

BYLAWS
FOR
SPRING GARDENS CONDOMINIUM ASSOCIATION

ARTICLE I
MEMBERSHIP

Section 1. The members shall consist of all the Unit Owners of the property in accordance with the respective percentages of the ownership of said Unit Owners in the common elements of the Property. Such respective percentages of ownership shall be determined in accordance with the provisions of the Declaration.

Section 2. Such membership shall be personal to each Unit Owner. It shall terminate upon a sale, transfer, or other disposition of his or her ownership interest in the Property, accomplished in accordance with the provisions of the Declaration, and thereupon, the membership shall automatically transfer to and be vested in the new owner succeeding to such ownership interest. There shall be no other arrangement for acquiring, having or transferring of membership.

ARTICLE II
MEETINGS

Section 1. Meetings of the membership shall be at the Property or at such other place in Centre County, Pennsylvania, as may be determined by provisions herein and as specified in the Notice of Meeting.

Section 2. No later than sixty (60) days following the recording of deeds of conveyances aggregating interests of

50% or more in the common elements or January 1, 2007, whichever shall last occur, the Declarant shall notify all Unit Owners and call the first meeting of the Unit Owners. The first annual meeting of the Unit Owners shall be held on the 1st day of May each year or in the event that day is a legal holiday, on the following day. At such annual meetings, there shall be elected by a ballot of the members, those members of the Executive Board then due to be elected in accordance with the provisions of Article III of the Bylaws. The members shall also transact such other business as may concern the Association and/or the Property.

Section 3. It shall be the duty of the President to call a Special Meeting of the members as directed by resolution of the Executive Board or upon a petition signed by the owners of fifty percent (50%) of the ownership interest in the common elements. The notice of any Special Meeting shall state the time, place and purpose thereof. No business shall be transacted at a Special Meeting except as stated in the notice unless with the consent of a majority of the members present, either in person or by proxy.

Section 4. It shall be the duty of the Secretary to hand deliver, or mail by United States Mail, postage prepaid, a notice not less than ten (10) days nor more than sixty (60) days before each annual or Special Meeting, stating the purpose, the time and place thereof to each member of record, and addressed to him at his Unit if occupied, and if not, then addressed to him at such place as is known to be a currently good address for him.

Section 5. The presence, either in person or by proxy, of the owners of thirty percent (30%) of the ownership interest in the common elements shall be required for and shall constitute a quorum for the transaction of business at all meetings of members. A quorum present at the beginning of a meeting shall constitute a quorum for the whole meeting.

Section 6. If at any meeting of members a quorum shall not be in attendance, those members who are present may adjourn the meeting at a time not less than forty-eight (48) hours from the time at which the original meeting was called.

Section 7. If any Unit Owner consists of more than one (1) person, the voting right of each Unit Owner shall not be divided but shall be exercised only as the unit. In the event the Unit Owners cannot agree on their vote, the vote shall be lost and shall not be counted either for or against any motion on the floor. Declarant, as described in the Declaration, may exercise the voting rights with respect to all units titled in the Declarant.

Each question present at a meeting shall be determined by a majority vote of those present, unless by express provision of the Act or Bylaws, or of the Declaration, a different vote is required.

Section 8. The vote of any corporate, partnership or trust member may be cast on its behalf by any officer, partner, or trustee of such member and any such member may appoint its officer, partner, trustee or beneficiary, or any other member as its proxy. An individual member may appoint only his or her spouse or another member as a proxy. Each proxy must be filed in writing with the Secretary prior to the commencement of a meeting or at the time that proxies are called for.

ARTICLE III

EXECUTIVE BOARD

Section 1. The business, operation and affairs of the Property and of the collectivity of Unit Owners shall be managed on behalf of the Unit Owners by a board of three (3) natural individuals, who are each residents of Pennsylvania and who may, but need not, be

Unit Owners, in compliance with and subject to the Act, the Declaration, and the Bylaws. Such Board is herein and in the Declaration called the "Executive Board."

Section 2. Powers and Duties. Subject to the limitations and restriction contained in the Act, the Declaration, and Bylaws, the Executive Board shall on behalf of the Unit Owners have all powers and duties necessary to administer and manage the business, operation and affairs of the Property, and of the collectivity of Unit Owners. Such powers and duties of the Executive Board include, by way of illustration but are not limited to, the following:

(a) The operation, maintenance, repair, improvement and replacement of the common elements and limited common elements;

(b) The power to estimate and adopt an annual operating budget and to make assessments against the Units and to provide for the collection of same and from the Unit Owners according to their respective obligations;

(c) The promulgation, distribution, and enforcement of the rules, subject to the right of a majority of the Unit Owners to change any such rules;

(d) The power to engage and dismiss employees and to appoint and dismiss agents necessary for the management of Spring Gardens Condominium Association;

(e) The power to enter into and perform under contracts and any amendments thereto or replacements thereof, deeds, leases and other written instruments or documents on behalf of the collectivity of Unit Owners and to authorize the execution and delivery thereof by its officers or assistant officers;

(f) The opening of bank accounts on behalf of the collectivity of Unit Owners and designate the signatures therefor;

(g) The obtaining of insurance pursuant to Article X of the Declaration;

(h) To bring, prosecute, defend and settle litigation for and against itself, the collectivity of Unit Owners and the Property, and to pay any adverse judgment entered therein, provided that it shall make no settlement which results in a liability against the Association, the collectivity of Unit Owners or the Property in excess of Five Hundred Dollars (\$500.00) without the prior approval of the majority of Unit Owners; and

(i) To keep adequate books and records.

Section 3. First Members of the Executive Board. The Unit Owners shall elect three (3) persons to serve on the Executive Board, one (1) person for a term to expire at the annual meeting held in 2006, one (1) person for a term to expire at the annual meeting held in 2007 and 2008.

Section 4. Subsequent Election and Term of Office. Subject to the provisions of the preceding Section, at the first annual meeting of Unit Owners and at each annual meeting thereafter, one (1) member of the Executive Board shall be elected to serve until the next succeeding annual meeting and until their respective successors are elected.

Section 5. Removal of Members of the Executive Board. At any regular or special meeting of Unit Owners, any one or more of the members of the Executive Board (other than members designated by Declarant under Section 3 of Article VIII of the Declaration, who may be removed and replaced by Declarant at any time and from time to time), may be removed with or without cause by a majority of Unit Owners and successors may then or thereafter be elected by a majority of Unit Owners to fill any vacancies thus created. Any member of the Executive Board 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 Executive Board (other than vacancies in the term of the member to be designated by Declarant, which shall be filled by Declarant), caused by any reason other than the removal of a member thereof by a vote of the Unit Owners, including without limitation by virtue of the expiration of Declarant's right to designate members of the Executive Board shall be filled by a vote of a majority of the remaining members of the Executive Board, even though less than a quorum, promptly after the occurrence thereof, and each person so elected shall be a member of the Executive Board the remainder of the term so filled.

Section 7. Organization Meeting of the Executive Board. At such organizational meeting, the Executive Board shall elect the following officers, whose duties shall be as follows:

(a) A President, who shall be the chief executive officer of the Association and shall have general charge and supervision over, and responsibility for, the business and affairs of the Association. Unless otherwise directed by the Executive Board, all other officers shall be subject to the authority and supervision of the President. The President may enter into and execute in the name of the Association, contracts or other instruments in the regular course of business or if not in the regular course of business those which are authorized, generally or specifically, by the Executive Board. He shall have the general powers and duties of management usually vested in the office of the president of a corporation.

(b) A Vice President who shall perform such duties and have such authority as from time to time may be delegated to him by the President, or by the Executive Board. In the event of the absence, death, inability, or refusal to act by the President, the Vice President shall perform the duties and be vested with the authority of the President.

(c) A Secretary who shall cause notices of all meetings to be served as prescribed by the Bylaws and shall keep or cause to be kept the minutes of all meetings of the Unit Members and the Executive Board. The Secretary shall perform such other duties and possess such other powers as are incident to that office or as are assigned by the President or the Executive Board.

(d) A Treasurer, who shall have the custody of the funds and securities of the Association and shall keep or cause to be kept regular books of account for the Association. The Treasurer shall perform such other duties and possess such other powers as are incident to that office or as shall be assigned by the President or the Executive Board. All checks representing payment on behalf of the Association shall be signed by two officers of the Association, as designated by the Executive Board, and the agreement with any bank shall at all times indicate such requirement. Any other bank accounts or financial assets of the Association shall be withdrawable only by the written execution by two officers of the Executive Board, as appointed by the Executive Board from time to time, and all such depository agreements or the like shall reflect such requirements.

(e) Subject to the provisions hereinbefore set out, an organizational meeting of the Executive Board shall be called by the President and held within five (5) business days following each annual meeting of the Unit Owners, at such time and at such places as the newly elected members of the Executive Board shall determine, for the purpose of organization, and such other business as may be brought before the meeting, and no notice thereof shall be required.

(f) The person elected as President shall only hold that position and no other. The persons holding the positions of Vice President, Treasurer, or Secretary may be separate individuals or one person may hold any two of the elected offices.

Section 8. Meetings of the Executive Board. Meetings of the Executive Board may be held, without call or notice, at such times and places as the Executive Board may from time to time determine.

Section 9. Quorum. A majority of the members in office shall constitute a quorum at any meeting of the Executive Board, and the act of a majority of the members at a meeting at which a quorum is present shall be the acts of the Executive Board. If less than a quorum is present at any meeting, a majority of those present may adjourn the meeting from time to time, and at any adjourned meeting at which a quorum is present any business may be transacted which could have been transacted at the meeting originally called, without further notice.

Section 10. No compensation of Members of the Executive Board. No member of the Executive Board shall be compensated for acting as such.

Section 11. No non-resident owner shall be qualified or permitted to serve on the Executive Board. Non-resident shall mean a person or entity not actually residing in the Commonwealth of Pennsylvania.

ARTICLE IV

FISCAL MANAGEMENT

Section 1. The fiscal year of the Association shall begin on the first day of January of each year, except for the first fiscal year of the Association which shall begin at the date of the recording of the Declaration or at such other date as the Executive Board may decide.

Section 2. Books and accounts of the Association shall be kept by or under the direction of the Treasurer and in accordance with customary accounting principles and practices. Within a reasonable time after the close of each fiscal year, but not later than February 15th, the Executive Board shall furnish the Unit Owners with a reasonably detailed statement of the income and disbursements of the Association for such prior fiscal year.

Section 3. With respect to each fiscal year and within ninety (90) days from the commencement thereof, the Executive Board shall cause an estimated annual budget to be prepared based on its estimation of the next ensuing annual expenses.

Section 4. If at any time during the course of any fiscal year the Executive Board shall deem existing monthly assessments to be inadequate by reason of revision in its determination of needs, the Executive Board shall prepare a revised estimated annual budget for the balance of such fiscal year, and monthly assessments thereafter shall be determined and paid on the basis of such revision.

Section 5. The Executive Board shall arrange to have available at all reasonable times for any Unit Owner copies of the budgets of revised budgets and reasonably detailed information as relates to same, and to contemplated change in same.

Section 6. The Declarant's obligation as a Unit Owner shall be at the rate of full amounts as in the case of any other Unit Owner.

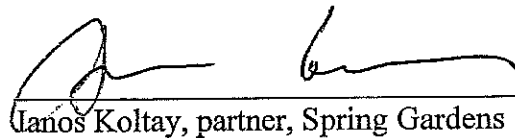
Section 7. Assessments. Prior to sale of the first unit, maintenance, repair or replacement of a common element shall be within the sole control and shall be the sole responsibility of Declarant. Beginning the month next after a Unit Owner purchases a unit, the unit owner shall pay to the Condominium Association the sum of \$115 per month for a two story unit, \$120 per month for a three story unit and \$130 per month for the single family dwelling unit as their contribution toward the expenses of operating and maintaining the common elements.

ARTICLE V

AMENDMENTS

These Bylaws may be amended or modified at any time, or from time to time, by the action or approval of the Unit Owners owning a majority of the Common Interests; except that regulations affecting the rights of interests of the Declarant shall not be amended or modified without the written consent of the Declarant for a period of one (1) year from the date of the deed of the first sale of a Unit.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal the _____
day of 12 - 2 -, 2004.



Janos Koltay, partner, Spring Gardens

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF CENTRE)

On this 2nd day of December, 2004, before me, a Notary Public, personally appeared JANOS KOLTAY, managing partner of Spring Gardens, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing Bylaws and acknowledged that he executed the same for the purposes therein contained.

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


Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Shirley J. Gaines, Notary Public
State College Boro, Centre County
My Commission Expires Jan. 16, 2008
Member, Pennsylvania Association Of Notaries