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**AMENDED AND RESTATED
DECLARATION**

VALLEY FORGE TOWERS COMMUNITY ASSOCIATION

THIS AMENDED AND RESTATED DECLARATION is made on this 30th 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.

Unit is designed and intended for use and occupancy by its Owner or Tenant as a single family residence.

(g) "Unit Owner" means the person or persons whose estate or interest, individually or collectively, aggregate fee simple ownership of a Unit. In case of joint ownership of a Unit, the term "Unit Owner" shall refer to all such joint owners collectively, and the obligations of a Unit Owner hereunder or under the Act shall, with respect to such Unit, be joint and several among such joint owners.

ARTICLE II

ASSOCIATION MEMBERSHIP

Section 2.1 Formation: The Association is a non-profit membership corporation charged with the duties and empowered with the rights set forth herein. Its affairs shall be governed by this Declaration and the By-Laws.

Section 2.2 Basis for Membership: Each Unit Owner by virtue of being a Unit Owner and for the term of such ownership, shall be a member of the Association and there shall be no other qualification for membership, although the privileges of voting and other membership rights may be suspended for failure to pay Common Expense assessments as set forth in Article VI below.

Section 2.3 Membership Rights of Owners: The voting rights of each Unit Owner shall be subject to the following exceptions and conditions:

A. If any Unit Owner owns more than one Unit, such member, subject to the provisions of this Section, shall be entitled to one vote for each such Unit;

B. When any such Unit is owned by more than one member as tenants by the entirety, 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 member cannot jointly agree as to how that vote should be cast, no vote shall be allowed with respect to such Unit;

C. Any member who is in violation of this Declaration, as determined by the Board, shall not be entitled to vote during any period in which such violation continues. Any member who fails to pay any Common Expense Assessment or any Special Assessment established by the Association shall not be entitled to vote during any period in which any such Common Expense Assessment or Special Assessments are due and unpaid;

D. The Board may make such regulations, consistent with the terms of this Declaration and the By-Laws 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.

ARTICLE III

DESCRIPTION OF COMMON AREA

Section 3.1 The Common Area shall mean and include:

3.1.1 All areas specifically noted on Plan, including, but not limited to, all parking areas, grass areas, sidewalks, driveways, the Recreation Facilities and any fence around the Property as indicated on the Plan.

3.1.2 All other apparatus and installations existing for common use.

3.1.3 All parts of the Property which are not improved.

3.1.4 In the event any Tower Council shall determine (with the permission of the Board as set forth in Article V below) to construct facilities for the use of the Unit Owners which are members of the Condominium governed by such Tower Council, such facilities shall be deemed Common Elements which shall be maintained by the Tower Council authorizing the construction of such facilities.

ARTICLE IV

EASEMENTS

Section 4.1 Utility Easements: The Common Area shall be, and is hereby, made subject to easements in favor of the Association, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this section shall include, without limitation, rights of Association, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electric wires, conduits and equipment under, through, along and on the Common Area.

Section 4.2 Easement to Correct Drainage: The Association reserves an easement on, over and under those portions of the Common Area for the purpose of maintaining and correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. The easement created by this section expressly includes the right to cut any trees, bushes or shrubbery, to grade the soil, or to take any other action reasonably necessary to achieve this result, following which the Association can restore the affected ground as closely to its original condition as practicable.

Section 4.3 Easement for Traffic: Each Unit Owner and each person lawfully residing on the Property is hereby granted a non-exclusive perpetual right and easement of ingress and egress and right of vehicular and pedestrian traffic on, over, through and across the designated areas of the Common Area.

Section 4.4 Rights and Easements of Record: The Property is subject to the rights and easements of records in and over the Property as were reserved for the benefit of the occupants of the larger tract of which the Property was a part in the deed of its conveyance to the developer of the Property by the common owner thereof, including a reservation for the occupants of the larger tract for the use and enjoyment of the Recreation Facilities, under and subject to an obligation for contribution on account of the cost thereof that provided in such deed.

Section 4.5 Binding Effect. All easements and rights described and mentioned herein are easements appurtenant, running with the land, the Units and the Common Area and shall be in full force and effect for the life of this Declaration, as amended, and at all times shall inure to the benefit of and be binding upon the Association, its successors and assigns, the Board and any Unit Owner, purchaser, mortgagee, lessee or other person having an interest in the land or any Units, Common Area or portions thereof.

ARTICLE V

DUTIES AND POWERS OF ASSOCIATION

Section 5.1 Use and Occupancy of Units and Common Area: The occupancy and use of the Common Area shall be subject to the following restrictions:

5.1.1 No use or practice shall be permitted on the Property which is the source of undue annoyance to the other occupants of the Property or interferes with the peaceful possession and proper use of the Property by such other occupants or will materially increase the rate of insurance on the Property beyond that to be anticipated from the proper and accepted conduct of otherwise permitted uses hereunder.

(a) There shall be no obstruction of the Common Area nor shall anything be stored in the Common Area without the prior consent of the Board except as herein expressly provided.

(b) No benches, chairs or other personal property shall be left on, nor shall any playing, lounging, parking of baby carriages, playpens, bicycles, wagons, toys or vehicles be permitted on, any part of the Common Area without the prior consent of and subject to any regulations of the Board.

(c) No rubbish, trash or garbage or other waste material shall be kept or permitted upon the Property except that the Association shall provide for the collection of trash and trash shall be deposited in dumpsters provided by the Association.

(d) No outbuilding, shack, shed or other building or improvement of any kind shall be placed upon any portion of the Common Area, except maintenance buildings or other buildings servicing the Property as shall be deemed necessary by the Association.

5.1.2 Each Unit Owner shall have the right to use the Common Area in common with all other Unit Owners, as may be required for purposes of access, ingress to, egress from, use, occupancy and enjoyment of the Unit owned by such Unit Owner, and for such other purposes incidental to the use of the Units; provided, however, that the parking spaces, and other Common Area designed to be used for specific purposes, shall be used only for such purposes. Such right to use the Common Area shall extend to each Unit Owner and to his agents, servants, tenants, family members, customers, invitees and licensees.

Section 5.2 Duties of Association: The Association shall have the obligations and duties, subject to this Declaration, to do and perform each and every of the following for the benefit of the Owners and for the maintenance and improvement of the Community:

A. The Association shall hold title to the Common Area and the Recreation Facilities;

B. The Association shall maintain, or provide for the maintenance of, the Common Area, the Recreation Facilities and all improvements of whatever purpose from time to time located thereon in good order and repair and in a safe and sanitary condition; provided, however, that notwithstanding the foregoing, the Association shall have no obligation to maintain in good order and repair any improvement constructed upon the Common Area for Recreation Facilities by any Tower Council.

C. The Association shall enter upon and maintain, or provide for the maintenance of, any Building which is not maintained by the Owner or Tower Council in charge thereof;

D. 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 the Common Area or upon the Recreation Facilities;

E. The Association shall from time to time make, establish, promulgate, amend and repeal the Valley Forge Towers Community Rules and Regulations and shall promptly furnish copies of amended Rules and Regulations to all Unit Owners; and,

F. The Association shall take such action, whether or not expressly authorized herein or in any other governing instrument, as may be reasonably necessary to enforce the restrictions, limitations, covenants and conditions of this Declaration and the Valley Forge Towers Community Rules and Regulations and the rules of the Design Committee established pursuant to Article V herein. The Rules and Regulations shall address the operation of the Community, including but not limited to:

1. the use of Common Area and Recreation Facilities;
2. the use of roads, including maximum speeds for vehicular traffic, times when commercial vehicles may be permitted to use the roads and any limitation on the types of vehicles permitted to use the roads;
3. the collection and disposal of refuse;
4. the maintenance of animals within the Community;
5. parking restrictions and limitation.

Section 5.3 Architectural Control:

A. In the event the Association shall wish to alter the Common Area or Recreation Facilities or in the event any Tower Council or Owner shall propose to make a structural change to any Building, such party shall apply therefor by submitting to the Board plans and specifications showing the nature, kind, shape, height, materials and location of the proposed alteration together with such other information as the Board may from time to time require. The Board shall approve the plans and specifications submitted to it provided the following conditions have been satisfied:

1. The proposed alteration is reasonably necessary for any utility installations serving any portion of the Valley Forge Towers Community.
2. The proposed alteration is desirable in order to provide or improve access to or enhance the use and enjoyment of any improvements within the Community.

3. The proposed alteration is desirable to preserve any improvements within the Community.

4. The proposed alteration is compatible with the existing Buildings and Common Area of the Community, including the design and location of its improvements or topography.

5. The proposed alteration shall not materially adversely affect the Valley Forge Towers Community or any Owner in the use and enjoyment of the Property or any Unit.

B. All approvals by the Board shall be in writing; provided, however, that in the event the Board fails to approve or disapprove said plans or specifications within sixty (60) days from the date of their submission, the application will be deemed to have been approved, in accordance with said plans and specifications. Rejection of plans by the Board shall be in writing and shall set forth with particularity the reasons for such rejection.

C. Upon receipt of approval from the Board, the Tower Association and/or Unit Owner shall, as soon as practical, satisfy all conditions thereof and diligently proceed with the commencement and completion of all construction, reconstruction, alterations and excavations pursuant to the approved plans. If the Tower Association and/or Unit Owner fails to comply with this Section, the Board shall notify the Association of such failure and the Association, at its option, shall either complete the proposed construction, reconstruction, alteration or excavation in accordance with the approved plans or remove any such improvement which is not completed in accordance with the approved plans, and the Tower Association and/or Unit Owner shall reimburse the Association for all expenses incurred in connection therewith.

D. When thirty (30) days after written demand therefor is delivered to the Board by any Owner or Tower Council and upon payment therewith to the Association of a reasonable fee from time to time to be fixed by the Association, the Board shall record an estoppel certificate executed by any two of its members, certifying with respect to any Unit or Building of said Owner or Tower Council, that as of the date thereof either (a) all improvements and other work made or done upon or within said Building or Unit by the Owner or Tower Council, or otherwise, comply with this Declaration, 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 a Unit Owner or Tower Council, 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, and all Unit Owners and such purchaser, mortgagee or other encumbrancer.

E. Neither the Board nor any member thereof shall be liable to the Association or to any Unit Owner or Tower Council for any damage, loss or prejudice suffered or claimed on account of (a) the approval of any plans, drawings and specification, 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 improvement within the Valley Forge Towers Community or (d) the execution and filing of an estoppel certificate pursuant to Section 5.3 H. 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

BUDGETS; COMMON EXPENSES; ASSESSMENTS AND ENFORCEMENTS

Section 6.1 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. Such estimate shall exclude the cost of those functions relating to the Recreation Facilities. The Association's judgment as to the amount thereof allocable hereunder shall be final and shall subtract from such estimate the following:

A. 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; and

B. Any estimated income attributable to the operating fund itself. The remainder shall constitute the "Annual Common Expense Assessment."

Section 6.2 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 Facilities. The Association's judgment as to the amount thereof allocable hereunder shall be final and shall subtract from such estimate the following:

A. An amount equal to the anticipated balance (exclusive of any reserves for contingencies and replacements) in the Recreation Facility operating funds at the start of such fiscal year; and,

B. Any estimated income attributable to the operating fund itself. The remainder shall constitute the "Annual Recreation Facilities Assessment."

Section 6.3 The Annual Common Expense Assessment and the Annual Recreation Facilities Assessment shall be assessed to the Owners, in the following manner:

A. Each such assessment shall be determined by allocating such Assessment in equal shares to each of the Buildings (the "Building Assessment").

Section 6.4 Monthly Payments: All Common Area Assessments made in order to meet the requirements of the Association's annual budget shall be deemed to be adopted and assessed on a monthly basis (rather than on an annual basis payable in monthly installments) and shall be due and payable in advance on the first day of each month.

Section 6.5 Reserve Fund: The Association shall maintain an adequate reserve fund for maintenance, repair and replacement of the Common Area which is anticipated to require replacement, repair or maintenance on a periodic basis. The reserve fund shall be funded by monthly payments as a part of Common Expenses.

Section 6.6 Special Assessments: If the annual budget proves inadequate for any reason, including nonpayment of any Unit Owner's assessments, or any nonrecurring Common Expense or any Common Expense not set forth in the annual budget as adopted, the Board may at any time levy a further assessment, which shall be assessed to each Building equally. Such further assessment shall be payable in such monthly installments as the Board may determine. The Board shall serve notice of further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefore, and such further assessment shall become effective and shall be payable at such time or times as determined by the Board. Special Assessments shall be payable in the same manner as Common Element Assessments.

Section 6.7 Failure to Fix New Assessments: If the Board shall fail to fix new assessments for Common Expenses for the subsequent fiscal year before the expiration of any fiscal year, the Unit Owners shall continue to pay the same sums they were paying for such assessments during the fiscal year just ended and such sum shall be deemed to be the new assessments for the succeeding fiscal year. If the Board shall change the assessment at a later date, such new assessment shall be treated as if it were a Special Assessment under Section 6.7 hereof.

Section 6.8 No Exemption by Waiver: No Unit Owner may exempt himself from liability with respect to the Common Expenses by waiver of the enjoyment of the right to use any of the Common Area or by the abandonment of his Unit or otherwise.

Section 6.9 Personal Liability of Unit Owners: In the event of any violation of the provisions of the Act, this Declaration, the

By-Laws or the Rules and Regulations of the Association by any Unit Owner (either by his own conduct or by the conduct of any other occupant of his Unit), the Association, or its successors or assigns, or the Board, or any Unit Owner directly affected by such violation, shall have each and all of the rights and remedies which may be provided for in this Declaration, the By-Laws or said Rules and Regulations, or which may be available at law or in equity, and may prosecute an action or any other proceedings against such defaulting Unit Owner and/or others for enforcement of any lien, the appointment of a receiver for the Unit of such Unit Owner, for damages, for injunction or specific performance, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of eighteen (18%) percent per annum until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed a part of his respective share of the Common Expenses, and the Association shall have a lien for all of the same, as well as for nonpayment of his respective share of the Common Expenses, upon the Unit of such defaulting Unit Owner and upon all his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property. In the event of any such default by any Unit Owner, the Board and Manager or Managing Agent, if so authorized by the Board, shall have the authority to correct such default and do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against the Unit owned by such defaulting Unit Owner. Any and all rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise.

Section 6.10 Acceleration: If a Unit Owner is in default of a monthly payment of the aforesaid charges or assessments for sixty (60) days, the Board may, in addition to all other remedies in the Act or Declaration contained, accelerate all other monthly payment of charges and assessments due for the following twelve (12) months.

Section 6.11 Unpaid Assessments Upon Execution Sale Against a Unit: Any unpaid assessments which cannot be promptly collected from a former Unit Owner may be reassessed by the Board as a Common Expense to be collected from all of the Unit Owners, including (by way of illustration and not limitation) the purchaser who acquired title at the sheriff's sale, his successors and assigns and any holder of a Permitted Mortgage who comes into possession of a Unit by deed in lieu of foreclosure or assignment in lieu of foreclosure.

Section 6.12 Liability of Purchaser of Unit for Unpaid Assessments: Notwithstanding the provisions of Section 6.10 hereof, upon the voluntary sale, conveyance or any other voluntary transfer of a Unit or any interest therein, the grantee thereof

shall be jointly and severally liable with the grantor thereof for all unpaid assessments for Common Expenses which are a charge against the Unit as of the date of consummation of the sale, conveyance or transfer, but such joint and several liability shall be without prejudice to such grantee's right to recover from such grantor the amount of any such unpaid assessments which such grantee may have paid, and until any such assessments are paid, they shall continue to be a lien against the Unit which may be enforced in the manner herein.

Section 6.13 Subordination of Certain Charges: Any fees, charges, late charges, fines and interest that may be levied by the Association pursuant to -- 3302(a)(10, (11) and (12) of the Act shall be subordinate to any first lien of a Permitted Mortgage.

Section 6.14 Assessment Lien: If any Unit Owner or Tower Association does not pay any assessment or any installment thereof when due, said Unit Owner and/or Tower Association 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 attorney's fees shall become a continuing lien against the property interest of such Unit Owner and/or Tower Association as defined in this Declaration, which shall bind such property upon the recordation by the Association of a notice of default. If any assessment is made against any Tower Association or Tower Council in accordance with the terms hereof and such assessment or any installment thereof is not paid when due, as herein before provided, and upon the recordation of the aforesaid notice of default, the lien therefor shall lie both against the defaulting Tower Association and against the Unit Owners therein, rateably, in accordance with their respective percentages of undivided interest in the Common Elements established by such defaulting condominium's Declaration. Such liens 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.

- A. The Association shall execute and acknowledge a certificate stating the indebtedness secured by the lien against any Unit or Units (or any other ownership interests covered by the terms hereof) and such certificate shall be conclusive upon the Association, the Unit Owners and the respective Tower Associations, in favor of all persons who rely thereon in good faith, as to the amounts such indebtedness on the date of the certificate. The Association shall provide a copy of

such certificate to any Unit Owner and any Tower Council upon request.

Section 6.15 Confession of Judgment: IN ORDER TO EXPEDITE THE BOARD'S COLLECTION OF ANY DELINQUENT ASSESSMENT, EACH UNIT OWNER (BY THE ACCEPTANCE OF THE DEED TO HIS UNIT) SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE BOARD MEMBER AS THE ATTORNEY-IN-FACT FOR SUCH UNIT OWNER TO CONFESS JUDGMENT AGAINST SUCH UNIT OWNER IN ANY COURT OF COMPETENT JURISDICTION IN PENNSYLVANIA, FOR ANY SUCH UNPAID ASSESSMENTS, WHICH APPOINTMENT (BEING FOR SECURITY) SHALL BE IRREVOCABLE; AND FOR SO DOING A COPY OF THIS ARTICLE VI AND SAID DEED, BOTH VERIFIED BY AFFIDAVIT, SHALL BE A SUFFICIENT WARRANT. THE AUTHORITY GRANTED HEREIN TO CONFESS JUDGMENT SHALL NOT BE EXHAUSTED BY ANY EXERCISE THEREOF BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL THE DECLARATION SHALL BE TERMINATED.

ARTICLE VII

INSURANCE

Section 7.1 Casualty Insurance to be Carried by Association: The Association shall maintain, to the extent reasonably available, insurance against the loss or damage by fire and all other hazards covered by standard extended coverage endorsement on all insurable improvements and fixtures of the Common Area for the full insurance replacement cost thereof and may maintain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiaries of such insurance. The insurance coverage with respect to the Common Area shall be written in the name of, and the proceeds thereof shall be payable to, the Association. The insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the annual assessment made by the Association.

- A. In the event of damage to or destruction of any part of the Common Area, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Special Assessment against all Owners to cover the additional costs of repair or replacement not covered by the insurance proceeds, in addition to any other annual assessments made against such Owners. In the event that the Association is maintaining blanket casualty and fire

insurance on the Units, the Association shall repair or replace the same from the insurance proceeds available.

- B. All insurance policies shall be reviewed at least annually by the Board in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of the property which may have been damaged or destroyed.

Section 7.2 Liability Insurance to be Carried by Association: The Association shall maintain, to the extent of at least One Million Dollars (\$1,000,000.00) for bodily injury, including deaths of persons and property damage arising out of single occurrence, comprehensive general liability insurance coverage on all Common Area and public ways of the Property. Coverage shall include, without limitation, legal liability of the Association for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Area, and legal liability arising out of lawsuits relating to employment contracts of the Association. Any such policies must provide that they may not be canceled or substantially modified, by any party, without at least ten (10) days prior notice to the Association.

Section 7.3 Workmen's Compensation: The Association shall maintain worker's compensation and employer's liability insurance to the extent required by law, covering persons employed by the Association.

Section 7.4 Officers and Directors Insurance: The Association shall maintain Board member and officers' liability insurance.

Section 7.5 Other Insurance: Generally, the Association shall maintain such other insurance as the Board may, in the exercise of reasonable business judgment, determine to be necessary.

Section 7.6 Release of Claims: Each Unit Owner and the Board hereby waives and releases any and all claims which he or it may have against any other Unit Owner, the Association, the Board and members thereof, and their respective employees and agents, for damage to the Common Area, the Units or to any personal property located in the Units or Common Area, caused by fire or other casualty or any other act or omission of any such party to the extent that such damage is covered by fire or other form of hazard insurance.

Section 7.7 Owner Negligence: If an act or omission of a Unit Owner, or member of his family, a household pet, guest, occupant, or visitor of such Unit Owner, shall cause damage to the Common Area or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a Common Area expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by

the Board, to the extent that such payment is not waived or released under the provisions of subparagraph 7.6 above.

Section 7.8 Insurance Policy Not Impaired: Any release or waiver referred to in subparagraphs 7.7 and 7.8 above, shall be valid only if such release or waiver does not affect the right of the insured under the applicable insurance policy to recover thereunder. The Unit Owners and the Board, with regard to the insurance carried by each of them, shall use their best efforts to see that their insurance carriers agree that such release or waiver does not affect their rights to recover.

Section 7.9 Revision of Property Coverage: If the Board fails within sixty (60) days of an insured lost to initiate a claim for damages recoverable under the property insurance policy obtained pursuant to the Act, the holder of any Permitted Mortgage may maintain such a claim on behalf of the Board. At least once every three years, but more frequently if in the Board's judgment the property is rapidly appreciating in value, the Board shall cause an appraisal of the property to be made for the purpose of determining the current full insurance replacement value of the insured property, without considering depreciation, and the Board shall change the amount of property insurance on the property to the amount of the then-current full insurable replacement value of the property as established by such appraisal, provided that such insurance shall not be decreased below the aggregated principal amount of all Permitted Mortgages.

ARTICLE VIII

BOARD OF THE ASSOCIATION

Section 8.1 Powers of the Board: The Board shall consist of six (6) members and three (3) alternate members. Each Tower Association shall elect two (2) members and one (1) alternate at the annual meetings of the Tower Association members; until such time as a Tower Association is operating in such Building, the owner of the Valley Forge Towers North apartments shall select two (2) members and one (1) alternate to serve on the Board. In addition to the powers set forth in the Act, the Board shall have the following additional powers:

(a) To appoint committees of the Board (which need consist of only one (1) Board Member) and to delegate to such committees the Board's authority to carry out certain duties of the Board, subject to the approval and control of the Board.

(b) To engage the services of any persons (including, but not limited to, accountants and attorneys) deemed necessary by the Board at such compensation as is deemed reasonable by the Board, in the operation, repair, maintenance and management of the

Property, or in connection with any duty, responsibility or right of the Board and to remove, at any time, any such personnel.

(c) To pay any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part thereof which may in the opinion of the Board constitute a lien against the Property or against the Common Area, rather than merely against the interest therein of particular Unit Owners. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specially assessed to said Unit Owners.

(d) To establish user charges with respect to the use of any amenities. Such charges shall be billed to the Unit Owner who, or whose guest, makes use of such facilities. Nothing herein contained shall require the establishment of user charges with respect to all or any one or more of such amenities. Use of all such amenities shall be subject to the Rules and Regulations of the Board.

(e) 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. In the event more than one Unit share a common utility meter or if a portion of the Common Area and one or more Units share a common utility meter, to determine the proper allocation of the cost of the utility service between or among the recipients of such utility service which determination shall be conclusive and binding.

(f) To authorize its agents, servants, workmen and employees to enter upon any Building for the purpose of maintaining and repairing such Building if for any reason whatsoever the Tower Council involved fails to maintain and repair such Building.

(g) To bring on its own behalf, or on behalf of any Unit Owner who consents thereto, any action or suit to restrain and enjoin any breach or threaten breach of this Declaration and to enforce, a mandatory injunction or otherwise, all provisions of this Declaration.

(h) To contract and pay for or otherwise provide for such materials, supplies, furniture, equipment and labor and to the extent the Association deems necessary.

(i) To pay, compromise or contest any and all taxes and assessments levied against all or any part of the Common Area or Recreation Facilities 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.

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

(k) subject to the provisions of the Declaration, grant and convey to any third party easements and rights-of-way in, over and under the Common Elements and facilities for the purpose of constructing, erecting, operating or maintaining thereon, therein or thereunder overhead or underground lines, cables, wires, conduits or other devices for the transmission of electricity and for lighting, power, telephone, community television, radio and audio antenna facilities for other appropriate purposes, public sewers, storm water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes and any similar public or quasi-public improvements and facilities;

(l) contract and pay for, or otherwise provide for, the maintenance, restoration and repair of all improvements of whatsoever kind and for whatever purpose from time to time located within the Common Elements and facilities;

(m) contract and pay for, or otherwise provide for, trash removal services and utility services, including, but without limitation, water, sewer, garbage, electrical, telephone and gas services;

(n) contract and pay for, or otherwise provide for, the construction, reconstruction, repair, replacement or refinishing of any roads, or other paved areas upon any portion of the Property not dedicated to any governmental unit;

(o) contract and pay for, or otherwise provide for, fire and other protective services as the Association shall from time to time deem appropriate for the benefit of the Property, the owners, their tenants and guests;

(p) employ or contract with a professional Manager to perform all or any part of the duties and responsibilities of the Association. Any such agreement shall be for a term not in excess of three (3) years, subject to cancellation by the Association for cause at any time upon not less than ninety (90) days' written notice;

(q) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a

certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

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

(s) establish late charges for failure to pay assessments on a timely basis; and

(t) establish and assess fines for non-compliance with rules and regulations adopted by the Association.

(u) To establish rules and regulations for the operation of the Community as more particularly set forth in Article V above.

Section 8.2 Disputes: In the event of any dispute or disagreement relating to or any questions of interpretation or application of the provisions of this Declaration, the Plan, the By-Laws or the Rules and Regulations, the determination thereof by the Board shall be final and binding on each and all such Unit Owners. The Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief or order to assist it in carrying out its responsibilities under this Section 8.2. All costs of obtaining such a judgment shall be borne by the disputants, or in the absence of disputants, by the Association as a Common Expense.

ARTICLE IX

LIMITATION OF LIABILITY

Section 9.1 Limited Liability of the Board: The Board, and its members in their capacity as members, officers and employees:

- A. Shall not be liable for the failure of any service to be obtained by the Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another Unit Owner or person on the Property unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Board;
- B. Shall not be liable to the Unit Owners as a result of the performance of the Board members' duties for any mistake of judgment, negligence or otherwise, except for the Board members' own willful misconduct or gross negligence;
- C. Shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Board

or the Association in the performance of the Board members' duties;

- D. Shall not be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Unit Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the Common Area, except for the Board members' own willful misconduct or gross negligence.
- E. Shall have no personal liability in tort to a Unit Owner or any other person or entity, direct or imputed, by virtue of acts performed by or for them, except for the Board members' own willful misconduct or gross negligence in the performance of their duties; and
- F. Shall have no personal liability arising out of the use, misuse or condition of the Common Area or Recreation Facilities, or which might in any other way be assessed against or imputed to the Board members as a result of or by virtue of their performance of their duties, except for the Board members' own willful misconduct or gross negligence.

Section 9.2 Indemnification: Each member of the Board, in his capacity as a Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Board, or any settlement of any such proceeding, whether or not he is a Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his duties; provided that, in the event of a settlement, this indemnification shall apply only if and when the Board (with the affected member abstaining if he is then a Board Member) approves such settlement and reimbursement as being in the best interests of the Association; and provided further that, indemnification hereunder with respect to any criminal action or proceeding is permitted only if such Board member and/or officer had no reasonable cause to believe his conduct was unlawful. The indemnification by the Unit Owners set forth in this Section 9.2 shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

Section 9.3 Defense of Claims: Complaints brought against the Association, the Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the holders of any mortgages on Units and such complaints shall be defended by the Association. The Unit Owners and the holders of mortgages on Units shall have no right to participate in such defense other than through the Association.

Section 9.4 Insurance: The Board shall obtain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth in Section 9.2 above, if and to the extent available.

Section 9.5 Fidelity Bonds: The Association shall maintain blanket fidelity bonds for all officers, directors, and employees of the Association and all other persons handling, or responsible for, funds of or administered by the Association. Such fidelity bonds shall be purchased by, and held in the name of the Association and shall be in an amount not less than the estimated maximum of funds, including reserve funds, in the custody of the Association at any given time during the term of each bond, but in no event shall the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all Units plus reserve funds. All such fidelity bonds shall contain waivers by the issuers of such bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. Premiums on all bonds required herein shall be paid by the Association as a common expense. Bonds shall provide that they may not be canceled or substantially modified without at least ten days prior written notice to the Association and to each holder of a first mortgage on any Unit in the Condominium which is listed as scheduled holder of a first mortgage or servicer.

ARTICLE X

MORTGAGES; RIGHTS OF PERMITTED MORTGAGEES

Section 10.1 Reports and Notices: Upon the specific written request of a Permitted Mortgagee or its servicer to the Board, the Permitted Mortgagee shall be entitled to receive some or all of the following as designated in the request:

- A. Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Board to the Owner of the Unit covered by the mortgage;

- B. Any audited or unaudited financial statements of the Association which are prepared for the Association;
- C. Copies of notices of meetings of the Unit Owners and the right to designate a representative to attend such meetings;
- D. Notice of the decision of the Unit Owners to make any material amendment to this Declaration;
- E. Notice of substantial damage to or destruction of any part of the Common Area (the repair of which would cost in excess of \$10,000.00);
- F. Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Property;
- G. Notice of any default by the owner of the Unit which is subject to the mortgage, where such default is not cured by the Unit Owner within thirty (30) days after the giving of notice by the Association to the Unit Owner of the existence of the default;
- H. The right to examine the books and records of the Board at any reasonable time; or
- I. Notice of any decision by the Board to terminate professional management and assume self- management of the Property.

The request of a mortgagee or its servicer shall specify which of the above items it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Board. The Board need not inquire into the validity of any request made by a mortgagee hereunder, but may request reimbursement for reasonable expenses in producing any documents requested.

Failure to comply with the requirements set forth above shall in no way invalidate otherwise proper actions of the Association and the Board.

ARTICLE XI

UNITS SUBJECT TO CONDOMINIUM DOCUMENTS; EMINENT DOMAIN

Section 11.1 Applicability of Documents: Each present and future Unit Owner, occupant and Mortgagee of a Unit or a Building shall be subject to and shall comply with the provisions of the Act, this Declaration, the By-Laws and the Rules and Regulations and with the covenants, conditions and restrictions as set forth in this Declaration, the By-Laws, the Rules and Regulations and the deed to

such Unit. The acceptance of a deed or mortgage to any Unit, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws, the Rules and Regulations and the covenants, conditions and restrictions set forth in the deed to such Unit are accepted and ratified by such grantee or Mortgagee. All of such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or mortgage thereof.

Section 11.2 Eminent Domain: Whenever all or part of the Common Area shall be taken, injured or destroyed by eminent domain, each Unit Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto, but in any proceedings for the determination of damages, such damages shall be determined for such taking, injury or destruction as a whole and not for each Unit Owner's interest therein. The Association shall represent the Unit Owners in the condemnation proceedings or negotiations, settlements and agreements with the condemning authority for the acquisition of the Common Area, or part thereof, by the condemning authority. In the event of a taking or acquisition of part or all of the Common Area by a condemning authority, the award or proceeds of settlement shall be payable to the Association to be held in trust for Unit Owners and their first mortgage holders as their interest may appear.

ARTICLE XII

AMENDMENT OF DECLARATION

Section 12.1 Amendment Generally: In no event shall any amendment be valid without the consent of at least sixty-seven (67%) percent of all Unit Owners eligible to vote.

Section 12.2 Rights of Secured Lenders: No amendment of this Declaration may be made without the prior written approval of holders of first mortgages on Units to which at least sixty-seven percent (67%) of the votes of the Units subject to a mortgage appertain, if and to the extent that such approval is required by the Act or if and to the extent that such amendment would have the effect of (1) abandoning, encumbering, selling or transferring the Common Area or (2) partitioning or subdividing any Common Area. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area shall not be deemed to be a transfer within the meaning of this Section.

Section 12.3 Other Amendments: If any amendment is necessary in the judgment of the Board to cure any ambiguity or to correct or supplement any provision of this Declaration or the Plats and Plans which is defective or inconsistent with any other provision hereof

or thereof or with the Act, or to change, correct or supplement anything appearing or failing to appear in the Plats and Plans which is incorrect, defective or similarly inconsistent, or if such amendment is necessary to conform to the then current requirement of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation or similar government agency with respect to condominium projects, the Board may, at any time and from time to time, effect such amendment without the approval of the Unit Owners, or Permitted Mortgagees, upon receipt by the Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence, together with a like opinion from an independent registered architect or licensed professional engineer in the case of any such amendment to the Plats and Plans. Each such amendment shall be effective upon the recording of an appropriate instrument setting forth the amendment and its due adoption, execution and acknowledgments by one or more officers of the Board.

ARTICLE XIII

INTERPRETATION

To the extent any covenant, restriction or condition of the Initial Declaration is not inconsistent with the provision of this Amended and Restated Declaration and is not expressly set forth in this Amended and Restated Declaration, such restrictions, covenants and conditions shall remain in full force and effect. The provisions of this Declaration shall be liberally construed in order to effectuate Association's desire to create a uniform plan for development and operation of the Community. The 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 binding and final as to all persons or property benefited or bound by the provisions hereof. The headings preceding the various paragraphs of this Declaration and the table of contents are intended solely for the convenience of the readers of this Declaration.

ARTICLE XIV

SEVERABILITY

The provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof unless such deletion shall destroy the uniform plan for development and

operation of the Community which this Declaration is intended to create.

ARTICLE XV

EFFECTIVE DATE

This Declaration shall become effective when it and the Plan have been recorded.

IN WITNESS WHEREOF, the Valley Forge Towers Community Association, intending to be legally bound hereby has duly executed this Declaration, the day and year first above written.

VALLEY FORGE TOWER COMMUNITY
ASSOCIATION

Attest: Ellen Feldque
Secretary

By: [Signature]
President



VALLEY FORGE TOWERS COMMUNITY ASSOCIATION

4000 Valley Forge Circle
King of Prussia, PA 19406
610-783-9970
Fax - 610-783-7683

May 14, 2015

Valley Forge Towers Residents

RE: Policies, Rules & Regulations for Reasonable Accommodation

Dear Residents:

Attached please find Notice of the Valley Forge Towers Community Association's Policies, Rules & Regulations for Reasonable Accommodations regarding Service and Emotional Support Animals. This should be attached to your copy of the Valley Forge Towers Community Association Rules and Regulations. These rules apply to the Clubhouse and Community grounds only. The South, West and North Towers may have a different policy.

Thank you in advance for your cooperation.

Board of Directors
Valley Forge Towers Community Association

REC/arc

**VALLEY FORGE TOWERS COMMUNITY ASSOCIATION
POLICIES, RULES & REGULATIONS FOR REASONABLE ACCOMMODATIONS**

WHEREAS, Valley Forge Towers Club is a planned community that was created by and operates pursuant to a Declaration that was recorded with the Recorder of Deeds of Montgomery County. The Club owns and operates recreational facilities for the use and enjoyment of the residents of the Valley Forge Towers Community; and

WHEREAS, Valley Forge Towers Community Association, acting by and through its Board of Directors, is responsible for the administration of the Towers Club, and the Board of Directors has the powers conferred by the Declaration, the Bylaws of the Association and the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. §5101 et seq., including the power to adopt and enforce reasonable rules and regulations; and

WHEREAS, the Association recognizes its legal obligation, under prescribed circumstances, to provide reasonable accommodations for residents of Valley Forge Towers using its facilities, including accommodations in its policies and rules regarding the presence of animals on Club Property and wishes to balance those needs with the health and welfare of all persons using its facilities, while preserving the use and enjoyment of the Towers Club for all members of the Community, and

WHEREAS, the Board has determined that it is in the best interests of the community to establish firm written policies and rules regarding the presence of service animals and emotional support animals in the Towers Club and on Club Property,

NOW, THEREFORE, be it resolved that the Rules & Regulations of the Association, last approved and amended in January 2013, are amended as follows:

1. General Rule 4 is amended to read as follows:

Animals and pets are not permitted on Club Property at any time, except for service animals and emotional support animals that have been approved by the Association pursuant to these Rules. Service animals and emotional support animals that are permitted on the property are the responsibility of the person for whom permission was granted, and may be present on Club Property only when accompanied by such person. Service animals and emotional support animals shall be kept under reasonable control at all times, and shall not cause undue interference to other members and guests using the Towers Club. The responsible person shall clean up after their animal promptly.

2. The following section, entitled " Procedure For Reasonable Accommodations" is added to the Rules & Regulations:

Procedure For Reasonable Accommodations

1. Unit Owners and Residents requesting an accommodation should complete and submit a Reasonable Accommodation Request and sign the Release to Verify Disability at the top of the Verification Form. If a Unit Owner or Resident has taken it upon himself/herself to a "self-help" accommodation prior to submitting a Reasonable Accommodation Request, the Association will request the person to complete and submit a Reasonable Accommodation Request. The completed and signed form should be submitted to the Association as soon as possible after the need for an accommodation is known by the person needing the accommodation.

2. The Association will mail the Verification and the Reasonable Accommodation Request to the professional named by the Unit Owner/Resident in the Reasonable Accommodation Request promptly after the signed copy is received from the person needing the accommodation.

3. If the professional designated by the by the person needing the accommodation does not return the completed Verification Form within ten (10) business days, the Association will send a reminder letter to such professional and to the person requesting the accommodation indicating that the Association has not received the Verification Form and requesting that it be completed promptly.

4. Association will render a decision regarding the requested accommodation within thirty (30) business days of receiving the completed Verification Form from the designated professional, unless the Association believes that more information is needed. If more information is needed, the Association will inform the person requesting the accommodation in writing of what is needed and establishing a new deadline for a determination.

3. The Reasonable Accommodation Request form and the Reasonable Accommodation Verification form can be obtained from the Community Association Office (Towers Club).

4. This Resolution is effective immediately.

