



Acknowledgement of By-Laws, Covenants and Restrictions

(For the purchase and sale of single-family lots covered by property owners associations)

I / We, _____ hereby
(print name/names)

acknowledge that I / We have received copies of the: (check and initial all that apply)

(initial) (X) (recording information where applicable)

By-Laws _____

Declaration of Covenants and Restrictions _____

Public Offering Statement (POS) _____

Amendments _____

I / We further acknowledge that I / We have; (1) read and understand them; (2) been afforded the opportunity to ask questions; (3) were advised to consult with legal counsel to the extent that any questions remain unanswered.

Name and/or description of development: Highlands East,
Huntingdon, Pa. 16652

Dated: _____ (purchaser signature)

_____ (purchaser signature)

_____ (S&A Homes)

REVISED DECEMBER 2003

**Huntingdon Highlands Property Owners Association
Dues Payable at Settlement
Fiscal Year Ending 12-31-04**

INITIAL CAPITAL: \$0.00

ANNUAL DUES: \$20.00

From Date of Settlement:

January thru June Settlements: Dues will be 100% of the Annual Dues amount of \$20.00 or \$20.00

July thru December Settlements: Dues will be 50% of the Annual Dues amount of \$20.00 or \$10.00

Each year thereafter, Dues will be \$20.00 per year, or such other amount decided by the Board. Due to Assn. by January 31st

Until 75% of Lots are sold, the dues will be \$20.00, thereafter dues will be subject to change based on budget prepared by the Board.

<u>Settlement Month</u>	<u>Number of Days</u>	<u>Initial Capital Due at Settlement</u>	<u>Annual Dues Payable at Settlement</u>	<u>Total Dues Owed at Settlement</u>
January 1-15	366	\$0.00	\$20.00	\$20.00
January 16-31	351	\$0.00	\$20.00	\$20.00
February 1-14	335	\$0.00	\$20.00	\$20.00
February 15-29	321	\$0.00	\$20.00	\$20.00
March 1-15	306	\$0.00	\$20.00	\$20.00
March 16-31	291	\$0.00	\$20.00	\$20.00
April 1-15	275	\$0.00	\$20.00	\$20.00
April 16-30	260	\$0.00	\$20.00	\$20.00
May 1-15	245	\$0.00	\$20.00	\$20.00
May 16-31	230	\$0.00	\$20.00	\$20.00
June 1-15	214	\$0.00	\$20.00	\$20.00
June 16-30	199	\$0.00	\$20.00	\$20.00
July 1-15	184	\$0.00	\$10.00	\$10.00
July 16-31	169	\$0.00	\$10.00	\$10.00
August 1-15	153	\$0.00	\$10.00	\$10.00
August 16-31	138	\$0.00	\$10.00	\$10.00
September 1-15	122	\$0.00	\$10.00	\$10.00
September 16-30	107	\$0.00	\$10.00	\$10.00
October 1-15	92	\$0.00	\$10.00	\$10.00
October 16-31	77	\$0.00	\$10.00	\$10.00
November 1-15	61	\$0.00	\$10.00	\$10.00
November 16-30	46	\$0.00	\$10.00	\$10.00
December 1-15	31	\$0.00	\$10.00	\$10.00
December 16-31	16	\$0.00	\$10.00	\$10.00

**Please make payments payable to:
Huntingdon Highlands Property Owners Association**

**BY-LAWS OF HUNTINGDON HIGHLANDS
PROPERTY OWNERS ASSOCIATION**

ARTICLE I. ASSOCIATION MEMBERSHIP

1.1 The Huntingdon Highlands Property Owners Association (hereinafter the "Association") is a Pennsylvania non-profit corporation authorized by the Master Declaration of Protective Covenants dated June 8, 1992 and recorded on June 19, 1992 in the Office of the Recorder of Deeds in and for Huntingdon County, Pennsylvania, at Record Book 303, Page 0596 ("Declaration").

ARTICLE II. BOARD OF DIRECTORS

2.1 - Number and Qualification

(a) The business of the Association shall be governed by a Board of Directors (herein "Board") which shall consist of five (5) persons, whom, excepting the Board members appointed by the Developer, shall be Owners. If any Lot is owned by a partnership or corporation, any officer, partner or employee of that Owner shall be eligible to serve as a Board member and shall be deemed to be an Owner for the purposes of the preceding sentence. Board members shall be elected by the Owners except for those appointed by the Developer. At any time at which Board members are to be elected, the Owners may, by resolution, adopt specific procedures for conducting the elections not inconsistent with these By-Laws or the Pennsylvania Non-Profit Corporation Law of 1988 (15 Pa. C.S.A. §5101 et seq.)

(b) Within the limits herein specified, the number of Board members shall be elected to serve for terms of three (3) years or until his successor shall be elected.

(c) The Board shall elect the officers. The Board members and officers shall take office upon election.

(d) The Association shall call and give not less than thirty (30) days nor more than sixty (60) days notice of a meeting of the Owners for the purpose of electing Board members. Such meeting shall be called and the notice given by any Owner if the Association fails to do so. Board members may be elected at any regular or special meeting of the Association.

Section 2.2 - Powers and Duties. The Board may act in all instances on behalf of the Association, except as provided in the Declaration or these By-Laws, and shall have and exercise all lawful powers and duties authorized by the Pennsylvania Non-Profit Corporation Law of 1988 (hereinafter the "Act") necessary for the proper conduct and administration of the Association including:

- (a) Adopt and amend By-Laws and Rules and Regulations.
- (b) Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for common expenses from Owners.
- (c) Hire and terminate managing agents and other employees, agents and independent contractors.
- (d) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two (2) or more Owners on matters affecting the development.
- (e) Make contracts and incur liabilities.

(f) Regulate the use, maintenance, repair, replacement and modification of the Common Areas.

(g) Cause additional improvements to be made as a part of the Common Areas.

(h) Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property.

(i) Grant easements, leases, licenses and concessions through or over the Common Areas to the extent permitted by the Declaration.

(j) Impose and receive any payments, fees, or charges for the use, except as limited by other provisions of this subpart, rental or operation of the Common Areas.

(k) Impose charges for late payment of assessments and, after notice of and an opportunity to be heard, levy reasonable fines for violations of the Declaration, By-Laws and Rules and Regulations of the Association.

(l) Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates required by Section 5407 of the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S.A. § 5101 et seq. (relating to resale of lots), or statements of unpaid assessments.

(m) Impose a capital improvement fee, but no other fees, on the resale or transfer of Lots.

(n) Provide for the indemnification of its officers and Board and maintain directors' and officers' liability insurance.

(o) Exercise any other powers conferred by the Act, the Declaration or By-Laws.

(p) Exercise all other powers that may be exercised in the Commonwealth by legal entities of the same type as the Association.

(q) Exercise any other powers necessary and proper for the governance and operation of the Association.

(r) Assign its right to future income, including the right to receive Annual and Special Assessments, only to the extent the Declaration expressly provides.

The powers and duties of the Board shall be effectuated by the President of the Association or, in the absence of the President, by the Vice-President of the Association.

Section 2.3 - Standard of Care. In the performance of their duties, the officers and members of the Board are required to exercise the care required of fiduciaries of the Owners.

Section 2.4 - Manager. The Board may employ a Manager for the development at a compensation established by the Board, to perform such duties and services, as the Board shall authorize. The Board may delegate to the Manager only the powers granted to the Board by these By-Laws under subdivisions 2.2(c), (e), and (g). Licenses, concessions and contracts may be executed by the Manager pursuant to specific resolutions of the Board, and to fulfill the requirements of the budget.

Section 2.5 - Removal of Board Members. The Owners, by a two-third (2/3) vote of all persons present and entitled to vote at any regular or special meeting of the Owners at which a quorum is present, may remove any member of the Board with or without cause, other than a Board member appointed by the Developer.

Section 2.6 - Vacancies. Vacancies on the Board caused by any reason other than the removal of a Board member by a vote of the Owners, may be filled at a special meeting of the Board held for the purpose at any time after the occurrence of any such vacancy, even though the Board members present at such meeting may constitute less than a quorum, in the following manner:

(a) As to vacancies of Board members whom Owners and the Developer elected, by a majority of the remaining such Board members constituting the Board;

Each person so elected or appointed shall be a Board member for the remainder of the term of the Board member so replaced.

Section 2.7 - Regular Meetings. The first regular meeting of the Board following each annual meeting of the Owners shall be within ten (10) days thereafter at such time and place as shall be fixed by the Owners at the meeting at which such Board shall have been elected. No notice shall be necessary to the newly elected Board members in order to legally constitute such meeting, providing a majority of the Board members shall be present. The Board may set a schedule of additional regular meetings by resolution and no further notice is necessary to constitute such regular meetings.

Section 2.8 - Special Meetings. Special meetings of the Board may be called by the President or by a majority of the Board members on at least three (3) business days notice to each Board member. The notice shall be hand delivered or mailed and shall state the time, place and purpose of the meeting.

Section 2.9 - Location of Meetings. All meetings of the Board shall be held at 501 Rolling Ridge Drive, State College, Pennsylvania, unless all Board members consent in writing to another location.

Section 2.10 - Waiver of Notice. Any Board member may waive notice of any meeting in writing. Attendance by a Board member at any meeting of the Board shall constitute a waiver of notice. If all the Board members are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

Section 2.11 - Quorum of Board Members. At all meetings of the Board, a majority of the Board members shall constitute a quorum for the transaction of business, and the votes of a majority of the Board members present at a meeting at which a quorum is present shall constitute the decision of the meeting. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present, any business, which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 2.12 - Compensation. A Board member may receive a fee from the Association for acting as such, as may be set by resolution of the Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties. Board members acting as officers or employees may also be compensated for such duties.

Section 2.13 - Consent in Lieu of Meeting. Unless prohibited by law, any action, which may be taken at a meeting of the Board may be taken without a meeting if authorized in a written consent signed by all of the Board members who would be entitled to vote upon said action at a meeting and filed with the Secretary of the Association.

ARTICLE III. OWNERS ASSOCIATION.

Section 3.1 - Annual Meeting. Annual meetings of Owners shall be held at 501 Rolling Ridge Drive, State College, Pennsylvania, on the 28th day of February or on such date as the Owners may otherwise determine. At such meeting, the Board members shall be elected by ballot of the Owners, in accordance with the provisions of Article II of the By-Laws. The Owners may transact other business at such meeting as may properly come before them.

Section 3.2 - Budget Meeting. Meetings of Owners to consider proposed budgets shall be called in accordance with the Declaration. The budget may be considered at annual or special meetings called for other purposes as well.

Section 3.3 - Special Meetings. Special meetings of the Association may be called by the President, by a majority of the members of the Board or by Owners comprising twenty (20%) percent of the votes of the Association.

Section 3.4 - Place of Meetings. Meetings of the Owners shall be held at 501 Rolling Ridge Drive, State College, Pennsylvania, or may be adjourned to such suitable place convenient to the Owners as may be designated by the Board or the President.

Section 3.5 - Notice of Meetings. Except for budget meetings, which will be with notice not less than fourteen (14) days nor more than thirty (30) days after the mailing of the summary, not less than thirty (30) days nor more than sixty (60) days in advance of a meeting the Secretary or other Officer specified in the By-Laws shall cause notice to be hand delivered or sent prepaid by the United States mail to the mailing address of each Lot or to the mailing address designated in writing by the Owner. No action shall be adopted at a meeting except as stated in the notice.

Section 3.6 - Waiver of Notice. Any Owner may, at any time, waive notice of any meeting of the Owners in writing, and such waiver shall be deemed equivalent to a receipt of such notice.

Section 3.7 - Adjournment of Meeting. At any meeting of the Owners, a majority of the Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 3.8 - Order of Business. The order of business at all meetings of the Owners shall be as follows:

- (a) Roll call (or check in procedure).
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports.
- (e) Establish number and term of membership of the Board (if required and noticed).
- (f) Election of Board members of the Board (when required).
- (g) Ratification of budget (if required and noticed).
- (h) Unfinished business.
- (i) New business.

Section 3.9. Voting.

(a) Voting at all meetings of the Association shall be on the basis of one vote per Owner for each Lot owned. Where the ownership of a Lot is in more than one (1) person, the person who shall be entitled to cast the vote of such Lot shall be the person named in a certificate executed by all of the owners of such Lot and filed with the Secretary or in the absence of such named person from the meeting, the person who shall be entitled to cast the vote of such Lot shall be the person owning such Lot who is present. If more than one person owning such Lot is

present, then such a vote shall be cast only in accordance with their unanimous agreement. There shall be deemed to be unanimous agreement if any one of the multiple owners casts the vote allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Subject to the requirements of the Act, wherever the approval or disapproval of an Owner is required by the Act, the Declaration or these By-Laws, such approval or disapproval shall be made only by the person who would be entitled to cast a vote of such Lot at any meeting of the Association. Except with respect to election of members of the Board and except where greater numbers are required by the Act, the Declaration, or these By-Laws, the owners of more than fifty percent (50%) of the Lots in the development voting in person or by proxy at one time at a duly convened meeting at which a quorum is present (majority of the Owners) is required to adopt decisions at any meeting of the Association. In all elections for Board members, each Owner shall be entitled to cast for each vacancy to be filled one vote allocated to his Lot. Those nominees receiving the greatest number of votes shall be elected and if nominees are being elected for unequal terms, the nominees receiving the highest number of votes shall be elected to the longest terms. The Developer, if it owns or holds title to one or more Lots shall have the right at any meeting of the Association to cast the votes to which such Lot or Lots are entitled. No votes allocated to Lots owned by the Association may be cast. There shall be no cumulative or class voting.

(b) In the event the Board wishes to expend or borrow monies or incur expenses in an amount greater than fifteen (15%) percent of the current annual operating budget aggregate of all such expenditures must have the prior approval of a majority of all Owners at either a regular meeting or a meeting called for such purpose.

Section 3.10. - Proxies. A vote may be cast in person or by proxy. If a Lot is owned by more than one person, each owner of the Lot may vote or register protest to the casting of votes by the

other owners of the Lot through a duly executed Proxy. Such Proxy may be granted by any Owner in favor of only another Owner, a mortgagee or the Developer. Proxy shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such Proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of written notice of revocation from the grantors of the Proxy. No Proxy shall be valid for a period in excess of one (1) year after the execution thereof. The Proxy is void if it is not dated or purports to be revocable without notice.

Section 3.11 - Quorum. Except as otherwise provided in these By-Laws, the Owners present in person or by proxy, at any meeting of the Owners, shall constitute a quorum at such meeting, but not less than twenty percent (20%) of the members.

Section 3.12 - Majority Vote. The vote of the majority of the Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Owners for all purposes except where a higher percentage vote is required in the Declaration, these By-Laws or by law.

ARTICLE IV. OFFICERS.

Section 4.1 - Designation. The principal officers of the Association shall be the President, Vice-President, Secretary and Treasurer, all of whom shall be elected by the Board. The Board may appoint an Assistant Treasurer, an Assistant Secretary and such other Officer as in its judgment may be necessary. All Officers shall be Owners. The President and Vice-President shall be members of the Board. Any other officers may, but need not be members of the Board. Any two offices may be held by the same person, except the office of President and Secretary. The office of Vice-President may be vacant or held by the Treasurer.



Section 4.2 - Election of Officers. The Officers of the Association shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the discretion of the Board.

Section 4.3 - Removal of Officers. Upon the affirmative vote of a majority of the Board members, any Officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Board, or at any special meeting of the Board called for that purpose.

Section 4.4 - President. The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Owners or the Board. He or she shall have all the general powers and duties which are incident to the office of President of a non-stock corporation organized under the laws of the Commonwealth of Pennsylvania, including but not limited to, powers to appoint committees from among the Owners from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association. He or she may fulfill the role of the Treasurer in the absence of the Treasurer. The President, as attested by the Secretary, may cause to be prepared and may execute, certify and record amendments to the Declaration and these By-Laws on behalf of the Association, following authorization and approval of a particular amendment as applicable and subject to the limitations imposed by the Act.

Section 4.5 - Vice-President. The Vice-President shall take the place of the President and perform his or her duties whenever the President is absent or unable to act. If neither the President or Vice-President is able to so act, the Board shall appoint some other Board member to act in the place of the President on an interim basis. The Vice-President shall also perform such other duties as may be imposed upon him or her by the Board or by the President.

Section 4.6 - Secretary. The Secretary shall keep the minutes of all meetings of the Owners and the Board. He or she shall have charge of such books and papers as the Board may direct and he or she shall, in general, perform all the duties incident to the office of Secretary of a non-stock corporation organized under the laws of the Commonwealth of Pennsylvania. The Secretary may cause to be prepared and may attest to execution by the President of amendments to the Declaration and By-Laws on behalf of the Association, following authorization and approval of the particular amendment, as applicable.

Section 4.7 - Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of accounts showing all receipts and disbursements, and for the preparation of all required financial data. He or she shall be responsible for the deposit of all moneys and other valuable effects in such depositories as may from time to time be designated by the Board, and he or she shall, in general, fulfill all the duties incident to the office of Treasurer of a non stock corporation organized under the laws of the Commonwealth of Pennsylvania. He or she may endorse on behalf of the Association, for collection only, checks, notes and other obligations, and shall deposit the same and all monies in the name of and to the credit of the Association in such banks as the Board may designate. He or she may have custody of and shall have the power to endorse or transfer on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others.

Section 4.8 - Agreements, Contracts, Deeds, Checks, Etc. Except as provided in Sections 4.4, 4.6, 4.7 and 4.10 of these By-Laws, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any Officer of the Association or any other person or persons as may be designated by the Board.

Section 4.9 - Compensation. Any Officer may receive a fee from the Association for acting as such, as may be set by resolution of the Owners and reimbursement for necessary expenses actually incurred in connection with his or her duties.

Section 4.10 - Resale Certificates and Statements of Unpaid Assessments. The Treasurer, Assistant Treasurer, or a Manager employed by the Association, or, in their absence, any Officer having access to the books and records of the Association, may prepare, certify, and execute resale certificates in accordance with Section 5407 of the Pennsylvania Uniform Planned Community Act (Resales of Lots) and statements of unpaid assessments in accordance with Section 5315 of the Pennsylvania Uniform Planned Community Act (Lien for Assessments).

The Association may charge a reasonable fee for preparing resale certificates and the statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of the Board. The Association may refuse to furnish resale certificates and statements of unpaid assessments until the fees are paid. Any unpaid fees may be assessed as a common expense against the Lot for which the certificate or statement is furnished.

ARTICLE V. ENFORCEMENT.

Section 5.1 - Abatement and Enjoinment of Violation by Owners. The violation of any of the Rules and Regulations adopted by the Board or the breach of any provision of the Declaration or these By-Laws shall give the Board the right, after notice and hearing, except in case of an emergency, in addition to any other rights set forth in these By-Laws:

- (a) To enter the Lot in which, or as to which, such violation or breach exists and to similarly abate and remove, at the expense of the defaulting Owner, any structure, thing or condition (except for additions or alterations of a permanent nature that may exist therein) that is

existing and creating a danger to the Common Areas contrary to the intent and meaning of the provisions of the documents, and the Board shall not thereby be deemed liable for any manner of trespass; or

(b) To enjoin or abate or remedy by appropriate legal proceedings, either at law or at equity, the continuance of any such breach.

Section 5.2 - Fine for Violation. By resolution, and following notice and hearing, the Board may levy a fine of up to fifty (\$50.00) dollars per day for each day that a violation of the documents or rules persist after such notice and/or hearing, but such amount shall not exceed the amount necessary to insure compliance with the rule or order of the Board.

ARTICLE VI. INDEMNIFICATION.

Section 6.1 - The Board members and Officers of the Association shall be entitled to indemnification, as provided in the Pennsylvania Non-Profit Corporation Law (15 Pa. C.S.A. §5101 et seq.) the provisions of which are hereby incorporated by reference and made a part hereof.

ARTICLE VII. RECORDS AND AUDITS.

Section 7.1 - The Association shall maintain financial records, which shall be reviewed annually by a licensed accountant or similar qualified person. The cost of the annual review of the financial records shall be a common expense unless otherwise provided in the documents.

Section 7.2 - Examination. All records maintained by the Association or by the Manager shall be available for examination and copying by any Owner, by any holder of a security interest in a Lot,

or by any of their duly authorized agents or attorneys and at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 7.3 - Records. The Association shall keep the following records:

- (a) an account for each Lot which shall designate the name and address of each Owner, the name and address of each Mortgagee, who has given notice to the Association that it holds a mortgage on the Lot, the amount of each Annual and Special Assessment, the dates on which each assessment becomes due, the amounts paid on the account and the balance due;
- (b) an account for each Owner showing any other fees payable by the Owner;
- (c) a record of any capital expenditure in excess of Five Thousand (\$5,000.00) Dollars approved by the Board for the current and next two succeeding fiscal years;
- (d) a record of any amount and an accurate account of, the current balance of any reserve for capital expenditures, replacement and emergency repairs, together with the amount of those portions or reserves designated by the Association for a specific project;
- (e) the most recently regularly prepared balance sheet and income and expense statement, if any, of the Association;
- (f) the current operating budget adopted by the Association.
- (g) a record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant;

(h) a record of insurance coverage provided for the benefit of Owners and the Association;

(i) a record of any alterations or improvements to Lots or limited common elements which violate any provisions of the Declaration of which the Board has knowledge;

(j) a record of any violations, with respect to any portion of the planned community, or health, safety, fire or building codes or laws, ordinances, or regulations of which the Board has knowledge;

(k) a record of the actual cost, irrespective of discounts and allowances of the maintenance of the Common Areas;

(l) tax returns for state and federal income taxation;

(m) minutes of proceedings of Incorporators, Owners, Board members, committees of Board members and waivers of notice; and

(n) any and all other such records required by the Pennsylvania Non-Profit Corporation Law of 1988 (15 Pa. C.S.A. §5101 et seq.)

Section 7.4 - Form Resale Certificate. The Board shall adopt a form resale certificate drafted to satisfy the requirements of Section 5407 of the Pennsylvania Uniform Planned Community Act (relating to Resales of Lots).

ARTICLE VIII. MISCELLANEOUS.

Section 8.1 - Notices. All notices to the Association or the Board shall be delivered to the office of the Manager or if there is no Manager, to the office of the Association, or to such other address as the Board may hereinafter designate from time to time, by notice in writing to all Owners and to all holders of security interest in the Lots who have notified the Association that they hold a security interest in a Lot. Except as otherwise provided, all notices to any Owner shall be sent to his or her address as it appears in the records of the Association. All notices to holders of security interests in the Lots shall be sent, except where a different manner of notice is specified elsewhere in the documents, by registered or certified mail, to their respective addresses, as designated by them from time to time, in writing, to the Association. All notices shall have been deemed to have been given when mailed except notices of changes of address which shall have been deemed to have been given when received.

Section 8.2 - Fiscal Year. The Board shall establish the fiscal year of the Association.

Section 8.3 - Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches that may occur.

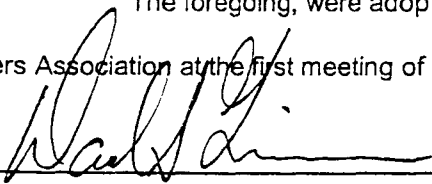
Section 8.4 - Office. The principal office of the Association shall be 501 Rolling Ridge Drive, State College, Pennsylvania, or at such other place as the Board may from time to time designate.

Section 8.5 - Terms. All capitalized terms used herein shall have the same meaning as set forth in the Declaration.

ARTICLE IX. AMENDMENT TO BY-LAWS.

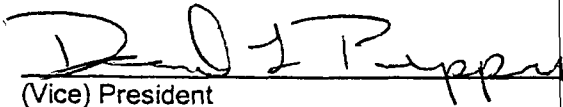
Section 9.1 - These By-Laws may be modified or amended by a vote of a majority of Owners. Additionally, if any amendment is necessary in the judgment of the Board to cure any ambiguity or to correct or to supplement any provision of these By-Laws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to planned communities, then at any time and from time to time the Board may effect an appropriate corrective amendment without the approval of the Owners or the holders of any liens on all or any part of the Property, upon receipt by the Board of an opinion from an independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

The foregoing, were adopted as the By-Laws of the Huntingdon Highlands Property Owners Association at the first meeting of its Board.



President

APPROVED:



(Vice) President

COMMONWEALTH OF PENNSYLVANIA :
COUNTY OF: Centre : SS.

On this, the 16th day of June, 2003, before me, a Notary Public, the undersigned officer, personally appeared Dave S. Grimm, President, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purpose therein contained.

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

Ruth Anna Williams

Notary Public

(SEAL)

My Commission Expires:

NOTARIAL SEAL
RUTH ANNA WILLIAMS, Notary Public
State College, Centre County
My Commission Expires SEPT. 6, 2004