

ARTICLE I

Introductory Provisions

1.1. Applicability. These Bylaws provide for the governance of Woods Edge of Elizabethtown Homeowners Association, Inc. (the "Association") pursuant to the requirements of Chapter 53 of the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. Section 5301 et seq., ("Uniform Act") with respect to the planned community created by the recording of the Declaration of Covenants, Conditions, Easements and Restrictions in the Office of the Recorder of Deeds of Lancaster County, Pennsylvania ("Declaration").

1.2. Definitions. Capitalized terms used in these Bylaws without definition shall have the meanings specified for such terms in the Declaration to which these Bylaws pertain 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 Owner and all Persons entitled to occupy a Unit shall comply with these Bylaws.

1.4. Office. The permanent office of the Association and the Executive Board shall be located at the Premises or at such other place as may be designated from time to time by the Executive Board. The initial address of the Association shall be 48 S. Market Street, Elizabethtown, PA 17022.

1.5. Incorporation of Statutory Law. Except as expressly provided herein or in the Declaration, the Association shall be governed by such of the provisions of the Uniform Planned Community Act of the Commonwealth of Pennsylvania, 68 Pa.C.S. §5101 et seq., as are made applicable by virtue of Section 5102(a)(2) of the Act in effect as of the date of the Declaration.

ARTICLE II

The Association

2.1. Composition and Responsibilities. The Association shall consist of all of the Owners of Units. The Association shall have the responsibility of establishing the means and methods of collecting assessments and charges, arranging for the maintenance, improvement, repair and management of the Controlled Facilities, including the care and maintenance of the storm water management facilities shown on the Final Subdivision/Land Development Plan for Woods Edge of Elizabethtown, dated and recorded , 2006 in the Office of the Recorder of Deeds for Lancaster County at (the "Plan") 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 as more particularly set forth in these Bylaws.

2.2. Annual Meetings. The annual meeting of the Association shall be held on the second Tuesday of January of each year unless such date shall occur on a holiday, in which event the meetings shall be held on the succeeding Monday. At annual meetings, the Executive Board shall be elected by ballot of the Owners in accordance with the requirements of Section 3.4 of

these Bylaws (subject to Section 5.03 of the Declaration) 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 Owners as may be designated by the Executive Board.

2.4. Special Meetings.

2.4.1. 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 Owners entitled to cast at least twenty-five percent 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 forty-five days after receipt by the President of such resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a budget or capital expenditure pursuant to Section 5.2 below, such meeting shall be held within fifteen days after receipt by the President of such resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

2.4.2. Within sixty days after conveyance of 25% of the Lots to Owners other than the Declarant, a special meeting of the Association shall be held at which the Owners, excluding the Declarant as an Owner, shall elect one member and not less than 25% of the members of the Executive Board as set forth in Section 5.04 (b)(1) of the Declaration.

2.4.3. Within sixty days after conveyance of 50% of the Lots to Owners other than the Declarant, a special meeting of the Association shall be held at which and the Owners, excluding the Declarant as a Owner, shall elect two members and not less than 33% of the Executive Board as set forth in Section 5.04 (b)(2) of the Declaration.

2.4.4. Within thirty days immediately preceding the date of termination of the Period of Declarant Control as set forth in Section 5.04(a) of the Declaration, a special meeting of the Association shall be held at which all of the members of the Executive Board shall resign, and the Owners, including the Declarant, if the Declarant owns one or more Units, shall thereupon elect successor members of the Executive Board to act in the place and stead of those resigning. The member receiving the highest number of votes shall serve until the third annual meeting of the Association following the date of this special meeting. The successor member receiving the next highest number of votes shall serve until the second annual meeting of the Association following the date of this special meeting and the member receiving the least number of votes shall serve until the first annual meeting of the Association following the date of this special meeting. If all successor members receive the same number of votes, the term of each successor member shall be determined by drawing lots.

2.4.5. Notwithstanding the foregoing, if any meeting required pursuant to Sections 2.4.2, 2.4.3 and 2.4.4, above, could be held on the date an annual meeting of the Association is scheduled, then such meeting(s) shall be held concurrently with such annual meeting.

2.5. Notice of Meetings. The Secretary shall give to each Owner a notice of each annual or regularly-scheduled or special meeting of the Association at least ten but not more than sixty days prior to such meeting, stating the time, place and purpose thereof and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any proposed budget or assessment changes, and any proposal to remove an Executive Board member or Officer. Such notice shall be hand delivered or sent prepaid by United States mail to the mailing address of each Owner or any other mailing address designated in writing by an Owner. The giving of a notice of meeting in the manner provided in this Section and Section 11.1 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, 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 There shall be one vote allocated to each Unit, which vote shall be cast by the Owner or Owners of the Unit in accordance with this Section. Where an Owner owns more than one Unit, such Owner shall be entitled to the same number of votes as the number of Units owned. If the owner of a Unit is a corporation, joint venture, partnership or unincorporated association, the natural person who shall be entitled to cast the vote for such Unit shall be the natural person named in a certificate executed by such entity pursuant to its governing documents. If the owner of a Unit is a trust, the trustee or trustees shall be deemed to be the owner for voting purposes. Where the ownership of a Unit is in more than one natural person, the person who shall be entitled to cast the vote of such Unit shall be the natural person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting, the natural person who shall be entitled to cast the vote of such Unit shall be the natural person owning such Unit who is present. If more than one of the multiple Owners is present, then such vote shall be cast only in accordance with their unanimous agreement. There shall be deemed to be unanimous agreement if any one of the multiple Owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Subject to the requirements of the Act, wherever the approval or disapproval of an Owner is required by the Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the natural person who would be entitled to cast the vote of such Unit at any meeting of the Association.

2.7.2 Except where a greater number is required by the Act, the Declaration or these Bylaws, the Owners of more than fifty percent of the Units voting in person or by proxy at one time at a duly convened meeting at which a quorum is present is required to adopt decisions at any meeting of the Association.

2.7.3 In all elections for Executive Board members, the Owner(s) of each Unit shall be entitled to cast one vote for each vacancy to be filled at such election. Those candidates

for election receiving the greatest number of votes cast in such elections shall be elected and, if Executive Board members are being elected to unequal terms, the candidates receiving the highest number of votes shall be elected to the longest terms.

2.7.4 Except as set forth in Sections 2.4.2 and 2.4.3, if the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled.

2.7.5 There shall be no cumulative or class voting.

2.8. Proxies. A vote may be cast in person or by proxy. If a Unit is owned by more than one Person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. Such proxy may be granted by any Owner in favor of only another Owner. 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, a quorum is present throughout any meeting of the Association if persons entitled to cast twenty percent (20%) or more of the votes which may be cast for election of the Executive Board are present in person or by proxy at the beginning of the meeting. If a meeting is adjourned pursuant to Section 2.6 above, the quorum at such second meeting shall be deemed present throughout such meeting of the Association if persons entitled to cast ten percent (10%) 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 his or her designee, 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 at such meeting. The 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. Authority, Number and Qualification. The affairs of the Association shall be governed and conducted by its Executive Board, which shall be comprised of three (3) persons ("Executive Board Members"), to be elected or appointed in accordance with these By-Laws and the applicable provisions of the Declaration. The Executive Board shall manage the affairs of the Association. Prior to the end of the period of Declarant Control, none of the Executive Board Members need be Members of the Association. Upon termination of Declarant Control at least two (2) of the Executive Board Members must be Members of the Association.

3.2. Powers of the Executive Board. The Executive Board shall have such powers, subject to any restrictions set forth in the Declaration, as are now, or may hereafter be, granted by the Pennsylvania Non-Profit Corporation Law of 1988, as amended from time to time, to do and perform the following:

- (a) To own, operate, maintain, insure, repair, restore, manage, improve, regulate and restrict the Common Elements and all improvements of any kind whatsoever in the Community, to the extent provided in the Declaration;
- (b) To maintain the Common Elements to the extent provided in the Declaration, in good repair and to make all repairs, restorations and improvements necessary to maintain the Common Elements;
- (c) To determine its own expenses and necessary reserves and to raise all moneys required therefore by levying upon and collecting assessments against the Members and the Units;
- (d) To establish, promulgate, amend, repeal, distribute, approve, reject and enforce rules governing the use, occupancy, maintenance and regulation of the Common Elements and all improvements of any kind located in the Community, to the extent provided in the Declaration;
- (e) To enforce the provisions of the Declaration and to take and carry out all actions reasonably necessary and proper to enforce the provisions of the Declaration;
- (f) To bring, prosecute, defend and settle litigation for or against the Association, and to satisfy any adverse judgment entered against it;
- (g) To secure and maintain policies of liability insurance insuring against its liability in connection with the Common Elements, to the extent provided in the Declaration or determined by the Executive Board;
- (h) To suspend the voting right and the right to use the recreational facilities of a Member during any period during which such Member shall be in default of the payment of any assessment levied by the Association;
- (i) To collect assessments authorized in the Declaration and, on behalf of the Association, collect and remit to the Association assessments authorized in the Declaration;
- (j) To declare the office of a Member of the Executive Board to be vacant in the event such Member shall be absent for three (3) consecutive regular meetings of the Executive Board;

- (k) To employ a manager, an independent management company, or such other employees as they deem necessary and to prescribe their duties;
- (l) To otherwise perform and conduct all duties and powers imposed upon or granted to it by the Declaration (including the power an duty to enforce the Declaration with respect to each Lot) these By-Laws, any other document relating to the Association, by the West Donegal Township Zoning and Subdivision and Land Development Ordinances, as amended, or other applicable laws and regulations; and
- (m) To perform any other acts necessary or proper to carry out any of the duties and obligations of the Association.

3.3. Duties of the Executive Board: It shall be the duty of the Executive Board:

- (a) To supervise all Officers, agents and employees of the Association, and to see that their duties are properly performed.
- (b) As more fully provided in the Declaration:
 - (1) Fix the amount of the annual assessment against each Unit as more fully set forth herein, generally at least thirty (30) days in advance of each annual assessment, and fix any special assessments that are from time to time deemed necessary or desirable;
 - (2) Send written notice of each annual assessment to every Owner subject thereto generally at least thirty (30) days in advance of each annual assessment; provided however, that failure to observe timing as specified herein for filing annual assessment or any notice thereof shall not be deemed to invalidate any annual special assessments; and
 - (3) Foreclose the lien against any Property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Owner personally obligated to pay the same.
- (c) Issue or cause an appropriate Officer to issue upon demand by any Member a certificate containing all the applicable information set forth in Section 5407 of the Uniform Planned Community Act, said certificate being herein known as the "Resale Certificate". A reasonable charge may be made by the Board for the issuance of Resale Certificates.
- (d) Procure and maintain adequate assurance that all Officers or employees having fiscal responsibilities be bonded, as it may deem appropriate.
- (e) Carry out the maintenance responsibilities as set forth in the Declaration.

The Board's duties as above specified may be delegated, except that the duties of supervising the Officers of the Association may not be delegated.

3.4. Election and Term of Office.

3.4.1. The election of Members of the Executive Board shall be held at the annual meeting of the Association, subject to Section 5.04 and Section 5.06 of the Declaration. The term of office of any Member of the Executive Board to be elected, except as set forth in Sections 2.4 and 3.6 hereof, shall be fixed at three years. The Members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal, or resignation. An Executive Board Member may serve an unlimited number of terms and may succeed himself or herself. No more than one Owner of a Unit shall serve on the Executive Board at the same time as another Owner of the same Unit.

3.4.2. Persons qualified to be Members of the Executive Board may be nominated for election only as follows:

(a) Any Owner of a Unit 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 one other Owner of another Unit, together with a statement that the person nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. In the alternative, nominees may be proposed by a Nominating Committee appointed by the President. The Secretary shall mail or hand deliver the list of nominees and all submitted materials to every Owner along with the notice of such meeting; and

(b) 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.

3.5. Removal or Resignation of Members of the Executive Board. Except with respect to Members designated by the Declarant, at any regular or special meeting of the Association duly called at which a quorum is present, any one or more of the Members of the Executive Board may be removed with or without cause by a two thirds vote of all Owners present and entitled to vote and a successor may then and there be elected to fill the vacancy thus created. Any Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any Member whose removal has been proposed by an 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. A Member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his or her Unit. The Declarant shall have the right to remove and replace any or all members appointed by the Declarant at any time and from time to time until the required resignation date specified in Section 5.04 of the Declaration.

3.6. Vacancies. Except as set forth in Section 3.5 above with respect to Members appointed by the Declarant, vacancies in the Executive Board caused by any reason other than the removal of a Member by a vote of Owners shall be filled by a vote of a majority of the Executive Board. Each person so elected shall be a Member of the Executive Board for the

remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Association at which such seat is to be filled upon expiration of the term of his or her predecessor.

3.7. Organization Meeting. The first meeting of the Executive Board following each annual meeting of the Association shall be held within ten days thereafter at such time and place as shall be fixed by the President (even if he or she is the outgoing President) at the meeting at which such Executive Board shall have been elected, and no 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 Members of the Executive Board shall be present at such meeting.

3.8. 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 its Members, but such meetings shall be held at least every four months during each fiscal year. Notice of regular meetings of the Executive Board shall be given to each Member of the Executive Board, by mail or fax, at least three business days prior to the day named for such meeting.

3.9. 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 mail 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.

3.10. 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 or her 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.

3.11. Quorum of the Executive Board. 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.

3.12. Compensation. No Member of the Executive Board shall receive any compensation from the Association for acting as such, but may be reimbursed for any expenses incurred in the performance of his or her duties.

3.13. 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.

3.14. 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.

3.15. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of the Members of the Executive Board or between the Association and any corporation, firm or association in which one or more of the Members of the Executive Board 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, her or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

3.15.1. The fact that Members of the Executive Board is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in the 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

3.15.2. 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.

3.16. Inclusion of Interested Board Members in the Quorum. 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 3.15 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 such other officers as in its judgment may be necessary. The President and Vice President, if any, shall be Members of the Executive Board. Any other officers may, but need not, be Owners or Members of the Executive Board. An officer other than the President may hold more than one office.

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, shall preside at all meetings of the Association and of the Executive Board and shall 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 Owners from time to time as the President may in his or 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 the President ceases to be a Member of the Executive Board.

4.5. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Executive Board, shall have charge of such books and papers as the Executive Board may direct, shall maintain a register setting forth the place to which all notices to Owners and holders of mortgages on any Units hereunder shall be delivered and, in general, shall 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 Owner, or cause to be provided to any Owner entitled thereto, a written statement or certification of the information required to be provided by the Association pursuant to Sections 5315(h) and 5407 of the Act and Sections 5.8.1 and 5.10 below.

4.6. Treasurer. The Treasurer shall have the responsibility for the safekeeping of Association funds and securities, shall 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, shall 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, shall perform all the duties incident to the office of treasurer of a corporation organized under the laws of Pennsylvania.

4.7. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of \$1,000.00 shall be executed by any two officers of the Association. All such instruments for expenditures or obligations of \$1,000.00 or less may be executed by any one officer of the Association.

4.8. 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 such officer's 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; provided, however, that the first fiscal year shall begin upon the recordation of the Declaration and end on December 31 of that year.

5.2. Preparation and Approval of Budget.

5.2.1. On or before the first day of November of each year, the Executive Board shall adopt an annual budget for the Association containing an estimate of (1) the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Controlled Facilities as to which it is the responsibility of the Executive Board to maintain, repair and replace, and (2) 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 and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Controlled Facilities and the rendering to the Owners of all related services. Such budget shall also include such reasonable amounts as the Executive Board considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. The budget shall segregate General Common Expenses and Limited Common Expenses.

5.2.2. On or before the next succeeding 5th day of November, the Executive Board shall make the budget available for inspection at the Association office and shall send to each Owner a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Owner's assessments for General Common Expenses and Limited Common Expenses for the Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 5.6 below.

5.2.3. 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.

5.3. Assessment and Payment of Common Expenses. "Common Expenses" means all expenditures made by or financial liabilities of the Association, together with any allocations to reserves. All Common Expenses are General Common Expenses except for those included in the definition of "Limited Common Expenses" as set forth in Section 6.02 of the Declaration and Section 5.3.2 below.

5.3.1. General Common Expenses. The Executive Board shall calculate the Annual Assessments for General Common Expenses against each Unit by multiplying (a) the total amount of the estimated funds required for the Common Expenses set forth in the budget adopted by the Executive Board for the fiscal year in question, after deducting any Limited Common Expenses and income expected to be received from sources other than Common

Expense assessments and the operation of the Limited Common Elements to which the Limited Common Expenses pertain, by (b) the Percentage Interest (expressed in decimal form) allocated to such Unit. Such assessment shall be deemed to have been adopted and assessed on an annual basis, shall be due and payable in equal installments 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. The Executive Board in its sole discretion may elect to make the Annual Assessment payable in equal quarterly or semi-annual installments instead of monthly installments, provided the same installment schedule is used with respect to all Units. 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 Units 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 Common Expenses. The Executive Board shall calculate the Annual Assessments for Limited Common Expenses, if any, against each Unit obligated to pay Limited Common Expenses by multiplying (a) the total amount of the estimated funds required for Limited Common Expenses set forth in the budget adopted by the Executive Board for the fiscal year in question, after deducting any income expected to be received from the operation of the Limited Common Elements to which the Limited Common Expenses pertain other than Limited Expense Assessments, by (b) the share of Limited Common Expenses (expressed in decimal form) allocated to each such Unit. Such assessments shall be deemed to have been adopted and assessed on an annual basis payable in equal monthly installments, shall be due and payable on the first day of each calendar month, and shall be a lien against each Unit as provided in the Act and the Declaration. The Executive Board in its sole discretion may elect to make such assessment payable in equal quarterly or semi-annual installments instead of monthly installments, provided the same installment schedule is used with respect to all Units subject to assessment for such Limited Common Expenses. Any net shortage with regard to Limited Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Owners obligated to pay Limited Common Expenses in accordance with their allocable share of Limited Common Expenses and shall be payable in one or more monthly assessments, as the Executive Board may determine.

5.3.3. Reserves. 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 that 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 non-payment of any Owner's assessments, the Executive Board may at any time levy further assessments for General Common Expense and/or Limited Expense which shall be assessed against the Owners either according to their respective percentage interests with regard to General Common Expenses or in accordance with allocable shares of Limited Expenses with regard to Limited Expenses (whichever is appropriate), and shall be payable in one or more assessments as the Executive Board may determine.

5.3.4 Surplus Funds.

(a) Any amounts accumulated from Annual Assessments for General Common Expenses in excess of the amount required for actual General Common Expenses and reserves for further General Common Expenses shall be credited to each Unit in accordance with

the Unit's percentage interest. These credits shall be applied to the next installment of such assessment payable with respect to such Unit for the current fiscal year's budget and thereafter until exhausted.

(b) Any amounts accumulated from Annual Assessments for Limited Common Expenses in excess of the amount required for actual Limited Common Expenses and reserves for future Limited Common Expenses shall be credited to each Unit assessed for a share of those Limited Common Expenses in proportion to the share of those Limited Common Expenses so assessed. These credits shall be applied to the next installment of such assessment payable with respect to such Unit for the current fiscal year's budget and thereafter until exhausted.

5.4 Non-Refundable Contribution at Purchase. Every Owner, at the time of such Owner's purchase of a Unit from the Declarant, shall pay to the Association the sum specified by the Declarant in the Agreement of Sale, which shall be equal for all Units. This amount shall be deposited in the Association's general operating account(s) or reserve accounts as the Board determines. The Association shall use such amounts in its reasonable discretion, subject to the duties and obligations imposed upon it by this Declaration and the Act. The Association shall have the right to impose a fee upon the resale or transfer of Units, of at least \$75.00, in accordance with the provisions of the Act. Each such fee shall be payable in the time and manner as determined from time to time by the Board.

5.5. Additional Assessments. The Executive Board shall serve notice on all Owners of any further assessments as permitted or required by the Act, the Declaration and these Bylaws by a statement in writing giving the amount and reasons therefor. All Owners so assessed shall be obligated to pay the amount of such assessments. Such assessments shall be a lien as of the effective date as set forth in the preceding Sections 5.3.1 and 5.3.2.

5.6. Initial Budget. At or prior to the time assessment of Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive Board determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessments shall be levied and become a lien against the Owners during such period as is provided in Section 5.3.1 above.

5.7. Delivery of Approved Budget and Notice of Capital Expenditure; Effect of Failure to Prepare or Adopt Budget. The Executive Board shall deliver to all Owners copies of each budget approved by the Executive Board and notice of any capital expenditure approved by the Executive Board promptly after each such approval. 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 Owner's obligation to pay such Owner's 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 Owner shall continue to pay each assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

5.8. Records; Accounts; Audits.

5.8.1. The Association shall keep financial records sufficiently detailed to enable the Association to comply with the requirements of Section 5407 of the Act with regard to resale of Units. All books and records of the Association shall be kept in accordance with good and accepted accounting practices. All financial and other records shall be made reasonably available for examination by any Owner and authorized agents of any Owner.

5.8.2 Within 180 days after the close of its fiscal year, the Association shall prepare annual financial statements consisting of at least a balance sheet and a statement of revenues and expenses for the Association. Such statements need not be audited. The cost of preparing the financial statements shall be a Common Expense. Each Owner shall be entitled to receive from the Association, within 30 days after submitting a written request, a copy of the annual financial statements and, if such financial statements are audited, reviewed or compiled by an independent certified public accountant or independent public accountant, a copy of the independent accountant's report on the financial statements.

5.8.3 The Association may charge a fee not to exceed the cost of producing copies of records other than the financial statement.

5.8.4 All sums collected by the Executive Board with respect to assessments against the Owners or from any other source may be commingled into a single fund.

5.9. Rejection of Budget. 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.

5.10. Payment of Common Expenses. Each Owner shall pay the Common Expenses assessed by the Executive Board pursuant to the provisions of this Article 5. No Owner may exempt himself or herself from liability for his or her contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his or her Unit. No Owner shall be liable for the payment of any part of the Common Expenses assessed against his or her Unit subsequent to the date of recordation of a conveyance by such Owner in fee of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Owner for all unpaid assessments against the latter for such Owner's proportionate share of the Common Expenses up to the time of such recordation, without prejudice for the purchaser's right to recover from the selling Owner amounts paid by the purchaser on account of unpaid assessments. Any purchaser of a Unit making a written request to the Executive Board or Managing Agent shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Owner within ten days of the date of the request. 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. A purchaser of a Unit shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments with respect to the time period covered by such statement, in excess of the amount set forth in the statement. Subject to Section 5315(b)(2) of the Act, each record holder of a mortgage on a Unit who comes into

possession of a Unit by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments or charges against such Unit which accrue prior to the time such holder becomes the record owner of such Unit, except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit.

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

5.12. Statement of Common Expenses. The Executive Board shall within ten (10) business days of receipt of written request from an Owner provide such Owner a written statement of all unpaid assessments for Common Expenses due from such Owner and any credits of surplus funds in favor of such 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. Relief. Each Owner shall be governed by, and shall comply with, all of the terms of the Declaration, these Bylaws, the Rules and Regulations and the Act and all applicable Municipal Ordinances, Codes and Regulations, as any of the same may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, a default by an Owner shall entitle the Association, acting through its Executive Board or through the Managing Agent, to the following relief:

6.1.1. Additional Liability. Each Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his or her act, neglect or carelessness or the act, neglect or carelessness of his tenants, guests, invitees or licensees.

6.1.2. Costs and Attorney's Fees. In any proceeding arising out of any default by an Owner, including, but not limited to a failure to pay assessments, the Association shall be entitled to recover the costs of such proceeding and such reasonable attorney's fees as may be determined by a court of competent jurisdiction.

6.1.3. No Waiver of Rights. The failure of the Association, the Executive Board an Owner or the Municipality to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Rules and Regulations, or applicable Municipal Ordinances, Codes and Regulations or the Act shall not constitute a waiver of the right of the

Association, the Executive Board, an Owner or the Municipality 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 Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, the Rules and Regulations, the Act or applicable Municipal Ordinances, Codes or Regulations, 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, the Act or applicable Municipal Ordinances, Codes and Regulations, at law or in equity.

6.1.4. Abating and Enjoining Violations by Owners. The violation of any of the Rules and Regulations adopted by the Executive Board, the breach of any of these Bylaws 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 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. Such right to abate and enjoin violations by Owners shall extend to the Municipality with respect to violations of its Ordinances, Codes and Regulations which are applicable.

6.1.5 In the event the Executive Board incurs any expense in connection with any proceeding pursuant to Section 6.1.4, the Owner of the Unit shall be responsible for such expenses and the same shall become a lien against the Unit as provided in the Act and the Declaration.

ARTICLE VII Insurance

7.1 Commencing not later than the time of the first conveyance of a Unit to any person other than Declarant, the Association shall maintain, to the extent reasonably available, insurance coverage with respect to the Controlled Facilities in accordance with the requirements of Section 5312 of the Act, and such other insurance as the Executive Board deems appropriate to protect the Association or the Owners. Such insurance shall be maintained, adjusted, and disposed of in accordance with the requirements of Section 5312 of the Act.

ARTICLE VIII Standard of Duty of Officers and Executive Board; Indemnification

8.1 In the performance of their duties, the Officers and Members of the Executive Board shall stand in a fiduciary relation to the Association and shall perform their duties, including duties as members of any committee of the Board upon which they may serve, in good faith; in a manner they reasonably believe to be in the best interests of the Association; and with care, including reasonable inquiry, skill and diligence as a person of ordinary prudence would use under similar circumstances. In performing any duties, an Officer or Member of the

Executive Board shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- (a) One or more other Officers or employees of the Association whom the Officer or Member of the Executive Board reasonably believes to be reliable and competent in the matters presented.
- (b) Counsel, public accountants or other persons as to matters which the Officer or Member of the Executive Board believes to be within the professional or expert competence of that person;
- (c) A committee of the Executive Board upon which the Officer or Member of the Executive Board does not serve, designated in accordance with law, as to matters within its designated authority, which committee the Officer or Member of the Executive Board reasonably believes to merit confidence.

8.2 Neither any Officer of the Association or Member of the Executive Board, the Declarant, nor any agent or employee of the Association shall be personally liable to any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, the Declarant, any Officer or member of the Executive Board, or any agent or employee of the Association; and the Association shall indemnify and hold harmless such Officers, members of the Board, Declarant, or other person from and of all claims and demands and expenses (including reasonable counsel fees) arising by reason of any alleged wrongful act or omission. Nothing contained herein shall be construed to limit the liability of the Association.

ARTICLE IX Amendments

9.1. Amendments to Bylaws. These Bylaws may be modified or amended only by vote of Owners entitled to cast a majority of the votes in the Association, except as otherwise expressly set forth herein or in the Act; provided, however, that until the date on which all Declarant-appointed Board Members are required to resign pursuant to Section 5.05(a) of the Declaration and Section 2.4.4, above, these By-laws may not be amended without the consent in writing of the Declarant. Additionally, 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, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Owners, 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.

9.2. Amendments to the Declaration. Any two officers or Members of the Executive Board of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association, provided such amendments have been made and approved in accordance with Section 5.02 of the Declaration.

ARTICLE X
Delegation of Powers of Board and Officers

10.1 Delegation of Powers of Board. The powers of the Executive Board may not be delegated to other persons or agents, unless otherwise provided or in the Declaration, but shall be reserved to those individuals who have been duly elected or appointed as Members of the Executive Board.

10.2 Delegation of Powers of Officers. The day-to-day operating authority of the Officers, with respect to the handling of complaints, the enforcement of the provisions of the Declaration and these By-Laws, the collection of assessments, contracting for the ordinary and necessary maintenance and repairs for the Community, the payment of ordinary and necessary bills, and any and all management issues, and such other powers as the Executive Board may by resolution specifically identify, may be delegated to a managing agent to conduct the ordinary daily business of the Association, on such terms as the Executive Board establishes.

ARTICLE XI
Miscellaneous

11.1. 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 registered or certified mail, return receipt, postage prepaid (or otherwise as the Act may permit), (i) if to a Owner, at the single address which the 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 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 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. Notices of annual, regularly scheduled and/or special meetings of the Association, copies of proposed budgets and the annual operating statement of the Association (as required in Article , above) may be served upon Owners by personal delivery or by regular mail.

11.2. Captions. The captions of the various sections of these By-laws 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.

11.3. Gender. 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.

11.4 Association Documents. Copies of all current Association Documents, Rules and Regulations and the books and records of the Association shall be maintained by the Secretary of the Association and shall be available for inspection by Owners during normal business hours.

**WOODS EDGE OF ELIZABETHTOWN
HOMEOWNERS ASSOCIATION, INC.**

By: Signed Copy On File & Recorded
Robert L. Gruber, Member

By: Signed Copy On File & Recorded
Ronald H. Rohrer, Member

COMMONWEALTH OF PENNSYLVANIA :
 : SS:
COUNTY OF LANCASTER :

On this _____ day of _____, 2007 before me,
_____ the undersigned officer, personally appeared Robert Gruber,
known to me (or satisfactorily proven) to be the person whose name is subscribed
to the within instrument, and acknowledged that he executed the same for the purpose
therein contained.

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

Signed Copy On File & Recorded
Notary Public

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA :
 : SS:
COUNTY OF LANCASTER :

On this _____ day of _____, 2007 before me,
_____ the undersigned officer, personally appeared Ronald Rohrer,
known to me (or satisfactorily proven) to be the person whose name is subscribed
to the within instrument, and acknowledged that he executed the same for the purpose
therein contained.

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

Signed Copy On File & Recorded
Notary Public

My Commission Expires: