

CODE OF REGULATIONS  
GOVERNING  
THE WINCHESTER ASSOCIATION,  
A NON-PROFIT CORPORATION  
ORGANIZED UNDER THE  
LAWS OF PENNSYLVANIA

INDEX FOR CODE OF REGULATION GOVERNING

THE WINCHESTER ASSOCIATION

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## ARTICLE I

### Plan of Apartment Unit Ownership

Section 1. Apartment Unit Ownership. The property located at 538-544 Neville Street, Pittsburgh, Pennsylvania, has been submitted to the provision of the Act of July 3, 1963, P.L. 196 known as the "Unit Property Act" of Pennsylvania, by the Declaration recorded simultaneously herewith in the Office of the Recorder of Deeds of Allegheny County, Pennsylvania, and the resulting Condominium shall hereafter be know as "The Winchester Association" (hereinafter called the "Condominium" or "The Winchester").

Section 2. Purpose of The Winchester Association. The purpose of this corporation is to act on behalf of its members as the governing body known as the Council, as defined in the "Unit Property Act" of Pennsylvania, with respect to the administration, maintenance, repair and replacement of the Property, as hereinafter defined, and as such to have all powers conferred upon a condominium association by the Pennsylvania "Unit Property Act", as the same is constituted from time to time, all on a non-profit basis consonant with the provisions of its Articles of Incorporation.

Section 3. Applicability of Code of Regulation. The provision of these Regulations are applicable to the Property of the Condominium and the use and occupancy thereof. The term "Property" as used herein shall include the land, the buildings and all other improvements thereon (including the apartment units and the common areas and facilities, "common elements"), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereof, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provision of said Unit Property Act of Pennsylvania.

Section 4. Application. All present and future owners, mortgagees, lessees and occupants of apartment units and their employees, and any other person who may use the facilities of the Property in any manner are subject to this Code of Regulations, the Declaration and the Rules and Regulations.

The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of an apartment unit shall constitute and agreement that this Code of Regulations, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 5. Membership. The membership of The Winchester Association shall consist of all of the unit owners of the Property in accordance with the respective percentages of ownership of the said unit owners in the common elements of the said Property. Such respective percentages of ownership shall be determined in accordance with the provisions of the Declaration.

## ARTICLE II

### COUNCIL

Section 1. Number and Qualification. The affairs of the Condominium shall be governed by a Council, as defined in the Unit Property Act of Pennsylvania, which shall be the Board of Directors of the non-profit corporation known as The Winchester Association. Until after deeds of conveyance have been recorded conveying 90% in common interest, and thereafter until their successors shall have been elected by the unit owners, the Board of Directors shall consist of those persons named in the Declaration. Thereafter the Board of Directors shall be composed of seven person, all of whom shall be owners or spouses of owners or mortgagees of apartment units, or, in case of partnership owners or mortgagees, shall be members or employees of such partnership, or in case of corporate owners of mortgagees, shall be officers, stockholders or employees of such corporations, or in the case of fiduciary owners or mortgagees shall be the fiduciaries or officers or employees of such fiduciaries.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by this Code of Regulations may not be delegated to the Board of Directors by the unit owners. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the common elements.
- (b) Determination of the common expenses required for the affairs of the Condominium, including without limitation, the operation and maintenance of the Property.
- (c) Collection of the common charges (which for the purpose of this Code of Regulations shall mean such portion of the common expenses as are payable by the respective unit owners) from unit owners.
- (d) Employment and dismissal of the personnel necessary for the maintenance and operation of the common elements.
- (e) Adoption and amendment of rules and regulations covering the details of the operation and use of the Property.
- (f) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.
- (g) Purchasing or leasing or otherwise acquiring in the name of the Board of Directors or its designee, corporate or otherwise, on behalf of all unit owners, apartment units offered for sale or surrendered by their owners to the Board of Directors.
- (h) Purchasing of apartment units at foreclosure or other judicial sales in the name of the Board of Directors or its designee, corporate or otherwise, on behalf of all unit owners, provided such action is authorized by the affirmative vote of a majority of the members of the Board of Directors.
- (i) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board of Directors), or otherwise dealing with apartment units acquired by, and subleasing apartment units leased by the Board of Directors, or is designee, corporate or otherwise, on behalf of all unit owners.
- (j) Organizing corporations to act as designees of the Board of Directors in acquiring title to or leasing of apartment units on behalf of all unit owners.
- (k) Obtaining of insurance for the Property, including the apartment units, pursuant to the provisions of Article V, Section 2 hereof.
- (l) Making of repairs, additions and improvements to or alteration of the Property and repairs to and restoration of the Property in accordance with the other provisions of these Regulations, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

Section 3. Managing Agent and Manager. The Board of Directors may employ for the Condominium a managing agent and/or a manager at a compensation established by the Board of Directors, or perform such duties and services as the Board of Directors shall authorize, including but not limited to the duties listed in subdivisions (a), (c), (d), (k), and (l) of Section 2 of this Article II.

Section 4. Election and Term of Office. At the first annual meeting of the unit owners, which shall be held after deeds of conveyance have been recorded conveying 90% in common interest, seven members of the Board of Directors shall be elected to serve terms of one year. Each director shall be elected by the vote of a majority of unit owners, as hereinafter defined in Section 9 of Article III. The members of the Board of Directors shall be eligible for re-election for three consecutive one-year terms and, if elected for three consecutive terms, they, thereafter, shall be ineligible for re-election as Directors until one year has elapsed. The members of the Board of Directors shall hold office until their respective successors shall have been duly elected by unit owners.

Section 5. Removal of Members of the Board of Directors. At any regular or special meeting of unit owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the unit owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any members of the Board of Directors whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting.

Section 6. Vacancies. Vacancies in the Board of Directors caused by a reason other than the removal of a member thereof by a vote of the unit owners, shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Directors held for the purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member so removed and until a successor shall be elected at the next annual meeting of the unit owners.

Section 7. Organization Meeting. (Deleted by amendment.)

Section 8. Regular Meeting. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors but at least six such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors by mail or telegraph, at least ten (10) business days prior to the day named for such meeting. One or more members may participate in a meeting of the Board by conference telephone by means of which all persons in the meeting can hear each other.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President five (5) business days notice to each member of the Board of Directors, given by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner on like notice on the written request of at least three (3) members of the Board of Directors.

Section 10. Waiver of Notice. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all members of the Board of Directors are present any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the members thereof, shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present a majority of those present may adjourn the meeting from time to time. At any such adjournment at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 12. Fidelity Bonds. The Board of Directors shall obtain adequate fidelity bonds for all officers and employees of the Condominium handling or responsible for Condominium funds. The premiums on such bonds shall constitute a common expense.

Section 13. Compensation. No member of the Board of Directors shall receive any compensation from the Condominium for acting as such.

Section 14. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The unit owners shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Property unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these Regulations. The Board is authorized to purchase errors and omissions coverage for its individual members and contractual indemnity insurance covering the obligations of the unit owners under this paragraph.

It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf and for the benefit of the Property. It is also intended that the liability of any unit owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to all such interest. Every agreement made by the Board of Directors or by the managing agent or by the manager on behalf of and for the benefit of the Property shall provide that the members of the Board of Directors or the managing agent, or the manager, as the case may be, are acting only as agents for the unit owners and shall have no personal liability thereunder (except as unit owners) and that each unit owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to all such interest.

### ARTICLE III

#### UNIT OWNERS

Section 1. Annual Meetings. One year after deeds of conveyance representing 90% or more in common interest shall have been recorded, the Sponsor shall notify all unit owners thereof, and the first annual meeting of the unit owners shall be held 30 days thereafter on a call issued by the President. At such meeting the initial officers and directors shall resign as members of the Board of Directors and as officers, and all unit owners, including the Sponsor, shall elect a new Board of Directors. Thereafter, the annual meetings of the unit owners shall be held on the 15<sup>th</sup> day of each succeeding year, unless such date shall occur on a Saturday or Sunday, in which event the meeting shall be held on the succeeding business day. At such meetings the Board of Directors shall be elected by ballot of the unit owners in accordance with the requirements of Section 4 of Article II of these Regulations. The unit owners may transact such other business at such meetings as may properly come before them.



Section 2 Place of Meeting. Meetings of the unit owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the unit owners as may be designated by the Board of Directors.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the unit owners if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by not less than 25% of the unit owners. The notice of any special meeting shall state the time and place of such meeting and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice to each annual or special meeting of the unit owners at least ten but not more than thirty days prior to each meeting, stating the purpose thereof as well as the time and place where it is to be held, to each unit owner of record, at the building or at such other address as such unit owner shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 5. Adjournment of Meeting. If any meeting of unit owners cannot be held because a quorum has not attended, a majority in common interest of the unit owners who are present at such meeting, either in person 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 6. Order of Business. The order of business at all meetings of the unit owners shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Directors.
- (f) Reports of committees.
- (g) Election of inspectors of election (when so required).
- (h) Election of members of the Board of Directors (when so required).
- (i) Unfinished business.
- (j) New business.

Section 7. Title to Apartment Units and Use Thereof. Title to apartment units may be taken in the name of an individual or in the names of two or more persons, as tenants in common or as joint tenants or as tenants by the entirety. Upon approval of the Board of Directors, title to apartment unit may be taken in the name of a corporation or partnership, or in the name of a fiduciary. Apartment units may be used for residential use only, except those units which are presently used for professional offices. Units used for professional offices shall be used for only such purposes, unless some other use is authorized by the Board of Directors. No lease of any apartment unit may be made without the approval of the Board of Directors.

Section 8. Voting. The owner or owners of each apartment unit, or some person designated by such owner or owners to act as proxy on his or their behalf and who need not be an owner or spouse of owner shall be entitled to cast the votes appurtenant to such apartment unit at all meetings of unit owners, provided however, that a person designated to act as proxy may not vote proxies for more than three unit owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the owner or owners so designating. Any or

all of such owners may be present at any meeting of the unit owners and (those constituting a group acting unanimously), may vote or take any other action as a unit owner either in person or by proxy. The total number of votes of all unit owners shall be 100,000 and each unit owner (including the Sponsor and the Board of Directors, if the Sponsor shall then own, or the Board of Directors, or its designee, shall then hold title for one or more apartment units) shall be entitled to cast one vote at all meetings of the unit owners for each .001 percent of interest in the common areas and facilities applicable to his or their apartment unit. A fiduciary shall be the voting member with respect to any apartment unit owned in a fiduciary capacity.

Section 9. Majority of Unit Owners. As used in these Regulations the term "majority of unit owners" shall mean those unit owners having more than 50% of the total authorized votes of all unit owners present in person or by proxy and voting at any meeting of the unit owners, determined in accordance with the provisions of Section 8 of this Article III.

Section 10. Quorum. Except as otherwise provided in these Regulations, the presence in person or by proxy of unit owners having one-third (1/3) of the total authorized votes of all unit owners shall constitute a quorum at all meetings of the unit owners.

Section 11. Majority Vote. The vote of majority of unit owners at a meeting at which a quorum shall be present shall be binding upon all unit owners for all purposes except where in the Declaration or these Regulations or by law, a higher percentage vote is required.

#### ARTICLE IV

##### OFFICERS

Section 1. Designation. The principal officers of the Condominium shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an assistant secretary, and assistant treasurer, and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, need be members of the Board of Directors.

Section 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the unit owners and of the Board of Directors. He shall have all of the general powers and duties which are incident of the office of president of a stock corporation organized under the Business Corporation Law of the Commonwealth of Pennsylvania, including but not limited to the power to appoint committees from among the unit owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. 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 or nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors

to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the unit owners and of the Board of Directors; he shall have charge of each such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the Commonwealth of Pennsylvania.

Section 7. Treasurer. The Treasurer shall have the responsibility for Condominium funds and securities and 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. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Directors, or the managing agent, in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all the duties incident to the office of a treasurer of a stock corporation organized under the Business Corporation Law of the Commonwealth of Pennsylvania.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two officers of the Condominium or by such other person or persons as may be designated by the Board of Directors.

Section 9. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

## ARTICLE V

### OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of the common charges payable by the unit owners to meet the common expenses of the Condominium, and allocate and assess such common charges among the unit owners according to their respective common interests. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance to be or which have been obtained by the Board of Directors pursuant to the provision of Section 2 of the Article V. The common expenses may also include such amounts as the Board of Directors may deem proper for the operation and maintenance of the Property, including, without limitation an amount for working capital of the Condominium, for a general operation reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase by or lease to the Board of Directors or its designee, corporate or otherwise, on behalf of all unit owners, of any apartment unit whose owner has elected to sell or else such apartment unit to the Board of Directors, or of any apartment unit which is to be sold at a foreclosure or other judicial sale. The Board of Directors shall advise all unit owners promptly in writing of the amount of common charges payable by each of the, respectively, as determined by the Board of Directors, as aforesaid and shall furnish copies of each budget on which such common charges are based, to all unit owners and to their mortgagees.

Section 2. Insurance. The Board of Directors shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage vandalism and malicious mischief endorsements, insuring the entire Building (including all of the apartment units and the bathroom and kitchen fixtures and air-conditioning initially installed therein by the Sponsor, but not including any wall, ceiling, or floor decorations or coverings or other furniture or furnishings, fixtures or equipment installed by unit owners), together with all service machinery contained therein and covering

the interest of the Condominium, the Board of Directors and all unit owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, without deduction for depreciation; each of said policies shall contain a standard mortgage clause in favor of each mortgagee of an apartment unit which shall provide that the losses if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Directors hereinafter set forth; (2) Workmen's Compensation insurance; and (3) such other insurance as the Board of Directors may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Directors, and that the net proceeds thereof shall be payable to the Board of Directors, as trustees for the unit owners and all mortgagees as their interests may appear.

The amount of fire insurance to be maintained until the first meeting of the Board of Directors following the annual meeting of the unit owners shall be in at least the sum of \$2,250,000.00.

All policies of physical damage insurance shall to the extent obtainable contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all mortgagees of apartment units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of apartment units at least ten (10) days prior to expiration of the ten current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Directors shall obtain a qualified appraisal of the full replacement value of the Building, including all of the apartment units and all of the common areas and facilities therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

The Board of Directors may also obtain and maintain to the extent obtainable, public liability insurance in such limits as the Board of Directors may, from time to time, determine covering each member of the Board of Directors, the officers, the managing agent, the manager and each unit owner. Such public liability coverage shall also cover cross liability claims of one insured against another.

Unit owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by any unit owner.

**Section 3. Repair or Reconstruction After Fire or Other Casualty.** In the event of damage to or destruction of the Building as a result of fire or other casualty (unless the Building is substantially totally destroyed or 75% or more of the unit owners directly affected thereby determine in accordance with the Declaration not to proceed with the repair or restoration), **the Board of Directors shall arrange for the prompt repair or restoration of the Building (including any damaged apartment units, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, but not including and wall, ceiling, or floor decorations or coverings or other furniture or furnishings fixtures or equipment installed by unit owners in the apartment units), and the Board of Directors of the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair or reconstruction in appropriate progress payments. Any cost of such repair or restoration in excess of the insurance proceeds shall be assessable to the unit owners directly affected thereby in proportion to their undivided ownership of the common elements and the Board of Directors may assess such unit owners for such deficit as part of their common charges.**

Application of the insurance proceeds to reconstruction and disposition of the property where the insurance proceeds are insufficient for reconstruction shall be as provide in the Act. If the amount of the

estimated cost of reconstruction and repair of the property is in excess of \$100,000.00, and the insurance proceeds shall be paid by the said assured to a bank or trust company (the Insurance Trustee) authorized to do business in Pennsylvania and having a capital of not less than \$5,000,000.00 and applied by the Insurance Trustee to the payment of such costs, and shall be paid to or for the amount of the assured from time to time as the work progresses, but not more frequently than once in any calendar month. Said Trustee shall make such payments upon the written request of the Association, accompanied by a certificate, dated not more than fifteen (15) days prior to such request, signed by a responsible officer of the Association and by an architect in charge of the work, who shall be selected by the Association, setting forth (i) that the sum then requested either has been paid by the Association or is justly due to contractors, sub-contractors, materialmen, architects, or other persons who have rendered services or furnished material in connection with the work, giving a brief description of the services and materials and the several amounts so paid or due, and stating that no part thereof has been made the basis for withdrawal of insurance proceeds in any previous event pending request or has been paid out of any proceeds of insurance received by the Association, and that the sum requested does not exceed the value of the services and materials described in the certificate, (ii) that except for the amount stated in such certificate to be due as aforesaid, there is no outstanding indebtedness, known to the person signing such certificate after due inquiry, which might become the basis of a vendor's mechanic's, materialmen's or similar lien upon such work, the Common Elements, or any Individual Apartment, and (iii) that the cost as estimated by the person signing such certificate of work remaining to be done subsequent to the date of such certificate, does not exceed the amount of insurance proceeds remaining in the hands of the insurance Trustee after the payment of the sum so requested.

If the Building is substantially or totally destroyed or 75% or more of the unit owners directly affected thereby determine not to proceed with repair and restoration, the Property shall be subject to an action for partition at the suit of any unit owner directly affected thereby, in which event the net proceeds of sale, together with the net proceeds of insurance policies, if any, shall be divided by the Board of Directors among all the unit owners directly affected thereby in proportion to their respective undivided ownership of the common elements after first paying out of the share of each such unit owner the amount of any unpaid mortgages, liens, encumbrances and assessments on his apartment unit, in the order of priority of such liens and assessments.

Section 4. Payment of Common Charges. All unit owners shall be obligated to pay the common charges assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V at such time or time as the Board of Directors shall determine.

No unit owner shall be personally liable for the payment of any part of the common charges assessed against this apartment unit subsequent to a sale, transfer or other conveyance by him of such apartment unit, together with the Appurtenant Interests, as defined in Section 1 of Article VI hereof. In addition, any unit owner may, subject to the terms and conditions specified in these Regulations, and subject to acceptance by the Board of Directors, provided that his apartment unit is free and clear of liens and encumbrances other than a permissible first mortgage and the assessment for unpaid common charges, convey his apartment unit, together with the proportionate undivided interest in the common elements to the Board of Directors, or its designee, corporate or otherwise, on behalf of all other unit owners, and in such even be exempt from common charges thereafter assessed. A purchaser of an apartment unit shall be liable for the payment of common charges assessed against such apartment unit prior to the acquisition by him of such apartment unit, without prejudice to such purchaser's right, if any, to recover from the seller the amounts paid by the purchaser, except that a mortgagee or other purchaser of an apartment unit at a Sheriff's sale of such apartment unit shall not be liable for and such apartment unit shall not be subject to a lien for their payment of a common charge assessed prior to such Sheriff's sale.

Section 5. Collection of Assessments. The Board of Directors shall assess common charges against the unit owners from time to time and at least annually and shall take prompt action to collect any common charges due from any unit owner which remains unpaid for more than 30 days from the date due for payment thereof.

Section 6. Default in Payment of Common Charges. In the event of default of any unit owner in paying to the Board of Directors the common charges as determined by the Board of Directors, such unit the due date thereof, together with all expenses, including attorney's commission of 5% of the amount due or \$300.00 whichever is greater, incurred by the Board of Directors in any proceeding brought to collect such unpaid common charges. All such unpaid common charges may be enforced by suit by the Board of Directors acting on behalf of the unit owners in an action in assumpsit. The Board of Directors shall have the right and duty to attempt to recover such common charges, together with interest thereon, and the expenses of the proceeding, including attorneys' fees, in an action in assumpsit to recover the same brought against such unit owner.

Section 7. Statement of Common Charges. The Board of Directors shall promptly provide any unit owner so requesting the same in writing, with a written statement of all unpaid common charges due from such unit owner.

Section 8. Abatement and Enjoyment of Violations By Unit Owners. The violation of any rule or regulation adopted by the Board of Directors or the breach of any of these Regulations contained herein, or the breach of any provisions of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these Regulations: (a) to enter the apartment unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provision hereof, and the Board of Directors 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; or (c) to recover damages therefore. Such remedies shall be cumulative and not exclusive.

Section 9. Maintenance and Repair. (a) All maintenance of and repairs to any apartment unit, structural or non-structural, ordinary or extraordinary (other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of the owner of such apartment unit) shall be made by the owner of such apartment unit. Each unit owner shall be responsible for all damages to any and all other apartment units and/or to the common elements, that his failure so to do may engender.

(b) All maintenance, repairs and replacements to the common elements whether located inside or outside of the apartment units, (unless necessitated by the negligence, misuse or neglect of a unit owner, in which case expense shall be charged to such unit owner), shall be made by the Board of Directors and charged to all the unit owners as a common expense.

Section 10. Restriction on Use of Apartment Units. In order to provide for congenial occupancy of the Property and for the protection of the value of the apartment units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

- (a) The apartment units shall be used for residents only, except that the ground level floor may also be used for professional offices and for such commercial purposes as are approved by the Board of Directors and are permitted by the zoning ordinance of the City of Pittsburgh, as the same is constituted from time to time.

- (b) The common elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of apartment units.
- (c) / No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.
- (d) / No improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning laws and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulation or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be corrected, by and at the sole expense of the unit owners or the Board of Directors, which ever shall have the obligation to maintain or repair such portion of the Property.

Section 11. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the common elements shall require additions, alternations or improvements shall have been approved by the vote of at least two-thirds (2/3) in number and in common interest of the unit owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof, as a common charge. Any additions, alterations or improvements costing \$10,000 or less may be made by the Board of Directors without the approval of unit owners and the cost thereof shall constitute part of the common expenses.

Section 12. Additions, Alterations or Improvements by Unit Owners. No unit owner shall make any structural addition, alteration or improvement in or to his apartment unit, including, but not limited to, any exterior painting or exterior alteration or addition (including awnings, grills, etc.,) without the prior written consent thereto of the Board of Directors. The Board of Directors shall have the obligation to answer any written request by a unit owner for approval of a proposed addition, alteration or improvement in such unit owner's apartment unit, within thirty (30) days after such request and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration or improvement. Any application, to any governmental authority for a permit to make an addition, alteration or improvement in or to any apartment unit shall be executed by the Board of Directors, only, without, however, incurring any liability on the part of the Board of Directors or any of them to any contractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this Section 12 shall not apply to apartment units owned by the Sponsor until such apartment units shall have been initially sold by the Sponsor and paid for.

Section 13. Use of Common Elements. A unit owner shall not place or cause to be placed in the stairways or other common elements other than the areas designated as storage areas, any furniture, packages or objects of any kind. The entry passages, stairways, elevators, corridors, etc., shall be used for no purpose other than for normal transit through them.

Section 14. Right of Access. A unit owner shall grant a right of access to this apartment unit to the manager and/or the managing agent and/or any other person authorized by the Board of Directors, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his apartment unit and threatening another apartment unit or a common element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his apartment unit or elsewhere in the Building, or to correct any condition which violates the provisions of any mortgage covering another apartment unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the unit owner. In case of emergency, such right of entry shall be immediate, whether the unit owner is present at the time or not.

Section 15. Rules of Conduct. Rules and Regulations concerning the use of the apartment units and the common elements may be promulgated and amended by the Board of Directors with the approval of a majority of the unit owners. Copies of such rules and regulations shall be furnished by the Board of Directors to each unit owner prior to the time when the same shall become effective. Initial Rules and Regulations, which shall be effective until amended by the Board of Directors with the approval of a majority of the unit owners, are annexed hereto and made a part hereof.

Section 16. Utilities. Utilities shall be supplied by the public utility companies serving the area directly to each apartment unit through separate meters and each unit owner shall be required to pay the bill for utilities consumed or used in his apartment unit including any charge made for sewage; provided that the Sponsor shall have the right to have all utilities metered by common meters if the exigencies of construction or utility companies so require, in which event the utility charges will be included in the common expenses. The utilities serving the common elements shall be separately metered, and the Board of Directors shall pay all bills for electricity consumed in such portions of the common elements and facilities as a common expense.

## ARTICLE VI

### SALES AND MORTGAGES OF UNITS

Section 1. No Severance of Ownership. No unit owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his apartment unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. For the purpose of these By-Laws, the "Appurtenant Interests" shall mean, collectively, (i) the unit owner's undivided interest in the common elements appurtenant to such unit; (ii) the interest of such unit owner in any apartment units theretofore acquired by the Board of Directors, or its designee, on behalf of all unit owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such unit owner in any other assets of the Condominium. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the later shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any apartment unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the apartment unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all apartment units.

Section 2. Sale to Board of Directors. A unit owner who wishes to sell his unit must first offer such unit for sale to the Board of Directors, or its designee, subject to the provisions of Section 1 of this Article VI, and subject to mutual agreement of the parties; provided, however, that such purchase by the Board of Directors shall have the prior approval of two-thirds (2/3) of the unit owners, as expressed by the vote of at least two-thirds (2/3) in number and in common interest, of all unit owners, cast in person or by proxy in accordance with these regulations.

Section 3. Financing of Purchase of Apartment Units by Board of Directors. Acquisition of the apartment unit by the Board of Directors, or its designee, on behalf of all unit owners, may be made from the working capital and common charges in the hands of the Board of Directors, or if such funds are insufficient the Board of Directors may levy an assessment against each unit owner in proportion to his ownership in the common areas and facilities as a common charge, which assessment shall be enforceable in the same manner as provided in Section 6 and 7 of Article V, or the Board of Directors, in its discretion, may borrow money to finance the acquisition of such apartment units, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the apartment unit, together with the Appurtenant Interest, so to be acquired by the Board of Directors.



Section 4. Gifts and Devises, etc.. Any unit owner shall be free to convey or transfer his apartment unit by gift or to devise his apartment unit by Will, or to pass the same by intestacy, without restriction.

Section 5. Waiver of Right of Partition with Respect to Such Apartment Units as are Acquired by the Board of Directors or its Designee, on Behalf of All Unit Owners as Tenants in Common. In the event that an apartment unit shall be acquired by the Board of Directors, or its designee, on behalf of all unit owners as tenants in common, all such unit owners shall be deemed to have waived all rights of partition with respect to such apartment unit.

Section 6. Payment of Assessments. No unit owner shall be permitted to convey, mortgage, pledge, hypothecate or sell his apartment unless and until he shall have paid in full to the Board of Directors all unpaid common charges theretofore assessed by the Board of Directors against his apartment unit and until he shall have satisfied all unpaid liens against such apartment unit, except permitted mortgages. Notwithstanding the foregoing, a unit owner may convey or sell apartment unit, subject to all other provisions of these Regulations, to a purchaser who in writing assumes all unpaid common charges and who agrees to take such apartment unit subject to all unpaid charges against same. Such conveyance shall not, however, relieve the unit owner so conveying from his personal responsibility for such charges.

Section 7. Mortgage of Apartment Units. No unit owner shall mortgage his apartment unit except by a first mortgage made to a bank, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender.

Section 8. Notice of Intent to Sell or Mortgage. No unit owner shall sell or mortgage his apartment unit without first giving notice to the Board of Directors of the intended sale or mortgage and of the date of closing. The Board of Directors shall furnish the unit owner with a statement of all unpaid common charges assessed against the apartment unit, and a copy of the current Code of Regulations for The Winchester Association. The unit owner shall furnish the Board of Directors with a receipt, in a form prescribed by the Board, whereby the buyer or mortgager acknowledges receipt of the statement of charges and the Code of Regulations.

## ARTICLE VII

### CONDEMNATION

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the common elements, the damages for such taking shall be payable to the Board of Directors. If 75% or more of the unit owners duly and promptly approve the repair and restoration of such common elements, the Board of Directors shall arrange for the repair and restoration of such common elements and the Board of Directors shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that 75% or more of the unit owners do not duly and promptly approve the repair and restoration of such common elements, the Board of Directors shall disburse the net proceeds of such award to each unit owner, who shall be entitled to share in the damages in the same proportion as his individual interest in the common elements.

## ARTICLE VIII

### RECORDS

Section 1. Records and Audits. The Board of Directors or the managing agent shall keep detailed records of the actions of the Board of Directors and the managing agent, minutes of the meetings of the Board of Directors, minutes of the meetings of the unit owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each apartment unit, which among other things, shall contain the amount of each assessment of common charges against such apartment unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the Condominium shall be rendered by the Board of Directors to all unit owners at least semi-annually.

Each unit owner and each mortgagee of an apartment unit shall be permitted to examine all such books and records of the Condominium at reasonable times, on business days, but not more often than once a month.

## ARTICLE IX

### MISCELLANEOUS

Section 1. Notices. All notices hereunder shall be sent by registered or certified mail to the Board of Directors c/o the managing agent, or if there is no managing agent, to the office of the Board of Directors or to such other address as the Board of Directors may hereafter designate from time to time by notice in writing to all unit owners. All notice to any unit owner shall be sent by registered or certified mail to the Building or to such other address as may have been designated by him from time to time, in writing to the Board of Directors. All notice shall be deemed to have been given when mailed except notice of change of address which shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these Regulations shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Regulations.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Regulations or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these Regulations shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Waiver. No restrictions, condition, obligation or provision contained in these Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce same, irrespective of the number of violations or breaches thereof which may occur.

## ARTICLE X

### AMENDMENT TO REGULATIONS

Section 1. Amendments to Regulations. Except as hereinafter provided otherwise, these Regulations may be modified or amended by the vote of at least 66-2/3% in number of all unit owners at a meeting of unit owners duly held for such purpose or at an annual meeting. Section 1 of Article III, in

so far as it provides that the Sponsor, so long as it is the owner of one or more apartment units, shall be entitled to let at least one member of the Board of Directors, Section 8 of Article III, in so far as it provides that the Sponsor, so long as it is the owner of one or more apartment units, may vote the votes appurtenant thereto, Section 13, of Article V, in so far as it provides that the provisions of such sections shall not apply to any apartment units owned by the Sponsor, and this Section 1 of Article X, however, may not be amended without the consent in writing of the Sponsor, so long as the Sponsor shall be the owner of one or more apartment units.

## ARTICLE XI

### CONFLICTS

Section 1. Conflicts. These Regulations are set forth to comply with the provisions of the Unit Property Act of Pennsylvania, Act of July 3, 1963 P.L. 196. In case of any of these Regulations conflict with the provision of said statute or of the Declaration, the Provisions of said statute or of the Declarations, as the case may be, shall control.