

**BY-LAWS OF THE**  
**HOPE RIDGE HOMEOWNERS ASSOCIATION**

**ARTICLE I.**  
**NAME AND ADDRESS**

The name of the corporation is the HOPE RIDGE HOMEOWNERS ASSOCIATION. The principal office of the corporation shall be located at 2767 Mill Road, Doylestown, Pennsylvania, but meetings of members and directors may be held at such places within the Commonwealth of Pennsylvania as may be designated by the Board of Directors.

**ARTICLE II.**  
**DEFINITIONS**

Section 1. "Association" shall mean and refer to Hope Ridge Homeowners Association, a not-for-profit corporation organized under the laws of the Commonwealth of Pennsylvania, its successors and assigns.

Section 2. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions, applicable to the Property, dated September 3, 1996, and recorded, or to be recorded, in the Office of the Recorder of Deeds in and for Northampton County, Pennsylvania, as the same may be amended from time to time pursuant to the terms thereof.

Section 3. The terms "Assessment" and "Assessments", "Common Facilities", "Community", "Declarant", "Detention Basin", "Final Plan", "First Mortgagee", "Limited Charge", "Lot", "Member", "Open Space", "Owner", "Phase 1", "Phase 2", "Property", "Supplementary Declaration", "Third Party Builder", "Township" and "Unit" when used herein shall be defined in accordance with the definitions contained in the Declaration.

**ARTICLE III.**  
**ASSOCIATION PURPOSES AND POWERS**

Section 1. Purposes. The Association has been organized for the purposes set out in its Articles of Incorporation, as the same may be amended from time to time as provided by law.

Section 2. General Powers. Except as otherwise provided in the Declaration or elsewhere in these By-Laws, the Association shall have all powers permitted by law in order to carry out the purposes of the Association.

**ARTICLE IV.  
MEMBERSHIP AND VOTING RIGHTS**

Section 1. Qualifications for Membership. The qualifications for membership in the Association are set out in Section 1 of Article V of the Declaration.

Section 2. Voting Rights of Members. The voting rights of Members and the classes of membership in the Association are set out in Section 2 of Article V of the Declaration.

Section 3. Suspension of Membership Rights.

(a) The membership rights of any Member may be suspended by action of the Board of Directors during the period when a charge, contribution or assessment (including, without limitation, any and all Assessments or Limited Charges), or any installment thereof, remains unpaid. Upon full payment of such charge, contribution or assessment (or installment thereof), such Member's rights and privileges shall be automatically restored.

(b) The membership rights of any Member may be suspended by action of the Board of Directors during the period when any such Member has violated or breached any of the terms, covenants, conditions or the like of or concerning the Declaration.

(c) The membership rights of any Member may be suspended by Action of the Board of Directors during the period when any Member has violated any rule or regulation of the Board of Directors, adopted pursuant to Section 1 of Article IX below or otherwise pursuant to the Declaration, governing the use of the Common Facilities (or any portion thereof, including, without limitation the Open Space), the Community, the Lots, the Units and/or the personal conduct of any person in connection with any or all of the forgoing.

**ARTICLE V.  
MEETING OF MEMBERS**

Section 1. Annual Meetings. Upon the earlier to occur of (i) Declarant, in the exercise of its sole discretion, giving written notice to the Board of Directors or (ii) title to forty two (42) Units being sold and conveyed by Declarant to third party purchasers who are not Third Party Builders, the then current Board of Directors shall fix a date (which shall not be less than ten (10) days and more than sixty (60) days after the occurrence of the first to occur of (i) or (ii) above), on which the first annual meeting of the Members shall be held. Such first annual meeting

shall be held at an hour and location as determined by the Board. Each subsequent regular annual meeting of the Members shall be held on a date during the same month of each year thereafter and at an hour and at a location as determined by the then current Board.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors or upon written request of the Class A Members who together are entitled to cast at least one-fourth (1/4th) of all of the votes of such class.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of the secretary or person authorized to call the meeting, by hand delivery or by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Each Member shall register his address with the Secretary at the time of becoming a Member and thereafter at any time such Member wishes to change his address for notice purposes. The aforesaid meeting notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting; provided, however, that if the business of the meeting includes any action governed by the Articles of Incorporation of the Association, the Declaration, or any specific section of these By-Laws providing for action by the Members, notice of such meeting shall be given as therein provided.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10th) of the votes of each class of voting membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting except or otherwise provided in the Declaration, until a quorum as aforesaid shall be present or be represented by proxies.

#### ARTICLE VI.

#### BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) Directors, who shall be natural persons and, except as provided to the contrary in Section 2 below, shall be Members of the Association.

Section 2. Term of Office. The initial Board of Directors shall consist of those individuals selected by Declarant and elected by the incorporator of the Association. The members of the initial Board need not be Members and shall hold office until the occurrence of the following:

(a) The occurrence of the first annual meeting as provided in section 1 of Article V above at which time the Class A Members shall elect a member of the Board of Directors who shall replace one of the members of the initial Board. The specific director being replaced by such person having been elected by the Class A Members shall be determined by the Declarant. Such elected member of the Board of Directors shall hold office until the election of his successor at the first to occur of either (i) the third (3rd) annual meeting of the Members and (ii) the annual meeting of the Members described in subparagraph (b) below.

(b) Upon the earlier to occur of (i) delivery of written notice by Declarant to the Board and (ii) the sale and conveyance of sixty six (66) Units by Declarant to third party purchasers who are not Third Party Builders, the Class A Members shall be entitled to elect two of the members of the Board of Directors at the annual meeting of the Members next following the occurrence of either (i) or (ii) above of this subparagraph (b). The two members of the Board of Directors to be elected pursuant hereto shall replace the two remaining members of the initial Board (or their respective successors as may have been selected by Declarant). The Board member elected by the Members pursuant to subparagraph (a) above shall not be replaced pursuant to this subparagraph (b).

(c) Until such time as the annual meeting of the Members described in (b) above occurs, the seat on the Board of Directors filled pursuant to paragraph (a) above shall be for a term of two (2) years and elections for the same by the Class A Members shall be held at each annual meeting occurring every two (2) years.

(d) At the annual meeting of the Members described in (b) above and the expiration of the term of the Board member holding the seat filled pursuant to subparagraph (a) above (as succeeded pursuant to subparagraph (c) above), the Members shall elect the three (3) members of the Board of Directors. One director shall be elected for a term of one year; one director shall be elected for a term of two (2) years and one director shall be elected for a term of three (3) years. Thereafter, at each succeeding annual meeting, the Members shall elect that number of directors whose tenure expires on that date, for a term of three

(3) years.

Section 3. Removal. Any director elected by the Members may be removed from the Board, with or without cause, by a majority vote of the Members. Except as provided in subparagraph (a) or (b) of section 2 above, only the Declarant shall have the right to remove an initial Director. In the event of death, resignation or removal of a director elected by the Members, his successor shall be selected by a majority vote of the remaining directors of the Board and shall serve for the unexpired term of his predecessor. In the event of death, resignation or removal of an initial director, except as provided to the contrary in subparagraphs (a) or (b) of section 2 above, the Declarant shall be entitled to select the successor to such initial director.

Section 4. Compensation. No director shall receive compensation for any service he may tender to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

#### ARTICLE VII. NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors by the Members shall be made by written request of any Member. Nominations shall not be made from the floor at the annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors by the Members shall be by written ballot. At such election, the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Each Member shall receive as many ballots as he has votes, except that all the co-Owners of a Unit shall receive a single ballot for such Unit. Notwithstanding that a Member may be entitled to more than one vote, he shall exercise on any one ballot only one vote for each vacancy shown thereon. The person(s) receiving the largest number of votes shall be elected. Cumulative

voting is not permitted.

**ARTICLE VIII.  
MEETINGS OF DIRECTORS**

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly. They may be held without notice, on such dates and at such place and hour as they may be fixed from time to time by resolution of the Board, and, in the absence of such a resolution, regular meetings of the Board of Directors may be called by the president of the Association, after not less than five (5) days notice to each director.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes, thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

**ARTICLE IX.  
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Facilities (or any portion thereof, including, without limitation, the Open Space), the Community, the Lots, the Units and/or the personal conduct of any person in connection with any or all of the forgoing and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the Open Space and Common Facilities of a Member (and anyone holding or claiming by, under or through any Member) during any period in which such Member shall be in default in the payment of

any charge (including Limited Charges), contribution or Assessment (or installment of any) called for or levied by the Association;

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) except for initial directors (or their successors which have been appointed by Declarant), declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) employ, prescribe the duties of, and discharge, one or more of a manager, an independent contractor, and employees or agents, if and when the Board of Directors deems that such employment is necessary or desirable in order to assist the Board in exercising its powers and carrying out its duties;

(f) in the name of the Association, to incur indebtedness and secure the same by mortgaging Association property, except to the extent that such power is limited in the Declaration; and

(g) take any and all such steps and actions which are necessary, in the exercise of the Board's sole and exclusive judgment, to effectuate the terms of the Declaration and the powers, rights, privileges, authority and duties of the Board under and pursuant to the Declaration.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all of its acts and the corporate affairs of the Association and to present a detailed report thereof covering the immediately preceding fiscal year to the Members at the annual meeting of the Members, or any special meeting when such report is requested in writing by Members who together are entitled to cast one-fourth (1/4th) of the votes of each class of voting membership then in existence;

(b) supervise all officers, agents and employees of the Association, and see that their duties are properly performed;

(c) as more fully provided in the Declaration:

(1) fix the amount of any Assessment or charge against each Unit at least thirty (30) days in advance of the due date of such Assessment or charge (including Limited Charges) (or the first installment of the same);

(2) send written notice of each charge or Assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of such charge (including Limited Charges) or Assessment (or the first installment of the same);

(3) take all responsible steps to obtain payment of all charges (including Limited Charges) and Assessments (or installments of the same) which are not paid within thirty (30) days of their due date, including, without limitation, (where such action is required in the Board's judgment) enforcing the Association's lien rights against the delinquent Owner's Unit and bringing an action at law against the Owner personally obligated to pay the same, or both; and

(4) cause a roster of Units to be prepared, stating the amount of any charge (including Limited Charges) or Assessments applicable thereto, by which roster shall be reported each payment of such charge and/or Assessment when received; such roster to be kept in the office of the Association and to be open to inspection by any Member and any First Mortgagee during regular business hours;

(d) issue, or to cause an appropriate officer or other person or entity designated by the Board to issue, upon demand by any Member or First Mortgagee, a certificate setting forth whether or not all charges (including Limited Charges) and Assessments (or installments thereof) against such Unit which are then due and payable have been paid as of the date of such certificate. A reasonable charge may be made by the Board for the issuance of such certificates. If a certificate states that a charge or Assessment (or an installment of either) has been paid, such certificate shall be conclusive evidence of such payment.

(e) cause a roster of First Mortgagees to be prepared and maintained in a current manner, which roster shall contain the names of all First Mortgagees, and the addresses to which notices to such First Mortgagees are to be sent, and shall identify the Units which are subject to the first mortgages held by First Mortgagees;

(f) procure and maintain liability, casualty and hazard insurance as required or permitted by the Declaration, a fidelity bond or insurance policy covering all persons who are responsible for handling the funds of the Association, directors', officers' and committee members' liability insurance for the directors and officers of the Association, if available, and such other insurance as the Board of Directors shall deem to be necessary or desirable in carrying out its responsibilities under the Declaration;

(g) cause all officers and employees having fiscal responsibilities to be bonded or insured, as it may deem appropriate;

(h) cause the Common Facilities, including, without limitation, the Open Space, and those portions of the Lots and/or the Units as are to be maintained by the Association pursuant to the Declaration, to be maintained, operated and managed;

(i) to approve an annual budget and set the Assessments; and

(j) to appoint such committees as may be deemed necessary in the discretion of the Board.

#### ARTICLE X. OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The offices of the Association shall be a President and one or more Vice Presidents, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The officers shall be elected by majority vote of the directors at the first meeting of the Board of Directors following each annual meeting of the Members except that the initial Board of Directors named shall elect the initial officers of the Association.

Section 3. Term. The officers of the Association shall be elected annually by the Board (with the exception of the initial officers who shall serve only until the first meeting of the Board after the first annual meeting of the Members) and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or shall be otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice thereof to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of the secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article X.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out, shall sign all leases, promissory notes, mortgages, deeds and other written instruments on behalf of the Association.

(b) Vice President. The Vice President shall act in the place and stead of the president and in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members in books to be kept for that purpose; shall keep the corporation seal of the Association and affix it on all papers requiring said seal; shall serve notice of meetings of the Board of Directors and of the Members; shall keep appropriate current records showing the Members of the Association together with their addresses as registered with him by such

Members; shall, if required, attest to the President's or a Vice President's execution of any document or instrument in the name of the Association; and shall perform such other duties as are required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; provided, however that such a resolution shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Directors; shall co-sign all promissory notes of the Association; shall keep proper books of account; shall maintain the roster of assessments referred to in Section 2(c)(4) of Article IX hereof and the roster of First Mortgagees referred to in Section 2(e) of Article IX hereof; shall cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year; shall cause the audited financial statement of the Association to be delivered to each Member prior to the annual meeting of the membership; shall prepare an annual budget for the forthcoming fiscal year and submit it for review and adoption by the Board of Directors; and shall deliver a copy of the adopted budget to each Member.

All duties, other than the President's duties may be assigned or delegated to a management company retained by the Association to manage its affairs.

#### **ARTICLE XI. COMMITTEES**

The Board of Directors shall appoint such committees, from time to time, as it deems to be appropriate in exercising the powers and carrying out the duties of the Board.

#### **ARTICLE XII. BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and any First Mortgagee upon reasonable prior written notice. The secretary shall make available for inspection by any Member during reasonable business hours the Declaration and the Articles of Incorporation and the By-Laws of the Association, and copies of the same may be purchased from the secretary at reasonable cost.

**ARTICLE XIII.  
INDEMNIFICATION**

Section 1. Directors and Officers. The Association shall indemnify the officers, directors and committee members of the Association to the full extent permitted or allowed by the laws of the Commonwealth of Pennsylvania.

Section 2. Others. The Association shall indemnify any person who, by reason of the fact that he is or was an officer or director of the Association, is made a party or is threatened to be made a party to any litigation, claim, suit, action or other proceeding of any kind, against expenses (including reasonable attorneys' fees), liabilities, judgments, costs, fines, penalties, amounts paid in settlement, and other losses, actually and reasonably incurred by him in connection with the defense or settlement thereof, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and if he has no reasonable cause to believe his conduct was unlawful. No indemnification shall be made in respect of any claim or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Association.

Section 3. Other Indemnification. The indemnification provided hereby shall not be deemed exclusive of any other rights to which those seeking indemnification (whether or not they are officers or directors) may be entitled under any law, agreement, vote of members or directors or otherwise, both as to action in official capacities and as to action in other capacities, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of the person being so indemnified.

**ARTICLE XIV.  
CORPORATE SEAL**

The Association shall have a seal in form as determined by the Board.

**ARTICLE XV.  
AMENDMENTS**

Section 1. Procedure. These By-laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of each class of voting Members present in person or by proxy entitled to vote at such meeting; provided that a quorum of each

class of voting Members is present in person or by proxy at such meeting; and provided further that such provisions of these By-Laws as are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration applicable to the Property may not be amended except as provided in such Declaration.

Section 2. Amendments to Comply with Governmental Requirements. A power coupled with an interest is hereby granted to Jack Calahan, Inc., a Pennsylvania corporation, acting by and through its duly authorized corporate officer, its successors or designees, as attorney-in-fact to amend one or more provisions of these By-Laws, the Articles of Incorporation of the Association, or the Declaration pursuant to Article IX of the Declaration; provided that Jack Calahan, Inc. shall have no obligation to cause any such amendment to be made. The acceptance of each deed or other instrument with respect to any Unit which is subject to the Declaration shall be deemed to be a confirmation of such power to such attorney-in-fact and shall be deemed to constitute a consent and agreement to and acceptance, confirmation and ratification of all such amendments.

#### ARTICLE XVI. MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall be as determined by the Board.

Section 2. Captions. The paragraph captions in these By-Laws, and any Table of Contents, are for convenience only and do not in any way define, limit, describe or amplify the terms and provisions of these By-Laws or the scope or intent thereof.

Section 3. Inconsistencies Among Documents. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

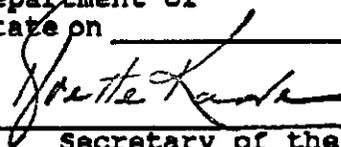
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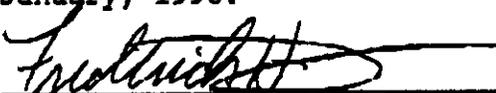
  
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**ARTICLES OF INCORPORATION - DOMESTIC NONPROFIT CORPORATION**

In compliance with the requirements of the applicable provisions of 15 Pa.C.S. section 5306 (relating to articles of incorporation), the undersigned, desiring to incorporate a nonprofit corporation hereby, states that:

1. The name of the corporation is: HOPE RIDGE HOMEOWNERS ASSOCIATION.
2. The address of this corporation's initial registered office in this Commonwealth is:  
  
c/o Eastburn and Gray, P.C., 60 East Court Street, Doylestown, Pennsylvania, 18901 Bucks County
3. The corporation is incorporated under the Nonprofit Corporation Law of 1988 for the following purpose or purposes:  
  
Homeowners Association for a residential community known as Villas at Hope Ridge and situate in Bethlehem Township, Northampton County, Pennsylvania.
4. The corporation does not contemplate pecuniary gain or profit, incidental or otherwise.
5. The corporation is organized upon a nonstock basis.
6. The name and address, including street number, if any, of each incorporator is:  
  
Frederick H. Masters, Esq., Eastburn and Gray, P.C., 60 East Court Street, Doylestown, PA 18901

IN TESTIMONY WHEREOF, the incorporator has signed these Articles of Incorporation this 26th day of January, 1996.

  
Frederick H. Masters, Esquire

JAN 26 96

PA Dept. of State

**HOPE RIDGE HOMEOWNERS ASSOCIATION**

**AMENDMENT TO BY-LAWS OF THE  
HOPE RIDGE HOMEOWNERS ASSOCIATION**

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**WHEREAS**, both the Board of Directors and the members of the Hope Ridge Homeowners Association are desirous of amending the Association's By-laws, and

**WHEREAS**, this amendment has been properly approved by the vote of the Association in accordance with the provisions of Article XV, Section 1 of the By-laws.

**NOW THEREFORE, BE IT RESOLVED**, that the By-laws of the Hope Ridge Homeowners Association shall be amended as follows:

I. Article VI, Section 1 shall be changed to read as follows:

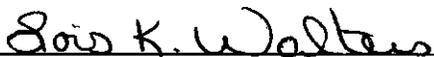
*Section 1. Number. The affairs of this Association shall be managed initially by a Board of three (3) Directors, who shall be natural persons and, except as provided to the contrary in Section 2 below, Members of the Association. Commencing with the election of directors at the annual meeting of Members in 2000, however, and in accordance with subparagraph (d) below, the affairs of the Association shall thereafter be managed by a Board of five (5) Directors, who shall be natural persons and Members of the Association.*

II. Article VI, Section 2(d) shall be changed to read as follows:

*(d) at the annual meeting of the Members described in (b) above and upon the expiration of the term of the Board member holding the seat filled pursuant to subparagraph (a) above (as succeeded pursuant to subparagraph (c) above), the Members shall elect the three (3) members of the Board of Directors. One director shall be elected for a term of one year; one director shall be elected for a term of two (2) years and one director shall be elected for a term of three (3) years. Thereafter, at each succeeding annual meeting, the Members shall elect that number of directors whose tenure expires on that date, for a term of three (3) years. At the annual meeting of the Members in 2000, in addition to electing that number of directors (of the original three) whose tenure expires on that date, the Members shall elect two (2) additional members of the Board of Directors: one for a term of one year, and the other for a term of two (2) years. Thereafter, at each succeeding annual meeting, the Members shall elect that number of directors (of the now five-person Board) whose tenure expires on that date, for a term of three (3) years.*

**IN WITNESS WHEREOF**, the undersigned, being the duly elected and qualified President of the Association, has executed this instrument on the Association's behalf this 14th day of October, 2000.

**HOPE RIDGE HOMEOWNERS ASSOCIATION**

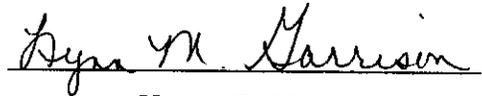


**By: Lois Walters, Its President**

STATE OF NEW JERSEY :  
: ss.  
COUNTY OF WARREN :

On the 14th day of October, 2000, before me, the undersigned officer, personally appeared Lois Walters, who acknowledged himself to be the President of the Hope Ridge Homeowners Association, a Pennsylvania nonprofit corporation, and that he, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

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



Notary Public

**LYNN M. GARRISON**  
**NOTARY PUBLIC OF NEW JERSEY**  
**Commission Expires 10/24/2004**