

BYLAWS FOR
COVENTRY POINTE HOMEOWNERS ASSOCIATION

ARTICLE I

Definitions

Section 1.1 "Association" shall mean the Coventry Pointe Homeowners Association which has been organized as a nonprofit corporation under the laws of the Commonwealth of Pennsylvania.

Section 1.2 "The Property" shall mean all or such portions of a certain tract of 15.421 acres of land lying between Schuylkill Road and Cedarville Road, North Coventry Township, Chester County, Pennsylvania, as have been and as may in the future be included in the development known as "The Townhomes at Coventry Pointe" or "Coventry Pointe" and governed by a certain Declaration of Covenants, Easements and Restrictions ("Declaration") recorded in Chester County, Pennsylvania, in _____ Book, # _____ page _____ and any Amendments thereto.

Section 1.3 All capitalized terms shall have the meanings given to such terms in the Declaration unless otherwise defined in these Bylaws.

ARTICLE II

Location

The principal office of the Association shall be located at 90 Black Mat Road, Douglassville, Pennsylvania 19518, or at such other place as may hereafter be designated from time to time by the Board.

ARTICLE III

Membership

Section 3.1 Every Owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

Section 3.2 The rights of membership are subject to the payment of Annual and Special Assessments levied by the Association, the obligation of which Assessments is imposed against each owner of, and becomes a lien upon, the property

against which such Assessments are made as provided by Article VIII of the Declaration to which The Property are subject.

Section 3.3 The membership rights of any Owner may be suspended by the Directors (who may act through the Management to the extent authorized in the Declaration).

ARTICLE IV

Voting Rights

Subject to any special rights of the Declarant as provided in the Declaration, each Member shall be entitled to one vote for each Lot owned by him or by her. When more than one person owns an interest in any Lot, all such persons shall be members and the vote for such Lot shall be exercised as they determine between or among themselves, but in no event shall more than one vote be casted with respect to any one Lot.

ARTICLE V

Property Rights and Rights of Enjoyment of Common Areas and Facilities

Members may delegate their rights of enjoyment in the Common Areas and Facilities to the members of their family who reside upon The Property or to any of their tenants who reside thereon under a leasehold interest for a term of six months or more. Such member shall notify the Secretary in writing of the name of any such person and of the relationship of the member to such person. The rights and privileges of such person are subject to suspension as provided in Section 3.2 (8) of the Declaration, to the same extent as those of the member.

ARTICLE VI

Board of Directors

Section 6.1 The affairs of the corporation shall be managed by a board of not fewer than three (3) nor more than five (5) directors. Beginning with the first annual meeting to be held after the Developer's Conversion, the members shall elect all of the directors. The two candidates receiving the highest number of votes shall serve terms of two (2) years and the remaining elected candidate shall serve a term of one (1) year. Thereafter the terms of all directors shall be two (2) years. The Developer of Coventry Pointe has reserved the right to designate one (1) person to serve as a non-voting director, in

addition to the elected directors, to serve until the Developer no longer owns any Townhomes in Coventry Pointe.

Section 6.2 Vacancies in the Board shall be filled by a majority of the remaining directors. Any such appointed director shall hold office until the expiration of the term of the directorship so vacated.

ARTICLE VII

Nominations and Election

Section 7.1 The election of Directors shall be held at the annual meetings of the Association, subject to the provisions of Article VI. A Director may serve an unlimited number of terms and may succeed himself or herself.

Section 7.2 Persons qualified to be Directors may be nominated for election only as follows:

Any Member may submit to the Secretary at least twenty-five (25) days before the meeting at which the election is to be held a nominating petition signed by members owning at least five (5) Townhomes in the aggregate, together with a statement that the person nominated is willing to serve on the Board, and a biographical sketch of the nominee. At least fifteen (15) days before the meeting, the members shall be notified in writing of all such nominees and shall be furnished with the biographical sketches of nominees and with ballots. The ballots shall contain the typed or printed names of all nominees listed in alphabetical order by last name.

Section 7.3 All elections to the Board shall be by written ballot. The nominees receiving the largest number of votes shall be elected.

ARTICLE VIII

Directors' Meetings

Section 8.1 The first meeting of a newly elected Board shall be held within ten (10) days of election at a place fixed by the President at the meeting in which the Board was elected. Notice of the first meeting shall be sent to each Director at least three (3) days before the date of the meeting. Thereafter regular meetings of the Board shall be held without notice at such place and time as may be fixed by resolution of the Board. Regular meetings of the Board shall be held not less often than once in every two months. One such meeting shall be held in the month of October for the purpose of adopting a budget for the

following calendar year, which meeting may not be waived by the Directors.

Section 8.2 Special meetings of the Board shall be held when called by the President or by any two (2) Directors after not less than two (2) days notice to each Director. Notice may be given personally or by mail, telephone or electronic transmission and shall state the time, place and purpose of the meeting.

Section 8.3 A majority of the number of the Directors shall constitute a quorum for the transaction of business. The acts of a majority of those present at a meeting at which a quorum is present shall be the acts of the Board.

Section 8.4 The Directors may take any action in the absence of a meeting which they could take at a meeting if all of the Directors individually or collectively consent in writing to such action. Any such written consent shall be filed with the Secretary and included with the Minutes of the Board.

Section 8.5 Any Director may waive notice of a meeting. Attendance at any meeting of the Board by any Director shall be a waiver of notice by him or her of the time and place thereof.

Section 8.6 Any Director present at any meeting shall be deemed to have assented to any action taken at the meeting, unless his or her dissent is entered on the Minutes or unless his or her written dissent is filed with the Secretary at or immediately following the adjournment of such meeting, but no Director may dissent from any action for which he or she voted at the meeting.

Section 8.7 One or more Directors may participate in and be counted for quorum purposes at any meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at a meeting.

Section 8.8 No contract or other transaction between the Association and one or more of its Directors or between the Association and any corporation, firm or association in which one or more of the Directors are officers or directors, or are financially interested, shall be void or voidable because such Director or Directors are present at any meeting of the Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exist:

(a) The fact that a Director is also such a director or officer or has such financial interest is disclosed or known to the Board, and is noted in the Minutes thereof, and the Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such interested Director and Directors; or

(b) The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

Section 8.9 Whenever the Declaration, the Articles of Incorporation or these Bylaws shall require written permission of the Board, such permission shall consist of a written statement setting forth the action or activity for which such permission is granted, signed by at least one (1) Director who should be authorized to sign such permission by the vote of the Board of Directors. Written permission of the Association shall consist of a similar written statement signed by the Secretary of the Association who shall have been authorized to give such permission by a vote of the Association as may be required to allow the requested action or activity. The action or activity for which permission is granted shall be noted by the Secretary in the records of the Board of Directors or the Association, as applicable.

ARTICLE IX

Officers

Section 9.1 The officers shall be a president, a secretary, and a treasurer. Any officer other than the president may hold more than one office.

Section 9.2 The officers shall be chosen annually by majority vote of the Board. The officers shall attend all meetings of the Board and of the membership.

Section 9.3 All officers shall hold office during the pleasure of the Board. No officer shall receive compensation for serving in such office.

Section 9.4 The president shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out and sign all leases, contracts, mortgages, and deeds and shall co-sign with the treasurer all checks and notes of the Association in excess of \$5,000. The president shall be a member of all committees, ex officio.

Section 9.5 The secretary shall be ex officio the secretary of the Board, shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. The secretary shall sign all certificates of membership. The secretary shall keep the records of the Association. The secretary shall record in a book kept for that purpose the names of all members of the Association together with their addresses as registered by such members (see Article XI, Section 11.3).

Section 9.6 The treasurer shall oversee the receipt and deposit in appropriate bank accounts of all monies of the Association and shall disburse such funds as directed by resolution of the Board, provided however, that a resolution of the Board shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The treasurer shall sign all checks and notes of the Association in excess of \$5,000, provided that all such checks and notes shall also be co-signed by the president. The treasurer shall keep proper books of account and shall cause an annual audit or review of the Association's financial records to be made by a certified public accountant at the end of each fiscal year.

Section 9.7 The ministerial and administrative functions of the secretary and the treasurer may be delegated to a property management company engaged by the Board to manage the Property.

ARTICLE X

Committees

Section 10.1 The Standing Committees of the Association shall be the Architectural Control Committee and an Audit Committee.

Section 10.2 The Architectural Control Committee shall have the duties and functions described in Article VIII of the Declaration. The Architectural Control Committee shall also make recommendations to the Board from time to time of any matters concerning the physical condition or appearance of the Property.

Section 10.3 The Audit Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting. The treasurer shall be an ex officio member of the Committee.

ARTICLE XI

Meetings of Members

Section 11.1 The regular annual meeting of the members shall be held in May in each year. If the day for the annual meeting of the memberships shall fall upon a holiday, the meeting will be held at the same hour on the first day following which is not a holiday.

Section 11.2 Special meetings of the members for any purpose may be called at any time by the President, the Secretary or Treasurer, or by any two or more members of the Board, or upon written request of the members who have a right to vote twenty-five percent (25%) of all of the votes of the entire membership.

Section 11.3 Notice of any meetings shall be given to the members by the Secretary. Notice may be given to the member either personally, or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the corporation. Each member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting regular or special shall be mailed at least six (6) days in advance of the meeting and shall set forth in general the nature of the business to be transacted. However, if the business of any meeting shall involve an election governed by Article VII or any action governed by the Articles of Incorporation or by the Declaration, Notice of such meeting shall be given or sent as therein provided.

Section 11.4 The presence at the meeting of members entitled to cast, or of proxies entitled to cast, ten percent (10%) of the votes of the entire membership shall constitute a quorum for any action governed by these Bylaws.

ARTICLE XII

Proxies

Section 12.1 At all corporate meetings of members, each member may vote in person or by proxy.

Section 12.2 All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his home or other interest in The Property. All proxies shall be revocable and a revocation shall be effective only if in writing, signed by the party giving the proxy to be revoked, and received by the secretary before the

which shall have been authorized as to any issue pending at the time of the suspected transaction.

ARTICLE XIII

Books and Papers

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any members or their authorized representatives.

ARTICLE XIV

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words:

"Coventry Points Association Seal"

ARTICLE XV

Indemnification

Section 15.1 Every member of the Board, every officer of the corporation shall be indemnified by the corporation against all expense and liabilities, including counsel fees reasonably incurred by or imposed upon him or her in connection with any proceeding to which he or she may be made a party or in which he or she may become involved by reason of being or having been a member of the Board, or an officer, whether or not he or she is a member of the Board or an officer at the time such expenses are incurred. This indemnification shall not apply in cases where the member of the Board or officer is adjudged liable for misconduct in the performance of his or her duties in office. This indemnification shall be an addition to and not exclusive of all other rights to which such member of the Board or officer may be entitled. This indemnification is intended to exercise the broadest indemnification which this corporation is authorized to afford pursuant to the Pennsylvania Non-Profit Corporation Law of 1988 or any amendment thereto that maybe hereafter enacted from time to time.

Section 15.2 The Board shall obtain insurance to indemnify Board members and officers and to indemnify the corporation for any obligation which it incurs as a result of the indemnification obligation of the corporation, in and to the extent commercially available.

ARTICLE XVI

Amendments

Section 16.1 These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of each class of members present in person or by proxy. Those provisions of these Bylaws which are governed by the Articles of Incorporation of this corporation may not be amended except as provided in the Articles of Incorporation or applicable law. Any matter stated herein to be or which is in fact governed by the Declaration may not be amended except as provided in the Declaration.

Section 16.2 In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflicts between the Declaration applicable to The Property referred to in Section 16.1 and these Bylaws, the Declaration shall control.

IN WITNESS WHEREOF, we, being all of the Directors of the Association, have hereunto set our hands this 29th Day of June, 1990.

Robert Danil

Wm J. Kelly

Patricia Keim