

DECLARATION OF CONDOMINIUM OF
SHAMROCK TOWNHOMES, INC.

FOR

SHAMROCK TOWNHOMES, INC.,
A CONDOMINIUM

Pursuant to the provisions of the
Pennsylvania Uniform Condominium Act,
68 Pa. C.S. Section 3101 et seq.

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DECLARATION OF CONDOMINIUM OF SHAMROCK TOWNHOMES, INC.
FOR
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A CONDOMINIUM

THIS DECLARATION is made this 31st day of July, 1987, by:

SHAMROCK TOWNHOMES, INC., (Declarant), a Pennsylvania business corporation, as the owner of the real estate herein described.

WITNESSETH:

ARTICLE I

SUBMISSION; DEFINITIONS

1.1. WHEREAS, Declarant is the owner in fee simple of certain property known as Lot 74R, Orchard Park Village, in the Borough of State College, Centre County, Pennsylvania, being described in Centre County Deed Book 448, Page 236, and recorded in Plat Book 34, Page 175 in the Recorder's Office in and for Centre County, Pennsylvania, which is more particularly described in Article II, Section 2.3, herein and which Declarant desires be of condominium use and ownership, together with the Buildings and improvements thereon erected and the easements, rights and appurtenances thereto belonging (collectively, the Property).

NOW, THEREFORE, Declarant hereby declares that it is the express purpose, desire and intention of the Declarant to submit and the Declarant hereby does submit said Property, to the provisions of the Pennsylvania Uniform Condominium Act (68 Pa. C.S. 3101, et seq.), and as the same may be amended from time to time (hereinafter called the "Act"), for the specific purpose of creating and establishing a flexible Condominium to be known as Shamrock Townhomes Condominium (the "Condominium"), and accordingly said Property shall be used, held, sold and conveyed subject to (a) the provisions of the aforesaid Act, (b) the provisions of this Declaration, (c) attachments to the Declaration, (d) the Bylaws, and (e) such Rules and Regulations as the Condominium Association Executive Board may duly adopt, and each and all of the aforesaid five (5) documents being for the purposes of effecting this Condominium and of protecting the value and desirability of said property and of each part thereof, which provisions shall run with the real property and be binding on all parties having any right, title or interest in the Property or any part thereof, and their heirs, guardians, successors, executors, administrators and assigns, and shall inure to the benefit of each owner thereof.

1.2. Defined Terms. Capitalized or other terms not otherwise defined herein or in the Plats and Plans shall have the

meanings specified or used in the Act. The following terms shall have the meanings herein ascribed to them, unless the context clearly indicates otherwise:

1.2.1. "Assessment" means a share of the funds required for the payment of Common Expenses, Limited Expenses or other expenses as described in the Declaration which from time to time are assessed against the Unit Owner/s by the Executive Board.

1.2.2. "Association" means the Pennsylvania incorporated non-profit corporation known as SHAMROCK TOWNHOMES UNIT OWNERS ASSOCIATION, and which is to be comprised of all of the Unit Owners in the Buildings, bound individually and as a group pursuant to this Declaration and to the Bylaws.

1.2.3 "Building" means a dwelling structure containing either six (6) or eight (8) Units, as well as improvements comprising a part thereof, as are the subject hereof, and which has been or will be constructed on the Property.

1.2.4. "Bylaws" mean the document having that name and providing for the governance of the Association, pursuant to Section 3306 of the Act, as such document may be amended from time to time.

1.2.5. "Common Elements" or "Common Areas" means and includes: all portions of the Condominium other than the Units, including without limitation insulation and systems as comprise all central services and utilities, including as well, water lines up to Unit shut-off valves; all apparatus and installations existing for common use; and such areas and facilities as are so designated on the Declaration Plan; but does not include such, or such parts or features of the foregoing as are of entirely private use within a Unit.

1.2.6. "Common Expenses" means and includes: (a) expenses of administration, maintenance, repair and replacement of the Common Elements; (b) expenses agreed upon as common by all the Unit Owners; (c) expenses declared common by the provisions of the Act, or by this Declaration or the Bylaws; and (d) expenses duly declared common by the Executive Board pursuant to the provisions of this Declaration or of the Bylaws; and as provided under any amendments made to said Act or instruments.

1.2.7. "Condominium Documents" include the Declaration, Plats and Plans, Bylaws and Rules and Regulations.

1.2.8. "Convertible Real Estate" means the Real Estate described on Exhibit C attached hereto, so long as the Declarant's rights to create Units and/or Limited Common Elements therein continue to exist.

1.2.9. "Declarant" means Shamrock Townhomes, Inc. and all successors to any Special Declarant Rights.

1.2.10. "Declaration" means this instrument and any amendments hereto, together with the Plats and Plans.

1.2.11. "Declaration Plan" means a professionally prepared plan of the property under Section 3210 of the Act. Said plan is recorded or to be recorded, and a copy thereof is available for inspection at the office of Declarant and a reduced copy is attached hereto.

1.2.12. "Executive Board" or "Board" is the Executive Board of the Association and means a group of natural persons of full age of the number stated in the Bylaws of the Association who may be Unit Owners, spouses of Unit Owners, or partners or shareholders or officers of entities that are Unit Owners, or as initially provided, designees of the Declarant, and who shall manage the business, operations and affairs of the Property on behalf of the Unit Owners Association and in compliance with the Act, this Declaration and the Bylaws.

1.2.13. "Flexible Condominium" means that this Condominium has convertible real estate so long as the Declarant's rights to create Units and/or Limited Elements therein continue to exist.

1.2.14. "Limited Common Elements" or "Limited Common Areas" means a portion of the Common Elements comprising all those areas designated in this Declaration or the Declaration Plan or any amendments thereto or by operation of Section 3202(2) or (4) of the Act for the exclusive use of one or more but fewer than all the Units.

1.2.15. "Majority" or "Majority of the Unit Owners" means the owners of more than fifty (50%) percent in the aggregate of the Units.

1.2.16. "Party Wall" means a wall located at the perimeter of a Unit which is a common wall shared with an adjacent Unit.

1.2.17. "Percentage Interest" means the undivided ownership interest in the Common Elements appurtenant to each Unit as set forth in Exhibit "D" attached and as calculated pursuant to the formula set forth in Article III, Section 3.1, as the same may be amended from time to time.

1.2.18. "Perimeter Wall" shall mean any wall adjacent to either the exterior of a Building, any Common Element or Limited Common Element.

1.2.19. "Permitted Mortgage" means a first recorded mortgage to the Declarant; the Seller of a Unit, any Bank, Trust

Company, Mortgage Service Company, Credit Union, Federal Savings and Loan Association, Savings and Loan Association chartered by the Commonwealth of Pennsylvania, Pension Fund, Life Insurance Company or other institutional lender and any other mortgagee approved by the Executive Board, and shall also mean a purchase money second mortgage to the seller of a Unit. A holder of a Permitted Mortgage is referred to herein as a "Permitted Mortgagee."

1.2.20. "Person" means a natural individual, corporation, partnership, association, trustee or legal entity.

1.2.21. "Plats and Plans" or "Plans" means the Plats and Plans attached hereto as Exhibit E and made a part hereof, as the same may be amended from time to time, and shall include as well all legends, matter, notes and data thereon contained. The Declaration Plan and the Plats and Plans are the same.

1.2.22. "Property" or "Condominium Property" or "Condominium" means and includes the land, the buildings, the individual Units, all improvements thereon and therein, and all easements, rights and appurtenances belonging thereto, which are represented or referred to in the Declaration Plan and/or which are declared by this instrument to be submitted to the provisions of the Act.

1.2.23. "Recorded" means that an instrument has been duly entered of record in the Office of the Recorder of Deeds of Centre County, Pennsylvania, which Office is presently in the Centre County Courthouse, Bellefonte, Pennsylvania.

1.2.26. "Revocation" means an instrument signed by all of the Unit Owners and by all holders of liens against the Units by which the property is removed from the provisions of the Act.

1.2.27. "Rules and Regulations" mean such rules and regulations as are promulgated by the Executive Board from time to time, with respect to various details of the use of all or any portion of the Property, either supplementary to or elaborating upon the provisions in the Declaration or the Bylaws.

1.2.28. "Special Assessment" means a Unit's individual share of any assessment made by the Executive Board in addition to the annual assessment.

1.2.29. "Unit" means a portion of the Condominium described as a Unit herein and in the Plats and Plans.

1.2.30. "Unit Designation" means the number thereof used for designating each Unit in the Declaration Plan.

1.2.31. "Unit Owner" means the person or persons owning a Unit by deed as provided in said Act, or by inheritance or other devolution, or the Declarant while Declarant owns any Units. "Unit Owner" does not include a person having an interest in a Unit solely as security for an obligation.

1.2.32. "Unit Ownership" means (1) the Unit, (2) its Percentage Interest in the Common Elements, and (3) its assigned right to use certain Limited Common Elements as per the Declaration.

ARTICLE II

NAME; COUNTY; DESCRIPTION

2.1. Name. The name of the Condominium by which the Property will be known is SHAMROCK TOWNHOMES CONDOMINIUM. The name under which the business operation and affairs of the Property and Unit Owners shall be managed on behalf of the Unit Owners is SHAMROCK TOWNHOMES UNIT OWNERS ASSOCIATION, a collectivity of Unit Owners under the Pennsylvania Uniform Condominium Act.

2.2. County. The Condominium is located solely in Centre County, Pennsylvania.

2.3. Description of Property. The Property herewith submitted to the Condominium form of ownership under the Act is described on the Declaration Plan, and consists of:

A. The real estate which contains 3.4236 acres of land and is legally described on Exhibit "A", attached hereto as a part hereof, subject to the rights-of-way, easements, covenants and restrictions set forth on said Exhibit A and those referred to herein, and the Buildings, Units and improvements erected thereon, as described hereafter. The Property Code Number assigned to such real estate on Centre County, Pennsylvania, assessment maps is 36-20-199.

B. Access and utility easement for the benefit of the Condominium from Blue Course Drive to the Property, dated July 31, 1987, and recorded in Centre County Miscellaneous Book 202, Page 740, et seq, which is more fully described on Exhibit B, attached hereto as a part hereof.

C. Three Buildings containing an aggregate of twenty (20) Units, each Unit consisting of a two (2) story townhouse with attic, yard storage, separate entrance and appurtenant Limited Common Elements such as concrete patio and carport. Each Unit has either one, two or three bedrooms. The Buildings are of frame and masonry construction with dry-wall interior walls, and with sloped roofs of asphalt shingles. The first floors are concrete slab covered either with wall-to-wall carpeting or vinyl and the ceilings of both the first and second floors are of dry-wall over frame. The bathrooms

have dry-wall walls, vinyl floors, and include tub showers, lavatories and water closets. Kitchens have vinyl floors and are equipped with electric oven, electric range, double stainless steel bowl sinks and wood storage cabinets. The second floors are accessed from the first floor by wooden stairs and stairwells. The Buildings are supplied with electricity, gas, water, sewerage service, telephone and TV cable. The Building is essentially a wooden frame structure with brick veneer or brick face on the exterior and the first floor.

Each of the twenty (20) Units is to be individually heated by forced air which is heated by gas, and each Unit is individually air conditioned, cooled by electricity with individual heat and air-conditioning controls for each Unit.

The location and dimensions of the three (3) Buildings and the other structures and improvements comprising the Property are shown on the Plats and Plans attached hereto, and the location of the twenty (20) Units, Common Elements and Limited Common Elements of the Condominium are shown on the Plats and Plans attached hereto. Plans are also attached showing typical floor plans of the Units and other pertinent information. Each Building will comply with all presently applicable zoning and building ordinances and other governmental requirements.

D. Recorded Easements and Licenses Appurtenant to or Included in the Condominium. Included among the easements, rights and appurtenances referred to in 2.3. A. above are the recorded easements, rights, reservations and licenses set forth in: (a) the deed of David L. Hadden to Shamrock Townhomes, Inc., dated October 9, 1986; (b) Easements set forth in the Easement Agreement from David L. Hadden, et ux, to Shamrock Townhomes, Inc. dated July 31, 1987, and recorded in Centre County Miscellaneous Book 202, page 740, et seq; (c) prior easements and rights-of-way of record including two (2) rights-of-way of West Penn Power Company, recorded, respectively, in Centre County Miscellaneous Books 39, page 381 on March 15, 1949; and 182, page 846 on August 14, 1985; right-of-way of Bell Telephone Co. of Pa. and West Penn Power Company recorded, in Centre County Miscellaneous Book 163, page 849 on May 5, 1982; right-of-way of State College (Borough) Water Authority recorded in Centre County Miscellaneous Book 197, page 823 on February 23, 1987; and the right-of-way of Columbia Gas of Pennsylvania, Inc. recorded in Centre County Miscellaneous Book 189, Page 104 on April 28, 1986; (d) easements for utilities and rights-of-way shown on the plot of the Property prepared by David L. Sweetland, Professional Surveyor, dated and of record in the Office of the Recorder of Deeds of Centre County, Pennsylvania, in Plat Book 34, page 175; (e) easements set forth in Article VI of this Declaration; and easements set forth on the Plats and Plans including as well, one (1) right-of-way of Bell Telephone Co. and West Penn Power Company, and two (2) rights-of-way of West Penn Power Company respectively dated July 21, 1987, and recorded, in Centre County Miscellaneous Book 202, Page 726, Page 732 and Page 734.

ARTICLE III

ALLOCATION OF PERCENTAGE INTERESTS; VOTES AND COMMON EXPENSE LIABILITIES; UNIT IDENTIFICATION AND BOUNDARIES

3.1. Percentage Interests, Common Expense Liabilities and Votes. Attached as Exhibit D hereto is a list of all Units by their Identifying Numbers and the Percentage Interest appurtenant to each Unit, determined on the basis that one (1) bedroom Units shall be assigned a factor of 0.667 each, two (2) bedroom Units shall be assigned a factor of 0.833 each, and all Units containing three (3) bedrooms shall be assigned a factor of 1.000 each. The Percentage Interest shall determine the Common Expense Liabilities appurtenant to each Unit, except that Declarant shall pay the monthly Common Expense Liabilities through November 31, 1987, to the extent such are in excess of the two (2) months' reserve to be paid by Unit Owners who buy their respective Units between now and November 31, 1987. The Unit Owners of each Unit shall be entitled to one (1) vote per Unit in the Association. The undivided Percentage Interest in the Common Elements and any assigned interest in the Limited Common Elements shall not be separated from the Unit to which such interests pertain and shall be deemed to be conveyed, leased or encumbered with the Unit even though such interests are not expressly referred to or described in the Deed, lease, mortgage or other conveyancing document. There shall be no partition or division of any part of the Common Elements or Limited Common Elements through judicial proceedings or otherwise except as expressly provided in this Declaration or as otherwise may be permitted by the Act.

3.2. Unit Boundaries.

A. The title lines or boundaries of each Unit are situated as shown on the Plats and Plans and described as follows: All finished surfaces of all exterior walls, first floor, exterior doors and exterior windows, within or comprising each Unit, except the exterior wall surface and roof which are part of the Limited Common Elements. However, with respect to Common or Party Walls between Units, that boundary line is in the center thereof.

B. Each Unit consists of all portions of the Building within the aforesaid title lines, except the air space displaced by: (i) structural members and bearing columns within or passing through such Unit which are deemed to be Common Elements; and (ii) other Common Elements within such Unit including, without limitation, chutes, flues, ducts, wires, conduits and pipe runs which serve more than one Unit. With respect to such chutes, flues, ducts, wires, conduits and pipe runs, the provisions of Section 3202 (2) of the Act shall apply. There is included within a Unit (by way of illustration and not limitation):

(1) The air space enclosed within such title lines.

(2) All non-bearing partitions which are wholly contained within such title lines, including (but not limited to) all doors, door frames, hardware, electrical outlets and wiring, telephone outlets and conduits, and other equipment and devices in such partitions serving only such Unit.

(3) All plumbing fixtures located within such title lines and serving and affecting only such Unit, and their water and waste connections.

(4) All items of kitchen equipment located within such title lines and serving only such Unit, and such equipment's water, waste and electrical connections.

(5) Exhaust fans and the grills, registers, ventilation ducts and related fixtures which serve only such Unit, whether or not any of the foregoing is located in any portion of the Common Elements.

(6) Lighting devices (including, by way of illustration and not limitation, lamps and bulbs which are surface mounted on, recessed in, or suspended from, ceilings, walls and partitions within or on the perimeter of such Unit) serving only such Unit whether or not such lighting devices are themselves located entirely within the title lines of such Unit.

(7) Outlets, wires, cables, conduits, circuits and related equipment transmitting electricity for lighting and power or transmitting electrical impulses and signals (including, but not limited to, impulses and signals for telephone and television transmission, except to the extent otherwise specifically provided herein) which serve only such Unit and which are located entirely within the title lines of such Unit.

(8) Surface mounted and recessed cabinets (including, by way of illustration and not limitation, all associated lighting fixtures and accessories).

(9) Refrigerators, ranges, dishwashers, garbage disposal units, hot water heaters, heating and air conditioning systems and components, washers and dryers and other appliances and the portions of their water, waste, electrical and exhaust connections located within such title lines and serving only such Unit.

(10) Floor coverings installed on the Unit-side surface of the floor.

Unit title lines are subject to all applicable easements referred to in this Declaration.

EACH UNIT OWNER IS EXPRESSLY PROHIBITED FROM DOING ANYTHING WITHIN HIS UNIT TITLE LINES, OR OTHERWISE, WHICH WILL IMPAIR OR ENDANGER THE STRUCTURAL INTEGRITY OF ANY WALLS, OTHER STRUCTURAL COMPONENTS, ANY UNIT OR ANY BUILDING.

The following portions of the Buildings are not included in Unit Title Lines:

(1) All pipes, ducts, wires, cables, passageways or conduits as may be of service to more than one Unit or to Common Elements.

(2) All items of service, use or benefit to more than one Unit.

ARTICLE IV

MAINTENANCE RESPONSIBILITIES; COMBINING UNITS; ALTERATIONS

4.1. Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of Section 3307 of the Act, except as expressly set forth to the contrary herein in this Declaration or in the Bylaws, or in any amendment thereof.

4.2. Combining and Subdividing Units.

A. Notwithstanding the fact that a portion of the wall separating two (2) Units is a Common Element, upon compliance with the requirements of Section 4.3. hereof, two (2) or more entire adjacent Units may be combined into a larger Unit without the necessity of obtaining any approval of the Association (pursuant to Section 3214(a) of the Act) except any approvals that may be required by the provisions of Section 4.3. hereof; provided that both of the combined Units are under common ownership at the time of effecting such combination. Upon the completion of such combination, the Percentage Interest in the Common Elements appertaining to such combined Unit shall be the sum of the respective Percentage Interests in the Common Elements appertaining to each of the Units that have been combined. The Identifying Number of the combined Units shall consist of the numbers of the Unit having the lowest numbered Identifying Number, followed by a hyphen and the digits of the Identifying Number of the other individual Unit, arranged in numerical order. By way of illustration, if Units having Identifying Numbers of "101" and "102" were to be combined, the Identifying Number of the combined Unit would be "101-102". Except as set forth above, the boundaries between adjoining Units may not be relocated.

B. No Unit may be divided or subdivided except that Units combined pursuant to Section 4.2. A. above may be separated in accordance with the title lines of the original Units. After such separation the air space on either side of the wall or walls providing such separation shall, ipso facto, carry the separate Identifying Numbers shown for such respective areas in the Plats and Plans as initially recorded. The respective Percentage Interests and allocated interests appertaining to such separate Units, and the number of votes of the respective Unit Owners, shall be as stated in Exhibit D to this Declaration, as initially recorded, subject to any change resulting from the creation of additional Units in the Convertible Real Estate. Any separation of Units carried out pursuant to this Section 4.2. is also required to meet the requirements of Section 4.3 hereof.

4.3. Alterations. Any Unit Owner who wishes to perform any Alteration to his Unit or Units shall:

A. Refrain from making any Alteration that will: (i) impair one or more of the structural components or the structural integrity of the Building or any mechanical or electrical system therein; (ii) adversely affect either the fire retardant or sound absorbent quality of the Building; (iii) lessen the support of any portion of the Building; or (iv) violate any applicable law, ordinance or governmental rule, regulation or order;

B. Obtain the approval of the Executive Board (which approval shall not be unreasonably withheld) for any Alteration to the Building prior to the commencement of any such Alteration;

C. Expeditiously complete all Alterations: (i) in accordance with the plans and specifications therefor which have been prepared at such Unit Owner's expense and which have been approved by the Executive Board prior to the commencement of such Alterations; and (ii) without incurring any mechanics' or materialmen's liens;

D. Pay the full cost of performing all such Alterations; and

E. Pay all costs and expenses incurred in connection with the preparation, review, execution and recording of any amendment to the Declaration (including the Plats and Plans) needed in order to reflect the condition of any Building after completion of such Alterations, which amendment shall be recorded by the Executive Board if such amendment conforms to the requirements of the Act and if such amendment is approved in writing by all Owner(s) of all Units the appearance of which on such amendment differ from their respective appearances on the Plats and Plans prior to such amendment, and such amendment shall not require any additional authorization or approval, notwithstanding anything contained elsewhere in this Declaration to the contrary.

4.4. Changes to Electrical, Plumbing and HVAC Systems. Installation, removal, modification, reconstruction or repair of any electrical, lighting, signal transmission and/or power circuit or system, or electric outlet box or terminal device included in such outlet box, or any item of heating or air conditioning equipment, or any ventilation or exhaust duct or related equipment, or any item of any portion of the plumbing system; any of which is located within an interior partition of a Unit or within the ceiling above a Unit, or which in any way serves or could affect any other Unit Owner, may be undertaken by the Unit Owner of such Unit only after application has been made to and written approval has been received from the Executive Board. Such approval shall be granted only if the work performed shall be of similar or superior quality to that then prevailing in the Building and shall be performed by qualified personnel. The cost of such installation, removal, reconstruction or repair, whether undertaken by a Unit Owner or by the Association (under procedures to be established by the Executive Board) shall be borne by the Unit Owner of the Unit benefited thereby.

ARTICLE V

LIMITED COMMON ELEMENTS AND RESERVED COMMON ELEMENTS

5.1. Description of Limited Common Elements. Limited Common Elements shall mean those portions of the Property defined as such pursuant to Sections 3202(2) and (4) of the Act, or as identified and designated as Limited Common Elements in the Plats and Plans, this Article V, or both. Those portions of the Limited Common Elements serving only the Unit or Building adjacent to such Limited Common Element, are Limited Common Elements allocated only to the Unit or Building which they serve. Those Limited Common Elements shown and identified as such on the Plats and Plans shall be allocated to the Unit or Building which it adjoins. Without limiting the generality of the foregoing, the following portions of the Property are hereby designated as Limited Common Elements:

A. Carports, patios, porches, privacy screens and sidewalks adjacent to Units; and

B. Any other areas shown and identified as such on the Plats and Plans.

5.2. Designation of Reserved Common Elements. Reserved Common Elements are those parts of the Common Elements which the Executive Board may designate from time to time for use by less than all of the Unit Owners or by non-owners of any Units for a specified period of time or by only those persons paying fees or satisfying other reasonable conditions for use as may be established by the Executive Board. There are presently no Reserved Common Elements.

ARTICLE VI

EASEMENTS

6.1. Existing and Other Easements. The Property and all parts thereof are subject to easements, covenants, restrictions and conditions as may be set forth in prior instruments of record, including as well those referred to in Article II Section 2.3.D. hereof and also to any Agreement hereinbefore or hereinafter executed between Declarant and the State College Borough Water Authority, which, inter alia, grants such Authority an easement for the Common Elements and on each Unit for the purpose of access to shut-off water valves and for the purposes of reading, repairing and replacing water meters on lots; and to other easements for utilities now or hereafter established or granted by Declarant or by the Executive Board. The Property is further subject to perpetual rights-of-way over prescribed common roadways for ingress and egress to Common Elements and to Units as necessary and convenient, but which, unless and until dedicated and accepted as public roads, shall be subject to the regulations and control of the Executive Board for the good of the Unit Owners.

6.2. Additional Easements. In addition to the foregoing Section 6.1 and in supplementation of the easements provided for by Sections 3216, 3217 and 3218 of the Act, the following easements are hereby created:

6.2.1. Declarant's Use for Sales Purposes. Declarant shall have the right to maintain sales offices, management offices and models throughout the Property and to maintain one or more advertising signs on the Common Elements pursuant to Section 3217 of the Act. Declarant reserves the right to place models, management offices and sales offices on any portion of the Common Elements or in an unsold Unit in such a manner, of such size and in such locations as Declarant deems appropriate. Declarant may from time to time relocate models, management offices and sales offices to different locations within the Property.

6.2.2. Utility Easements. The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarant while Declarant owns any Unit, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines, ducts and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 6.2.2. shall include, without limitation, rights of Declarant, 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 and ducts and vents over, under, through, along and on the Units and Common Elements. Notwithstanding

the foregoing provisions of this Section 6.2.2., unless approved in writing by the Unit Owner or Unit Owners affected thereby, any easement through a Unit shall be located either in substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Unit by the Declarant, or so as not to materially interfere with the use or occupancy of the Unit by its occupants.

6.2.3. Easement to Maintain and Correct Drainage. Until all Units of Declarant are sold, Declarant reserves an easement on, over and under those portions of the Common Elements not located within a Building for the purpose of maintaining and correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. Thereafter, the Association shall have this easement to maintain and correct drainage. The easement created by this Section 6.2.3. expressly includes also the right to cut any trees, bushes, or shrubbery, to grade the soil, or to take any other action reasonably necessary to achieve this purpose, following which the Declarant shall restore the affected property as closely to its original condition as practicable.

6.2.4. Declarant's Easement for Development of Convertible Real Estate and Certain Adjoining Real Estate. Declarant reserves an easement on, over and under those portions of the Common Elements not located in a Building, for all purposes relating to the construction, development, leasing, and sale of improvements on the Convertible Real Estate and on any Real Estate owned by Shamrock Townhomes, Inc. on the effective date hereof. This easement shall include without limitation, the right of vehicular and pedestrian ingress and egress, the right to park motor vehicles and to engage in construction and marketing activities of any nature whatsoever, including as well the movement and storage of building materials and equipment.

6.2.5. Executive Board's Right to Limit Access to Common Elements. The Common Elements (other than the Limited Common Elements) shall be and hereby are made subject to an easement in favor of the Unit Owners and their invitees, employees, tenants and servants, the Association and the agents and employees of the Association for access, egress and ingress over, through and across each portion thereof, pursuant to such requirements and subject to such charges as the Executive Board may from time to time prescribe; provided that nothing contained herein shall create any access easement in favor of Unit Owners with respect to such portions of the Common Elements which are not needed in order to gain access to one or more Units and as to which the Executive Board may from time to time determine it to be necessary or desirable to limit or control access by Unit Owners or the occupants of Units, or both.

6.2.6. Association's Easement to Inspect and Maintain Common Elements. The Common Elements (including, but not limited to the Limited Common Elements) shall be and hereby are made subject to

an easement in favor of the Association and the agents, employees and independent contractors thereof for the purpose of the inspection, upkeep, maintenance, restoration, modification, repair and replacement of the Common Elements (including, but not limited to, the Limited Common Elements).

6.2.7. Association's Easement to Inspect and Maintain Units and Limited Common Elements. The Units and the Limited Common Elements are hereby made subject to the following easements:

(a) In favor of the Association and its agents, employees and independent contractors, (i) for inspection of the Units and Limited Common Elements in order to verify the performance by Unit Owners of all items of maintenance and repair for which they are responsible, and to perform such items of maintenance and repair on behalf of a nonperforming Unit Owner as the Association shall elect to perform in its discretion; (ii) for inspection, maintenance, repair, and replacement of the Common Elements or the Limited Common Elements situated in or accessible from such Units or Limited Common Elements, or both, (iii) for correction of emergency conditions in one or more Units or Limited Common Elements, or both, or casualties to the Common Elements, the Limited Common Elements and/or the Units, and (iv) for any of the purposes set forth in Section 6.2.10. hereof, it being understood and agreed that the Association and its agents, employees and independent contractors shall take reasonable steps to minimize any interference with a Unit Owner's use of his Unit resulting from the Association's exercise of any rights it may have pursuant to this Article; and

(b) In favor of the Unit Owner benefited thereby and the Association and its agents, employees and independent contractors, for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical, telephone, telegraph or other communication systems and all other utility lines and conduits which are part of the Common Elements and which pass across or through a portion of one or more Units.

6.2.8. Easements in Favor of Units Benefited. The Common Elements (including, but not limited to, the Limited Common Elements) shall be and are hereby made subject to the following easements in favor of the Units benefited:

A. For the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are a part of or exclusively serve a single Unit and which pass across or through a portion of the Common Elements; provided that such installation, repair, maintenance, use, removal and/or replacement does not unreasonably interfere with the common use of any part of the

Common Elements or impair or structurally weaken any Building or adversely affect the use of any Unit by its Owner.

B. For the installation, repair, maintenance, use, removal and/or replacement of overhead lighting fixtures, electrical receptacles and the like which are located in a portion of the ceiling, wall or floor adjacent to a Unit which is a part of the Common Elements; provided that the installation, repair, maintenance, use, removal or replacement of such fixtures, receptacles, and the like does not unreasonably interfere with the Common use of any part of the Common elements or impair or structurally weaken the Building or adversely affect the use of any Unit by its Owner.

C. For driving and removing nails, screws, bolts and the like into the Unit-side surface of walls, ceilings and floors which are part of the Common Elements; provided that such action will not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken any Building or adversely affect the use of any Unit by its Owner.

D. For the maintenance of the encroachment of any lighting devices, outlets, cabinets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit but which encroach into any part of any Common Element or Limited Common Element on the date this Declaration is recorded.

6.2.9. Easement for Structural Support. To the extent necessary, each Unit shall have an easement for structural support over every other Unit in each Building, the Common Elements and the Limited Common Elements, and each Unit and the Common Elements shall be subject to an easement for structural support in favor of every other Unit in each Building, the Common Elements and the Limited Common Elements.

6.2.10. Easement for Decorating, Cleaning and Maintaining Certain Surfaces. Wherever in this Declaration and the Plats and Plans a title line of a Unit is described as being the Unit-side surface of a designated portion of the Property, it is intended thereby, and it is hereby declared, that if and to the extent necessary the Owner of such Unit shall have an easement for the purpose of decorating such surfaces and affixing thereto and removing therefrom paint, wallpaper, other decorative articles, and (with respect to all such portions of the Property) cleaning and maintaining such surfaces, all at the cost and expense of the Owner of such Unit. Thus, by way of illustration and not limitation, the Owner of a Unit has an easement to paint the Unit-side surface of doors and window sills. It is understood and agreed that the Association, acting by its Executive Board on behalf of all Unit Owners, shall, at all times while this Declaration is in effect, retain the right and duty to maintain, repair and/or replace the portions of the Property of which said surfaces are a part, notwithstanding the fact that such

maintenance, cleaning, repair or replacement may temporarily adversely affect the Unit Owner's aforesaid easement and right to use the Unit-side surface of such portion of the Property.

6.3. Easements Run with Land. All easements, rights and restrictions described and mentioned in this Declaration are easements appurtenant, running with the land and the Property, including (by way of illustration but not limitation) the Units and the Common Elements, and (except as may be expressly otherwise provided in the instrument creating the same) shall continue in full force and effect until the termination of this Declaration, as it may be amended from time to time.

6.4. Easements to Complete Declarant's Work. Until the completion of any repainting and installation of other items of personal property which the Declarant may agree to install in certain Unit(s) pursuant to Contracts of Sale with certain purchasers of Units, the Declarant shall have an easement through the portions of the Common Elements, the Limited Common Elements and the Unit(s) necessary to complete such work.

6.5. Easements for Encroachments. If any portion of the Common Elements or Limited Common Elements hereafter encroaches upon any Unit, or if any Unit hereafter encroaches upon any other Unit or upon any portion of the Common Elements or Limited Common Elements, as a result of settling or shifting of any Building or otherwise than as a result of the purposeful or negligent act or omission of the Owner of the encroaching Unit, or of the Executive Board in the case of encroachments by the Common Elements, a valid easement appurtenant to the encroaching Units or Common Elements or Limited Common Elements for the encroachment and for the maintenance of the same so long as the Building stands, shall exist. In the event any Building shall be partially destroyed as a result of fire or other casualty or as a result of a taking by the power of or a power in the nature of eminent domain or by an action or deed in lieu of condemnation, and then is rebuilt, encroachments of parts of the Common Elements or Limited Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements or Limited Common Elements due to such rebuilding, shall be permitted, and valid easements appurtenant to the encroaching Units or Common Elements or Limited Common Elements for such encroachments and the maintenance thereof shall exist so long as such Building as so rebuilt shall stand.

ARTICLE VII

CONVERTIBLE REAL ESTATE

7.1. Reservation. Declarant hereby explicitly reserves an option until the seventh (7th) anniversary of the recording of this Declaration, to convert all or any portion of the Convertible Real Estate to Units, Limited Common Elements or any combination thereof

from time to time in compliance with Section 3211 of the Act, without the consent of any Unit Owner or holder of a mortgage on any Unit. This option to convert may be terminated prior to such anniversary only upon the filing of an amendment to this Declaration by the Declarant. Declarant expressly reserves the right to convert any or all portions of the Convertible Real Estate at any time, at different times, in any order, without limitation and without any requirement that any other real estate be converted, added or withdrawn; provided, however, that the Convertible Real Estate shall not exceed the areas described as such on Exhibit C hereto. There are no other limitations on this option to convert Convertible Real Estate.

7.2. Assurances. If the Convertible Real Estate is converted, the Buildings on the Convertible Real Estate will be located approximately as shown on the Plats and Plans. At such time as the Convertible Real Estate is completely converted, the maximum number of Units in the Convertible Real Estate as an aggregate will be no more than twenty (20) Units. All Units that may be created within the Convertible Real Estate are restricted to residential use to the same extent as all other Units. Any Buildings to be constructed within the Convertible Real Estate and Units therein shall be compatible in quality, size, materials and architectural style with the Buildings and Units on other portions of the Property. All restrictions in this Declaration affecting use, occupancy and alienation of Units shall apply to Units created within or upon the Convertible Real Estate. The proportion of Limited Common Elements to Units created within convertible real estate will be approximately as shown on the Plats and Plans. No other assurances are made as to any other improvements and Limited Common Elements to be made or created in the Convertible Real Estate, nor the proportion of Limited Common Elements to Units therein. The reallocation of Percentage Interests in the Convertible Real Estate and the Property shall be computed as required by Section 3.1. above.

ARTICLE VIII

USE RESTRICTIONS

8.1. Use and Occupancy of Units and Common Elements. The occupancy and use of the Units and Common Elements shall be subject to the following restrictions:

A. The Units in the Condominium (with the exception of any Units during the time period when they are being used by the Declarant as a sample, model or sales office) are restricted to residential use and may not be used for any other purposes by the Unit Owner or any future Unit Owner. No Unit Owner may permit his Unit to be used or occupied for any prohibited purpose.

B. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof

relating to any portion of the Property shall be complied with, by and at the sole expense of the Unit Owner or the Executive Board, whichever shall have the obligation to maintain or repair such portion of the Property, and, if the latter, then the cost of such compliance shall be a Common Expense.

C. Any Owner of a Unit in which a portion of the wall, floor or ceiling material constituting the Unit is removed shall be responsible for the prompt replacement of such material or a material of the same or greater fire rating and ability to keep out noises and odors.

D. The Bylaws, not in conflict with this Declaration.

E. Reasonable Rules and Regulations, not in conflict with the provisions of this Declaration and the Bylaws, concerning the use and enjoyment of the Property, may be promulgated from time to time by the Executive Board, subject to the right of the Association to change such Rules and regulations. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such Rules and Regulations or any amendments thereto.

ARTICLE IX

LEASING

9.1. Leases. A Unit Owner may lease or sublease his Unit at any time and from time to time provided that:

A. No Unit may be leased or subleased for transient or hotel purposes or for an initial term of less than ninety (90) days or without a written lease or sublease;

B. A copy of such lease or sublease shall be furnished to the Executive Board within five (5) days after any request for same from the Executive Board; and

C. The rights of any lessee or sublessee of the Unit shall be subject to, and each such lessee or sublessee shall be bound by, the covenants, conditions and restrictions set forth in the Declaration, Bylaws and Rules and Regulations and a default thereunder shall constitute a default under the lease or sublease which shall entitle the Executive Board to terminate the lease or sublease or to bring summary proceedings to evict the tenant in the name of the landlord thereunder after thirty (30) days prior written notice to the Unit Owner. The Executive Board may suggest or require a standard form lease by use of Unit Owners. The foregoing provisions of this Article shall not impose any direct liability on any lessee or

sublessee of a Unit to pay any Common Expense assessments on behalf of the Owner of that Unit.

Notwithstanding the foregoing, the provisions of this Article shall not apply to Units leased or subleased by the Declarant or a Permitted Mortgagee which is either in possession or is a purchaser at judicial sale.

ARTICLE X

BUDGETS; COMMON EXPENSES; ASSESSMENTS AND CONFESSION OF JUDGMENT

10.1. Extent of Declarant's Responsibility for Assessments. Until the Unit Owners, other than Declarant, shall be entitled to elect a majority or more of the Executive Board of the Association, Declarant will not be obligated to pay monthly assessments on any Units to which Declarant holds title but will be obligated during such time to supplement assessments due from and working capital paid by other Unit Owners to the extent necessary in order to provide for the maintenance and operation of the Common Elements.

10.2. Budget and Monthly Assessments. Although there shall be an annual budget for Common Expenses, all Common Expense assessments shall be deemed to be adopted and assessed on a monthly basis (not an annual basis, payable in monthly installments) and shall be due and payable in advance, on the first day of each month. Each Unit Owner's responsibility for Common Expenses shall commence as of the date of the Closing on the purchase of his Unit or December 1, 1987, whichever is later.

10.3. Special Assessments. Where in the judgment of the Executive Board it is determined that an expense is peculiar to and of special benefit to only certain Units, one or more, and is not foreseeably to be repeated generally throughout the Property, it shall make a special assessment on such account against only such Units as are so affected. Special assessments shall be due and payable in one or more monthly payments, in advance, on the first day of each month, as determined by the Executive Board.

10.4. Subordination of Certain Charges. Any fees, charges, late charges, fines and interest which may be levied by the Executive Board pursuant to 3302(a) (10), (11) and (12) of the Act, shall be subordinate to the lien of a Permitted Mortgage on a Unit.

10.5. Limitation on Expenditures. All expenses, charges and costs of the maintenance, repair or replacement of the Common Elements, and any other expenses, charges or costs which the Executive Board may incur or expend pursuant hereto, shall be approved by the Executive Board, and a written memorandum thereof prepared and signed by the Treasurer. There shall be no structural alterations, capital

additions to, or capital improvements on, the Common Elements (other than for purposes of repairing, replacing and restoring portions of the Common Elements) requiring an expenditure in excess of Five Thousand (\$5,000.00) Dollars without the prior approval of the Unit Owners entitled to cast sixty-seven (67%) percent of the votes of all Unit Owners.

10.6. Reserve. Each annual budget for Common Expenses shall include an amount reasonably considered by the Executive Board to be sufficient as a reserve for replacements and contingencies. To initiate such reserve and to take care of initial working capital, the Declarant shall collect from each of its grantees at time of Closing, an amount equal to two (2) months of the first annual budget allocable to the Unit purchased by such grantee and shall remit such amount to the Executive Board. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against the reserve. In addition, the Executive Board shall have the right to expend or segregate all or any portion of the reserve for initial expenses of the Association and for any specific replacement or contingency upon such conditions as the Executive Board deems appropriate.

10.7. Surplus. Any amounts accumulated from assessments for Common Expenses and income from the operation of the Common Elements to which such Common Expenses pertain in excess of the amount required for actual Common Expenses and reserves for future Common Expenses shall be credited to each Unit Owner in accordance with his Percentage Interest, said credits to be applied to the next monthly assessments of Common Expense due from said Unit Owners under the current fiscal year's budget, and thereafter, until exhausted.

10.8. Accounting. On or before the first (1st) day of September of each calendar year commencing in 1988, the Executive Board shall supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the annual budget or assessments by the Executive Board on behalf of the Association, and showing the net excess or deficit of income over expenditures plus reserves.

10.9. Further Assessments. If any 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 Executive Board may at any time levy a further assessment, which shall be assessed to the Unit Owners according to each Unit Owner's Percentage Interest in the Common Elements. Such further assessment shall be payable in such monthly installments as the Board may determine. The Executive Board shall serve notice of such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such

further assessment shall become effective and shall be payable at such time or times as determined by the Executive Board.

10.10. Acceleration. If a Unit Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the Executive Board may, in addition to all other remedies in the Act or Declaration contained, accelerate all other monthly payments of charges and assessments due for the calendar year in which such default occurs; provided, however, a foreclosing Permitted Mortgagee shall be entitled to automatic subordination of such sums in excess of the amounts given priority over mortgage liens in the Act.

10.11. Interest and Charges. All sums assessed by the Executive Board against any Unit Owner as a regular or special assessment shall bear interest thereon at the then maximum legal rate (but not more than fifteen (15%) percent per annum) from the fifth (5th) day following default in payment of any installment when due. Any delinquent Owner shall also be obligated to pay (a) all expenses of the Board, including as well reasonable attorneys' fees, incurred in the collection of the delinquent assessment by legal proceedings or otherwise, and (b) any amounts paid by the Board for taxes or on account of superior liens or otherwise to protect its lien, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessment and shall be collectible as such, subject to 10.4.

10.12. Confessions of Judgment. IN ORDER TO EXPEDITE THE EXECUTIVE BOARD'S COLLECTION OF ANY DELINQUENT ASSESSMENT, EACH UNIT OWNER (BY THE ACCEPTANCE OF THE DEED TO HIS UNIT) TO THE EXTENT LEGALLY PERMISSIBLE SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE EXECUTIVE BOARD MEMBERS 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 ASSESSMENT(S), WHICH APPOINTMENT (BEING FOR SECURITY) SHALL BE IRREVOCABLE; AND FOR SO DOING A COPY OF THIS SECTION 10.12. 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.

10.13. Other Remedies. If a Unit Owner is in default in the payment of an assessment, the Association shall also have all remedies given to it by the Act and the Bylaws; and if a Unit Owner fails to pay an assessment for forty-five (45) days after it is due, the Association may deny such Unit Owner or any occupant of that Unit Owner's Unit the right to use the Common Elements (including as well the Limited Common Elements) until such time as all assessments are paid. There shall be no reduction in the Assessments payable by any Unit Owner during any period while his right to use a Unit or the Common Elements is suspended.

ARTICLE XI

MORTGAGES

11.1. Mortgages. A Unit Owner other than the Declarant or the Executive Board may not voluntarily encumber or subject his or its Unit to any lien, other than the lien of a Permitted Mortgage. Whether or not they expressly so state, all such Permitted Mortgages and the obligations secured thereby shall be deemed to provide, generally, that the Permitted Mortgage, and the rights and obligations of the parties thereto, shall be subject to the terms and conditions of the Act and this Declaration and shall be deemed to provide specifically, but without limitation, that the Permitted Mortgagee shall have no right (a) to participate in the adjustment of losses with insurers or in the decision as to whether or not or how to repair or restore damage to or destruction of the Property, or (b) to accelerate the mortgage debt or to have any other remedies by virtue of waste or alleged waste or other conditions occurring anywhere on the Property other than within the affected Unit, and the obligation secured shall be prepayable upon the happening of any termination of the Condominium or determination not to restore or replace the affected Unit. When a Permitted Mortgage is delivered to the Permitted Mortgagee, the Unit Owner shall simultaneously provide executed or conformed copies to the Executive Board. Upon receipt of such copy of a Permitted Mortgage, the Secretary of the Executive Board shall instruct the insurer of the Property to add the name of the Permitted Mortgagee to the mortgagee loss payable provision of the hazard insurance policy covering the Property and to provide such Permitted Mortgagee with a Certificate of Insurance showing that the Permitted Mortgagee's name has been so added. Upon request, the Secretary will provide a Permitted Mortgagee with a document in recordable form certifying that it is the holder of a Permitted Mortgage. The lien of any purported mortgage other than a Permitted Mortgage shall not attach to or affect the Property or any part thereof or interest therein and shall be of no force and effect as and to the extent that it purports to relate thereto. The Secretary shall maintain a register of such Permitted Mortgages, showing the names and addresses of the Permitted Mortgagees and the original principal amount secured thereby.

ARTICLE XII

RIGHTS OF PERMITTED MORTGAGEES

12.1. Reports and Notices. Upon the specific written request of a holder of a Permitted Mortgage on a Unit or its servicer to the Executive 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 Executive 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 and distributed to the Unit Owners.

C. Notice of the decision of the Unit Owners to make any material amendment to this Declaration.

D. Notice of substantial damage to or destruction of any Unit (the repair of which would cost in excess of \$25,000) or any part of the Common Elements (the repair of which would cost in excess of \$50,000).

E. Notice of the commencement of any condemnation or Eminent Domain proceedings with respect to any part of the Property.

F. Notice of any default in the payment of assessments by the Owner of the Unit which is subject to the mortgage, where such default is not cured by the Unit within thirty (30) days after the giving of notice by the Association to the Unit Owner of the existence of the default.

G. The right to examine the books and records of the Executive Board at any reasonable time.

The request of a Permitted 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 Executive Board. The Executive Board need not inquire into the validity of any request made by a mortgagee hereunder.

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

ARTICLE XIII

DECLARANT'S RIGHTS

13.1. Control.

A. Until the one hundred eightieth (180th) day after conveyance of seventy-five (75%) percent of the Units to Unit Owners other than Declarant, Declarant shall have the right to appoint and remove any and all officers and members of the Executive Board, except that Declarant may not unilaterally remove any members of the Executive Board elected by Unit Owner other than Declarant.

B. Not later than sixty (60) days after conveyance of twenty-five (25%) percent of the Units to Unit Owners other than Declarant, one (1) of the three (3) members of the Executive Board shall be elected by Unit Owners other than Declarant.

C. Not later than the earlier of (i) seven (7) years after the date of the recording of this Declaration, or (ii) one hundred eighty (180) days after seventy-five (75%) percent of the Units which may be constructed on the Property and the Convertible Real Estate have been conveyed to Unit Owners other than Declarant, all members of the Executive Board shall resign, and the Unit Owners (including the Declarant to the extent of Units owned by Declarant) shall elect a new three (3) member Executive Board.

ARTICLE XIV

LIMITATION OF LIABILITY

14.1. Limited Liability of the Executive Board Members and Officers of the Association. The Executive Board, and its members in their capacity as members, and officers of the Association:

A. Shall not be liable for the failure of any service to be obtained by the Executive 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, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of any Building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association, such officers thereof, or the Executive Board;

B. Shall not be liable to the Unit Owners as a result of the performance of the Executive Board members' or officers' duties for any mistake of judgment, negligence or otherwise, except for the Executive Board members' or officers' 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 Executive Board or the Association in the performance of the Executive Board members' or officers' 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 Elements or Limited Common Elements,

except for the Executive Board members' or officers' 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 Executive Board members' or officers' 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 any Building, or which might in any other way be assessed against or imputed to the Executive Board members or officers as a result of or by virtue of their performance of their duties, except for the Executive Board members' or officers' own willful misconduct or gross negligence.

14.2. Indemnification. Each member of the Executive Board, in his capacity as an Executive Board member, and each officer of the Association, in his capacity as an officer of the Association, shall be indemnified by the Association to the extent of the Association's insurance against all expenses and liabilities including as well, 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 Executive Board, or any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive 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 Executive Board (with the affected member abstaining if he is then an Executive 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 Executive Board member and/or officer had no reasonable cause to believe his conduct was unlawful. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

14.3. Defense of Claims. Complaints brought against the Association, the Executive 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 Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the holders of Permitted 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.

14.4. Indemnification Insurance. The Executive Board shall obtain insurance in the sum of at least \$1,000,000.00 to satisfy the indemnification obligations of the Association set forth in Section 14.2 above, if and to the extent reasonably available, and the same shall constitute a Common Expense.

ARTICLE XV

INSURANCE

15.1. Insurance. The Association shall maintain insurance in connection with the Property in accordance with the provisions of Section 3312 of the Act.

ARTICLE XVI

UNIT OWNERS ASSOCIATION; EXECUTIVE BOARD AND VOTING

16.1. Unit Owners Association. A Unit Owners Association shall be organized contemporaneously herewith. Membership in the Association shall consist exclusively of all the Unit Owners.

16.2. Powers of Unit Owners Association. The Association hereinabove described shall have all powers as set forth in Section 3302 of the Act or in the Bylaws.

16.3. Bylaws. The operation of the Unit Owners Association and the Condominium Property shall be governed by Bylaws which are set forth in a document entitled "BYLAWS OF SHAMROCK TOWNHOMES UNIT OWNERS ASSOCIATION", and which are annexed to this Declaration.

16.4. Executive Board. The Executive Board of the Shamrock Townhomes Unit Owners Association is hereby designated to act on behalf of such Association. It shall be comprised of Unit Owners, spouses of Unit Owners, or partners, shareholders or officers of entities that are Unit Owners, and initially by appointees of Declarant who may be any person.

16.5. Executive Board Members and Officers. The Association shall elect an Executive Board who may act in all instances on behalf of the Association. The Officers of the Association shall be a President, Vice President, Secretary and Treasurer who shall be elected by the Association except during the period of Declarant's control. The President and Vice President must be members of the Executive Board. The names of the first Board members and officers of the Executive Board are: Wilbur E. Stocker - President; Robert E. Poole - Vice President; Judy M. Fetzer - Secretary; and Robert E. Poole - Treasurer. The aforesaid first members and officers shall serve until their successors have been elected by the Association pursuant to the Act and Bylaws.

16.6. Voting. Each Unit Owner is automatically a member of the Association. When a Unit Owner no longer owns any Unit, his membership thereupon automatically terminates and thereupon transfers and inures to the new Unit Owner. As indicated heretofore, each Unit Owner shall be entitled to one (1) vote as assigned to his Unit hereunder or under any amendments hereto. Declarant will be entitled to vote all votes allocated to Units which it owns.

16.7. Meetings. All meetings of the Unit Owners shall take place in accordance with the Association Bylaws, and shall be held at least annually. The Executive Board shall meet at least once every four (4) months per such Bylaws.

ARTICLE XVII

MISCELLANEOUS

17.1. Escrow by Declarant of Deposit on Contract of Sale. A deposit made by a Buyer for the purchase of a Unit from the Declarant shall be placed in escrow, held in Pennsylvania in a Bank account designated solely for that purpose until (a) it is delivered to the Declarant at the closing or (b) it is delivered to the Declarant because of Buyer's default under the contract to purchase the Unit; or (c) it is refunded to the Buyer.

17.2. Individual Unit Expense for Water and Sewer.

A. Each Unit Owner must pay for his own water service, it being understood and agreed as a condition of this Declaration that failure of any individual Unit Owner to pay for water service could result in the termination of water services to his Unit or to other Condominium Units in the Shamrock Townhomes Unit Owners Association by the State College Borough Water Authority. Each individual Unit Owner must make payment promptly and when due of all charges due the State College Borough Water Authority.

B. Each Unit Owner must pay for his own sewer service, it being understood and agreed as a condition of this Declaration of Condominium that failure of any individual Unit Owner to pay for sewer service could result in the termination of sewer service to his Unit or to other of the Condominium Units by the State College Borough Sewer Authority. Each individual Unit Owner must make prompt payment of all sewer rental charges as required by the State College Borough Sewer Authority's regulations.

ARTICLE XVIII

AMENDMENT OF DECLARATION

18.1. Amendment Generally. This Declaration may be amended only in accordance with Section 3219 of the Act, the other

Sections of the Act referred to in Section 3219 and the express provisions of this Declaration.

18.2. When Declarant Approval Required. No change, modification or amendment which affects the rights, privileges or obligations of the Declarant shall be effective without the prior written consent of the Declarant.

18.3. Amendments authorized to be made by the Executive Board. If any amendment is necessary in the judgment of the Executive 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 requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, each Unit Owner shall be deemed by the Declarant to have given irrevocably his approval granting to the Executive Board the right at any time and from time to time to effect such amendment/s without the further approval of the Unit Owners, or Permitted Mortgagees, upon receipt by the Executive 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 acknowledgement by one or more officers of the Executive Board.

18.4. Amendments Requiring Approval of at Least Sixty-Seven (67%) Percent of the Unit Owners. Except in cases of (1) amendments of the Declaration that may be made by a Declarant or by the Association under the Act or (2) amendments of the Declaration that may be made by the Executive Board pursuant to Section 18.3 above or (3) amendments of the Declaration that can be made under the Act by certain Unit Owners relating to Limited Common Elements, relocation of boundaries between adjoining Units or relating to subdivision or conversion of Units or (4) unanimous consent of Unit Owners being required by the Act or (5) termination of the Condominium; this Declaration, including the Plats and Plans, may be amended only by vote or agreement of Unit Owners of Units to which at least sixty-seven (67%) percent of the votes in the Association are allocated.

18.5. Approval of Permitted Mortgagees. Subject to the limitations imposed by Section 3221 of the Act, no amendment of this Declaration may be made without the prior written approval of all record holders of Permitted Mortgages 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: (i) terminating or abandoning the Condominium (except for termination or abandonment as a result of a taking of all the Units by eminent domain or a casualty resulting in termination); (ii) abandoning, selling or transferring the Common Elements; or (iii) partitioning or subdividing any Unit or the Common Elements (except for a subdivision pursuant to Section 4.2. herein); or (iv) reducing the Percentage Interests of any Unit Owners. Such approval shall not be required with respect to any amendment pursuant to Article VII above. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed to be a transfer within the meaning of this Section.

ARTICLE XIX

EMINENT DOMAIN

19.1. Generally. The provisions of Section 3107 of the Act shall govern if any Unit or Common Element is acquired in whole or in part by eminent domain.

ARTICLE XX

TERMINATION

20.1. Generally. Except in the case of a taking of all the Units by eminent domain, the termination of Shamrock Townhomes Condominium shall be governed by Section 3220 of the Act.

ARTICLE XXI

UNITS SUBJECT TO DECLARATION; PLATS AND PLANS; BYLAWS; RULES AND REGULATIONS.

21.1. Generally. All present and future Unit Owners, tenants, mortgagees, and occupants of Units shall be subject to and shall comply with the provisions of this Declaration including the Plats and Plans, the Bylaws, and with the duly promulgated Rules and Regulations adopted by the Executive Board, and all amendments of the same. Acceptance of a deed of conveyance or the acceptance of inheritance or the entering into a lease, or the entering into occupancy of a Unit, shall constitute an agreement to be so bound and that the aforementioned instruments are accepted and ratified by each such Unit Owner, tenant, occupant, or mortgagee; and that all such provisions of the aforementioned instruments shall be deemed and taken to be covenants running with the land and shall bind every person at any time having any interest or estate in such Unit as though all such

provisions were set forth in full, in each and every deed, or inheritance, or lease, or any other relevant documents.

ARTICLE XXII

INTERPRETATION

22.1. Matters of dispute or disagreement between Unit Owners on matters which require interpretation of this Declaration or the Bylaws or the Rules and Regulations of the Executive Board, shall be determined by the Executive Board, whose determination shall be binding and final on all Unit Owners.

ARTICLE XXIII

SEVERABILITY

23.1. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability of any provisions 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 condominium project which this Declaration is intended to create.

ARTICLE XXIV

CAPTIONS AND INDEX

24.1. The captions and index herein are inserted only as a matter of convenience and in no way define, limit or describe the scope of the Declaration nor the intention of any provisions hereof.

ARTICLE XXV

GENDER

25.1. The use of the masculine gender in this Declaration shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

7.1.2. By the Unit Owner.

A. Each Unit Owner shall keep his Unit and its equipment, appliances and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit. Appliances shall be deemed to include refrigerator, electric stove, range hood, dishwasher, disposal, clothes washer and dryer, hot water heater and heating and air conditioning system serving one Unit. In addition, each Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from his failure or negligence to make any of the repairs required by this Section. Each Unit Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Executive Board or the Managing Agent any defect or need for repairs for which the Association is responsible.

B. The Unit Owner of any Unit to which a carport, porch, patio or sidewalk or other Limited Common Element is appurtenant shall perform the normal maintenance for such Limited Common Element, including keeping it in a clean and sanitary condition, free and clear of snow, ice and any accumulation of water and shall also make all repairs thereto caused or permitted by his negligence, misuse or neglect. All structural repair or replacement shall be made by the Association as a Limited Common Expense, as provided in Section 5.3.2.

7.1.3. Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of first-class quality, but may be done with contemporary building materials and equipment.

7.2. Additions, Alterations or Improvements by the Executive Board.

Subject to Section 5.9 hereof, whenever in the judgment of the Executive Board the Common Elements shall require additions, alterations or improvements, the Executive Board shall proceed with such additions, alterations or improvements and shall assess all Unit Owners benefited for the cost thereof as a Common Expense (or Limited Common Expense). Notwithstanding the foregoing, if, in the opinion of a majority of the members of the Executive Board, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of any Unit Owners requesting the same, such requesting Unit Owners shall be assessed therefor in such proportion as they jointly approve or, if they are unable to agree thereon in equal shares.

7.3. Additions, Alterations or Improvements by the Unit Owners.

No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit without the prior written consent of the Executive Board. No Unit Owner shall paint or alter the exterior of his Unit, including the exterior, doors and windows, nor shall any Unit Owner paint or alter the exterior of any Building or Limited Common Element, without the prior written consent of the Executive Board. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement in or to any Unit requires execution by the Association, and provided consent has been given by the Executive Board, then the application shall be executed on behalf of the Association, without however incurring any liability on the part of the Executive Board, the Association or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having claim for injury to person or damage to property arising therefrom.

ARTICLE VIII

COMPLIANCE AND DEFAULT

8.1. Relief.

Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Declaration, the Articles of Incorporation, these Bylaws, the Rules and Regulations and the Act, as any of the same may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, a default by a Unit Owner shall entitle the Association, acting through its Executive Board or through the Managing Agent, to the following relief:

8.1.1. Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or the act, neglect or carelessness of any members of his family, his agents, employees, tenants, guests, invitees, or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Executive Board. Such liability shall include as well any increase in casualty insurance premiums occasioned by improper use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

8.1.2. Costs and Attorney's Fees. In any proceedings arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of such proceedings and such reasonable attorney's fees as may be determined by the Court.

8.1.3. No Waiver of Rights. The failure of the Association, the Executive Board or of a Unit Owner to enforce any

right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Executive Board, the Rules and Regulations or the Act shall not constitute a Waiver of the right of the Association, the Executive Board or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Executive Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, the Rules and Regulations or the Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Declaration, these Bylaws, the Rules and Regulations or the Act or at law or in equity.

8.1.4. A. Violations. In the event of a violation (other than the non-payment of an assessment) by the Unit Owner of any of the provisions of the Declaration, these Bylaws, the Rules and Regulations, or the applicable portions of the Condominium Act, the Association, by direction of its Executive Board may notify the Unit Owner by written notice of such breach, transmitted by Registered or Certified Mail, Return Receipt Requested, and if such violation shall continue for a period of five days from the date of this notice, the Association, through its Executive Board, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Declaration, the Bylaws, or the pertinent provisions of the Condominium Act, and the Association may then, at its option, have, inter alia, the following elections: (i) An action at law to recover for its damage on behalf of the Association or on behalf of the other Unit Owners; (ii) an action in equity to enforce performance on the part of the Unit Owner; or (iii) an action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief. Failure on the part of the Association to maintain such an action at law or in equity within sixty days from date of a written request, signed by a Unit Owner, sent to the Executive Board, shall authorize any Unit Owner to bring an action in equity or suit at law on account of the violation, in the manner provided for by the Condominium Act. Any violations which are deemed by the Executive Board to be a hazard to public health, or safety, may be corrected immediately as an emergency matter.

B. Violations (Monetary). In the event a Unit Owner does not pay any sums, charges or assessments required to be paid to the Association within thirty (30) days from the due date, the Association, acting on its own behalf or through its Executive Board or Managing Agent, acting on behalf of the Association, may foreclose the lien encumbering the Unit created by non-payment of required monies in the same fashion as mortgage liens are foreclosed. The Association shall be entitled to the appointment of a receiver if it so requests. The Association shall have the right to bid in the Unit at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien, the Association may, through its Executive Board or Managing Agent acting on behalf of the

corporation, or on its own behalf, bring suit to recover a money judgment for any sums, charges or assessments required to be paid.

8.1.5. Abating and Enjoining Violations by Unit Owners.

The violation of any of the Rules and Regulations adopted by the Executive Board, the breach of any Bylaw contained herein or the breach of any provision of the Declaration or the Act shall give the Executive Board the right, in addition to any other rights: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein or be appurtenant thereto contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass or other wrong or violation. The cost thereof, shall be charged to the Unit Owner/s responsible for such violation as a specific item, which shall, until paid in full, be a lien against his Unit/s with the same force and effect as if the charge were made as part of the Limited Common Expenses assessed by the Executive Board against such Units only.

8.1.6. Liabilities Survive Termination of Membership.

The termination of membership in the Association shall not relieve or release any former Unit Owner or member from any liability or obligation incurred under or in any way connected with the Condominium property, or any portion thereof, during the period of ownership and membership, or impair any rights or remedies which the Association may have against such former owner and member, arising out of, or which is in any way connected with, such ownership or membership.

ARTICLE IX

OTHER LIENS

9.1. Protection of Property.

All liens against a Unit, other than Permitted Mortgages, taxes or assessments, shall be satisfied or otherwise removed by the Unit Owner whose Unit is thus encumbered within thirty (30) days of the date the lien attaches. All taxes and special assessments shall be paid before becoming delinquent or as provided in the Condominium Documents including as well these ByLaws, whichever is sooner.

9.2. Notice of Lien.

Each Unit Owner shall give notice to the Association of every lien upon his Unit, other than for Permitted Mortgages, taxes and special assessments, within five (5) days after the attachment of the said lien.

9.3. Notice of Suit.

Each Unit Owner shall give notice to the Association of every suit or other proceeding which will or may affect

title to his Unit or any part of the Condominium Property within five (5) days after the Unit Owner receives notice thereof.

9.4. Failure to Comply With This Article.

Failure to comply with this Article concerning liens shall not affect the validity of any judicial sale.

ARTICLE X

AMENDMENTS

10.1. Amendments to Bylaws.

These Bylaws may be modified or amended only by vote of Unit Owners entitled to cast a majority of the votes in the Association, except as otherwise expressly set forth herein or in the Act, provided, however, that until the date on which all Declarant-appointed Board members voluntarily resign or are required to resign pursuant to Article XIII of the Declaration, this Section 10.1 may not be amended without the consent in writing of the Declarant. Additionally, if, in the judgment of the Executive Board, any amendment is necessary to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, or inconsistent with any other provisions hereof, or with the Act or the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Executive Board may effect appropriate corrective amendments without the approval of the Unit Owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence. No amendment shall be made that is in conflict with the Articles or the Declaration, or any applicable ordinances or laws.

10.2. Approval of Declarant or Mortgagees.

No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Declarant or a Permitted Mortgagee of any Unit, without the consent of said Declarant or Permitted Mortgagee in each instance.

10.3. Amendments to the Declaration.

Any two (2) officers of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

ARTICLE XI

TERMINATION

11.1. Termination.

In the event the Condominium is terminated in its entirety pursuant to the provisions of the Declaration and the Act, the Association shall remain in existence until the distribution of assets, allocation of interests and/or all other aspects of the termination have been completed.

ARTICLE XII

MISCELLANEOUS

12.1. Notices.

All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if hand delivered personally or if sent by United States registered or certified mail, return receipt requested, postage prepaid (or otherwise as the Act may permit), (i) if to a Unit Owner, at the mailing address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, to the mailing address of the Unit of such Unit Owner, or (ii) if to the Association, the Executive Board or to the Managing Agent, at the principal office of the Association, Executive Board or the Managing Agent, or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one Person, each such person who so designates a mailing address in writing to the Secretary shall be entitled to receive all notices to be given to a Unit Owner hereunder.

12.2. Captions.

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

12.3. Gender and Construction.

The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter gender and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires. This document shall be construed under and governed by the laws of the Commonwealth of Pennsylvania.

12.4. Term.

The term of the Association shall be the life of the condominium, unless the Association is terminated sooner. The

Association shall be terminated by the termination of the Condominium in accordance with the provisions of the Condominium Documents and the Pennsylvania Uniform Condominium Act, and any amendments thereto.

12.5. Rules and Regulations.

Reasonable Rules and Regulations, not in conflict with the provisions of the Declaration, these Bylaws or the Pennsylvania Uniform Condominium Act, concerning the use and enjoyment of the Condominium Property, may be promulgated from time to time by the Executive Board, subject to the right of the Association to change such Rules and Regulations. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such Rules and Regulations or any amendments thereto. All Unit Owners shall comply with such Rules and Regulations.

12.6. Roster of Unit Owners and Mortgagees.

Each Unit Owner shall file with the Association a copy of the deed or other documents showing his ownership. The Association shall maintain such information in its files. A Unit Owner who mortgages his unit shall notify the Association of the name and address of his Permitted Mortgagee, or in the event he obtains fire and casualty, extended coverage insurance, or other insurance insuring his Unit or any part of the Condominium Property, the Unit Owner shall file the name of his insurance carrier and of the agent for the company. The Association reserves the right, if necessary for any reason, to contact a mortgagee or insurance carrier.

12.7. Seal.

The seal of the Association shall have inscribed thereon at least the name of the Association, the year of its incorporation, and the word, "Nonprofit." Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, or otherwise reproduced.

12.8. Conflict.

If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws or the Declaration of Condominium, the provisions of the Declaration shall prevail.

12.9. Disputes.

In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions of interpretation or application of the provisions of the Declaration, the Plats and Plans, the Bylaws or the Rules and Regulations, the determination thereof by the Executive Board shall be final and binding on each and all such Unit Owners. The Executive 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 12.9. 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.

12.10. Earnings and Property.

No part of the net earnings or other property of the Association may inure to the benefit of any Association member or individual, other than by way of acquiring, constructing, or providing management, maintenance and care of Association property or by virtue of a rebate of excess membership dues, fees or assessments.

ADOPTED AS THE BYLAWS FOR SHAMROCK
TOWNHOMES UNIT OWNERS CONDOMINIUM
ASSOCIATION THIS 31 DAY OF

Attest:

July, 1987.

[Signature]
Secretary

By: [Signature]
President

FIRST AMENDMENT TO DECLARATION OF
SHAMROCK TOWNHOMES, INC.
FOR
SHAMROCK TOWNHOMES CONDOMINIUM

This Amendment is made as of this 11th day of November, 1987, by SHAMROCK TOWNHOMES, INC., a Pennsylvania business corporation of 814 Southgate Drive, State College, Centre County, Pennsylvania.

W I T N E S S E T H:

A. Pursuant to a certain Declaration executed by Declarant and recorded on August 27, 1987, in the Office for the Recording of Deeds in and for Centre County, Pennsylvania, in Miscellaneous Book 203, Page 725, et seq. (the "Declaration"), Declarant submitted to the provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S. Section 3101 et seq (the "Act") certain real estate described in Exhibit "A" to the Declaration and created a flexible condominium known as SHAMROCK TOWNHOMES CONDOMINIUM (the "Condominium").

B. Pursuant to Article VII of the Declaration, Declarant reserved an option to convert to Units, Limited Common Elements or any combination thereof all or any portions of the "Convertible Real Estate" described in Exhibit "C" to the Declaration, at any time and from time to time until the seventh anniversary of the recordation of the Declaration.

C. Declarant now desires to convert the Convertible Real Estate which is described in Exhibit "A" attached hereto and which is referred to herein as the "Converted Real Estate," into Units and Limited Common Elements as hereinafter provided.

D. All existing Units have been renumbered as per Exhibit C hereof.

E. There are three (3) buildings located on the Converted Real Estate containing in the aggregate twenty (20) Units.

F. All capitalized terms used herein which are not defined herein shall have the meanings specified in Article I of the Declaration.

NOW, THEREFORE, pursuant to and in compliance with the provisions of Articles VI and VII of the Declaration and of Section 3211 of the Act, Declarant hereby amends the Declaration as follows:

1. The Recitals set forth above are incorporated herein and are expressly declared to be operative provisions of this document.

2. The Converted Real Estate, as described on Exhibit A hereto, being all of the Convertible Real Estate described in Exhibit C of the Declaration, is hereby converted into the Units and Limited Common Elements appurtenant thereto as shown on the Revised Condominium Plats and Plans attached as Exhibit B hereto and made a part hereof.

3. Pursuant to Section 3211 of the Act, Declarant hereby assigns an identifying number to each Unit hereby formed in the Converted Real Estate and reallocates the Common Element interests, votes in the Association and Common Expense liabilities as shown on

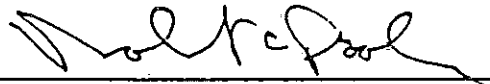
Exhibit C attached hereto and made a part hereof, which Exhibit C is hereby substituted for Exhibit D which was attached to the Declaration and referred to in Article III of the Declaration.

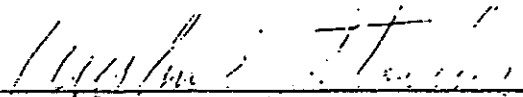
4. Except as modified by this Amendment, or by the First Amendment to the Public Offering Statement all of the terms and provisions of the Condominium Documents are hereby expressly ratified and confirmed, shall remain in full force and effect and shall apply to the Units and Limited Common Elements hereby created and to the Condominium as expanded.

IN WITNESS WHEREOF, the Declarant has executed this Amendment as of the day and year first above written.

ATTEST:

SHAMROCK TOWNHOMES, INC.


Secretary

By: 
President

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF CENTRE

)
) SS:
)

I, Polly D. Hinton, a Notary Public in
and for said County and State aforesaid, do hereby certify that before
me personally appeared WILBUR E. STOCKER, who acknowledged himself to
be the President of SHAMROCK TOWNHOMES, INC., and he acknowledged and
swore that he signed, sealed and delivered the foregoing Public
Offering Statement as the act and deed of said Corporation, for the
uses and purposes therein set forth and that the statements therein
contained are true.

Given under my hand and notarial seal this 15th day of
November, 1987.

Polly D. Hinton
Notary Public

My Commission Expires:

EXHIBIT A

LEGAL DESCRIPTION OF THE CONVERTIBLE REAL ESTATE

ALL THAT PARCEL OF LAND situated in State College Borough, Centre County, PA, being shown as "Phase II - Convertible Real Estate" on a plan entitled "Shamrock Townhomes Units 923A, 923B, 923C, 923D, 923E, 923F, 925A, 925B, 925C, 925D, 925E, 925F, 927A, 927B, 927C, 927D, 927E, 927F, 927G & 927H Condominium Declaration Plan Lot 74R "Orchard Park Subdivision", prepared by Sweetland Engineering & Associates, Inc., drawing number D-1044, dated July 22, 1987, and is intended to be recorded at the Centre County Recorder's Office, bounded and described as follows:

BEGINNING at a 3/4" re-bar set at the common southwestern corner of land N/F of Duane P. Walker - Lot 13R (Plat Book 31, Page 31) and the northwestern corner of said herein described lot and along land N/F of Stephen J. and Paula V. P. White; Thence along said lot 13R and continuing along lot 14R (Plat Book 31, Page 31) N 53° 58' 00" E, 205.00 feet to a point along said lot 14R at the common northwestern point of Phase I as shown on said plan of "Shamrock Townhomes Condominium Declaration Plan" and the northeastern corner of said herein described Lot; Thence along said Phase I the following eight (8) courses and distances: (1) S 29° 49' 33" E, 110.08 feet to a point; Thence (2) S 43° 02' 18" W, 85.42 feet to a point, said point being in a curve; Thence (3) by the arc of a curve to the left having an arc length of 15.01 feet, a radius of 20.00 feet, a central angle of 43° 00' 11", a chord distance of 14.66 feet and chord bearing of S 19° 24' 42" E to a point, said point being a point of tangency; Thence (4) S 36° 57' 59" E, 68.56 feet to a point; Thence (5) N 66° 18' 59" E, 101.01 feet to a point; Thence (6) S 65° 46' 38" E, 25.53 feet to a point; Thence (7) N 53° 58' 00" E, 28.33 feet to a point; Thence (8) S 36° 02' 00" E, 88.00 feet to a point in the northern right-of-way line of Whitehall Road (being a 70 feet wide right-of-way) at the common southwestern corner of said Phase I and southeastern corner of said herein described Lot; Thence along said northern right-of-way line of Whitehall Road S 53° 58' 00" W, 235.00 feet to a 3/4" re-bar set at the common southeastern corner of land N/F of Mary V. Heilman and Helen Shatzer and the southwestern corner of said herein described Lot; Thence along said land N/F of Mary V. Heilman & Helen Shatzer and continuing along said land N/F of Stephen J. and Paula V. P. White N 37° 51' 15" W, 340.17 feet to the point of beginning.

CONTAINING 1.3956 acres of land gross measure.

EXHIBIT A

SHAMROCK TOWNHOMES CONDOMINIUM

LEGAL DESCRIPTION OF THE REAL ESTATE

ALL that certain lot of land situated in State College Borough, Centre County, Pennsylvania, being Lot 74R as shown on a plan entitled "Replot of Lots 74 and 75 of Orchard Park Village-Plat Book 27, page 4 into Lot No. 74R", prepared by Sweetland Engineering & Associates, Inc., dated October 30, 1985, revised to November 21, 1985, Drawing No. B-67 and on file at the Centre County Recorder's Office in Plat Book 34, page 175, bounded and described as follows:

BEGINNING at an existing 3/4" re-bar along the northern right-of-way line of Whitehall Road (being a 70 foot wide right-of-way) at a common corner between the southwestern corner of lands now or formerly of David L. Hadden (known as Lot 73 of the Orchard Park Village Subdivision) and the southeastern corner of the herein described parcel; Thence along said northern right-of-way line of Whitehall Road S 53 58' 00" W, 433.22 feet to an existing 3/4" re-bar at the southeastern corner of lands now or formerly of Mary V. Heilman & Helen Shatzer; Thence along said lands now or formerly of Mary V. Heilman and Helen Shatzer and lands now or formerly of Stephen J. White and Paula V.P. White N 37 51' 15" W, 340.17 feet to an existing 3/4" re-bar at the southwestern corner of lands now or formerly of Duane P. Walker (known as Lot 13R-Plat Book 31, page 31); Thence along said lands now or formerly of Duane P. Walker (being along said 13R and along Lots 14R, 15R and 16R of said Plat Book 31, page 31) N 53 58' 00" E, 444.02 feet to an existing 3/4" re-bar at the northwestern corner of said lands now or formerly of David L. Hadden; Thence along said lands now or formerly of David L. Hadden S 36 02' 00" E, 340.00 feet to the point of beginning.

CONTAINING 3.4236 acres of land gross measure.

BEING the same premises which were conveyed to Shamrock Townhomes, Inc. by deed of David L. Hadden and Fred C. Thompson dated October 9, 1986, and recorded in Centre County Deed Book 448, Page 236, et seq.

SAID PARCEL also has rights to a 30 foot wide access and utility easement that crosses said Lot 73.

UNDER AND SUBJECT to a 20 foot wide utility easement.

UNDER AND SUBJECT FURTHER to a 30 foot wide access and utility easement.

THE ABOVEMENTIONED EASEMENTS being fully shown on said plan entitled "Replot of Lots 74 and 75 of Orchard Park Village - Plat Book 34, page 175 into Lot No. 74R."

This real estate is further UNDER AND SUBJECT FURTHER to all existing easements, conditions, restrictions and covenants of record, including as well the following restrictions and covenants which shall be construed as covenants running with the land:

(a) The subject premises shall be used for such purposes only as are permitted in an R-3B Zone. (CONDOMINIUM IS RESTRICTED NOTWITHSTANDING TO ONLY RESIDENTIAL USE EXCEPT FOR DECLARANT'S SPECIAL RIGHTS.)

(b) No building, fence, wall or other structure shall be commenced, erected or maintained upon the subject lots, nor shall any exterior addition to or change or alteration thereof be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of same shall have been approved in writing by the Grantors to Shamrock Townhomes, Inc. or their designee.

(c) No animals, livestock or poultry of any kind shall be raised, bred or kept on any lots, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes.

(d) No trailer, camper, or similar vehicle, basement, tent, shack, barn or other building of a temporary nature shall be constructed, placed or allowed to remain on the premises, whether used for dwelling purposes or not.

(e) No pig pen, poultry house, horse stable, manure pit, junk yard or other offensive enclosure shall be kept or maintained upon said premises.

(f) Any building of any structure on the subject premises must be completed within one (1) year from the start thereof.

(g) These restrictions (a) through (f) shall expire July 1, 1999.

EXHIBIT B

REVISED CONDOMINIUM PLATS AND PLANS

The First Amendment to the Declaration Plats and Plans for SHAMROCK TOWNHOMES CONDOMINIUM, consisting of seven (7) pages, is attached hereto and is hereby incorporated herein and made an integral part hereof.

EXHIBIT C

REVISED ALLOCATION OF PERCENTAGE INTERESTS
APPURTENANT TO EACH UNIT, ETC.

<u>UNIT NUMBER</u>	<u>VOTE</u>	<u>DESCRIPTION</u>	<u>UNIT FACTOR</u>	<u>% INTEREST IN COMMON EXCEPT LIMITED COMMON ELEMENTS</u>
BLDG 1- 923-1	1	3 Bedrooms/2 1/2 Baths	1	3.0%
923-2	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
923-3	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
923-4	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
923-5	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
923-6	1	3 Bedrooms/2 1/2 Baths	1	3.0%
BLDG 2- 925-1	1	3 Bedrooms/2 1/2 Baths	1	3.0%
925-2	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
925-3	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
925-4	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
925-5	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
925-6	1	3 Bedrooms/2 1/2 Baths	1	3.0%
LDG 3- 927-1	1	1 Bedroom/1 Bath	.667	2.0%
927-2	1	1 Bedroom/1 Bath	.667	2.0%
927-3	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
927-4	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
927-5	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
927-6	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
927-7	1	1 Bedroom/1 Bath	.667	2.0%
927-8	1	1 Bedroom/1 Bath	.667	2.0%
LDG 4- 933-1	1	1 Bedroom/1 Bath	.667	2.0%
933-2	1	1 Bedroom/1 Bath	.667	2.0%
933-3	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
933-4	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
933-5	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
933-6	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
933-7	1	1 Bedroom/1 Bath	.667	2.0%
933-8	1	1 Bedroom/1 Bath	.667	2.0%
LDG 5- 935-1	1	3 Bedrooms/2 1/2 Baths	1	3.0%
935-2	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
935-3	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
935-4	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
935-5	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
935-6	1	3 Bedrooms/2 1/2 Baths	1	3.0%
LDG 6- 937-1	1	3 Bedrooms/2 1/2 Baths	1	3.0%
937-2	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
937-3	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
937-4	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
937-5	1	2 Bedrooms/1 1/2 Baths	.833	2.5%
937-6	1	3 Bedrooms/2 1/2 Baths	1	3.0%