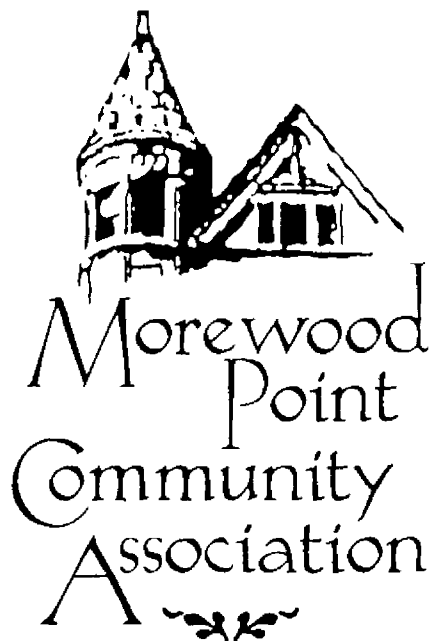


BY-LAWS
OF THE
MOREWOOD POINT COMMUNITY ASSOCIATION
EIGHTH WARD
CITY OF PITTSBURGH
COUNTY OF ALLEGHENY
COMMONWEALTH OF PENNSYLVANIA



THE MOREWOOD POINT COMMUNITY ASSOCIATION

BY-LAWS

ARTICLE I - NAME AND ADDRESS

Section 1.01 NAME. The name of this association shall be THE MOREWOOD POINT COMMUNITY ASSOCIATION.

Section 1.02 ADDRESS. The registered office of this Association shall be that of the current President of the Association unless otherwise determined by the Board of Directors.

ARTICLE II - APPLICABILITY

Section 2.01 APPLICABILITY. These By-Laws shall be applicable to the Morewood Point Community Association, a non-profit association of the Commonwealth of Pennsylvania, hereinafter referred to as the "Community Association" or "Association," to the Community Facilities owned by the Association and to the Common Areas which are now or may hereafter be created. The Community was created by the recording of the Declaration of Covenants, Conditions and Restrictions, recorded in the Recorder's Office of Allegheny County, Pennsylvania, in Deed Book Volume _____, Page _____, and the Community shall be bound by any subsequent amendments to the Declaration.

Section 2.02 COMPLIANCE. Pursuant to the provisions of the Declaration, every Dwelling Unit or Lot Owner and all Persons entitled to occupy a Dwelling Unit or Lot shall comply with these By-Laws.

ARTICLE III - PURPOSE

Section 3.01 ASSOCIATION PURPOSES. The purpose of this Association is to maintain, regulate and administer certain facilities owned by the Association ("Community Elements") and certain other facilities maintained but not owned by the Association ("Limited Community Elements") for the use, benefit and enjoyment of the Owners and lawful occupiers of the development known as Morewood Point. In addition thereto, the Association is to provide for the orderly economical management and maintenance of the Community Elements and to provide for the collection of such revenue as necessary to effectuate the maintenance of these facilities and other such facilities as may be established for the Owners. This Association does not contemplate pecuniary gain or profit to its Members.

Section 3.02 DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS. The Declaration of Covenants, Conditions and Restrictions (the "Declaration") applicable to the Association is incorporated herein by reference as fully as if the same were set forth at length. In the event of a conflict of interpretation between the provisions set forth in these By-Laws and the Declaration, the Declaration shall govern.

Section 3.03 INTERPRETATION OF BY-LAWS AND DECLARATION. In the event that the Internal Revenue Code is hereafter amended or changed, both the Declaration and these By-Laws shall be interpreted in such a manner as to conform to the provisions of the Internal Revenue Code with respect to non-profit entities, it being the intention to preserve the lawful status of the Morewood Point Association as a bona-fide non-profit entity.

(m) No Owner, Tenant or Occupant shall place anything in or on, or projected from the doors (other than interior doors entirely within a Unit), windows or window sills, nor shall any Owner, Tenant or Occupant hang or expose any clothes, sheets, blankets or other articles on or from any part of the Exterior;

(n) No Owner, Tenant or Occupant shall install any interior blinds, shades, screens, decorative panels, window or door coverings attached to or hung, or used in connection with any window or door in a Unit, unless said item is on an approved list of items enacted by the Board of Directors or the Architectural Review Committee.

Approved list of window treatments:

Window and door coverings in dwelling units may be of any type, but must show only white on the exterior of the building. (added 4/14/97)

(o) No Owner, Tenant or Occupant shall repair or disassemble any motor vehicle on the exterior of any Unit or on the Common Elements of the Community without the prior written permission of the Board of Directors;

(p) No Owner, Tenant or Occupant shall install a radio, television or satellite aerial, or install a window air-conditioning unit, without the prior written approval of all Owners and the Board of Directors;

(q) No Owner, Tenant or Occupant shall place, exhibit, display, inscribe, paint or affix any sign, advertisement, notice or other lettering in, on or upon any part of the Community Property or the exterior of any unit, including all visible doors, windows and lawns without the prior written consent by the Board of Directors or the Architectural Review Committee.

(r) No Owner, Tenant or Occupant who owns a dog, cat or other animal shall permit it to scratch, dig or defecate upon any lawn or tree, shrub, plant or building, or permit it to create offensive odors, excessive noise or unsanitary conditions. Where the person in charge of the animal immediately removes all feces deposited by the animal, and disposes of the same in a sanitary manner, and thoroughly repairs any damage done by the animal, there shall be no violation. (added 3/98)

lawfully entitled to inspect the same at reasonable hours during regular business days up to the date of such annual or special meeting. The Secretary shall also keep current and retain custody of the Minute Book of the Association, containing the minutes of all annual and special meetings of the Association and all resolutions of the members of the Board of Directors.

Section 5.05 PROXIES AND MAIL BALLOTS. Votes may be cast in person, by mail, ballots or by written proxy. A proxy signed by an Owner designated as the Voting Member on a Certificate filed with the Association must be received by the Secretary of the Board of Directors before the appointed time of, or at the meeting for which the proxy or mail ballot is specified to be effective.

Section 5.06 QUORUM. Except as otherwise provided in these By-Laws, the presence in person, by mail ballot or by proxy of forty (40%) percent of the Members of the Association shall constitute a quorum at any annual or special meeting of Members. If any meeting of Members cannot be organized because a quorum has not attended, the members present, either in person, by mail ballot or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 5.07 ACTIONS WITHOUT MEETING. Any action which, under any provisions of these By-Laws, or the Uniform Association law of the Commonwealth of Pennsylvania, may be taken at a meeting of Members, may be taken without a meeting if authorized by a writing signed by the Members entitled to vote by the required percentage for that particular manner and filed with the Secretary of the Board of Directors.

ARTICLE VI - MEETING OF MEMBERS

Section 6.01 PLACE OF ANNUAL AND SPECIAL MEETINGS. All annual and special meetings of the Association shall be held at the principal office of the Association or at such other suitable and convenient place as may be permitted by law, and from time to time fixed by the Board of Directors and designated in the notices of such meetings.

Section 6.02 DATE OF ANNUAL MEETINGS. Annual meetings of the Members of the Association shall be held on the same date each year as that date on which the first regular election is held as provided in Section 7.04 hereof. The first annual meeting shall be held on the date of such first regular election. At each annual meeting there shall be elected by a ballot of a majority of members present, by mail ballot or by proxy and entitled to vote, the Members of the Board of Directors of the Association, in accordance with the provisions of Article VII of these By-Laws. The Members may also transact such other business as may properly come before the meeting.

Section 6.03 NOTICE OF ANNUAL MEETINGS. The Secretary shall mail notice of annual meetings to each Member of the Association, directed to his last known post office address as shown on the records of the Association by uncertified mail, postage prepaid. Such notice shall be mailed not less than ten (10) nor more than sixty (60) days before the dates of such meeting and shall state the date, time and place of the meeting and the purpose or purposes thereof. In lieu of mailing notice as herein provided, such notice may be delivered by hand to the Member or left at the Member's residence in his absence.

Section 6.04 SPECIAL MEETING. It shall be the duty of the President to call a special meeting of the Members of the Association (a) for the purpose of holding elections of Members of the Board of Directors pursuant to the terms of Section 7.03 hereof; (b) whenever he is directed to do so by resolution of the Board of Directors; or (c) upon presentation to the Secretary of a petition signed by thirty (30%) percent of the Members entitled to vote.

Section 6.05 NOTICE OF SPECIAL MEETINGS. The Secretary shall mail notice of such special meeting to each Member of the Association in the manner provided in Section 6.03, except that notice of such special meeting shall be mailed not less than five (5), nor more than twenty (20) days before the date fixed for each meeting. In lieu of mailing notice as herein provided, such notice may be delivered by hand to a Member or left at his residence in his absence. No business shall be transacted at any special meeting except as stated in the notice thereof unless by consent of two-thirds (2/3) of the Members present, either in person or by proxy.

Section 6.06 ORDER OF BUSINESS. The order of business at the annual meeting of the Members of the Association shall be as follows:

- Roll call;
- Proof of notice of meeting or waiver of notice;
- Reading and approval of minutes of preceding meeting;
- Election of officers and committees;
- Election of Members of the Board of Directors, if applicable, to such meeting;
- Unfinished business;
- Adjournment.

Section 6.07 ROBERTS RULES OF ORDER. The rules contained in Robert's Rules of Order, revised, shall govern all Members' meetings and Member of the Board of Directors' meetings of the Association, except in instances of conflict between said Rules of order and the By-Laws of the Association or provisions of law.

ARTICLE VII - BOARD OF DIRECTORS

Section 7.01 NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS. *The affairs of the Association shall be governed by a Board of Directors consisting of seven (7) persons all of whom shall be owners of Dwelling Units and residents of the Commonwealth of Pennsylvania.*

The Board of Directors shall be comprised of one member from each of the seven buildings in the Community. The initial Members of the Board of Directors or their successors shall serve until their successors take office. The Declarant shall be permitted to appoint and reappoint Members of the Board of Directors as he may be entitled to do without the necessity of obtaining resignations. As to those Members of the Board of Directors nominated or appointed by the Declarant, this shall specifically modify Section 7.06 hereof. Upon the replacement of all Declarant Appointed Members of the Board of Directors pursuant to Section 7.03 hereunder, the Board of Directors shall be comprised of *seven (7)* Members of the Association who shall be residents of the Association elected by a majority of the Members of the Association present in person or by proxy at a meeting of the Association. *(amended 4/97)*

Section 7.02 INITIAL MEMBERS OF THE BOARD OF DIRECTORS. The initial Members of the Board of Directors of the Association shall be appointed by the Declarant. These Declarant appointed members of the Board of Directors shall be replaced with Members of the Association in accordance with the provisions of section 7.03.

Section 7.03 NON-DECLARANT APPOINTED MEMBERS OF THE BOARD OF DIRECTORS. The transition from Declarant-appointed Members of the Board of Directors to owners shall occur as follows:

(a) No later than thirty (30) days after the third unit of Phase One (701-709 Fitzgerald Street) is conveyed to owners other than the Declarant, the Owners other than the Declarant shall elect one Member of the Board of Directors who shall replace a Member of the Board of Directors appointed by the Declarant.

(b) No later than thirty (30) days after the fourth unit of Phase Two (9-21 Hemingway Street) is conveyed to Owners other than the Declarant, the Owners of all the Dwelling Unit or Lots other than the Declarant, shall elect two (2) Association Members who shall replace a Member of the Board of Directors appointed by the Declarant and the Member selected in (a) of this Section.

(c) No later than ninety (90) days after the third unit of Phase Three (10-18 Hemingway Street) is conveyed to Owners other than the Declarant, all the Owners other than the Declarant shall elect three (3) Association Members who shall replace a Member of the Board of Directors appointed by the Declarant and the Member selected in (b) of this Section.

(d) No later than ninety (90) days after the fourth unit of Phase Four (2-8 Hemingway Street and 714-708 Enfield Court) is conveyed to Owners other than the Declarant, all the Members of the Board of Directors, both those chosen by the Owners of Dwelling Units or Lots and the Declarant, all the Owners, including the Declarant who shall have the vote assigned to all unsold and unbuilt Dwelling Units or Lots, shall elect five Members to the Board of Directors who shall serve until the next annual meeting.

Section 7.04 TERMS OF DIRECTORS. Within thirty days (30) days after the end of a period of one (1) year following the election as provided in Section 7.03(d), an election shall be held

throughout the Community to select five (5) Members of the Board of Directors who shall replace those selected in Section 7.03(d). At such first regular election, which shall be referred to as the first regular election, the Members of the Association shall elect five (5) Members of the Board of Directors who shall be Members of the Association and residents of the Community. The three (3) nominees receiving the three (3) highest numbers of votes shall serve as Members of the Board of Directors for terms of two (2) years each and the two (2) nominees receiving the fourth and fifth highest number of votes shall serve as a Member of the Board of Directors of a term of one (1) year. Upon the expiration of the initial term of each Member of the Board of Directors elected at the said first regular election, his successor shall be elected to serve for a term of two (2) years, provided that each Member of the Board of Directors shall continue to hold office until his successor is elected.

Section 7.05. NOMINATIONS TO BOARD OF DIRECTORS. Except as provided for in Section 7.01, Members of the Association may be nominated for election to the Board of Directors by nomination from the floor of the Annual Meeting.

Section 7.06. VACANCY ON THE BOARD OF DIRECTORS. If the office of any Member of the Board of Directors shall become vacant by reason of his death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Members of the Board of Directors at a special meeting duly called for such purpose shall choose a successor who shall hold office until the next annual meeting of the Members and his re-election or the election of his successor at such meeting.

Section 7.07. REMOVAL OF MEMBERS OF THE BOARD OF DIRECTORS. Subject to the rights of the Declarant to nominate and elect Members of the Board of Directors as set forth in Section 7.01, members of the Board of Directors may be removed with or without cause by a majority vote of the Members of the Association present, in person or by proxy, at any special meeting of the members of which notice has been properly given as provided in the By-Laws, provided that the same notice of the said special meeting has also been given to said entire Board, including any individual Member of the Board of Directors whose removal is to be considered at said special meeting.

Section 7.08 ORGANIZATIONAL MEETING OF THE BOARD. No later than twenty (20) days following such annual meeting of the Association members, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business. Notice of such meeting shall be given to all Members of the Board of Directors in accordance with Section 7.10 except for the initial meeting which shall be called by the person receiving the highest number of votes.

Section 7.09 PLACE OF MEETING. All meetings of the Board of Directors shall be held at the principal office of the Association or at any other place or places designated at any time by resolution of the Board of Directors or by written consent of all Members of the Board of Directors.

Section 7.10 REGULAR MEETINGS OF THE BOARD OF DIRECTORS. Regular meetings of the Board of Directors may be held at such time and place permitted by law as from time to time may be determined by the Members of the Board of Directors. Notice of regular meetings of the Board of Directors shall be given to each Member of the Board of Directors personally, by telegram, telephone, or by United States mail, with postage prepaid, directed to him, at his last known post office address, as the same appears on the records of the Association, at least five (5) days before the date appointed for such meeting. Such notice shall state the date, time and place of such meeting and the purpose thereof.

Section 7.11 SPECIAL MEETINGS OF THE BOARD OF DIRECTORS. Special meetings of the Board of Directors may be called by the President of the Association on three (3) days' written notice to each Member of the Board of Directors, given in the same manner as provided in Section 7.10. Special meetings of the Board shall be called by the President or the Secretary in like manner upon the written request of any three (3) Members of the Board of Directors.

Section 7.12 WAIVER OF NOTICE. Before any meeting of the Board of Directors, whether regular or special, any Member of the Board of Directors may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. All such written waivers shall be filed with the records of the Association or made a part of the minutes of the meeting. Attendance by a Member of the Board of Directors at any meeting of the Board of Directors shall likewise constitute a waiver by him of such notice. If all Members of the Board of Directors are present at any meeting of the Board, no notice of such meeting shall be required and any business may be transacted at such meeting except as prohibited by law or these By-Laws.

Section 7.13 QUORUM. At all duly convened meetings of the Board of Directors, a majority of the Members of the Board of Directors shall constitute a quorum for the transaction of business, except as otherwise expressly provided in these By-Laws or by law, and the acts of the majority of the Members of the Board of Directors present at such meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the Member or Members of the Board of Directors present may adjourn the meeting from time to time and at such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting as originally called may be transacted without further notice to any Member of the Board of Directors.

Section 7.14 CONSENT IN WRITING. Any action by the Board of Directors may be taken without a meeting if all of the Members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such Member of the Board of Directors.

Section 7.15 FEES AND COMPENSATION. No Member of the Board of Directors or Officer shall receive any salary for his services as such Member of the Board of Directors or Officer.

Section 7.16 PRESIDING OFFICER. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Board of Directors, and shall serve a term of one (1) year.

Section 7.17 RECORDS. The Board of Directors shall cause to be kept a complete record of all of its acts and condominium affairs and to present a statement thereof to the Members of the Association at annual meetings of the Members of the Association or at any special meeting where such statement is requested, in writing, by one-fourth (1/4) of the Association Members entitled to vote.

Section 7.18 POWERS AND DUTIES. The Board of Directors shall have and exercise all lawful powers and duties necessary for the proper conduct and administration of the affairs of the Association and the operation and maintenance of the Community Elements and Limited Community Elements and may do or cause to be done all such other lawful acts and things as are now by law or by these By-Laws directed or required to be done by Members of the Association. In the performance of its duties as the administering body of the Association, in addition to those powers and duties set forth in the Declaration, the Board of Directors shall have powers and duties including, but not limited to the following:

- (a) The duty to provide for the operation, maintenance, cleaning, sanitation, renewal, replacement, care, upkeep, protection and surveillance of the Community Elements and the Limited Community Elements and all other property, real or personal, of the Association;
- (b) The duty, consistent with law, to file the Annual Association Charges and assess the same against the Owners in accordance with the provisions of the By-Laws and the Declaration;
- (c) The duty to levy and collect, in addition to regular Assessments, or Annual Association Charges, for Association expenses, Special Assessments in such amounts as the Board may deem proper, whenever the Board is of the opinion it is necessary to do so in order to meet increased operating or maintenance costs, or additional capital expenses, or because of emergencies.
- (d)
 1. The duty to use and expend any sums collected from Association Charges, Special Assessments and Capital Fund for the operation, maintenance, renewal, care, upkeep, surveillance and protection of the Community Elements and Limited Community Elements of the Association and all of its real and personal property and any and all other improvements, facilities and services that the Board shall find to be necessary, desirable or beneficial for the advancement and in the best interests of the Association. All future improvements shall be of a quality consistent with that of the initial improvements.
 2. The duty to provide for the maintenance and repair of the Community Elements and the Limited Community Elements. The Board shall maintain the Community Elements and Limited Community Elements at a minimum level of maintenance equal to that which existed at the time of the conveyance of ninety (90%) percent of the Dwelling Unit or Lots to Owners.
 3. The duty to use any surplus of the Annual Association Charges over Association expenses for such purposes as the Board of Directors may deem reasonable and necessary pursuant to

its powers hereunder.

(e) The duty to require all officers and employees of the Association handling or responsible for funds of the Association or funds in its possession or under its control, to furnish adequate fidelity bonds with corporate surety satisfactory to the Board of Directors. The premiums on such bonds shall be paid by the Association as part of the Association expenses.

(f) The duty to pay all taxes and assessments levied or assessed against any property of the Association, exclusive of any taxes or assessments levied against any Owner or otherwise properly chargeable to any Owner.

(g) The power to employ and dismiss such clerks, stenographers, workmen, janitors, gardeners, watchmen and other personnel, and to purchase or arrange for such services, machinery, equipment, tools, materials and supplies, as in the opinion of the Board of Directors may from time to time be necessary for the proper operation and maintenance of the Community Elements and the Limited Community Elements.

(h) The power to enter into a contract with a management company at such price and upon such terms as shall be determined by the Board, to perform such duties and services as the Board may lawfully delegate. However, any such contract shall be for a term not to exceed two (2) years and shall provide for termination by either party with or without cause on sixty (60) days' written notice thereof to the other.

(i) The duty to serve as Managing Agent of the Association.

(j) The duty to collect delinquent Charges or Assessments made by the Association through the Board of Directors against any Dwelling Unit or Lot and the Owner thereof, together with such costs and expenses incurred in connection therewith, including, but not limited to, court costs and attorneys' fees, whether by suit or otherwise, to abate nuisances and enforce observance of the Rules and Regulations relating to the immunity, by injunction or such other legal action, or means as the Board of Directors may deem necessary or appropriate.

(k) The power to employ or retain such counsel and consultants as may be deemed necessary by the Board for any proper purposes of the Association, and to fix their compensation for professional advice or services such as, but not limited to, those herein before or herein after referred to in these By-Laws.

(l) The duty to cause such operating accounts, and escrow and other accounts, if any, to be established and opened as the Board of Directors may deem appropriate from time to time and as may be consistent with generally accepted accounting practices.

(m) The duty to adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including, but not limited to, the following items:

1. Association expense budget which shall include without limiting the generality of the foregoing, the estimated amounts necessary for maintenance and operation of the Community Facilities and any and all other expenses related to the operations thereof including, but not limited to, utility services, casualty and liability insurance, administrative and office expenses and reserves and the costs association with the administration of the Association;
2. Any and all expenses incident to the maintenance and repair of any Limited Community Elements as defined herein, and
3. Proposed Annual Association Charges against each Member for the calendar year. Copies of the proposed budget and proposed charges shall be available for inspection by all Members of the Association during regular business hours. If the budget is subsequently amended before the charges or measurements are made, a copy of the amended budget shall also be available for inspection. Nothing herein contained shall be construed as restricting the right of the Board of Directors, at any time in its sole discretion, to levy a special assessment in the event that the budget originally adopted shall appear to be insufficient to pay the costs of the operation or management of the Association, or in the event of emergencies.

(n) The duty to cause a complete audit of the books and accounts of the Association to be made by a competent independent public accountant at the end of each fiscal year, and at such other time or times as may be deemed necessary.

(o) The duty to maintain accounting records in accordance with generally accepted accounting principles.

(p) The power to make and enforce compliance with such reasonable Rules and Regulations relative to the operation, use and occupancy of the Community Elements and Limited Community Elements including, but not limited to penalties to be levied for violations of these By-Laws, the Declaration and any such rules and regulations as the Board of Directors shall adopt, and to amend the same from time to time or when approved by appropriate resolutions shall be binding on the Owners and occupants of Dwelling Unit or Lots, their successors in title and assigns. A copy of such Rules and Regulations and copies of any amendments thereof shall be delivered or mailed to each Owner or occupant of a Dwelling Unit or Lot promptly upon the adoption thereof.

(q) The option to keep the Community Elements, fixtures, equipment and personal property owned by the Association insured for the benefit and protection of the Association in amounts equal to their maximum insurable values, excluding foundation and excavating costs, as determined annually by the insurance carrier or carriers, against the following hazards, casualties or contingencies:

1. Loss or damage by fire and other casualties covered by a standard extended coverage endorsement.
2. Such other risks, or a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other buildings, fixtures and equipment similar in construction, design, use and location to the buildings and other property herein before mentioned. All

such policies shall provide that in the event of loss or damage, the proceeds shall be payable to the Association. The Association shall pay the premiums on such policies as Association expenses.

(r) The duty to establish depositories for the Association with such bank or banks as shall be designated from time to time by the Board and in which monies of the Association shall be deposited. Withdrawal of monies shall be only by check signed by such persons as are authorized by the Board.

(s) The power to borrow and repay monies, giving notes, mortgages or other security, upon such term or terms as are deemed necessary.

(t) The power to acquire by purchase, annexation or lease real property, if, at any time in the future, the Board deems it proper and consistent with the terms hereof, and subject to the approval of the Declarant, its assigns and successors for a period of five years from the adoption of these By-Laws, and to accept, without power to void or refuse, additional property from the Declarant.

(u) The power to acquire by purchase, gift, bequest, devise, sale or lease additional real or personal property, to protect the Community Elements or additional Community Elements upon such term or terms as the Association deems necessary and property, subject to the approval of the Declarant, its assigns and successors for a period of five years from the adoption of these By-Laws, and to accept, without power, to void or to refuse, additional property from the Declarant.

(v) The power to employ professional counsel and receive advice from such persons and firms or corporations, such as, but not limited to, landscape architects, recreation experts, architects, planners, biologists, lawyers and accountants.

(w) The power to take all steps necessary to effectuate any merger of the Community Association with any other association in the Morewood Point areas as may be approved by a vote of a majority of the Members of both the Community Association and the particular association with which a merger is proposed, and with the approval of the Declarant, its assigns and successors for a period of five years from the adoption of these By-Laws.

(x) The power to do all things incidental and necessary to the accomplishment of the above.

The Board of Directors shall also maintain public liability insurance insuring the Association and its Members against liability for negligent acts of commission or omission attributable to the Association or any of its Members and which occurs on or in any of the Community Elements or the Limited Community Elements. The Board shall also maintain workmen's compensation insurance and such other insurance as will protect the interests of the Association, its employees and the members including, but not limited to Member of the Board of Directors' and Officers' liability coverage.

The duties and powers imposed on the Board of Directors by this section 7.18 shall not be amended so as to reduce or eliminate any such duties or powers of the Board of Directors without the affirmative vote of seventy five percent (75%) of the Association Membership by Percentage Interests entitled to vote.

ARTICLE VIII - OFFICERS

Section 8.01 OFFICERS. The officers of the Association shall be a President, Vice-President,

Secretary and Treasurer. The Secretary may be eligible to hold the office of Treasurer. The President shall be a Member of the Board of Directors. The other officers need not be Members of the Board of Directors.

Section 8.02 ELECTION. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting after each election of Members of the Board of Directors and shall hold office until their successors are elected or appointed by the Board and qualify, provided that each officer shall hold office at the pleasure of the Board of Directors and may be removed either with or without cause, and his successor elected at any annual or special meeting of the Board called for such purpose, upon the affirmative vote of a majority of the Members of the Board. The Board of Directors may, from time to time, appoint such other officers as in its judgment are necessary. Any officer may resign at any time by giving written notice to the Board or to the President or Secretary of the Association. Any such resignation shall take effect as of the date of receipt of such notice or any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8.03 VACANCIES. A vacancy in an office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these By-Laws for regular appointments to such office.

Section 8.04 PRESIDENT. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Members and of the Board of Directors. He shall have the general powers and duties usually vested in the office of the President of an Association including, but not limited to, the power to appoint ad hoc committees from among the members from time to time as he may deem appropriate to assist in the conduct of the affairs of the Association. The President shall be an ex-officio member of all standing committees, if any. He shall execute such deeds, contracts and other instruments, in the name and on behalf of the Association and under its corporate seal when a seal is required, except when such documents are required or permitted by law to be otherwise executed, and except when the signing and execution thereof shall be designated by the Board of Directors to another officer or agent of the Association.

Section 8.05 VICE-PRESIDENT. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or these By-Laws.

Section 8.06 SECRETARY. The Secretary shall attend all meetings of the Board of Directors and all meetings of the Members and record all votes and the minutes of all meetings and proceedings, including resolutions in a Minute Book to be kept for that purpose, and shall perform the duties of any committees, when required. The Secretary shall have charge of the Minute Book and such records and papers as the Board shall direct, and perform all duties incident to the office of Secretary, including the sending of notice of meetings to the Members, the Board of Directors and committees, and such other duties as may be prescribed by these By-Laws or by the Board of Directors or the President. He shall also have custody of the corporate seal, and when authorized by the Board, affix the same to any instrument requiring it and attest the same when appropriate. The Secretary shall keep, or cause to be kept, at the principal office of the Association, a Membership register showing the following:

The names and addresses of all Members of the Board of Directors;

The names and addresses of all Members; and

The number of memberships held by each Member.

SECTION 8.07 TREASURER. The Treasurer shall have responsibility for the Association's funds and securities, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies, checks and other valuable effects in the name and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors. He shall disburse the funds of the Association as may from time to time be ordered by the Board or by the President, and shall render to the President and Member of the Board of Directors at the regular meetings of the Board, or whenever they or either of them shall require, an account of his transactions as Treasurer and of the financial condition of the Association. Nothing shall prohibit functions of the Treasurer to be delegated to an agent of the Association provided such delegation is approved by resolution of the Board of Directors. The delegation of such duties of the Treasurer shall not relieve the Treasurer from any responsibility related to overseeing and reviewing any duties performed by such agent.

SECTION 8.08 COMPENSATION. The officers of the Association shall serve without compensation except that they shall be entitled to reimbursement for all expenses reasonably incurred in the discharge of their duties.

ARTICLE IX-COMMITTEES

Section 9.01 STANDING COMMITTEES. The Standing Committees of the Community shall be: Architectural Review and Arbitration Committees. Unless otherwise provided therein, such Committee shall consist of a Chairman and two (2) or more Members and shall include a member of the Board of Directors, in addition to the President as ex-officio member. The Board of Directors may appoint such other committees as it deems desirable.

Section 9.02 ARCHITECTURAL REVIEW COMMITTEE. The Board of Directors may appoint members to, or may act as, the Architectural Review Committee. The Committee shall review all plans, drawings and specifications showing the nature, kind, shape, height, materials and location of proposed exterior additions, changes or alterations to all Dwelling Units or Lots to determine if such proposals are in compliance with Rules, Regulations and specifications promulgated by the Board of Directors. The Committee shall either approve, with or without condition, or deny a request of an owner within forty-five (45) days after receipt of the request submitted by the Owner by giving notice to the Owner by regular mail. In the event that the Committee fails to render its decision within forty-five (45) days the request shall be deemed to be approved. In the event the Committee denies the Owner's request, the Owner may appeal the decision within twenty (20) days from the date of the decision to the Arbitration Committee.

Section 9.03 ARBITRATION COMMITTEE. No member shall have the right to object, challenge, commence any suit at law or in equity or take any other action under any act, power or authority now in force or hereafter to be entered except in the manner provided herein. Prior to the commencement of any suit or action in law or in equity, the Member shall first make known the objection in writing and directed to this Arbitration Committee by registered or certified mail, return receipt requested, or by an equivalent class of service of the United States Post Office, stating with particularity the objection made and relief, change or difference sought. It shall be signed legibly by the person objecting and shall state the address and phone number of such person. If specific Dwelling Units, Lots or Members are involved, these shall be identified by name and address or with sufficient particularity as to be easily capable of ascertainment. The Committee shall schedule a hearing on the merits of the aforesaid claim or objection within thirty (30) days of the receipt of the notice of claim or objection and within twenty (20) days after the close of the hearing, or continued hearing or hearings, the Committee shall notify the Owner of its decision in writing. Unless such internal remedy shall be voluntarily waived by the Community Association, or the Association fails or refuses to act, no action at law or in equity shall be commenced by any Member until such internal remedy is pursued to exhaustion. Any action by a Member against any other member arising out of any term, covenant or condition contained in these By-Laws, Declaration of Covenants, Conditions and Restrictions or any Rule and Regulation made pursuant thereto, use or non-use, shall be subject to the same procedures. In such hearings, all parties shall be entitled to be represented by Counsel. In any claim or objection, the Committee may appoint counsel, at the cost to the Association, or any other person or persons, one of whom shall be learned in the law, to act as a hearing officer and shall make recommendation or findings, or both, to the Arbitration Committee. In such event, an additional ten (10) days shall be permitted for forwarding any decision to the Owner.

ARTICLE X - INDEMNIFICATION

Section 10.1 INDEMNIFICATION OF OFFICERS AND MEMBERS OF THE BOARD OF DIRECTORS. The Association shall indemnify every Member of the Board of Directors, Officer and Committee member, his heirs, executors and administrators, against all losses, costs and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Member of the Board of Directors, Officer or Committee member of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duties.

ARTICLE XI - OBSOLESCENCE

Section 11.01 OBSOLESCENCE. In the event that the Board of Directors shall determine that any Community Elements or any other real or personal property of the Association are obsolete, the Board may call for a vote by the Association Membership to determine whether or not the said property should be demolished and/or replaced. In the event sixty-seven (67%) percent of the Association members by their Percentage interests shall determine that the said property should be demolished and replaced, the costs thereof shall be assessed against all of the Members of the Association equally.

ARTICLE XII - CORPORATE SEAL

Section 12.01 CORPORATE SEAL. The corporate seal of the Association shall consist of two concentric circles between the circumferences of which shall be inscribed the name, "The Morewood Point Community Association," and within the circumference of the inner circle the words, "Incorporated, Pennsylvania" and the year of incorporation.

ARTICLE XIII - AMENDMENT TO BY-LAWS

Section 13.01 AMENDMENTS TO BY-LAWS. Except as otherwise provided herein, these By-Laws and the form of administration set forth herein may be amended from time to time by the affirmative vote of the Members representing fifty-one (51%) percent of the Association Membership by their Percentage Interests entitled to vote.

ARTICLE XIV - DISSOLUTION

Section 14.01 DISSOLUTION. In the event it shall be deemed advisable and for the benefit of the Members that the Association should be dissolved, the procedures concerning dissolution set forth in the Pennsylvania Uniform Association Act statutes shall be followed.

Section 14.02 DISTRIBUTION. In the event of dissolution, the assets, including any surplus of the Association, after payment of all debts, including mortgages and other encumbrances, shall be distributed equally among the Members.

ARTICLE XV - DELEGATION OF AUTHORITY

Section 15.01 DELEGATION OF AUTHORITY. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and, unless so authorized by the Board of Directors, no officer, agent or other person shall have any power of authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

ARTICLE XVI - INSPECTION OF DOCUMENTS

Section 16.01 INSPECTION OF DOCUMENTS AND FINANCIAL STATEMENTS. The Association shall keep in its principal office the original or a copy of the Declaration, the By-Laws, all Rules and Regulations and all other covenants, as amended or otherwise altered to date, certified by the Secretary, and the books, records and financial statements of the Association, which shall be open to inspection upon request by the Members and holders, insurers or guarantors of first mortgages at all reasonable times during office hours. In addition, any holder, insurer or guarantor of a first mortgage shall be entitled, upon written request, to an audited financial statement for the immediately preceding fiscal year within a reasonable time after such request and without charge.

Section 16.02 MEMBERSHIP MINUTES. The Membership register and minutes of proceedings of the Members and Member of the Board of Directors shall be open to inspection upon demand of any member at any reasonable time during office hours, and for a purpose reasonably related to his interest as a Member.

Number and gender, as used in these By-Laws, shall extend to and include both singular and plural and all genders as the context and construction requires.

IN WITNESS WHEREOF, we, the members of the Board of Directors of the Morewood point Community Association, having my majority vote adopting these By-Laws, hereby have caused their names to be signed on these presents.

Clarification Amendment

to

By-Laws

of

Morewood Point Community Association

WHEREAS, the Morewood Point Community Association was developed as a Planned Residential Development, by BWC Development Inc., a Pennsylvania Corporation, involving a parcel or parcels of land located in the 8th Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, with said Plan of Lots being recorded in the Recorder's of Deeds Office of Allegheny County, in Plan Book Volume 146, pages 130 and 131, and

WHEREAS the By-Laws of the Morewood Point Community Association were recorded in the Recorder of Deeds Office of Allegheny County Deed Book Volume 7668, pages 132 to 140, and

WHEREAS the Board of Directors of the Morewood Point Community Association have expressed confusion and/or uncertainty about interpreting how certain components of the Association were imprecise and/or undefined in the original document in terms of being either Community/Common ownership property or Limited Common or Private ownership property, and

WHEREAS a majority of the Morewood Point homeowners, representing at least fifty-one (51) percent of the Association membership, by their percentage interest, voted to approve the following clarification/amendment to these By-Laws.

NOW THEREFORE, Section 7.18 (a) of the Morewood Point Community Association By-Laws is hereby clarified/amended to specifically identify and illustrate, by way of example, some types of Community Elements and some types of Limited Community Elements as referenced in this original sub-section.

For purpose of clarification and illustration only, common ownership and maintenance items and private ownership and maintenance items at Morewood Point will now include, but not be limited to, the following delineation:

Community/Common Element Ownership items shall include, but not be limited to:

1. Roofs, including gutters and downspouts, repair and replacement
2. Roof vents (including bathroom and kitchen vents), repair and replacement
3. Exterior trim (including all soffit and painting of all façade trim), repair and replacement
4. Building facades/siding repair and replacement
5. Roadway/parking lot repair and replacement
6. Sidewalk repair and replacement
7. Building exterior structural supports
8. Exterior light fixtures in the front of the building (but not including light bulb replacement)
9. Standard/uniform landscaping services that is common to all front lawns, and *accessible* rear yards (but not including any special landscaping enhancements/upgrades planted by the current or former owner or resident.

DEC 10, 212134

DEEDS REGISTRY

01 DEC 17 AM 9:56

COUNTY OF ALLEGHENY

Clarification Amendment to
The Morewood Point Home Owner Assoc.
By-Laws

Located in the City of Pittsburgh
8th Ward, Allegheny County

Plan of Lots as recorded in the
Recorder of Deeds Office of Allegheny
County, PBV 146, Pages 130, 131

And, where the By-Laws are previously
recorded in Deed Book Volume ~~7668~~
Pages 132 to 140.

*D 2/10/01
cash*

Please return to:
Morewood Point HOA
% Arnheim & Neely, Inc., Agents
425 N. Craig St. Suite 100
Pittsburgh, PA 15213

Phone: 412-391-1900

John L. Schultz
JOHN L. SCHULTZ
2001 DEC 10 PM 12:12
ALLEGHENY COUNTY PA
DO NOT RECORDED
VERIFY THIS