shall not be unreasonably withheld if the proposed rental meets other requirements of these documents concerning leasing of units.
- 10.2.2.3 Hardship Exception. In the event of hardship, the Board may approve a temporary rental, not to exceed one year. Approval of a good faith request for hardship exception shall not be unreasonably withheld if the proposed rental meets other requirements of these documents concerning leasing of units.
- 10.2.3 Lease Requirements. Any rental of a unit to a non-family member must be pursuant to a written, executed lease agreement, which must be for a term of at least one year and must contain the Addendum approved by the Executive Board. A copy of the executed lease must be furnished to the Executive Board prior to the commencement date of the lease. Each such lease shall be deemed to include the following provisions:

10.2.3.1 Lessee's Obligations; No Voting Rights. Lessee agrees to be bound by all terms and conditions contained in the Declaration, By-Laws and Rules and Regulations of the Association and the lessee agrees to assume all duties and responsibilities and be jointly and severally liable with the Unit Owner for all of the liabilities and for the performance of all obligations applicable to unit Owners under the Uniform Condominium Act of the Commonwealth of Pennsylvania, the Declaration, By-Laws and the Rules & Regulations or otherwise whatsoever during the term of this Lease. Nothing contained in the Lease shall create any voting rights in the lessee with respect to the Unit leased hereunder, which rights remain solely vested in the Unit Owner under the Declaration, By-Laws and the Rules & Regulations.

10.2.3.2 No Sublet. Lessee further agrees that he shall not sublet or assign this Lease.

10.2.3.3 Owner's Continued Liability. The liability of Unit Owner hereunder, and under the Governing Documents as a whole, shall continue during the tenancy of any lease.

10.2.4 Security Deposit. Every owner leasing to a non-family member is required to post with the Association a refundable security deposit to secure compliance with the Governing Documents by the lessee and to cover any damage to the Common Elements by the lessee. The security deposit will be for a reasonable amount established by the Executive Board.

10.2.5 Related Rules. The Board may promulgate such additional Rules & Regulations relating to the leasing of Units as from time to time the Board shall determine are in the best interest of the Association.

10.3 Limitation on Ownership. With respect to units acquired after September 29, 2003, no person or entity may own more than one unit which is not occupied by the owner or a family member of the owner. Ownership of any beneficial interest, part interest, through a corporation, in a business or other fictitious name, of more than one non-owner-occupied unit shall be considered a violation of this section.

THESE, THE BYLAWS OF HAMPTON HALL CONDOMINIUM ASSOCIATION, originally adopted in 1984, have been revised and updated to incorporate amendments and resolutions duly adopted by the Hampton Hall Condominium Association at its annual meeting on September 26, 2005.

HAMPTON HALL CONDOMINIUM ASSOCIATION

By: Russell J. Caruth, President

Date: 8/20/06

By: [Signature], Secretary

Date: 8/20/06

# HAMPTON HALL CONDOMINIUM ASSOCIATION

## RULES ENFORCEMENT PROCEDURES

This policy applies to all violations of the Declaration, Bylaws or Rules and Regulations (Governing Documents), except where different procedures or penalties are specifically provided for in the those Governing Documents. The purpose of this policy is to establish a consistent and fair procedure for dealing with violations and complaints of violation.

1. **Complaint of Violation.** A complaint of violation may be initiated by the Executive Board on its own initiative, or by any owner, occupant, employee or the management representative. Anyone wishing to initiate a complaint must document the violation in writing, providing as much of the following information as possible:
  - a. Name and unit number (or address) of the offending party
  - b. Name and unit number (or address) of the person reporting the violation
  - c. Nature of the violation, including when and where it occurred
  - d. What the reporting party personally observed
  - e. Any other information that might aid in resolving the violation.
  
2. **Initial Review of Complaint.** Upon receipt of a complaint, the Board shall conduct such investigation as it deems warranted in the circumstances. If there is sufficient reason to believe a violation may have occurred, and if such informal action as the Board deems appropriate does not succeed in correcting the problem, the Board shall proceed with a Notice of Violation. Exceptions: The Board may omit one or more steps and take expedited action if it deems that circumstances warrant, e.g. (1) if there is a risk of damage to persons or property, or (2) the violation is repetitive.
  
3. **Notice of Violation.** The Board shall deliver to the alleged violator and/or responsible unit owner a written Notice of Violation. Delivery may be accomplished by regular mail, certified mail, or personal delivery to the individual's address of record. The Notice of Violation shall set forth the following:
  - a. Description of the violation
  - b. Demand that the violation cease immediately (or by such deadline as the Board deems reasonable under the circumstances)
  - c. Demand for such repair, reimbursement, or other remedial action as the Board deems appropriate under the circumstances
  - d. What must be done if the recipient wishes to contest the Notice of Violation, and the deadline for such action.

The omission of any information or demand from the Notice of Violation shall not constitute a waiver or otherwise prejudice the Association's rights and remedies.

4. **Contesting Notice of Violation.** If a Notice of Violation is properly and timely contested, the Board shall conduct such further investigation and consider such further evidence as it deems appropriate under the circumstances. The contesting party shall be given the opportunity to present relevant information, evidence and argument in writing rebutting the alleged violation and/or challenging the appropriateness of the demanded



remedial action. The Board shall then make a determination (1) whether there is sufficient evidence of the violation to warrant enforcement, and (2) whether the demanded remedial action should be modified. The Board shall notify the violator and/or responsible owner in writing of its decision and shall afford

If the Board concludes there is not sufficient evidence to warrant further enforcement action, it shall issue a written notice of its conclusion to all parties involved. If the Board determines there is sufficient evidence of the violation, it shall so notify the violator and/or responsible owner, affording a reasonable opportunity for compliance with the Notice of Violation.

5. **Penalty Letter.** If a violation is not fully remedied in response to a Notice of Violation, the Board shall issue a Penalty Letter to the violator and/or unit owner. Delivery may be accomplished by regular mail, certified mail, or personal delivery to the individual's address of record. The Warning Letter shall set forth the following:
  - a. Description of the violation
  - b. Demand that the violation cease immediately (or by such deadline as the Board deems reasonable under the circumstances)
  - c. Demand for such repair, reimbursement, or other remedial action as the Board deems appropriate under the circumstances, with deadline(s) for such action
  - d. Imposing a fine on the violator and/or responsible unit owner. (The Board may set the fine in an amount between \$25 and \$100, depending on the seriousness of the situation, whether this is a first-time offense, and such other circumstances as the Board deems relevant.)
  - e. Warning that continued failure to remedy the violation will result in the imposition of an additional penalty until the violation is remedied or adequate assurances of such remedy are provided to the Board's satisfaction. (The Board may set this additional penalty in an amount up to \$20 per day, depending on the seriousness of the situation, whether this is a first-time offense, and such other circumstances as the Board deems relevant.)
  - f. What must be done if the recipient wishes to appeal the Penalty Letter, and the deadline for such action.
  - g. A reminder that the violator and/or responsible unit owner are responsible for any damage caused by the violation, including any costs and attorney's fees.

The omission of any information or demand from the Penalty Letter shall not constitute a waiver or otherwise prejudice the Association's rights and remedies.

6. **Appeal.** A person who appeals from a Penalty Letter shall be given a prompt hearing before the Board, at which he/she can present evidence and argument challenging the remedial action demanded, the penalty imposed, and/or the underlying determination of violation. The Board shall promptly review the appeal and reach a decision, which may be to affirm, modify or vacate the Penalty Letter. The Board shall render its decision, including the reasons therefore, in writing to all parties involved.
7. **Limited Stay During Appeal.** Fines and penalties imposed in a Penalty Letter shall be stayed during the pendency of an appeal. However, unless vacated on appeal, any repair costs or other remedy imposed, including interest, shall be deemed retroactive to the date of the original Notice of Violation.

8. **Legal Action.** If the violation is not fully remedied in response to the above actions, the Board may refer the matter to legal counsel for action. The violator and/or responsible owner shall be responsible for interest, costs and attorney's fees in accordance with law and the Association's governing documents.

**HAMPTON HALL CONDOMINIUM ASSOCIATION**

VIOLATION REPORT

For the Board to take corrective action, a violations of the governing documents must be documented in writing. Please use this form to report a violation.

1. Name and address of offending party:

\_\_\_\_\_

2. Name and address of person reporting violation:

\_\_\_\_\_

3. Nature of violation:

\_\_\_\_\_

4. Date and time violation occurred:

\_\_\_\_\_

5. Location where the violation occurred:

\_\_\_\_\_

6. What you observed:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Any other pertinent information that may aid the Board in resolving the violation:

\_\_\_\_\_

\_\_\_\_\_

By signing this complaint form, I hereby attest that the information is true to the best of my knowledge.

\_\_\_\_\_

Date

\_\_\_\_\_

Signature of Person Reporting Violation

Return completed form to:

ACRI COMMERCIAL REALTY, INC.  
290 PERRY HIGHWAY  
PITTSBURGH, PA 15229

**Hampton Hall Condominium Association**

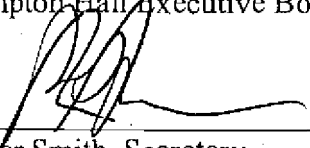
**Resolution for Adoption of  
Rules Enforcement Procedures**

**WHEREAS** Section 700.306 of the Unit Property Act grants the Executive Board ("Board") the power to establish rules and establish penalties for infractions; and

**WHEREAS** the Board wishes to establish procedures for the fair, efficient and consistent handling of violations of the Declaration, Bylaws or Rules and Regulations ("Governing Documents");

**IT IS HEREBY RESOLVED** that the attached Rules Enforcement Procedures are adopted effectively immediately and shall apply as indicated therein.

Hampton Hall Executive Board

  
\_\_\_\_\_  
Roger Smith, Secretary

8/9/06  
\_\_\_\_\_  
Date

AMENDMENT TO BY-LAWS OF THE HAMPTON HALL

CONDOMINIUM ASSOCIATION

This Amendment to By-Laws of the Hampton Hall Condominium Association is made as of this 24<sup>th</sup> day of September 2001.

Paragraph 3.3. Election and Term of Office, of the By-Laws of the Hampton Hall Condominium Association is hereby amended as follows:

Paragraph 3.3.b(2) is hereby amended by deleting the italicized words from this Paragraph:

(2) Nominations may be submitted from the floor at the meeting at which the election is held *for each vacancy on the Executive Board for which no more than one person has been nominated by petition.*

Paragraph 3.3.b(2) shall now read:

“(2) Nominations may be submitted from the floor at the meeting at which the election is held.”

This Amendment shall become effective immediately.

CERTIFICATE

DANIEL RUSSELL, the duly elected President of the Hampton Hall Executive Board, and Dorothy McClure the duly elected Secretary of the Hampton Hall Executive Board hereby warrant that the Amendment herein has been consented to by vote Unit Owners entitled to cast a majority of the votes in the Association.

Daniel Russell  
President

Dorothy B. McClure  
Secretary

ACKNOWLEDGEMENT

Commonwealth of Pennsylvania  
County of Allegheny

On this 24 day of SEPTEMBER 2001, before me, the undersigned officer, personally appeared DANIEL RUSSELL and Dorothy McClure, both known to me (or satisfactorily proven) who acknowledged that they executed this instrument for the purposes stated therein.

Fred C. Jug, Jr.  
Notary Public

Notarial Seal  
Fred C. Jug, Jr., Notary Public  
Pittsburgh, Allegheny County  
My Commission Expires Nov. 24, 2003