





DECLARATION OF COMMUNITY RESTRICTIONS,  
COVENANTS AND CONDITIONS

THIS DECLARATION, made this 14th day of March, 1974, by Tower Associates, a Pennsylvania Limited Partnership (hereinafter referred to as the "Grantor") for itself, its successors, grantees and assigns.

W I T N E S S E T H :

A. Grantor is, or proposes to become, the owner of the real property described in Article II of this Declaration and desires to create thereon a development consisting of three multi-family high-rise structures for condominium and/or rental occupancy and certain recreational amenities, together with the related parking areas, driveways, grounds, landscaping, open spaces and other common properties and facilities (hereinafter referred to as the "Valley Forge Towers Community");

B. Grantor desires to provide for the preservation and maintenance of this community and its common properties and facilities, by subjecting the real property described in Article II (together with such additions thereto as may hereafter be made in accordance with the further terms hereof) to the covenants, restrictions, easements, assessments, charges and liens hereinafter set forth (hereinafter, collectively, referred to as the "Valley Forge Towers Community Restrictions"), each and all of which is and are for the benefit of said property and each other thereof;

C. Grantor has incorporated the Valley Forge Towers Community Association as a non-profit corporation under the Non-Profit Corporation Law of 1972 (hereinafter referred to as the "Association"), to which entity Grantor proposes to assign the powers of maintaining and operating the common properties and facilities and of administering and enforcing the covenants and restrictions and the collection and disbursement of the assessments and charges, as herein provided.

NOW, THEREFORE, the Grantor declares that the real property described in Article II is and shall be held, transferred, sold, conveyed and occupied subject to the

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covenants, restrictions, easements, assessments, charges and liens hereinafter set forth.

## ARTICLE I

### DEFINITIONS

1.01 The following words, phrases or terms, when used in this Declaration (or any supplemental declaration adopted pursuant to the terms hereof), shall have the meanings ascribed to them below (unless the context hereof shall clearly indicate otherwise):

(1) "Articles" means and refers to the Articles of Incorporation of the Valley Forge Towers Community Association which are or shall be filed in the Office of the Secretary of State of the Commonwealth of Pennsylvania substantially in the form attached hereto and incorporated herein as Exhibit "A", as such Articles of Incorporation may from time to time be amended;

(2) "Association" means and refers to the "Valley Forge Towers Community Association", as more fully described in Article V;

(3) "Board" means and refers to the Board of Directors of the Association;

(4) "By-Laws" shall mean the by-laws of the Association which are or shall be adopted by the Board generally in the form attached hereto and incorporated herein as Exhibit "B", as such by-laws may from time to time be amended;

(5) "Condominium" means the type of ownership of an interest in real estate described by the Pennsylvania Unit Property Act;

(6) "General Plan of Development" means the preliminary plan consisting of 3 pages for all three phases of the Valley Forge Towers Community, a copy of which is attached hereto as Exhibit "C", as such Plan may be amended pursuant to the terms hereof, presently encompassing (i) a portion thereof designated thereon as Phase One as further described in Section 2.01, and finally approved July 9, 1973, by all of the governmental bodies having jurisdiction thereof, as evidenced by the recording of a subdivision plan in the Office of the Recorder of Deeds of Montgomery County in Plan Book No. B-2, page 14; and (ii) two further portions thereof designated on the General Plan of Development as "Additional Phases" and further described in Section 2.11;

(7) "Member" shall mean and refer to the Owners, in their capacity as members of the Association as provided in Section 5.02;

(8) "Owner" shall mean and refer to the person or persons holding record title (including the condominium form thereof) (i) to any Unit or Units situate upon a Project Area; or (ii) to any shares, membership or other interest in any cooperative or other entity organized and operated for the purpose of making Units available to its shareholders, members or other beneficiaries; which shares, membership or other interest entitles the Owner thereof to possession of any such Unit (notwithstanding the number of shares or other interest allocated to such Unit), but excluding those having an interest merely as security for the performance of an obligation provided, however, that Owner shall include for the purposes of Article III, unless the context clearly requires otherwise, the Tenant of Owner and the family, invitees, and licensees of said Tenant or Owner, as applicable. As used herein:

(a) "Unit" shall mean and include any portion of a building situate in a Project Area designed and intended for use and occupancy by its Owner or Tenant to the exclusion of other parties (other than any parking area or unit). A "Residence Unit" shall be deemed to exist if such Unit is designed and intended for use and occupancy by its Owner or Tenant as a single family residence;

(b) "Tenant" shall mean and refer to the party or parties in actual occupancy of the Unit, under a written lease from the Owner thereof naming said party or parties, an executed copy of which shall be furnished the Association upon its request therefor made of the Owner and/or Tenant.

(9) "Project Governing Body" means and refers to the decision-making body or party for the Owner or Owners of each Project, meaning in the case of a Project (i) held under condominium ownership, the Condominium Council; (ii) held under corporate ownership, the corporation's board of directors; or (iii) held under general or limited partnership ownership, the managing and/or general partners thereof, as applicable.

1.02 The following words, phrases or terms have been defined in the Sections of this Declaration set forth below and shall have such meanings when used elsewhere in this Declaration (unless the context hereof shall clearly indicate otherwise):

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	<u>Defined Term</u>	<u>Section</u>
(1)	Adjoining Property Users	3.32(1)
(2)	Annual Common Area Assessment	6.02
(3)	Annual Common Area Expense	6.01
(4)	Annual Recreation Facility Assessment	6.12
(5)	Annual Recreation Facility Expense	6.11
(6)	Approved Guests	7.01
(7)	Common Area	3.02(3)
(8)	Common Area or Recreation Facility Alteration	3.11(6)
(9)	Design Committee	5.30
(10)	Design Committee Rules	5.35
(11)	Exempt Property	6.51
(12)	Extended Area	2.21
(13)	Grantor's Annual Recreation Facility Contribution	6.12(1)(b)
(14)	Grantor's Model Unit Area	2.03
(15)	Grantor's Voting Control Period	5.04
(16)	Guest Fee	7.11(3)
(17)	Guest Fee Credit	6.11
(18)	Guest Privileges	7.01
(19)	Maximum Annual Common Area Expense	6.02(2)
(20)	Maximum Approved Guest Figure	7.11(2)
(21)	Phase One and Additional Phases	2.01 and 2.1
(22)	Project	3.02(1)
(23)	Project Area	3.02(1)
(24)	Project Area's Covered Parking Facility	3.03(1)
(25)	Recreation Facility and Additional Recreation Facility	3.02(2) and 3.03(2)

	<u>Defined Term</u>	<u>Section</u>
(26)	Structural Change	3.22
(27)	Tenant	1.01(8)
(28)	Unit	1.01(8)
(29)	Valley Forge Towers Community	2.02
(30)	Valley Forge Towers Community Restrictions	2.01
(31)	Valley Forge Towers Rules	5.21(8)

**ARTICLE II**

**PROPERTY SUBJECT TO THE  
VALLEY FORGE TOWERS RESTRICTIONS**

**2.00 EXISTING PROPERTY**

2.01 Grantor hereby declares that all of the real property (including such improvements as are or will hereafter be erected thereon), situate in Upper Merion Township, Montgomery County, Pennsylvania, as described by metes and bounds in the rider attached hereto as Exhibit "D-1" (herein referred to as "Phase One" of the General Plan of Development) is, and shall be, held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved, subject to the Valley Forge Towers Community Restrictions, meaning the limitations, restrictions, covenants, assessments and conditions set forth in this Declaration, all of which are declared and agreed to be in furtherance of a plan for the improvement of the real property and the marketing of the Units thereon developed, and are established and agreed upon for the purpose of enhancing and perfecting the value, desirability and attraction of said real property and every part thereof.

2.02 Said Phase One, together with such other real property and improvements thereon from time to time

Community Restrictions pursuant to 2.11, shall constitute the Valley Forge Towers Community.

2.03 So long as Grantor owns any ground encompassed generally by the boundaries shown on the General Plan of Development for all three (3) of its phases, Grantor may, at any time, exercise the option by a written election given to the Association in recordable form, of withdrawing from the scope of this Declaration, and vacating the Valley Forge Towers Community Restrictions as to, and if appropriate, receiving from the Association a reconveyance of that portion of Phase One required for fire station use ("Fire Station Area") or that has been developed by Grantor with model residential units ("Grantor's Model Unit Area") together with such easements, rights of access and service as may enable its continued use by Grantor, in common with those persons otherwise entitled thereto, for the purpose of maintaining and showing such units or for any other legal purpose.

2.10 ANNEXATION OF SUBSEQUENT GENERAL PLAN PHASES.

2.11 Subject to the terms of Section 2.12, Grantor shall have the right, from time to time and in its sole discretion, to submit to the Valley Forge Towers Community Restrictions, and annex to the Valley Forge Towers Community, each of the two (2) additional phases thereof shown on the General Plan of Development, as described generally by metes and bounds, respectively, in the riders attached hereto as Exhibits "D-2" and "D-3", as the same may be amended by Grantor from time to time, and hereinafter, individually, referred to as an "Additional Phase".

2.12 The annexation of each Additional Phase shall become effective when the last of the following events occurs and/or conditions shall have been satisfied:



(1) Such Additional Phase shall have received the final approval of all governmental bodies having jurisdiction and if required thereby, the plan thereof shall have been duly recorded in the Office of the Recorder of Deeds of Montgomery County (the "Phase Development Plan");

(2) The nature and improvements contemplated by the Phase Development Plan shall generally conform to those shown on the General Plan of Development, subject to the right of Grantor to make substantial changes:

(a) in Phase One, if such changes are deemed appropriate by Grantor, to integrate the parking areas and access ways and other common areas and facilities of Phase One with those of such Additional Phase or Phases or are otherwise permitted hereunder; and/or

(b) in such Additional Phase, if such changes either (i) are otherwise permitted hereunder; (ii) involve changes in the layout, nature and design of its building, common area and improvements as Grantor deems necessary or desirable or as required by utility companies or governmental bodies; or (iii) will not result in the first full fiscal year next following the annexation, in increasing (aa) the aggregate number of Residence Units and Approved Guests having use of the Recreation Facility in excess of 1500 or (bb) the Annual Common Area Expense of such enlarged area subject to this Declaration in excess of the Maximum Annual Common Area Expense, as hereinafter defined in Section 6.02(2).

(3) The Grantor's Annual Recreation Facility Contribution as hereinafter provided in Section 6.12(1)(b) shall have been made in accordance with the terms thereof to the date of such annexation;

(4) Grantor shall have recorded a supplemental declaration which may consist of more than one document and which shall, among other things, (a) describe the real property to be annexed to the Valley Forge Towers Community; (b) set forth or refer to such additional or other limitations, restrictions, covenants, or conditions applicable to such property as provided in paragraph 2.32; (c) state that the provisions of paragraph 2.12(2) and (3) above have been complied with; and (d) declare that such property is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the Valley Forge Towers Community Restrictions.

**2.20 ANNEXATION OF PARCELS OTHER THAN AS DESCRIBED  
IN SECTION 2.10.**

2.21 Property, other than that described in Section 2.10, may be annexed to the Valley Forge Towers Community and made subject to the Valley Forge Towers Restrictions (the "Extended Area"), only upon the approval by the vote or written consent of not less than fifty-one (51%) per cent of the Association's membership; and compliance with paragraphs (1), (3) and (4) (a) (b) and (d) of Section 2.12, and with the limitations specified in paragraph 2(b) (iii) of Section 2.12 as applied to such Extended Area.

**2.30 EFFECT OF ANNEXATION**

2.31 Upon any annexation becoming effective hereunder, the property covered by such annexation shall become and constitute a part of The Valley Forge Towers Community, and the Association, subject to the provisions of Section 3.30 with respect to Grantor's conveyance of Common Area and the Recreation Facility, as hereinafter defined, shall have and shall accept and exercise jurisdiction over such property as a part of The Valley Forge Towers Community.

2.32 Any provision herein to the contrary notwithstanding, the supplemental declaration referred to in Sections 2.12 and 2.21 may, with respect to all or any part of the property described in said declaration, provide for, or refer to one or more documents creating any or all of the following:

- (1) Such new land classifications not then provided for in Section 3.01, and such limitations, restrictions, covenants and conditions with respect to the use thereof as Grantor may deem to be appropriate for the development of such property;

(2) With respect to the land classifications then provided for in Section 3.01, such additional or different limitations, restrictions, covenants and conditions with respect to the use thereof as Grantor may deem to be appropriate for the development of such property; provided, however, that such additional or different limitations, restrictions, covenants and conditions applicable to Common Areas and Recreation Facility lying within such property shall not discriminate between Owners of such property and other Owners of any other property within The Valley Forge Towers Community; and/or

(3) A declaration of restrictions and/or of condominium, subordinated to The Valley Forge Towers Community Restrictions and applicable exclusively to a Project Area or Areas.

2.33 The Valley Forge Towers Community Restrictions as applicable to such property upon the annexation thereof into The Valley Forge Towers Community, shall be deemed to include any and all additions and modifications thereto authorized by subparagraphs (1) and (2) of Section 2.32 and set forth or referred to in said supplemental declaration.

### ARTICLE III

#### CLASSIFICATION OF AREAS; ASSOCIATION RIGHTS IN COMMON AREA, RECREATION FACILITY AND PROJECT AREA

#### 3.00 LAND CLASSIFICATION

3.01 All land within the Valley Forge Towers Community has been or shall be classified into the following areas (i) Project Area; (ii) Recreation Facility; and (iii) Common Area.

3.02 As used in Section 3.01, the following terms shall have the meanings ascribed to them below:

(1) "Project Area" means all of the real property within the Valley Forge Towers Community, lying within the boundaries encompassing those structural improvements containing the Units that are governed by

this Declaration (the "Project"). The three (3) Project Areas contemplated by, and generally shown on, the General Plan of Development, are described by metes and bounds, respectively, in the riders attached hereto and made a part hereof as Exhibits "E-1", "E-2" and "E-3" as the same may be amended by Grantor from time to time; and the Projects contemplated for construction thereon consist of three (3) separate high rise multi-family structures, each of which are to contain two hundred fifty (250) residential units, more or less, and approximately twenty (20) commercial units;

(2) "Recreation Facility" refers to and means the indoor and outdoor swimming pools, various exercise rooms and equipment and other health club facilities and multi-purpose game rooms, outdoor tennis courts and parking areas and other related improvements, all as contemplated for development in Phase One of the General Plan of Development, together with the parcels of ground on which such improvements are to be erected, as more particularly described by metes and bounds in the rider attached hereto as Exhibit "F" and made a part hereof, as the same may be expanded or modified, from time to time, under the further terms hereof;

(3) "Common Area" refers to and means all of the Valley Forge Towers Community (including all structures and facilities constructed thereon and intended to be devoted to the common use and enjoyment of the Owners), other than (i) the Recreation Facility; (ii) Project Area; and (iii) Grantor's Model Unit Area and Fire Station Area, upon the exercise of the Grantor's option permitted by the terms of Section 2.03.

3.03 The Project Areas and Recreation Facility shown on the General Plan of Development may be expanded, and the legal description thereof thereby amended to encompass ground otherwise to be deemed Common Area:

(1) consisting, in the case of the Project Area's expansion, of parcels (or any part thereof) shown on the General Plan of Development as reserved for parking area, at the option of Grantor at any time during the Grantor's Voting Control Period, if the purpose of such expanded Project Area is to permit an addition to be made to the Project's contemplated covered parking facilities (the "Project Area's Covered Parking Facility"); and/or

(2) consisting, in the case of the Recreation Facility's expansion (sometimes referred to herein as the "Additional Recreation Facility"), of those parcels shown on the General Plan of Development as reserved for such purpose, at the option either of the Association in accordance with the terms of Article IV or of the Grantor at any time during the Grantor's Voting Control Period.

Grantor's exercise of any option hereunder shall be made by a written election, duly filed of record and if made after the conveyance to the Association of the property involved, Grantor shall give written notice of such election to the Association, which shall thereupon reconvey such property to Grantor.

**3.10 COMMON AREA AND RECREATION FACILITY USES AND RESTRICTIONS**

3.11 Exclusive use shall be reserved (i) in the Common Area, equally for all Owners; and (ii) in the Recreation Facility, equally for all Owners and Approved Guests as herein defined, subject to the following exceptions, limitations and/or restrictions:

(1) There shall be maintained upon the Common Area adjoining each Project Area, (i) paved area divided into such number of parking spaces that when added to the spaces in the Project Area's Covered Parking Facility results in an aggregate amount equal to one hundred fifty per cent (150%) of the number of Residence Units in such Project; and (ii) unpaved area capable of division into such number of parking spaces as shall be equal to fifty per cent (50%) of the number of Residence Units in such Project;

(2) The Recreation Facility shall be used exclusively by the Owners or Tenants of Residence Units in occupancy thereof and the immediate family of such Owner or Tenant, as applicable, sharing such occupancy and by Approved Guests, as herein defined;

(3) The use of the Common Area and Recreation Facility shall be subject to the Valley Forge Towers Rules;

(4) The use of the Common Area and Recreation Facility shall be subject (i) to such easements and rights of way reserved therefrom at the time of the conveyance thereof by Grantor to the Association, (ii) to such road and public utility easements and rights of way as may from time to time be taken under power of eminent domain, or granted in lieu thereof, and (iii) to such other road and public and private utility easements as may from time to time be granted or conveyed by the Association pursuant to the provisions of Section 5.22(4);

(5) Anything to the contrary herein contained notwithstanding, there shall be, and is hereby, reserved from the application of any restrictions hereunder and/or any conveyance to the Association under Section 3.30, such rights of use and access by Grantor as it may deem desirable for the development and marketing of Phase One or any Additional Phase including, without limitation, the erection and use of construction structures and construction and project signs and the right to maintain and display model units in or about the Recreation Facility and to extend visitation privileges therein to, and for the benefit of, potential buyers and/or tenants of the Units;

(6) No improvement, excavation or work which in any way alters any Common Area or Recreation Facility from its natural or existing state on the date such Common Area and/or Recreation Facility was conveyed by Grantor to the Association pursuant to Section 3.31 hereof, including the change of the natural or existing drainage of surface waters or the removal or planting of any trees, shrubs or ground, (a "Common Area or Recreation Facility Alteration") shall be made or done (but, for this purpose, completion of construction by the Grantor shall not be deemed such an Alteration), except upon strict compliance with, and within the restrictions and limitations set forth in Section 3.12.

3.12 The following restrictions and limitations shall apply to a Common Area or Recreation Facility Alteration:

(1) Except to the extent provided in (3) and (4) below, no person other than the Association or its duly authorized agents shall make a Common Area or Recreation Facility Alteration, and if the Association proposes to do so, except to the extent otherwise provided in (2) below, the Association shall submit to the Design Committee for approval two sets of final plans and specifications for any such work in such form and containing such information as the Design Committee may from time to time require. The Design Committee shall approve the plans and specifications

submitted to it pursuant to this paragraph if all of the following conditions have been satisfied:

(a) if the plans are to construct any new improvement, the Design Committee finds that such improvement (i) is reasonably necessary for any utility installation serving any property within the Valley Forge Towers Community; (ii) is desirable in order to provide or improve access to or enhance the use and enjoyment of any property within the said Community; (iii) is desirable to prohibit, support or preserve any property within said Community; or (iv) is reasonably necessary for the construction of an Additional Recreation Facility pursuant to the provisions of Article IV;

(b) The Design Committee finds, in its sole discretion, that the proposed work shall not materially prejudice the Valley Forge Towers Community or any Owner in the use and enjoyment of his property.

All such approvals shall be in writing; provided, however, that plans which have neither been approved or rejected within forty-five (45) days from the date of submission thereof to the Design Committee shall be deemed approved. Rejection of plans by the Design Committee shall be in writing and shall set forth with particularity the reasons for such rejection.

(2) The Association may, at any time and from time to time:

(a) reconstruct, replace or refinish any improvement or portion thereof upon Common Area or the Recreation Facility in accordance with (i) the last plans thereof approved by the Design Committee pursuant to paragraph (1) above; (ii) the plans filed by Grantor with the Design Committee pursuant to Section 3.13 below; or (iii) if neither of the foregoing clauses is applicable and if such improvement existed upon the Common Area or Recreation Facility when such Common Area or Recreation Facility was conveyed by Grantor to the Association, then in accordance with the original design, finish or standard of construction of such improvement when such Common Area or Recreation Facility was conveyed by Grantor to the Association;

(b) construct, reconstruct, replace or refinish any road improvement upon any portion of Common Area or Recreation Facility designated on the General Plan of Development as a private road;

(c) with respect to Common Area, replace destroyed trees or other vegetation and, to the extent that the Association deems necessary for the conservation of water and soil, plant trees, shrubs and ground cover; and

(d) place and maintain upon the Common Area and the Recreation Facility such signs and markers as the Association may, in its sole discretion, deem necessary for the identification of The Valley Forge Towers Community and of roads, the regulation of traffic, including parking, the regulation and use of Common Area, and for the health, welfare and safety of Owners and Guests.

(3) Following the conveyance of the Common Area and/or the Recreation Facility to the Association pursuant to Section 3.31, Grantor may make Common Area and Recreation Facility Alterations at any time and from time to time:

(a) without limitation as to duration, if any such Alteration is required for the integration of any Additional Phase, in accordance with the terms of Section 2.12(2)(a); or

(b) within two (2) years of such conveyance, if such Alteration is not governed by the preceding subsection, so long as the Grantor shall determine that the work entailed thereby meets the standards specified in Section 3.12(1)(a) relative to certain such Alterations proposed to be made by the Association.

(4) A Project's Governing Body may at any time and from time to time construct or reconstruct on Common Area any improvement which may be necessary to protect, support or preserve the Project Area involved, subject to the approval of the Design Committee in accordance with the standards of Section 3.12(1)(a) and if required by such Committee, to the submission of one or more opinions from such professional consultants as the Committee deems appropriate in order to establish the necessity for such construction or reconstruction.

3.13 Grantor shall from time to time file with the Design Committee such plans and specifications as it may have in its possession and as the Design Committee may deem necessary for the purpose of maintaining a permanent record of improvements constructed by Grantor on the Common Area and Recreation Facility.



prior to or subsequent to the time such Common Area or Recreation Facility was conveyed by Grantor to the Association.

**3.20 PROJECT AREA AND USES AND RESTRICTIONS**

**3.21 The Project Area shall be for the exclusive use and benefit of Owners of Units within the Project involved, subject to the following limitations and restrictions:**

(1) The Association or its duly authorized agents, shall have the right at any time, and from time to time, without any liability to the Project Governing Body or to the Owner of any Unit within the Project for trespass or otherwise, to enter upon any Project Area for the purpose (i) of maintaining any part of the Project Area as provided in Section 5.21(4); (ii) of maintaining the Common Area and the Recreation Facility; (iii) of removing any improvement constructed, reconstructed, refinished, altered or maintained upon such Project Area in violation of Section 3.22; and (iv) of otherwise enforcing the restrictions set forth or incorporated in the succeeding subsections hereof.

(2) The right of a Project Governing Body or Owner to construct or reconstruct, or to refinish or alter any part of the exterior of, any improvement upon, under or above any Project Area, or to make or create any excavation or fill thereon, or to make any change in the natural or existing drainage thereof or to install any utility line thereon or thereover ("Structural Change") shall be subject to the following limitations and conditions:

(a) No Structural Change shall be made unless and until the Project Governing Body and/or Owner first obtains the written approval thereof from the Design Committee as provided in Section 3.23. The Association shall remove any improvement constructed, reconstructed, refinished, altered or maintained in violation of this paragraph, and the Project and/or Owner thereof shall reimburse the Association for all expenses incurred in connection therewith;

(b) Upon receipt of the approval from the Design Committee as herein-after provided, the Project Governing Body and/or Owner shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the

commencement and completion of all construction, reconstruction, refinishing, alterations and excavations pursuant to the approved plans. If the Project Governing Body and/or Owner fails to comply with this paragraph, the Design Committee shall notify the Association of such failure, and the Association, at its option, shall either complete the Structural Change in accordance with the approved plans or remove the improvement, and the Project and/or Owner shall reimburse the Association for all expenses incurred in connection therewith.

(3) Each Project Area, and any and all improvements from time to time located therein, shall be maintained by the Owner or Project Governing Body thereof in good condition and repair at the sole cost and expense of such Owner or Project Governing Body.

(4) No noxious or offensive activity shall be carried on upon any Project Area, nor shall anything be done or placed thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance, or annoyance either to any other Owner in their enjoyment of Common Area and the Recreation Facility or to Unit Owners in any other Project Area in their enjoyment of such Project Area.

3.23 Any Project Governing Board and/or Owner proposing to make a Structural Change shall make application therefor by submitting to the Design Committee plans and specifications showing the nature, kind, shape, height, materials and location of the proposed Change. Such Committee may reject such application, if it finds that the proposed Change, for any reason whatsoever, (including the design, height or location thereof and its probable effect on other Projects and/or Owners in the use and enjoyment of Project Area, Common Area or the Recreation Facility), is incompatible with the Valley Forge Towers Community, the design and location of its improvements and/or its topography. In the event the Design Committee fails to approve or disapprove said plans and specifications within forty-five (45) days from the date

of their submission, the application for the Structural Change will be deemed to have been approved, in accordance with said plans and specifications.

**3.30 CONVEYANCE OF COMMON AREAS AND RECREATION FACILITY**

**3.31 Subject to the terms and conditions set forth in Section 3.32 hereof, Grantor covenants and agrees to convey to the Association, the Common Areas and the Recreation Facility, which Grantor may, at its option, consummate at any time but not later than:**

(1) in the case of the Recreation Facility, with respect to the improvements and parcels then so constituted, one year from the date of recordation of this Declaration in the Office of the Recorder of Deeds of Montgomery County, Pennsylvania;

(2) in the case of Additional Recreation Facilities as hereinafter defined, at such time as the Association shall elect pursuant to the terms of Section 4.21; and/or

(3) in the case of Common Area, not later than one year after substantial completion of the Project within the applicable Phase or Extended Area.

**3.32 Title to such property as and when conveyed shall be good and marketable, free and clear of all liens and encumbrances except the following:**

(1) such rights and easements of record in and over said property, as were reserved for the benefit of the occupants of the larger tract of which said property was a part in the deed of its conveyance to Grantor or its successors by the common owner thereof, including a reservation for the occupants of such larger tract of the use and enjoyment of the Recreation Facility (the "Adjoining Property Users"), under and subject to an obligation for contribution on account of the cost thereof as provided in the aforesaid deed.

(2) the rights reserved to Grantor and/or Association to withdraw certain portions of the said property pursuant to Section 2.03 and/or 3.03;

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(3) such easements and rights of way on, over or under all or any part thereof as may be reserved to Grantor in accordance with the provisions of the Valley Forge Towers Community Restrictions;

(4) such easements and rights of way on, over or under all or any part thereof as may be reserved to Grantor for access to real property contiguous to the Common Area or the Recreation Facility;

(5) such easements and rights of way on, over or under all or any part thereof as may be reserved to Grantor or granted to or for the benefit of any political subdivision or public organization, any public utility corporation, or any Project Area, for the purpose of constructing, erecting, operating and maintaining thereon, therein and thereunder, at that time or at any time in the future (i) roads, streets, walks, driveways, parkways and park areas; (ii) poles, wires and conduits for the transmission of electricity for lighting, heating, power, telephone, television and other purposes and for the necessary attachments in connection therewith; and (iii) public and private sewers, sewage disposal systems, storm water drains, land drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes and any and all equipment in connection therewith;

(6) the obligations imposed, directly or indirectly, by virtue of any statute, law, ordinance, resolution or regulation of any political subdivision or public organization having jurisdiction over such property, or by virtue of any organization or body politic created pursuant to any such statute, law, ordinance or regulation;

(7) any other lien, encumbrance or defect of title of any kind whatsoever (other than of the type which would at any time or from time to time create a lien upon such property to secure an obligation to pay money) which would not materially and actually prejudice the Owners and Approved Guests in their use and enjoyment of such property;

(8) the lien of real property taxes and assessments not delinquent.

3.33 The land classification of any real property within the Valley Forge Towers Community which is neither Common Area nor Recreation Facility may be changed to Common Area or Recreation Facility by the transfer of such property

to the Association from all persons having any right, title or interest therein. The Association shall accept such property and shall amend the General Plan of Development designating the same thereon as Common Area, and such property shall thereupon become Common Area in accordance with such designation.

**3.40 PRESUMPTION OF COMPLIANCE**

**3.41 All of the following improvements, excavations, fills and other work shall, for all purposes of the Valley Forge Towers Community Restrictions, be conclusively presumed to be in compliance with, and within the restrictions of, the provisions of this Article III (provided that they otherwise satisfy the restrictions set forth in Section 2.12(2)(b)):**

(1) Those existing or maintained within or upon any property within Valley Forge Towers Community at the time such property became a part of Valley Forge Towers Community;

(2) Those existing or maintained within or upon any Project Area at the time such Project Area or any Unit thereof was first conveyed to an Owner by Grantor;

(3) Those from time to time constructed, reconstructed, refinished, altered, installed or maintained within or upon any property within The Valley Forge Towers Community by Grantor or pursuant to plans and specifications which have been approved by the Design Committee and which approval has not thereafter been revoked; and

(4) Those specified as complying with Valley Forge Towers Community Restrictions in the estoppel certificate recorded by the Design Committee pursuant to Section 5.36.

**ARTICLE IV**

**DEVELOPMENT OF  
ADDITIONAL RECREATION FACILITIES**

**4.00 APPLICATION**

**4.01 One or more Residence Unit Owners may from time to time petition the Association for the development of an**

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Additional Recreation Facility on any portion of Common Area reserved on the General Plan of Development for such development. Such petition shall be in such form and shall contain such information as the Association may require, including, among other things, the following:

- (1) the names and addresses of the petitioning Residence Unit Owners;
- (2) the location of the Common Area; and
- (3) the type of Recreation Facility which the petitioning Owners wish to have developed.

4.02 The Association may from time to time and on its own motion move for the development of an additional Recreation Facility, in which case such motion shall be treated as if it were a petition submitted by one or more Residence Unit Owners.

#### 4.10 REVIEW OF APPLICATION

4.11 The Association shall tentatively approve the petition if it finds that the proposed additional Recreation Facility is financially feasible and is compatible with the Valley Forge Towers Community. Among the factors which the Association shall consider in making such finding are the following:

- (1) the suitability of the proposed use of the location;
- (2) the suitability of the proposed use as opposed to other possible recreational uses on such location;
- (3) the suitability of the public character of the proposed recreation facility as opposed to a private character;
- (4) the anticipated volume of use; and
- (5) the estimated cost of development and operation.

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4.12 After tentative approval of the petition the Association shall prepare, or cause to be prepared, and submit to the Design Committee, two sets of plans and specifications for the proposed recreational facility. Upon the request of the Design Committee, such plans and specifications shall be prepared by an architect and/or engineer. If the Design Committee approves such plans and specifications, the Association shall obtain firm bids on the total cost of constructing and otherwise developing the proposed additional Recreation Facility, and the lowest acceptable bid or bids shall be deemed the estimated total cost of development of such Facility.

4.13 The Association shall give final approval to the petition if it finds on the basis of the plans and specifications approved by the Design Committee and the estimated total cost of development that the proposed Additional Recreation Facility is financially feasible and is compatible with Valley Forge Towers Community. In its final approval the Association may impose such restrictions upon the use and operation of the Facility, including reasonable use fees to be charged Owners and Approved Guests for the use thereof, as it may deem advisable to assure the satisfactory functioning and financial stability of the Facility, or to protect other owners in their use and enjoyment of The Valley Forge Towers Community.

4.20 SUBMISSION TO MEMBERSHIP

4.21 After the final approval of any petition, Association shall submit such petition to the Residence Unit Owners accompanied by a detailed statement of its findings in support thereof, together with its proposal for the

amount of the special assessment to be levied against each Residence Unit Owner, as hereinafter provided, in order to cover the estimated cost of construction of such Additional Recreation Facility. Such petition and the special assessment shall be subject to the approval of the Residence Unit Owners, in accordance with the terms of Section 6.21.

#### ARTICLE V

##### THE VALLEY FORGE TOWERS ASSOCIATION AND DESIGN COMMITTEE

#### 5.00 ORGANIZATION: MEMBERSHIP, AND CLASSIFICATION.

5.01 The Association is a nonprofit membership corporation charged with the duties and empowered with the rights set forth herein. It was created by the Articles and its affairs shall be governed by the Articles and By-Laws.

5.02 Each Owner, by virtue of being an Owner and for so long as he is an Owner, shall be a member of the Association and there shall be no other qualification for membership. Membership shall be appurtenant to, and shall not be separable from, the ownership of any of the interests described in Section 1.01(8) hereof.

5.03 The Association shall have two classes of voting membership. Except as provided in Section 5.04 with respect to the Grantor's rights following its Voting Control Period, Class A membership shall consist of the Owners, each of whom shall have one vote, under and subject to the terms and conditions specified in Section 5.10; Class B membership shall consist of, and be limited solely to, the Grantor, which shall be entitled to that number of votes as results from multiplying the difference between 750 and the number of

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Residence Units conveyed by Grantor, from time to time (the "Grantor's Potential Unit Difference"), by the factor of Fourteen (14).

5.04 Grantor's Class B membership and multiple voting rights resulting therefrom shall continue (the "Grantor's Voting Control Period"), until the occurrence of the earlier of either (i) such time as the total outstanding votes of the Class A membership first equals the total outstanding votes of the Class B membership; or (ii) December 31, 1982, at which time, without the necessity for any further act or notice, Grantor's membership in the Association shall, to the extent of the Grantor's Potential Unit Difference, become Class A membership.

5.10 CLASS A MEMBERSHIP RIGHTS OF OWNERS.

5.11 The voting rights of each Owner shall be subject to the following exceptions and conditions:

(1) If any Owner owns more than one Unit, such member, subject to the provisions of this Article V, shall be entitled to one vote for each such Unit;

(2) When any such Unit is owned by more than one member as tenants by the entireties, or in joint tenancy or tenancy in common or any other manner of joint or common ownership or interest, such members shall collectively be entitled to only one vote relative to such Unit, and if such members cannot jointly agree as to how that vote should be cast, no vote shall be allowed with respect to such Unit;

(3) Any member who is in violation of the Valley Forge Towers Community Restrictions, as determined by the Association Board, shall not be entitled to vote during any period in which such violation continues. Any member who fails to pay any dues or any special assessment established by the Association shall not be entitled to vote during any period in which any such dues or assessments are due and unpaid;

(4) The Association Board may make such regulations, consistent with the terms of the Valley Forge Towers Community Restrictions and the Association Articles, as it deems advisable for any meeting of members, in regard to proof of membership in the Association, evidence of right to vote, the appointment and duties of inspectors of votes, registration of members for

voting purposes, and such other matters concerning the conduct of meetings and voting as it shall deem fit.

5.20

DUTIES AND POWERS OF ASSOCIATION.

5.21 The Association shall have the obligations and duties, subject to the Valley Forge Towers Community Restrictions, to do and perform each and every of the following for the benefit of the Owners and for the maintenance and improvement of

(1) The Association shall accept as part of The Valley Forge Towers Community, all property annexed to The Valley Forge Towers Community pursuant to Section 2.02 and shall accept all Owners as members of the Association;

(2) The Association shall accept title to all Common Area and Recreation Facility from time to time conveyed to it pursuant to Section 3.32;

(3) The Association shall maintain, or provide for the maintenance of, Common Area, the Recreation Facility and all improvements of whatever purpose from time to time located thereon in good order and repair; provided however, that notwithstanding the foregoing, the Association shall have no obligation to maintain in good order and repair any improvement constructed upon Common Area or Recreation Facility by any Project Governing Body pursuant to Section 3.12(4);

(4) The Association shall enter upon and maintain, or provide for the maintenance of, any Project Area which is not maintained by the Owner or Project Governing Body thereof in accordance with the requirements of Section 3.22(3);

(5) To the extent not assessed to or paid by the Owners, the Association shall pay all real property taxes and assessments levied upon any portion of Common Area or upon any Recreation Facility;

(6) The Association shall obtain and maintain in force the following policies of insurance:

(a) fire and extended coverage insurance on all improvements owned by the Association and from time to time located upon or within any Common Area or Recreational Facility, the amount of such insurance to be not less than ninety percent (90%) of the aggregate actual replacement value (exclusive of the cost of excavations, foundations and footings), of such improvements as from time to time determined by the Association;

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(b) bodily injury liability insurance with limits of not less than Two Hundred Thousand Dollars (\$200,000) per person and One Million Dollars (\$1,000,000) per occurrence insuring against any and all liability with respect to the Valley Forge Towers Community or any portion thereof, or arising out of the maintenance or use thereof; and

(c) property damage liability insurance with a deductible of not more than One Thousand Five Hundred Dollars (\$1,500) and a limit of not less than Five Hundred Thousand Dollars (\$500,000) per accident.

The policy or policies of insurance referred to in subparagraphs (b) and (c) above shall name as insureds (i) the Association, the Board, the Design Committee, and their representatives, members and employees; and (ii) with respect to any liability arising out of the maintenance and use of Common Area or any Recreation Facility, the Owners. Such policy or policies shall protect each of the insureds as if each were separately insured under separate policies; provided, however, that such policy or policies shall not require the insured or insurers to pay any amount in excess of the maximum limits stated therein. Each and every policy of insurance obtained by the Association, whether or not required to be obtained pursuant to the provisions of Valley Forge Towers Community Restrictions, shall expressly waive any and all rights of subrogation against Grantor, its representatives and employees, and any Owner.

(7) The Association shall accept and act upon applications submitted to it for the development of Additional Recreation Facilities, as provided in Section 4.01;

(8) The Association shall from time to time make, establish, promulgate, amend and repeal the Valley Forge Towers Rules, as provided for in Section 5.22(8);

(9) To the extent provided for in Section 5.32, the Association shall exercise its rights to appoint and remove members of the Design Committee to insure that at all reasonable times there is available a duly constituted and appointed Design Committee;

(10) The Association shall take such action, whether or not expressly authorized herein or in any other governing instrument, as may reasonably be necessary to enforce the restrictions, limitations, covenants and conditions of Valley Forge Towers Community Restrictions, the Valley Forge Towers Rules and the Design Committee Rules.

5.22 The Association shall have all of the powers set forth in the Articles, together with its general powers as

a nonprofit corporation, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, the By-Laws and in the Valley Forge Towers Community Restrictions, to do any and all lawful things which may be authorized, required or permitted to be done by the Association under and by virtue of the Valley Forge Towers Community Restrictions and to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association or for the peace, health, comfort, safety and/or general welfare of the Owners and Approved Guests of the Valley Forge Towers Community. Without in any way limiting the generality of the foregoing:

(1) The Association shall have the power and authority at any time, and from time to time, and without liability to any Owner or Project Governing Body, to enter upon any Project Area for the purpose of enforcing any and all of the provisions of Section 3.20, or for the purpose of maintaining and repairing any such Area if for any reason whatsoever the Project Governing Body of the Project involved fails to maintain and repair such Area as required by Section 3.22(3). The Association shall also have the power and authority from time to time, in its own name, on its own behalf or on behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of Valley Forge Towers Community Restrictions and to enforce, by mandatory injunction or otherwise, all of the provisions of the said Restrictions:

(2) In fulfilling any of its obligations or duties under the Valley Forge Towers Community Restrictions, including, without limitations, its obligations or duties for the maintenance, repair, operation or administration of Common Area, the Recreation Facility and, to the extent necessitated by the failure of the Owners thereof, Project Area, the Association shall have the power and authority:

(a) to contract and pay for, or otherwise provide for, the maintenance, restoration and repair of all improvements of whatever kind and for whatever purpose from time to time located upon Common Area or within any Recreation Facility;

(b) to obtain, maintain and pay for such insurance policies or bonds, whether or not required by Section 5.21 (6), as the Association shall deem to be appropriate for the protection or benefit of the Association, the members of the Board, the members of the Design Committee,

Owners or Approved Guests, including, but without limitation, war risk insurance, boiler insurance, workmen's compensation insurance, malicious mischief insurance, automobile non-ownership insurance, and performance and fidelity bonds;

(c) to contract and pay for, or otherwise provide for, such utility services, including, but without limitation, water, sewer, garbage, electrical, telephone and gas services, as may from time to time be required;

(d) to contract and pay for, or otherwise provide for, the services of architects, engineers, attorneys and certified public accountants and such other professional and non-professional services as the Association deems necessary;

(e) to contract and pay for, or otherwise provide for, fire, and such other protection services as the Association shall from time to time deem necessary for the benefit of the Valley Forge Towers Community, any property located within the Valley Forge Towers Community, or Owners and Approved Guests thereof;

(f) to contract and pay for, or otherwise provide for, such materials, supplies, furniture, equipment and labor as and to the extent the Association deems necessary; and

(g) to pay and to discharge any and all liens from time to time placed or imposed upon any Common Area or Recreation Facility on account of any work done or performed by the Association in the fulfillment of any of its obligations and duties of maintenance, repair, operation or administration.

(3) In fulfilling any of its obligations, or in exercising any of its rights, to construct improvements or other work upon any Common Area, or in connection with the development of any Additional Recreation Facilities pursuant to Article IV, the Association shall have the right, power and authority:

(a) to contract and pay for, or otherwise provide for, the construction of such improvements or other work upon such terms and conditions as the Association shall deem appropriate; and

(b) to obtain, maintain and pay for such insurance policies or bonds, in addition to those otherwise required to be obtained by the Association hereunder, as the Association may deem appropriate for the

protection or benefit of the Association, the members of the Board, the members of the Design Committee, Owners and Approved Guests, including, but without limitation, builder's risk insurance, additional comprehensive liability insurance, workmen's compensation insurance and performance and fidelity bonds;

(4) The Association shall have the power and authority from time to time to grant and convey to any third party such easements, rights of way, parcels or strips of land, in, on, over or under any Common Area or Recreation Facility, for the purpose of constructing, erecting, operating and maintaining thereon, therein and thereunder (i) public roads, streets, walks, driveways, parkways, and park areas; (ii) poles, wires, and conduits for the transmission of electricity for lighting, heating, power, telephone, television and other purposes and for the necessary attachments in connection therewith; and (iii) public and private sewers, storm water drains, land drains and pipe, water systems, sprinkling systems, water, heating and gas lines or pipes and any and all equipment in connection with the foregoing;

(5) The Association may, from time to time, employ the services of a manager to manage the affairs of the Association and, to the extent not inconsistent with the laws of the State of Pennsylvania and upon such conditions as are otherwise deemed advisable by the Association, the Association may delegate to the manager any of its powers under the Valley Forge Towers Community Restrictions;

(6) The Association may, from time to time and upon such terms and conditions as it may deem appropriate, agree with the Project Governing Body of any Project to manage the affairs of such Project;

(7) The Association shall have the right from time to time to pay, compromise or contest any and all taxes and assessments levied against all or any part of any Common Area or Recreation Facility or upon any personal property belonging to the Association; provided, however, that prior to the sale or other disposition of any property to satisfy the payment of any such tax or assessment, the Association shall pay and discharge the lien imposed with respect to such property;

(8) The Association may, from time to time and subject to the provisions of the Valley Forge Towers Community Restrictions, adopt, amend, and repeal rules and regulations to be known as "The Valley Forge Towers Rules", governing, among other things,

- (a) the use of Common Area and Recreation Facility;
- (b) the use of roads;
- (c) the collection and disposal of refuse including that generated in the Project Areas;
- (d) the burning of open fires; and
- (e) the maintenance of animals within the Valley Forge Towers Community;

With respect to subparagraph (8) (a) above, the Valley Forge Towers Rules may, without limitation and to the extent deemed necessary by the Association in order to preserve the benefits of the Valley Forge Towers Community for all Owners, their families, invitees, licensees and lessees, and for Approved Guests, restrict and/or govern the use of Common Area and Recreation Facility by any Approved Guest, by any Owner, by the family of such Owner, or by any invitee, licensee or lessee of such Owner. With respect to subparagraph (8) (b) above, the Valley Forge Towers Rules may, without limitation, provide for (i) parking restrictions and limitations; (ii) maximum speeds for vehicular travel; (iii) the time or times when commercial vehicles may be permitted to use the roads; and (iv) the type or types of vehicles other than conventionally equipped passenger automobiles which may be permitted to use the roads. A copy of the Valley Forge Towers Rules, as they may from time to time be adopted, amended or repealed, certified by the Secretary or any Assistant Secretary of the Association, shall be delivered to each Owner. Upon such delivery, the Valley Forge Towers Rules shall have the same force and effect as if they were set forth in and were a part of the Valley Forge Towers Community Restrictions.

5.23 No member of the Board shall be personally liable to any Owner, Guest, Project Governing Body, or to any other person, including Grantor, for any error or omission of the Board or the Association, its representatives and employees, the Design Committee or the manager; except for their own wilful misconduct or bad faith.

5.24 The Association, through the Board and its duly authorized representatives, shall have the exclusive right to exercise the powers and authority referred to in paragraphs (2) through (7), inclusive, of Section 5.22.

5.30 DESIGN COMMITTEE.

5.31 The Design Committee shall consist of three (3) members, at least one of whom shall be the architect member. No other member shall be required to meet any qualification for membership on the Design Committee. Each of said persons shall hold his office until such time as he has resigned or has been removed or his successor has been appointed as hereinafter provided.

5.32 The right from time to time to appoint and remove all members of the Design Committee shall be, and is hereby, reserved to and vested solely in Grantor, but Association shall have the right to appoint and remove (i) the non-architect members following the Grantor's Voting Control Period; and (ii) the architect member after the expiration of two (2) years next following the Grantor's Voting Control Period.

5.33 It shall be the duty of the Design Committee to consider and act upon such proposals or plans from time to time submitted to it pursuant to Sections 3.12 and 3.23, to adopt Design Committee rules pursuant to Section 5.34, and to perform such other duties from time to time delegated to it by the Valley Forge Towers Community Restrictions.

5.34 The Design Committee shall meet from time to time as necessary to properly perform its duties hereunder. The vote or written consent of any two (2) members shall constitute an act by the Design Committee; provided, however, approval of plans, drawings and specifications by the Design Committee pursuant to Section 3.23 shall require the vote or written consent of the architect member and at least one

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other member. The Design Committee shall keep and maintain a record of all action from time to time taken by the Design Committee at such meetings or otherwise. The architect member shall receive from the Association reasonable fees for professional services rendered. Unless authorized by the Association, the other members of the Design Committee shall not receive any compensation for services rendered. All members shall be entitled to reimbursement for reasonable expenses incurred by them in connection with the performance of any Design Committee function.

5.35 The Design Committee may, from time to time and in its sole discretion, adopt, amend and repeal by unanimous vote, rules and regulations, to be known as "Design Committee Rules", which, among other things, interpret or implement the provisions of Sections 3.12 and 3.23. A copy of the Design Committee Rules, as they may from time to time be adopted, amended, or repealed, and certified by any member of the Design Committee, shall have the same force and effect as if they were set forth in and were a part of The Valley Forge Towers Community Restrictions.

5.36 When thirty (30) days after written demand therefor is delivered to the Design Committee by any Owner or Project Governing Body and upon payment therewith to the Association of a reasonable fee from time to time to be fixed by the Association, the Design Committee shall record an estoppel certificate executed by any two of its members, certifying with respect to any Unit or Project of said Owner or Project Governing Body, that as of the date thereof either (a) all improvements and other work made or done upon or within said Project or Unit by the Owner or Project Governing Body, or otherwise, comply with The Valley Forge Towers Community Restrictions, or (b) such

improvements and/or work do not so comply, in which event the certificate shall also (1) identify the non-complying improvements and/or work and (2) set forth with particularity the cause or causes for such non-compliance. Any purchaser from the Owner or Project Governing Body, or mortgagee or other encumbrance shall be entitled to rely on said certificate with respect to the matters therein set forth, such matters being conclusive as between the Association, Grantor and all Owners and such purchaser, mortgagee or other encumbrancer.

5.37 Neither the Design Committee nor any member thereof shall be liable to the Association or to any Owner or Project Governing Body for any damage, loss or prejudice suffered or claimed on account of (a) the approval of any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, (c) the development, or manner of development of any property within the Valley Forge Towers Community or (d) the execution and filing of an estoppel certificate pursuant to Section 5.36, whether or not the facts therein are correct; provided, however, that such member has, with the actual knowledge possessed by him, acted in good faith.

## ARTICLE VI

### ASSESSMENTS

#### 6.00 COMMON AREA EXPENSE ASSESSMENT

6.01 Not less than thirty (30) days prior to the commencement of each fiscal year, the Association shall estimate the costs and expenses, including a reasonable provision for contingencies and replacements, to be incurred by the Association during such fiscal year in performing its functions under

Article V with respect to the Common Area (and in the apportionment of the cost of those functions that also relate to the Recreation Facility, the Association's judgment as to the amount thereof allocable hereunder shall be final) and shall subtract from such estimate (the difference being hereinafter referred to as the "Annual Common Area Expense"), the following:

(1) An amount equal to the anticipated balance (exclusive of any reserves for contingencies and replacements) in the Common Area operating fund at the start of such fiscal year which is attributable to Common Area Assessments, as hereinafter defined; and

(2) Any estimated income attributable to the operating fund created by Assessments.

6.02 The Annual Common Area Expense shall be assessed to the Owners, as the Annual Common Area Assessment, in the following manner:

(1) Such Assessment shall be determined by (i) allocating such Annual Common Area Expense, in equal shares, to each of the Project Areas then subject of the Declaration (the "Project Sum"); and (ii) if such Project is a condominium development, apportioning the Project Sum among the units comprising the same, ratably, in accordance with their respective percentages of undivided interest in the Common Elements established by the condominium's declaration (the "Proportionate Interests"). In the event the units of such condominium include parking or other units not embraced by the definition of Unit hereunder the proportionate interest of that Unit shall, for the purposes hereof, be deemed to be zero and the Proportionate Interests of all other Units shall be adjusted to the nearest one-thousandth of one percent, so as to allocate the Proportionate Interest of such non-qualifying units among all the other condominium units, proportionately, and to produce adjusted Proportionate Interests for all other units, totalling 100%.

(2) Any provision to the contrary herein contained notwithstanding, if during the Grantor's Voting Control Period, the Annual Common Area Expense (and the aggregate amount of the consequent Annual Common Area Assessments to be levied during the applicable fiscal year) shall exceed the sum (the "Maximum Annual Common Area Expense",) of the following:

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(a) the aggregate cost and expense incurred by the Association during such fiscal year in performing its functions under paragraphs (5) and (6) of Section 5.21 and paragraph (2) (e) of Section 5.22;

(b) \$ 600 , adjusted upward in direct proportion to any increase in the Cost of Living Index measured from January 1973 to the January immediately preceding the start of the fiscal year involved, multiplied by the number of Units subject to this Declaration, at the time said Assessment is made; and

(c) Five percent (5%) of the aggregate assessed real estate tax value of all Units, subject to this Declaration at the time said assessment is made;

then, to the extent of such excess, Grantor shall have the option of (i) in anticipation thereof, of diminishing the amount thereof by reducing the nature and scope of the Common Area Services; or (ii) of paying the amount of such excess; or (iii) any combination of the foregoing.

6.03 As used in 6.02(2) (b), the term "Cost of Living Index" shall mean the United States Department of Labor's Bureau of Labor Statistics Consumer Price Index, all items, U. S. City Average (1967-69 equals 100) or the successor of such index.

6.10 RECREATION FACILITY ASSESSMENT.

6.11 Not less than thirty (30) days prior to the commencement of each fiscal year, the Association shall estimate the costs and expenses including a reasonable provision for contingencies and replacements, to be incurred by the Association during such fiscal year in performing its functions under Article V with respect to the Recreation Facility, and shall subtract from such estimate (the difference being hereinafter referred to as the "Annual Recreation Facility Expense"), the following:

(1) an amount equal to the anticipated balance (exclusive of any reserves for contingencies and replacements) in the Recreation Facility operating fund at the start of the fiscal year which is attributable to Recreation Facility Assessments as herein defined;

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(2) the estimated receipts from all Guest Fees as hereinafter defined, except during the Grantor's Voting Control Period, when all such receipts shall be credited against the amount of the annual contribution otherwise required to be made by Grantor under Section 6.12(1) hereof ("Grantor's Guest Fee Credit"); and

(3) any income and profits attributable to the operating fund created by such assessments.

**6.12 The Annual Recreation Facility Expense shall be assessed to the Owners, as the Annual Recreation Assessment, in the following manner:**

**(1) During the Grantor's Voting Control Period:**

(a) Such Assessment shall be paid by each Residence Unit Owner in Phase One in an amount equal to 1/750 of the Annual Recreation Facility Expense; and

(b) Grantor shall pay the balance of the Annual Recreation Facility Expense less the Guest Fee Credit, as hereinbefore defined (the "Grantor's Annual Recreation Facility Contribution"), subject to the right of Grantor, in its sole and absolute discretion, to allocate in the manner that it deems appropriate, such balance or any part thereof, to the Units in any Additional Phase and/or Extension Area. In the event and for so long as the Grantor fails or refuses to pay the said Annual Recreation Facility Contribution, all of Grantor's voting rights under Section 5.04 and/or as an Association member shall be suspended.

(2) Following the Grantor's Voting Control Period, such assessment shall be paid by each Residence Unit Owner in an amount equal to that proportion of the Annual Recreation Facility Expense as such Owner's Residence Unit or Units bears to the total number of Residence Units then subject to this Declaration.

**6.20 SPECIAL ASSESSMENTS.**

**6.21 In addition to the annual assessments authorized by the foregoing terms hereof, Association shall have the right to levy special assessments for the cost**

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(i) of curing any violation of the Valley Forge Towers Community Restrictions, the Valley Forge Towers Rules or the Design Committee Rules applicable to any Owner and/or Project Governing Body directly responsible therefor; and (ii) of capital replacements and/or Additional Recreation Facilities, applicable to all Owners in the same manner as the Annual Common Area Assessments; provided that any assessment of the type described in clause (ii) hereof shall require the prior assent of two-thirds (2/3) of the votes of each class of Members, at a meeting duly called for this purpose, written notice of which shall have been sent to all Members not less than thirty (30) days in advance thereof and subject to the special quorum requirements set forth in Section 6.32.

6.22 Nothing hereunder shall permit Grantor to assess the Project Areas, the Owners therein and/or the Association Members for capital improvements to be constructed by Grantor pursuant to the General Plan of Development.

6.30 CHANGE IN BASIS AND MAXIMUM AMOUNT OF ANNUAL EXPENSES.

6.31 After the Grantor's Voting Control Period, the Association shall have the right to change the Maximum Annual Common Area Expense and/or the basis for the Annual Recreation Facility Expense; upon the prior assent of eighty percent (80%) of the votes of its Members cast at a meeting duly convened for such purpose, written notice of which shall have been sent to all Members not less than thirty (30) days in advance thereof and subject to the special quorum requirements set forth in Section 6.32.

6.32 The quorum needed for any action of Members required by the terms of Section 6.21 or 6.31 shall consist

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of not less than sixty percent (60%) of the outstanding votes of each class of membership. If such quorum requirement is not met at the first meeting called under said Sections, then further meetings may be called in accordance with the notice requirements previously specified therein, but the required quorum at any such subsequent meeting need only consist of thirty percent (30%) of the outstanding votes of each class of membership.

**6.40      PAYMENT REQUIREMENTS; EFFECT OF ASSESSMENT;  
ASSOCIATION REMEDIES FOR NONPAYMENT.**

6.41 The Annual Common Area and Recreation Facility Assessments shall be due and payable by the Owners to the Association in equal monthly installments, on or before the first day of each month during the fiscal year, or, in such other manner as the Association shall designate. The first such annual assessments shall be adjusted according to the number of months remaining in the fiscal year. The Board shall fix the amount of such annual assessments against each Owner at least thirty (30) days in advance of the fiscal year and written notice thereof shall be sent to each Owner. The due date of any special assessment requiring membership approval shall be fixed in the resolution authorizing such assessment. If any assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from and after such due date at the rate of six percent (6%) per annum.

6.42 Each assessment under this Article VI shall be a separate, distinct and personal debt and obligation of the Owner against whom it is assessed. If the Owner

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does not pay such assessment or any installment thereof when due, said Owner shall be deemed in default and the amount of the assessment not paid, together with the amount of any subsequent default, plus interest as aforesaid and costs including reasonable attorneys' fees shall become a continuing lien against the property interest of such Owner under the terms of Section 1.01(8), which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns (unless such interest shall not be so reachable, in which event the lien shall lie against the Project Area in which such Owner's Unit is a part), upon the recordation by the Association of a notice of default. If any assessment is made against a condominium Project or its Governing Body in accordance with the terms hereof and such assessment or any installment thereof is not paid when due, as hereinbefore provided, then upon the recordation of the aforesaid notice of default the lien therefor shall lie, both against the Project Area and against the Unit Owners therein, ratably, in accordance with their respective percentages of undivided interest in the common elements established by the condominium's declaration. Such lien shall be subject and subordinate to the lien of any mortgage upon such defaulting Owner's ownership interest as aforesaid which is made in good faith and for value and is recorded prior to the recordation of such notice of default. The Association shall record such notice of default within sixty (60) days following the occurrence of such default and shall commence proceedings to enforce such lien within six (6) months following such recordation. The foregoing remedy shall be in addition to any other remedies provided by law for the enforcement of such assessment obligation.

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6.43 The Association shall execute and acknowledge a certificate stating the indebtedness secured by the lien upon any Unit or Units (or any other ownership interests covered by the terms hereof), and such certificate shall be conclusive upon the Association and the Owners, in favor of all persons who rely thereon in good faith, as to the amount of such indebtedness on the date of the certificate. The Association shall furnish a copy of such certificate to any Owner and Project Governing Body upon request.

6.50 EXEMPT PROPERTY

6.51 The following property subject to this Declaration shall be exempted from the assessments, charges and liens created hereunder:

- (1) The Common Area and the Recreation Facility;
- (2) All public utility easements;
- (3) Grantor's Model Unit Area, and the Fire Station Area, prior to the exercise of Grantor's option pursuant to the terms of Section 2.03.

6.60 COVENANT OF GRANTOR.

6.61 The Grantor for each Project Area within the Valley Forge Towers Community and if such Project Area is developed as a condominium, for each Unit therein created, hereby covenants and each Owner of any Project Area and/or Unit or by acceptance of a deed therefor, whether or not it shall be expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association assessments of such type and in such manner as may be fixed and established under the terms of this Article VI.

ARTICLE VII

RECREATION FACILITY GUEST PRIVILEGES

7.00 RIGHT TO EXTEND PRIVILEGES.

7.01 Subject to the terms and conditions set forth in Section 7.11 hereof, Grantor may from time to time,

in its sole discretion, extend to persons (the "Approved Guests") other than the Owners of Units subject to assessment therefor or the Tenants and their respective immediate families, the use and enjoyment of the Recreation Facility (the "Guest Privileges").

7.02 The right to grant Guest Privileges is hereby reserved exclusively to, and vested solely in, Grantor unless and until (i) expressly waived in writing in favor of Association; or (ii) such time as Grantor owns less than fifteen (15) Residence Units within the Valley Forge Towers Community.

7.10 GUEST PRIVILEGE LIMITATIONS.

7.11 The grant of Guest Privileges hereunder shall be subject to the following terms and conditions:

(1) Guest Privileges shall be subject to the Valley Forge Towers Community Restrictions and to such other terms and conditions as may be appropriate respecting the use of the Recreation Facility, including a designation or delimitation as to scope and/or time of the services and facilities encompassed thereby, that may be used by the Approved Guests;

(2) The total number of Approved Guests that may, in any fiscal year, have been granted Guest Privileges hereunder shall not exceed 1500 less the number of Residence Units subject to this Declaration (the "Maximum Approved Guest Figure");

(3) Each Approved Guest shall pay to the Association for each fiscal year a use fee for the Guest Privileges (the "Guest Fee") that shall be established in the following manner:

(a) During the Grantor's Voting Control Period, no Guest Fee charged by the Association shall be less than an amount equal to 1/1500 of the Annual Recreation Facility Expense;

(b) After the Grantor's Voting Control Period, the Association may fix the Guest Fee in such amount as it deems appropriate; and

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(c) If Guest Privileges are granted after the commencement of a fiscal year, the Guest Fee shall be appropriately prorated. Guest Fees shall be payable in monthly installments or in such other reasonable manner as the Association may designate.

7.12 As used in this Article and elsewhere in this Agreement:

(1) Approved Guests shall be deemed to include the Adjoining Property Users as hereinbefore defined and their immediate family members sharing such occupancy, and Guest Fees shall be deemed to include the contributions of cost required to be made by such Users;

(2) Guest Privileges shall not be deemed to extend to the immediate family of an Approved Guest except in the case of an Adjoining Property User, but in determining the Maximum Approved Guest Figure hereunder as well as the number of Approved Guests referred to in Section 2.12(2)(b), the members of the immediate families of any such Adjoining Property User shall not be counted.

#### ARTICLE VIII

##### GENERAL PROVISIONS

8.01 All of the Valley Forge Towers Community Restrictions shall run with the properties comprising the Valley Forge Towers Community and shall be binding upon and inure to the benefit of Grantor, the Association, each Owner of said real property, or any part thereof, and each successor-in-interest of such Owner.

8.02 No restriction herein is intended to be, or shall be construed as a condition subsequent or as creating a possibility of reverter.

8.03 No violation of any of the aforesaid restrictions contained herein shall defeat or render invalid the lien of any mortgage made in good faith and for value upon any portion of the Property provided, however, that any

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mortgagee in actual possession or any purchaser at any foreclosure sale shall be bound by said restrictions as fully as any other Owner hereunder.

8.04 Each grantee accepting a deed or other instrument conveying any interest in any real property subject to this instrument, whether or not the same incorporates or refers to the restrictions and conditions set forth in this instrument, covenants for himself, his heirs and assigns, to observe, perform and be bound by these restrictions and conditions, as covenants running with the land and that in any deed of conveyance of said real property to any person or persons, said restrictions and conditions shall be incorporated by reference to this indenture and the recording hereof, as fully as if the same were contained therein.

8.05 Association, or its designated committee where specifically authorized herein to act, shall have the right to construe and interpret the provisions of this Declaration, and in the absence of an adjudication by a court of competent jurisdiction to the contrary, its construction or interpretation shall be final and binding as to all persons or property benefited or bound by the provisions hereof.

8.06 In addition to the rights reserved to Grantor pursuant to Section 2.12(4) to modify or supplement the Valley Forge Towers Community Restrictions with respect to property annexed to The Valley Forge Towers Community, and unless specifically provided to the contrary herein, the Valley Forge Towers Community Restrictions, or any part thereof, as from time to time in effect with respect to all or any part of

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the Valley Forge Towers Community, and any limitation, restriction, covenant or condition thereof, may, at any time with the written consent of Grantor, or at any time from and after the Grantor's Voting Control Period without the consent of Grantor, be amended or repealed upon the happening of the following events:

(1) the holders of seventy-five percent (75%) of the combined Class A and Class B votes, approving by vote or written consent, the proposed amendment or amendments to the Valley Forge Towers Community Restrictions; and

(2) the recordation of a certificate of the Secretary or an Assistant Secretary of the Association setting forth in full the amendment or amendments to the Valley Forge Towers Community Restrictions so approved including any portion or portions thereof repealed, and certifying that said amendment or amendments have been approved by the holders of seventy-five percent (75%) of the combined Class A and Class B votes.

8.07 All of the limitations, restrictions, covenants and conditions of the Valley Forge Towers Community Restrictions shall continue and remain in full force and effect at all times with respect to all property, and each part thereof, included within the Valley Forge Towers Community, to the Owners and to the Association, subject, however, to the rights to amend and terminate herein provided, for a period of twenty-one (21) years following the death of the survivor of all the presently living descendants of Richard M. Nixon, President of the United States, but not beyond the year 2050 A.D.: provided, however, that unless within one (1) year prior to the expiration of said twenty-one (21) year period or prior to December 31, 2050, whichever occurs first, there shall be recorded an instrument directing the termination of the Valley Forge

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Towers Community Restrictions signed by not less than two-thirds (2/3) of the Class A membership within the Valley Forge Towers Community, the Valley Forge Towers Community Restrictions in effect immediately prior to the expiration date shall, subject to the provisions herein contained, be continued automatically, without any further notice, for an additional period of ten (10) years and thereafter for successive periods of ten (10) years unless within one (1) year prior to the expiration of any such period the Valley Forge Towers Community Restrictions are terminated in the manner herein set forth.

IN WITNESS WHEREOF, the said TOWER ASSOCIATES has caused this Declaration to be duly executed the day and year first above written.

TOWER ASSOCIATES, a Limited Partnership

BY: TOWERS CONDOMINIUM CORPORATION  
General Partner

  
Vice-President

Attest:   
Asst. Secretary

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COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF MONTGOMERY :

SS

On this, the 14th day of March  
1974, before me, the undersigned officer, personally  
appeared Roger D. Altemose , who acknowledged  
himself to be the <sup>VICE-</sup>President of TOWERS CONDOMINIUM CORPORATION  
General Partner of TOWER ASSOCIATES, a limited partnership,  
and that he as such President being authorized to do so;  
executed the foregoing Declaration for the purposes therein  
contained by signing the name of the Corporation by himself  
as President.

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



Notary Public

DENNIS J. BENNETT, NOTARY PUBLIC  
WHITFARM TWP., MONTGOMERY CO.  
My Commission Expires Mar. 28, 1977  
Member, Penna. Association of Notaries





3/04

**AMENDED AND RESTATED  
DECLARATION**

**VALLEY FORGE TOWERS COMMUNITY ASSOCIATION**

THIS AMENDED AND RESTATED DECLARATION is made on this 30<sup>th</sup> day of March, 1994, by VALLEY FORGE TOWERS COMMUNITY ASSOCIATION, (hereinafter referred to as "Association").

**W I T N E S S E T H:**

**ARTICLE I**

**PROPERTY: DEFINED TERMS**

**Section 1.1 Purpose: Submission of Property:**

This Amended and Restated Declaration is made for the purpose of submitting to the provisions of this Declaration, certain real property located in the Township of Upper Merion, Pennsylvania, together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind now erected or to be erected thereon (the "Property"), said Property constituting the Valley Forge Towers Community (the "Community"), and more specifically described in the "Initial Declaration" as that term is defined below. This Declaration shall amend the Declaration of Community Restrictions, Covenants and Conditions dated March 14, 1974 and recorded in the Office of the Recorder of Deeds of Montgomery County in Deed Book 3933, page 328 (the "Initial Declaration").

**Section 1.2 Easements and Licenses:**

The Property is submitted under and subject to the matters of record listed in the Initial Declaration to the extent that such matters continue to affect the Property, the Association expressly disclaiming any intent to revive or extend any such matters which do not presently affect the Property. This Declaration shall not alter or in any way limit the powers exercised by the Association pursuant to the Initial Declaration. The Community shall be deemed to operate as a master association in conjunction with the Valley Forge Towers South Condominium, the Valley Forge Tower West Condominium, (pursuant to the respective Condominium Declarations recorded in the Office of the Recorder of Deeds of Montgomery County, Norristown, Pennsylvania) and the Valley Forge North Tower apartments in accordance with the provisions of Section 3222 of the Uniform Condominium Act, 68 Pa. C.S. Section 3101 et seq. as amended (the "Act"). The Association shall have the powers of a unit owners' association as defined in Sections 3301 and 3302 of the Act, except as limited by this Declaration.

