

DECLARATION OF CONDOMINIUM FOR	CEDAR KNOLL A Flexible Residential Condominium	DATED: June 18, 1984	<p>LAW OFFICES OF MILLER, KISTLER & CAMPBELL, INC. A PROFESSIONAL CORPORATION BELLEFONTE, PENNSYLVANIA 19823</p> <p>CRIDERS EXCHANGE BUILDING</p>
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Recorded in the office for the recording
of Deeds, etc. in and for Centre County
in Book No 175 at page 146
12 day of July A.D. 1984
Witness my hand and seal of office
John W. Miller Recorder

DECLARATION OF CONDOMINIUM

FOR

CEDAR KNOLL

A Flexible Residential Condominium

THIS DECLARATION made on this 18th day of June, 1984, hereinafter set forth by:

ZIMMERMAN HOMES, INC., a Pennsylvania Corporation, with principal offices located at 2029 Cato Avenue, State College, Centre County, Pennsylvania, as the owner in fee simple of the real estate herein described.

SUBMISSION

1.1. Name, County and Description. Zimmerman Homes, Inc., a Pennsylvania Corporation, owner in fee simple of the real estate described in Exhibit "A", attached hereto, is located in the Township of Ferguson, County of Centre and State of Pennsylvania, hereby submits the real estate, together with the buildings and improvements thereon erected and the easements, rights and appurtenances thereunto belonging (collectively, "the property") to the provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S. 3101, et seq. ("the act"), and hereby creates with respect to the property a flexible residential condominium, to be known as Cedar Knoll ("the Condominium").

1.2. Easements and Licenses. The real estate is subject to the easements of Farmstead Lane, Farmstead Circle, Charolais Lane and Ayrshire Way, public rights-of-way, and to utility easements.

Map Filed in Map Drawers

ARTICLE IDefinitions

The terms defined are used in the Act:

Capitilized terms used herein and in the plans and plats shall have the meanings specified or used for such terms in Sectin 3103 or elsewhere in the Act, unless otherwise defined herein.

Section 1. "Building" means a unit structure, as well as improvements comprising a part thereof, as are the subject hereof, and which are to be constructed on the property.

Section 2. "By-Laws" means those so designated under the Act, and as pertain to the subject property of this Declaration, and includes such amendments thereof as may be adopted from time to time, all of the same being deemed to be a part hereof as if attached hereto.

Section 3. "Common Elements" or "Common Areas" means and includes all portions of this condominium other than the units including but not limited to: (a) the land on which the building is located and those portions of the building as are not included in any Unit; (b) the yards; (c) insulation and systems as comprise all central services and utilities; (d) all apparatus and installations existing for common use; (e) all other elements of each building necessary or convenient to its existence, management, operation, maintenance and safety, and normally in common use; and (f) 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 the Unit or those areas which will be designated as Limited Common Elements as hereinafter defined.

Section 4. "Limited Common Elements" or "Limited Common Areas" means all those areas designated in this Declaration or the Declaration Plan or by resolution of the Executive Board as reserved for the use of the Unit or Units to the exclusion of other

Units. Such right of use may be reserved as an interest appurtenant to a particular Unit or Units, but in all other respects shall be and remain Common Elements or Common Areas.

Section 5. Balconies, Patios, Storage Bins and all of the covered or enclosed parking spaces located under or in the building shall be designated as "Limited Common Elements".

Section 6. "Common Expenses" means and includes: (a) expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserves and (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 of the By-Laws, Rules, and Regulations of the Association; and (d) expenses duly declared common by the Executive Board of Directors pursuant to the provisions of this Declaration or of the By-Laws, Rules, and Regulations of the Association; and as provided under any amendments made to the said Act or these instruments.

Section 7. "Executive Board" as provided by said Act, means a group of natural individuals of the number stated in the By-Laws, Rules, and Regulations of the Association who may or may not be Unit Owners, and who shall manage the business, operations and affairs of the Property on behalf of the Unit Owners and in compliance with the Act.

Section 8. "Declaration" means this instrument by which the Property is submitted to the provisions of the Act, and any amendments thereto.

Section 9. "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.

Section 10. A "Condominium" or "Association" means all of the Unit Owners in the buildings, bound individually and as a group pursuant to this Declaration and to the By-Laws, Rules, and Regulations of the Association.

Section 11. "Majority" or "Majority of the Unit Owners" means the owners of more than fifty (50%) percent in the aggregate or ownership in the Common Elements, tabulated according to votes so based and assigned in Exhibit "B" under Article III of this Declaration.

Section 12. "Person" means a natural individual, corporation, partnership, association, trustee or other legal entity.

Section 13. "Property" means and includes the land, the building, all improvements thereon and therein, and all easements, rights and appurtenances belonging thereto, which are represented in the Declaration Plan and are declared by this instrument to be submitted to the provisions of the Act.

Section 14. "Recorded" means that an instrument has been duly entered of record in the Office of the Recorder of Deeds of Centre County, Pennsylvania.

Section 15. "Recorder" means the Recorder of Deeds of Centre County, Pennsylvania.

Section 16. "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.

Section 17. "Unit" means a component or part of a building designed and intended for residential use, and designated as a Residential Unit by the Declaration Plan, and the same shall include its assigned proportionate undivided interest in the Common Elements, which is subject to change, and shall include also all of the rights, privileges, immunities, and obligation attaching thereto as is provided and referred to herein. Each unit shall have one (1) vote in the Cedar Knoll Townhomes Condominium Association.

Section 18. "Unit Designation" means the number thereof used for designating each Unit in the Declaration Plan.

Section 19. "Unit Owners" means the person or persons or legal entity owning a Residential Unit by deed as provided in said Act. The percentage of ownership in each unit is set for on Exhibit "B".

The following terms are used or defined in general terms in the Act and shall have specific meanings hereunder as follows:

Section 20. "Additional Real Estate" means the real estate described as such in Exhibit "A" attached hereto.

Section 21. "Limited Expenses" means the common expenses described as such in Section 3314 of the Act.

Section 22. "General Common Expenses" means common expenses excluding limited expenses.

Section 23. "Percentage Interest" means each unit owner's undivided ownership interest in the common elements; share of all votes of unit owners and share of common expense liability appurtenant to each unit as set forth in Exhibit "B". The maximum number of units constructed shall be 68.

Section 24. "Permitted Mortgage" means a first mortgage to: (1) the Declarant; (2) the Seller of a unit; (3) a bank, trust company, savings bank, savings and loan association, mortgage service company, insurance company, credit union, pension fund, or like institutional investor or lender; and (4) any other mortgagee approved by the Executive Board. A holder of a permitted mortgage is referred to herein as a "Permitted Mortgagee".

Section 25. "Reserved Common Element" means portions of the Common Elements which the Declarant may designate as such from time to time pursuant hereto for its use.

ARTICLE IIName and Description

Section 1. Identification of the Units. The name by which the Property will be known is CEDAR KNOLL, a Flexible Residential Condominium. The name under which the business operation and affairs of the Property and the Unit Owners shall be managed on behalf of the Unit Owners after the Declarant has surrendered control to the Unit Owners shall be the Cedar Knoll Condominium Association, a non-profit corporation.

Section 2. Description of Property. The property herewith submitted to the condominium form of ownership under "the Act" is described on The Declaration Plan, and is also legally described as is set forth on Exhibit "A", attached hereto as a part hereof. The boundaries of each unit are as shown on the Plans recorded concurrently herewith, including the unit identification numbers and the common areas and the limited common areas of this condominium are as designated on the said Plats and Plans recorded concurrently herewith, made a part hereof and marked Exhibit "C".

ARTICLE IIIBuildings, Units, Boundaries, Plots and PlansSection 1. Identification of Units.

The locations and dimensions of the buildings and other structures and improvements which are built and which may be built and which in some cases must be built comprising the property are shown on the plots as recorded in the Office of the Recorder of Deeds of Centre County which indicate the location of units, the common elements and the limited common elements of the condominium. For any and all purposes each unit may be identified and shall be identified fully and accurately described solely by reference to the number and/or letter designated on the Declaration Plan. The location and the dimension of the building or buildings and the other structures and

improvements comprising the property are shown on the plots and the plats as recorded and which may be recorded from time to time, and the location of the units, common elements and limited common elements of the condominium are shown on the said plans which are recorded concurrently herewith and made a part hereof.

Section 2. Description of Units. Each Unit is intended for independent residential use and each of the residential units consists of the following portions of a building:

1. Enclosed space: The volumes of cubicals of space enclosed by the unfinished interior surfaces of perimeter and interior walls, ceilings and floors thereof, including vents, doors, windows and other such structural elements that ordinarily are regarded as enclosures of space;
2. Interior walls: All interior dividing walls and partitions (including the space occupied by such walls or partitions accepting load-bearing, interior walls and partitions);
3. Fixtures and furnishings: The decorated inner surface of the perimeter and interior walls (including decorated inner surfaces of all interior load-bearing walls), floors and ceilings, paint, plaster, carpeting, fireplaces and flues, if any, tiles and other finishing materials affixed or installed as part of the physical structure of a unit, and all immediately visible fixtures, complete heating and mechanical systems and equipment installed for the sole and exclusive use of each Residential Unit, commencing at the point where the same extends from walls or floors into the interior space from the structural body of the building, or from the utility lines, pipes, or systems serving the unit. No pipes, wires, conduits or other public utility lines or installations constituting a part of the overall systems designed for the service of any particular unit or any of the structural members or portions of any kind, including fixtures and appliances within the unit which is not removable without jeopardizing the soundness, safety or usefulness of the remainder of the building shall be deemed to be a part of any unit;
4. Exterior items: all that undivided proportionate interest in the common elements assigned to each unit; and

5. Upper and Lower (Horizontal) Boundaries: The upper and lower boundaries of the units shall be the following boundaries extended to intersections with the vertical boundaries:
 - (i) Upper Boundary: There shall be no upper or horizontal boundary.
 - (ii) The horizontal plane of the top surface of the unfinished, concrete floor slab.
 - (iii) Vertical Boundaries: The vertical boundaries of the units shall be the vertical planes, extended to intersections with each other and the upper and lower boundaries, of the unit side of the exterior unit side surface of the exterior walls which do not separate the unit from any other unit and of the center line unit side surface of the party walls which separate the unit from other units.

The following portions of the building are not included in the above.

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.

Section 3. Maintenance Responsibilities and Expense

Allocation. Notwithstanding the ownership of the various portions of the common elements and of the units by virtue of the boundary descriptions, the units and common elements shall be maintained and repaired by each unit owner and by the CEDAR KNOLL Townhomes Condominium Association in accordance with the provisions of Section 3307 of the Act, except as expressly set forth to the contrary herein. All common expenses associated with the maintenance, repair and replacement of a limited common element shall be assessed as a limited expense allocated to the units, to which such limited common element was assigned at the time the expense was incurred and in the same proportion as the respective percentage interest of all such units. Ordinary maintenance repair of any limited common elements shall be the responsibility of the owner of the unit to which such limited common element is appurtenant. Structural repairs and/or replacements of such limited common elements shall be the responsibility of the Association, the cost to be charged as a general common expense.

Section 4. Relocation of Unit Boundaries and

Subdivision. Relocation of boundaries between units and subdivision of units will be permitted subject to compliance with the provisions therefore in Sections 3214 and 3215 of the Act.

Section 5. Description of Common Elements. The Common

Elements are as defined above and consist of all parts and portions of the Property not included in the Units, and not including such portions of the Property or rights therein as are otherwise owned and reserved. The Common Elements specifically include all items of service, use, or benefit to more than one unit and as so designated, installed, and provided by the Declarant, or by the Executive Board.

Section 6. Interest in Common Elements. Each Unit Owner

shall own an undivided interest in the Common Elements in accordance with the number of units completed at the time the Unit Owners take possession. The maximum number of units in the condominium shall be 68. Each unit and its designated, undivided interest in the common elements, in accordance with a proposed number of units, is attached hereto, made a part hereof and marked Exhibit "B". Said interest is shown with its identifying number and location and percentage interest in the plats and plans. However, the interest in the common elements will be diminished by the construction of the additional units as shown on the plats and plans when built. Such percentage ownership runs with title to each Unit and may not be separated therefrom although the same may be diluted; provided, however, that the proportionate undivided interest in the Common Elements may be altered by the recording of an amendment to this Declaration, by the Declarant, in accordance with the Act and this Declaration. In any event, the total of all such undivided interests shall be 100 percent in the aggregate. Each unit shall have one (1) vote in the Cedar Knoll Townhomes Condominium Association.

Section 7. Special Uses. Certain parts or portions of

the Common Elements may be specifically assigned in writing for use by the particular Unit Owner, i.e., the Declarant expressly reserves for each unit owner the right to use the limited common area located

in the garage or covered areas which are designated as storage areas for the benefit of the unit so served.

Section 8. Easements:

a. Each unit owner shall have an easement in common with all other unit owners to use all pipes, wires, ducts, cables, conduits, utility lines and other Common Elements serving each unit in each particular building and to any extent located in any other unit, and such easement shall include also having the facility in place, and the servicing, maintaining and replacing of the same, and each unit shall be subject to like easement in favor of all other affected unit owners insofar as necessary or practicable.

b. Each unit shall have an easement to the extent necessary for structural support over and under and laterally with any other unit in the same building and over each to the extent necessary, shall be subject to such easement for any necessary structural support.

c. The Property and all parts thereof shall be subject to rights-of-way, easements, covenants, restrictions or conditions as may be set forth in prior instruments of record, and to the rights-of-way, easements, covenants, restrictions or conditions as shown on the plats and plans recorded herewith, and to a right-of-way or rights-of-way for utilities now or hereafter established or granted by the Declarant or by the Executive Board. The property is subject to perpetual right-of-way over prescribed common roadways for ingress and egress to Common Elements and to Units as are necessary and convenient, but which, unless or until dedicated and accepted as public roads, shall be subject to the regulations and control of the Declarant and or the Executive Board for the good of the Unit Owners.

Section 9. Utilities. It is understood and agreed that all unit properties are under and subject to and the Owners assume and assure by acceptance hereof to abide by any and all agreements between the Developer and any utility and/or utility authorities and grant such bodies easements in the common areas and in the limited common areas over, into, and upon each and every unit for purposes of

access to any utility instrument for the purpose of repair, replacement, reading, removal, maintenance or shutoff of such utilities in, on and to the units.

Each unit owner shall be responsible for the payment of total charges incurred for his or her unit. The Developer shall cause utility services to be emplaced and the same will be delivered to the Condominium Association. The Condominium Association shall be responsible for the maintenance and repair and/or replacement of said utility lines when and if necessary.

Section 10. Surface Parking Areas. There are surface automobile parking spaces situate in each unit and also situate on public and private streets. Such surface parking spaces in each unit shall be deemed a limited common element on the plot plans. Such surface parking spaces on the public and private streets shall be deemed common elements and shall be available for the use of owners on a "first come - first serve" basis, except as the Executive Board may otherwise determine.

Section 11. Additional Easements. In addition to and in supplementation of the easements provided herein and the other provisions of the Act, the following easements are additionally created:

a. The Declarant shall have the right to maintain models, management offices and sales offices on the property if it so elects and to relocate such model offices, management offices and sales offices from time to time anywhere within the property or its additional property if added. The models, management offices and sales office constituting a portion of the common elements shall be subject to the following requirements:

(1) The model or models maintained by the Declarant shall be in units owned by the Declarant and not within the Common Elements. Such model unit(s) shall not exceed one model for each type unit. The size of each such model shall be the size of the unit which is the model.

(ii) In addition to the model(s) maintained by the Declarant, the Declarant shall have the right to maintain within the Common Elements and/or any units owned by the Declarant not more than two offices for sales and/or management purposes. Each such sales or management office may not exceed the size of the largest unit in the condominium.

b. The Declarant shall have the right to maintain on the property such advertising signs as the Declarant in its sole discretion deems appropriate, provided that such signs comply with the applicable Governmental Requirements. The Declarant may from time to time relocate such advertising signs.

Section 12. Additional Easement to Correct Drainage.

The Declarant reserves an easement on, over and under the portions of the Common Elements not located within any unit for the purpose of maintaining and correcting any possible drainage of surface water in order to maintain reasonable standards of health, safety and appearance. This easement expressly includes the right to cut any trees, bushes or shrubbery, to grade the soil or to take any other action reasonably necessary to achieve this purpose, following which the Declarant shall restore the affected property as closely to its original condition as practicable. This shall include the right to perform all the same in the event there is additional construction with additional real estate included in the project.

Section 13. Additional Easement of Declarant for Development of Real Estate. The Declarant reserves an easement on, over and under those portions of the Common Elements not located in a building which contains units, for all purposes relating to the construction, development, leasing and sale of improvements on real estate in the project. 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 the movement and storage of building materials and equipment, the conduct of sales, leasing and management activities,

the maintenance of models and offices and the erection and maintenance of directional and promotional signs. The easement hereby created in favor of the Declarant in this section shall terminate upon the annexation of all of the additional real estate to the condominium project. Declarant, at the time of completion of the construction of the condominium project, shall have the easement and right to conduct marketing activities with respect to the condominium.

Section 14. Easement for use of Recreational Area if Created. In the event a recreational area is created in the project each unit owner and each person lawfully residing in the complex on the real estate described in the exhibits attached hereto is hereby granted a nonexclusive right and easement of access and enjoyment in common with others of the amenities and commercial and recreational facilities constituting the recreational area if the same is created by the Declarant or by the Executive Board. The extent of the easement and the rights and easements of access and enjoyment shall be subject to the following:

- (i) The right of the Association to charge guests reasonable admission and other fees for the use of the recreational areas; and
- (ii) The right of the Association to adopt rules and regulations governing the use of the recreational areas.

Section 15. Recreational Use Assessments against the Declarant's Proportion of Real Estate. As a condition of the enjoyment of the easement created by this prior section, the record owners in fee simple of each portion of the real estate described in the exhibits attached hereto shall pay to the association each month an assessment levied exclusively for a proportionate share of costs for the management, operation, repair, replacement and maintenance of the recreational area, if created, and for services and facilities related thereto. The assessment payable by each such record owner shall equal the amount determined

by multiplying the actual operational expenses less any income for the recreational area if created by a fraction, the numerator of which shall be the number of dwelling units certified for occupancy which such record owner owns and the denominator of which shall be the sum of the units certified for occupancy plus the number of units certified for occupancy. The assessment levied under this subsection may be adjusted monthly by the Association to reflect changes in the number of units in the event that additional real estate is developed and additional units are constructed by the Declarant.

ARTICLE IV
Use, Purposes and Restrictions

The property or the properties, as set out on the attached Exhibits including the buildings constructed, or which may be built, the Units, the Common Elements and the Limited Common Elements are intended to be used for the following purposes, and their use is hereby restricted as follows:

Section 1. Residential Unit Restrictions. No Unit may be divided or subdivided into a smaller unit. Any residential unit may be added to or incorporated into another residential unit; however, the same must be approved in writing and approved by the Declarant and its decision is final and binding. After the Declarant has turned over the majority ownership to the Association, the Executive Board of the Association shall make the decision whether to approve or not to approve changes and the decision of the said Board shall be final and binding.

Section 2. Residential Use. Each Unit is hereby restricted to a residential use by the Unit Owner, his/her/their tenants, successors or assigns thereof. The use shall be compatible with the uses permitted under the appropriate zoning of Ferguson Township. The Declarant, however, shall have the right to use any of the units owned by it as heretofore set out for rental units, models and/or for sales and administrative offices.

Section 3. Use with Care. No Residential Unit Owner shall do or permit any act which is illegal or in violation of any law, statute, ordinance, rule or regulation of any local, state or federal government or agency having jurisdiction. No Unit Owner shall do or permit any act which would jeopardize the soundness or safety of the Property, or of any part of it, or impair any easement or appurtenance or any rights of others, without the unanimous consent of the Unit Owners affected thereby.

Section 4. Leasing. A Unit may be leased for residential purposes by the owner only with the permission of the declarant or the Executive Board. The intent is to keep the project from being a rental community. The term shall be for at least one month, providing the lease is made subject to all provisions as affect the owner himself to the end that the tenant or tenants shall be bound at least as is the owner with reference to the possession, use and occupancy, and in all ways pertaining thereto of the By-Laws, Rules and Regulations of the Condominium and of this Declaration.

Section 5. Use of Common Elements. The Common Elements or Common Areas may be used by all Residential Unit Owners and/or their tenants, their assigns, successors in interest, family members, guests, and invitees, subject to the By-Laws, Rules, and Regulations and such rules and regulations as may be established by the Executive Board. Each Unit Owner may use the Common Elements in accordance with the purposes for which the Common Elements are intended without hindering or encroaching upon the lawful rights of other Unit Owners, and subject to the provisions hereof, the By-Laws, Rules, and Regulations and the Rules of the Executive Board.

Section 6. Access to Public Roads. Under no circumstances shall any Unit Owner's right of ingress or egress or right of access, to and from any public area, public roads, or over Common Elements, Common Areas and lands be impaired where the same has been designated for such use on the plats and plans.

Section 7. Maintenance and Repair of Common Elements.

The maintenance and repair of Common Elements and the making of additions or improvements thereto shall be carried out only as provided under the By-Laws, Rules, and Regulations and this Declaration, established and adopted pursuant to the provisions of Section 3307 of the Act and of this Declaration which shall be recorded and as the same may be duly amended from time to time.

Section 8. Use Restrictions.

a. Residential Use. Except as herein provided with respect to the uses permitted by the Developer, no Residential Unit shall be used for any other than as a residence for any legal entity or its assigns or successors in interest, a unit family owner, a unit family owner's member, including a member or persons to whom the unit owner shall have leased his unit subject to all the provisions with respect to the use and occupancy and presence on the property applicable to the Unit owner himself. No owner or his successor in interest or assigns may permit or suffer anything to be done or kept upon the Property which will increase the rate of insurance on the Property or in the contents thereof, or which will obstruct or interfere with the rights of others or annoy them by unreasonable noises or otherwise and no one may commit or permit any nuisance or commit or suffer any immoral or illegal act to be committed anywhere in or upon the Property.

b. Aesthetics. Each Unit owner shall maintain the interior of his Unit in good condition, order, and repair, at his own expense. No Unit Owner shall display, hang, store or use anything whatsoever on his entryway or outside his Unit other than as may be permitted in accordance with the By-Laws, Rules, and Regulations established by the Executive Board. No member may paint, decorate, or otherwise alter or modify in any way the outside of his Unit, or install outside of his Unit any canopy, awning, covering, radio or television antenna, including any satellite receiver, dish or structure, or addition of any kind whatsoever without the prior written consent of the Executive Board.

c. Sanitation. Trash, garbage, and other waste shall be kept only in sanitary containers and shall be disposed of in such manner as may be prescribed from time to time in the By-Laws, Rules, and Regulations established by the Executive Board. No articles or personal property belonging to any Unit Owner shall be stored in any portion of the Common Elements without the prior written consent of the Executive Board.

d. Electricity. No one may overload the electrical wiring in the building or operate any machinery, appliance, accessories, or equipment in such a manner as to cause, in the judgment of the Executive Board any unreasonable disturbance, or make any alterations thereto. This includes the limitation of use of high speed machinery which disturbs television reception or shortwave or microwave reception or anything akin thereto.

e. Uses and Structures. No Residential Unit or any part thereof shall be used for any purpose except as set forth herein. No motor vehicles other than those utilized by the unit owner, their tenants, successors or assigns, shall be stored or parked in the parking area or parked on the Property. No Unit Owner shall have any additional motor vehicles on the premises for purposes of maintenance or service or hobby such as tearing down or putting together motor vehicles. There shall be no storing of any old or junked or hobby type vehicles on the premises, including trailers, pop-up campers, motor homes, etc. No business or trade of any kind which shall constitute a nuisance, emit any noxious odor, cause offensive or loud activities shall be carried on in any Unit nor shall anything be done thereon which may be or become an annoyance or nuisance to the occupants of other Units. No boat, trailer, tent, shack or other such structure shall be located, or erected or used on any part of the Property, temporarily or permanently other than what has been constructed for use of the Unit Owners by the Developer.

f. Signs. No sign of any kind shall be displayed to the public view on any of the Units except those approved by the Declarant or by the Executive Board.

g. Animals. No animals, of any kind, shall be raised, bred or kept in any Residential Unit on the Property except those approved by the Executive Board or by declarant. This section does not preclude a unit owner from keeping a domestic animal such as one small dog or one cat or a bird, etc, not including any wild animals such as snakes, lions, tigers or pifanha fish.

h. Nuisances. No noxious, offensive or loud activity shall be carried on in any Unit, nor shall anything be done thereon or therein which may be or may become an annoyance or nuisance to the other Unit Owners in the quiet enjoyment of their unit. The decision as to whether such activity is noxious, offensive or overly loud shall be decided exclusively by the governing body in such manner as it may elect to make such decision. Such decision is final and unappealable.

i. Mailboxes. Mailboxes shall be retained as the same now are or, as designated by the Executive Board after construction by the Declarant.

j. Clotheslines. There shall be no outdoor clotheslines.

k. Fences. There shall be no fence of any kind, wall, hedge, or similar structure erected or maintained anywhere on the Property, except as placed by the Declarant in its sole discretion. Any additional fencing for any purpose, shall be permitted only by amendment to this Declaration by the Declarant or by the Executive Board in accordance with the Rules and Regulations of the Unit Owner's Association.

l. Executive Board Power. The Executive Board may adopt such rules and regulations concerning use, occupancy or other matter, including provisions for reasonably limiting or suspending certain

rights and/or privileges as it deems appropriate; and may alter such By-Laws, Rules, and Regulations as from time to time it may determine. The decisions of the Executive Board are final and unappealable.

m. Executive Board Rights. Violation of any By-Law, Rule, or Regulation of the Executive Board and/or of any provision of the Declaration hereof shall give the Executive Board or any representative acting in its behalf in addition to any other rights, the rights also:

(1) To enter the Residential Unit in which, or in connection with, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing, person, creature, and/or condition that may exist therein contrary to the intent and meaning hereof without being guilty of trespass or wrong otherwise.

(2) To enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

(3) To levy as an assessment or charge as a Common Expense against any Unit Owner an amount equal to damages so sustained plus costs of suit and reasonable attorneys' fees by virtue of such Unit Owner's committing and/or permitting such violation upon finding thereof by the Executive Board.

n. Executive Board Maintenance and Repair. The Executive Board shall maintain, repair and replace all Common Elements, wherever situate, except that in the event such maintenance, repair or replacement was caused by negligence or misuse of a Unit Owner, or of any other occupant of a Unit, such expense shall be charged to such Unit Owner. Each Unit Owner shall maintain, repair, and replace, at his own expense, all portions of his Unit as are separate and private to it and him. Each Unit Owner shall be responsible for damage to any other Unit and/or to any Common Elements caused intentionally, negligently, or by failure to properly take care of his own Unit, whether or not the fault is in him personally and/or in any other occupant or employee of his Unit.

o. No Obstruction. There shall be no obstruction of the Common Elements nor shall anything be stored in or on the Common Elements without the prior written consent of the Executive Board except as herein provided. The use and covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the building, shall be subject to the rules and regulations of the Executive Board.

p. Insurance Rates. Nothing shall be done or kept in any unit or in or on the Common Elements which will increase the rate of insurance on the property, or the contents thereof, for the residential use without the prior written consent of the Executive Board which consent may be conditioned upon the unit owner of such unit being required to bear the full amount of such increase. No unit owner shall permit anything to be done or kept in his unit or in or on the Common Elements which will violate any law, statute, ordinance or regulations of any governmental body or which will result in the cancellation of any insurance maintained by the Executive Board. No waste shall be committed in or on the Common Elements.

q. Displays. No Unit Owner shall cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the building or on the property and no sign, awning, canopy, shutter, radio or television antenna or television or radio disk shall be affixed or placed upon the exterior walls or roof or any part thereof without the prior written consent of the Executive Board. No air-conditioning unit of whatever type other than those installed by the Developer as of the date of this declaration or as installed by the Declarant on additional real estate may be installed without the express written approval of the Executive Board.

r. Miscellaneous Displays. No clothes, sheets, blankets, laundry or other articles of any kind shall be hung out or exposed on any part of the Common Elements.

s. Personal Property. No benches, chairs or other personal property shall be left on, nor shall any play thing, lounge chairs, parking of baby carriages, playpens, bicycles, wagons, toys or vehicles be permitted left on any part of the Common Elements without the prior consent of and subject to the regulations of the Executive Board.

t. Electrical Wiring. No Unit Owner shall overload the electrical wiring of the buildings, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Executive Board, an unreasonable disturbance to the other unit owners nor shall any unit owner connect any machine, appliance, accessory or equipment to the heating system or plumbing system without the prior written consent of the Executive Board. Installation, removal, reconstruction or repair of any electrical lighting and power circuit or electrical outlet box or terminal device included in such outlet box, or any item of heating or air-conditioning equipment, any of which is located within the interior partition of an unit, 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 Declarant or the Executive Board. Such approval shall be granted only if the work performed shall be of similar or superior quality to that present throughout the building or buildings, and shall be performed by qualified personnel. The cost of such installation, removal, reconstruction or repair whether undertaken by the unit owner or by the Executive Board shall be borne by the unit owner of the unit benefited thereby.

u. Additional Rules and Regulations. Reasonable rules and regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the property, or the property which may be added to the project, 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 V

Common Expenses

Section 1. Condominium Expenses. The Declarant, for each Unit owned, hereby covenants with, and each other Unit Owner(s) by acceptance of a deed thereof, whether or not it shall be so expressed in such deed, is conclusively deemed to covenant and agree to pay to the Executive Board or its designee, as representative of the CEDAR KNOLL Townhomes Condominium Association, such assessments and/or charges as may be levied by the Executive Board of the Townhomes Condominium Association to cover the reasonable share of Common Expenses incurred in maintaining, improving and managing CEDAR KNOLL, a flexible condominium. Such assessment and/or charges shall run with the land and shall be a continuing lien upon each Residential Unit until paid. Such assessments and/or charges may be enforced in any court of law or equity having jurisdiction thereof, and as provided for herein shall be subordinate to the lien of any first mortgage.

Section 2. Special Expenses. Where in the judgment of the Executive Board it is determined that an expense is peculiar to and of special benefit only to certain Residential 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, and the same shall be subject to the foregoing provisions of the appropriate sections herein, like any other assessment. The provisions hereof shall be applicable under Article VII below.

ARTICLE VI

Encroachments

If any portion of a Residential Unit or Common Element encroaches upon another Unit, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event any building is partially or totally destroyed and then rebuilt, encroachments aforesaid may continue as a part of any restoration.

ARTICLE VII

Easements

Section 1. Residential Unit Owners and Executive

Board. (a) Each Unit Owner, as needed, shall have an easement in common with all other affected Unit Owners to have, use and repair, or to have repaired or replaced, as necessary, all pipes, wires, ducts, cable, conduits, chimneys, public utility lines and other elements in any way located in any Unit or forming any part of the Common Elements. In addition, each Unit shall be subject to, and shall have, such easements of support and shelter from, under, against and over such other Units, as may be necessary for the soundness and quiet enjoyment of each Unit, and as may be necessary for the soundness and needs of structural Common Elements. (b) The Executive Board shall have the right to reasonable access to each Unit to inspect the same, and to provide for removal of violations therefrom and generally to the extent set forth under the By-Laws, Rules, and Regulations, and to provide for service, maintenance, repair or replacement of Common Elements as necessary; and to service, maintain, repair, and replace such other equipment or elements as may be the responsibility of the Executive Board. (c) All repair work contemplated by this Article shall be performed solely through the Executive Board; provided, however, that nothing contained herein shall be construed to prevent the levying of a special assessment and/or charge on one or more Unit Owners for work

performed in relation to the easements provided and referred to herein. (d) All such easements shall run with the land and inure to the benefit of and be binding upon the Executive Board, each Unit Owner and each mortgagee, lessee, occupant, or other person having any interest in any Residential Unit or in Common Elements. (e) Assessments, such as special assessments under Article V, Section 2, above, shall be made by the Executive Board after it determines that one or more Unit Owners are responsible for the problem or problems which necessitated the work performed.

ARTICLE VIII

Executive Board and Voting

Section 1. CEDAR KNOLL Townhomes Condominium

Association. A Residential Unit Owners Association, a non-profit corporation, shall be organized contemporaneously herewith. Membership in the Association shall consist exclusively of all the Residential Unit Owner(s), including the Unit Owners of any additional or convertible real estate which may be included in the condominium.

Section 2. Powers of the Residential Unit Owners

Association. The Association hereinabove described shall have all powers as set forth in Section 3302 of the Act.

Section 3. Executive Board Members and Officers.

The Association shall elect an Executive Board who may act in all instances on behalf of the Association. The names of the first members of the Executive Board are, CALVIN E. ZIMMERMAN, President, MARK BIGATEL, Vice-President and PAULA HAMBY, as Secretary and Treasurer. The aforesaid first members shall serve until their successors have been elected by the Association pursuant to By-Laws, Rules, and Regulations and after deeds have been recorded placing title to at least seventy-five (75%) percent of the Units in the names of owners other than the Declarant.

Not more than sixty (60) days after the conveyance of twenty-five (25%) percent of the Residential Units to Residential Unit Owners other than Declarant, not less than twenty-five (25%) percent of the members of the Executive Board shall be elected by any Unit Owners other than the Declarant.

Not later than sixty (60) days after the conveyance of fifty (50%) percent of the Residential Units to Residential Unit Owners, other than the Declarant, not less than thirty-three and one-third (33 1/3%) percent of the members of the Executive Board shall be elected by Residential Unit Owners other than the Declarant.

Notwithstanding anything hereinbefore set out, nothing herein shall in any way prevent, delay, hinder or impinge upon or infringe upon the rights of the Declarant to construct additional residential units on the real estate as set out in the Exhibits attached hereto and/or as shown on the recorded plat plans.

Section 4. Voting. Each Unit Owner is automatically a member of the Association and each unit is entitled to one vote. Upon termination of his ownership of a Residential Unit, his membership thereupon automatically terminates and thereupon transfers and inures to the new Residential Unit Owners. Each Residential Unit Owner shall be entitled to the same number of votes (one (1) vote per unit) as he owns unit(s). All meetings of the Unit Owners shall take place in accordance with the Association By-Laws, Rules, and Regulations.

By acceptance hereof, all members of the Association acknowledge and recognize that the number of votes may be expanded by the construction of additional residential units on any of the real estate as described on the Exhibits attached hereto.

ARTICLE IXSeparate Mortgages, Taxes, Utility Charges

Section 1. Mortgages. Each Residential Unit Owner shall have the right to mortgage or encumber only his own designated Unit(s) together with only his proportionate undivided share(s) in the Common Elements, and he shall have no right, power, or authority to in any way encumber or affect the title to any other part of or interest in the property.

Section 2. Taxes. It is understood that real estate taxes are to be separately taxed to each Residential Unit Owner for his Unit and his undivided percentage of ownership in the Common Elements.

Section 3. Utilities. Each Residential Unit Owner shall pay for his own telephone, electricity, and/or other utilities which are separately metered or billed to each user by the appropriate utility company. Utilities not separately metered or billed may be treated as part of the Common Expenses or in the event the said utility services are supplied to some Units but less than all Units, then the Board may reasonably prorate these charges over the Units using such services, and require such Unit Owner to pay his prorata share of such charges, which shall become a charge or lien against the Unit, enforceable under Article V, Section 2, above. The decision of the Executive Board to prorate, and its determination of prorate shares and charges shall be final and binding on all.

ARTICLE XInsurance

Section 1. Coverage. The Executive Board shall obtain and maintain, on behalf of and for the benefit of the Residential Unit Owners, insurance coverage as set forth in paragraphs 2 through paragraph 6 hereof. All insurance affecting the property shall be governed by the provisions of this Section.

Section 2. Physical Damage. All buildings and improvements (as defined hereinbefore), and all of the personal property owned in common shall be insured, for the benefit of the Executive Board, the Residential Unit Owners and mortgagees of the Units, against risks of physical damage as follows:

(a) Amounts. As to real property, for an amount equal to its full insurable replacement cost; as to personal property, for an amount equal to its actual cash value. At time of obtaining any insurance on real property under this section, and at least annually thereafter, the Executive Board shall obtain an appraisal from a qualified appraiser for the purpose of determining the replacement cost of such real property.

(b) Risks Insured Against. The insurance shall afford protection against loss or damage by reason of:

- (i) Fire and other hazards covered by extended coverage endorsement;
- (ii) Vandalism and malicious mischief;
- (iii) Such other risks of physical damage as from time to time may be customarily covered with respect to buildings and improvements similar in construction, location, and use as those on the Property and;
- (iv) Such other risks of physical damage as the Executive Board may from time to time deem appropriate.

(c) Other Provisions. The insurance shall contain the following provisions:

- (i) Waivers by the insurer of rights of subrogation against the Executive Board and the Residential Unit Owners;
- (ii) That the insurance shall not be affected or diminished by reason of any other insurance carried by any Residential Unit Owner or mortgagee of a Unit;
- (iii) That the insured shall not be affected or diminished by any act or neglect of any Residential Unit Owner or any occupants or owners of any improvements when such act or neglect is not within the control of the Executive Board;

(iv) That the insurance shall not be affected or diminished by failure of any Residential Unit Owner or any occupants or owners of any improvements to comply with any warranty or condition when such failure to comply is not within the control of the Executive Board;

(v) That the insurance may not be cancelled or substantially modified (except for the addition of property or increases in amount of coverage) without at least thirty (30) days prior written notice to the named insured, and to all mortgagees of Units;

(vi) Provisions for indemnification of mortgagees of Units and for the disbursement of their several interest to specific Units as they appear;

(vii) The standard mortgagee clause, except that any loss otherwise payable to named mortgagees shall be payable in the manner set forth in Subsection (c) or Paragraph 11, hereof;

(viii) Adjustment of loss shall be made with the Executive Board as the exclusive authority for the insured;

(ix) Proceeds for losses under \$10,000 shall be paid to the Executive Board and proceeds for losses over \$10,000 shall be payable to the Trustee (see paragraph 11, below);

(x) The named insured shall be the CEDAR KNOLL Condominium Association, Executive Board of Directors;

(xi) All policies shall be written with a company licensed to do business in the Commonwealth of Pennsylvania and holding a rate of "AAA" or better by Best's Insurance Reports, or by an equivalent rating bureau should Best's Insurance Reports cease to be issued;

(xii) The insurance policies to the Executive Board on behalf of the Residential Unit Owners and covering the Condominium Property cannot be cancelled, invalidated or suspended on account of the conduct of any one cancellation, invalidation, or suspension for any reason be effected without at least thirty (30) days prior written notice to each Residential Unit Owner and all holders of any mortgages permitted hereunder;

(xiii) That all policies covering the Condominium Property cannot be cancelled, invalidated, or suspended on account of the conduct of any officer or employee of the Executive Board or any Owner without prior

demand in writing that the Executive Board or such Owner cure the defect and without providing a reasonable period of time thereafter in which to cure same; and

(xiv) If possible secure agreed amount clause or waiver of co-insurance.

Section 3. Casualty and Liability Insurance. To the extent available, the Executive Board shall obtain and maintain comprehensive general liability insurance in such limits as the Executive Board may from time to time determine insuring the Executive Board, the Officers, the Manager (at the discretion of the Executive Board), and each Residential Unit Owner for claims arising out of or in connection with the ownership, operation, or maintenance of any of the Property, excluding however, Residential Unit Owner liability coverage for claims arising in connection with that portion of the Property used and occupied exclusively by a particular Residential Unit Owner. Such comprehensive general liability insurance shall also cover, to the extent such insurance is available, cross liability claims of one insured against the other. The Board shall review such limits once a year.

Section 4. Directors and Officers Liability Insurance. To the extent available the Executive Board shall obtain and maintain a comprehensive general liability insurance policy in such limits as the Executive Board may from time to time determine or in such limits as may be available, insuring the Executive Board members, the Officers, the Manager (at the discretion of the Executive Board), for claims arising out of or in connection with the management, operation or maintenance of any of the Property, such policy shall insure the Executive Board members and Officers against any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith.

Section 5. Workmen's Compensation Insurance. The Executive Board shall obtain and maintain Workmen's Compensation Insurance, if necessary, to meet the requirements of the laws of the Commonwealth of Pennsylvania.

Section 6. Other Insurance. The Executive Board is authorized to obtain and maintain such other insurance or bonds as it shall determine from time to time to be desirable.

Section 7. Insurance by Residential Unit Owners. Residential Unit Owners shall not be prohibited from carrying insurance for their own benefit provided that all such policies shall contain waivers of subrogation against all other parties insured by the comprehensive general liability insurance of paragraph 4, and further provided that the liability of the carriers issuing the insurance obtained by the Executive Board shall not be affected or diminished by reason of any such additional insurance coverage by any Unit Owner. In no event, however, shall the insurance coverage obtained and maintained by the Executive Board hereunder be brought into contribution with insurance purchased by individual Unit Owners or their mortgagees.

Section 8. Filing of Individual Policies. Each Residential Unit Owner shall file any individual policies of insurance (excluding policies restricted to personal property) with the Executive Board within thirty (30) days after purchase thereof. The Executive Board shall maintain the file thereof.

Section 9. Premiums. Premiums upon insurance policies purchased by the Executive Board shall be paid as a Common Expense.

Section 10. Trustee. All insurance policies purchased by the Executive Board shall be for the benefit of the Executive Board, the Residential Unit Owners and their mortgagees, as their interests may appear, and shall provide that all proceeds covering property losses under \$10,000 shall be payable to the Executive Board and all proceeds covering losses in excess of that amount shall be paid to a bank with trust powers, insured by an agency of the United States, or to such other person or entity as is acceptable to the Executive Board, and the insurance carrier, which trustee is herein referred to as the "Trustee". The Trustee shall

not be liable for payment of premiums, nor for the renewal or the sufficiency of the policies, nor for the failure to collect any insurance proceeds. The duty of the Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Executive Board, the Residential Unit Owners and their mortgagees in the following shares:

(a) Common Elements. Proceeds on account of damage to Common Elements as undivided share for each Residential Unit Owner, such share being the same as the percentage of undivided interest of such Residential Unit Owner as set forth in the Declaration.

(b) Residential Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

(i) When the building is to be restored--for the Owners of damaged residential units in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Executive Board. (Damage suffered by a Unit Owner shall not be deemed to include damage to any items specifically excluded from insurance coverage, pursuant to the provisions of Section 2 hereof.)

(ii) When the building is not to be restored--an individual share for each Unit Owner, such share being the same proportion as the Unit's percentage of ownership of undivided interests as set forth in the Declaration, bears to the total percentage of ownership of the Units not to be restored.

(c) Mortgagees In the event a mortgagee endorsement has been issued, with respect to a particular unit, the share of the Residential Unit Owners shall be held in trust for the mortgagee and the Unit Owner as their interest may appear; provided, however, that no mortgagee shall have the right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

Section 11. Distribution of the Insurance Proceeds by Trustee. Proceeds of insurance policies received by the Trustee shall be distributed to or for the benefit of beneficial owners in the following manner:

(a) Expense of the Trust. All expenses of the Trustee shall be first paid or provisions made therefore.

(b) Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof of consummating the full repair or reconstruction of the property to a condition substantially similar to that which existed immediately prior to the damage. Each Residential Unit Owner shall personally assume the additional expenses of any improvements made which would restore the unit to a condition similar to, but not less than that which existed immediately prior to the damage.

(c) Residential Unit Owners Liability. In the event that the proceeds of insurance are not sufficient to repair or reconstruct the damaged portions of the property, then the repair or reconstruction shall be accomplished by the Association as a common expense, in proportion to the undivided percentage interests in the common elements. Residential Unit Owners may apply the proceeds from any individual insurance policies that may have been obtained to the share of such common expense as may be assessed against them.

(d) No Reconstruction or Repair. The damage shall not be repaired or reconstructed if the condominium is terminated or if eighty percent (80%) of the unit owners vote not to rebuild. If the Residential Unit Owners so vote not to rebuild, the insurance proceeds shall be distributed to all the unit owners and lien holders, as their interests may appear, in proportion to their common element interests. If the condominium is terminated, then the proceeds shall be distributed as set forth in the uniform condominium act.

ARTICLE XI

MAINTENANCE AND ALTERATIONS

Section 1. Each Residential Unit Owner shall furnish and be responsible for, at his own expense, all of the maintenance, repairs and replacements within his own units. No alterations of any of the common elements, or any additions or improvements thereto, shall be made by any unit owner without the prior written approval of the Executive Board.

ARTICLE XII

UNIT SUBJECT TO DECLARATION

Section 1. By-Laws, Rules, and Regulations: All present and future Residential Unit Owners, tenants, mortgagees, and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, with those of the By-Laws, Rules, and Regulations, and with the duly promulgated rules and regulations adopted by the Executive Board and with 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 XIII

LIABILITY AND INDEMNIFICATION

Section 1. Liability of Members of the Executive Board and Officers: The members of the Executive Board and the officers and any assistant officers:

1. Shall not be liable to the Residential Unit Owners as a result of their activities as such for any mistake of judgment,

negligence or otherwise, except for their own willful misconduct or gross negligence;

2. Shall have no personal liability in contract to a unit owner or any other person or under any agreement, instrument or transaction entered into by them on behalf of the Executive Board or unit owners in their capacity as such;

3. Shall have no personal liability in tort to a Residential Unit Owner or any other person or entity direct or imputed, by virtue of acts performed by them, except for their own willful misconduct or gross negligence, or acts performed for them, in their capacity as such; and

4. Shall have no personal liability arising out of the use, misuse or condition of the property, or which might in any other way be assessed against or imputed to them as a result or by virtue of their capacity as such.

Section 2. Indemnification by Residential Unit Owners:

The Unit Owners shall indemnify and hold harmless any person, his heirs and personal representatives, from and against any and all personal liability, and all expenses, including counsel fees, incurred or imposed, or arising out or in settlement of any threatened, pending or completed action, suits or proceedings, whether civil, criminal, administrative or investigative, instituted by any one or more unit owners or any other persons or entities, to which he shall be threatened to be made a party by reason of the fact that he is or was a member of the Executive Board or an officer or assistant officer, other than to the extent, if any, that such liability or expense shall be attributable to his willful misconduct or gross negligence, PROVIDED, in the case of any settlement that the Executive Board shall have approved the settlement, which approval shall not be unreasonably withheld. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled as a matter of law or agreement or vote of unit owners or of the Executive Board or otherwise. The

indemnification by the Unit Owners set forth in this Section 2 of Article XIII shall be paid by the Executive Board on behalf of the unit owners and shall constitute a common expense and shall be assessed and collectible as such.

Section 3. Liabilities of Individual Residential Unit

Owners: The Residential Unit Owners, any lessees or sublessees of a Residential Unit shall be jointly and severally liable for liabilities arising out of their own conduct arising out of the ownership, occupancy, use, misuse or condition (except when the result of a condition affecting all or other parts of the property) of that unit.

Section 4. Costs of Suit in Actions Brought by One or More Residential Unit Owners on Behalf of all Residential Unit

Owners: If any action is brought by one or more but less than all Residential Unit Owners on behalf of all Residential Unit Owners and recovery is had, the plaintiff's expenses, including reasonable counsel fees, shall be a common expense, provided that if such action is brought against all Unit Owners or otherwise against all other Unit Owners or against the Executive Board, the officers, assistant officers, employees or agents in their capabilities as such, with the result that the ultimate liability asserted would, if proved, be born by all the Residential Unit Owners, the plaintiff's expenses, including counsel fees, shall not be charged to or born by the other Unit Owners, as a common expense or otherwise.

Section 5. Notice of Suit and Opportunity to Defend:

Complaints brought against all Unit Owners or the Executive Board, or the officers, assistant officers, employees or agents thereof, in their respective capacities as such, or the property as a whole, shall be directed to the Executive Board, which shall promptly give written notice thereof to the Residential Unit Owners and the holders of any Permitted Mortgages and shall be defended by the

Executive Board, and the Unit Owners and such holders shall have no right to participate other than through the Executive Board in such defense. Complaints against one or more but less than all the Unit Owners or Residential Units alleging liabilities covered by Section 3 of this Article XIII shall be directed to such Unit Owners, who shall promptly give written notice thereof to the Executive Board and to the holders of any Permitted Mortgages affecting such units and shall be defended by such owners.

ARTICLE XIV

AMENDMENT

This Declaration may be amended, subject to the restrictions of the Act, by the vote of the Residential Unit Owners and the mortgagees of 75% of the common interests after control of the same has been delivered to the Association by the Declarant; until that time the Declarant retains and reserves specifically the right to amend these declarations and the plat plans including the right to convert or add additional real estate to this condominium project. No amendment shall be effective until properly recorded.

ARTICLE XV

POWER OF ATTORNEY AND CONFESSION OF JUDGMENT

IN ORDER TO EXPEDITE THE EXECUTIVE BOARD OR DECLARANT'S COLLECTION OF ANY DELINQUENT ASSESSMENT, EACH UNIT OWNER (BY THE ACCEPTANCE OF THE DEED TO HIS UNIT) SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE OF THE EXECUTIVE BOARD MEMBERS OR THE DECLARANTS TO BE HIS OR HER ATTORNEY-IN-FACT TO CONFESS JUDGMENT AGAINST SUCH RESIDENTIAL UNIT OWNER IN ANY COURT OF COMPETENT JURISDICTION IN PENNSYLVANIA OR ANY OTHER PLACE, FOR SUCH UNPAID ASSESSMENT(S) WHICH APPOINTMENT (BEING FOR SECURITY) SHALL BE IRREVOCABLE; AND FOR SO DOING A COPY OF THIS ARTICLE AND SAID DEED, BOTH VERIFIED BY AFFIDAVIT, SHALL BE 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. FURTHER, EACH AND EVERY PURCHASER, RESIDENTIAL UNIT OWNER OR OCCUPANT, OR HOLDER OF ANY MORTGAGE OR OTHER LIEN, DOES AUTOMATICALLY AND IRREVOCABLY NAME, CONSTITUTE AND APPOINT AND CONFIRM THE DECLARANT, ITS SUCCESSORS OR ASSIGNS AS ATTORNEYS-IN-FACT FOR ANY OF THE PURPOSES SET OUT HEREIN AND IN ADDITION THERETO FOR THE PURPOSE OF EXECUTION OF SUCH AMENDED INSTRUMENT OR INSTRUMENTS WHICH IS NECESSARY TO EFFECT THIS DECLARATION OR THE TERMS OF THIS DECLARATION. THIS POWER OF ATTORNEY AFORESAID IS EXPRESSLY DECLARED AND ACKNOWLEDGED TO BE COUPLED WITH AN INTEREST IN THE SUBJECT MATTER HEREOF AND THE SAME SHALL RUN WITH THE TITLE TO ANY AND ALL RESIDENTIAL UNITS AND BE BINDING UPON THE SUCCESSORS AND ASSIGNS OF ANY OF THE FOREGOING PARTIES. FURTHER, SAID POWER OF ATTORNEY SHALL NOT BE AFFECTED BY THE DEATH OR DISABILITY OF ANY OF THE PRINCIPLES, AND IS INTENDED TO DELIVER ALL RIGHT, TITLE AND INTEREST OF THE PRINCIPAL IN AND TO SAID POWER.

ARTICLE XVI
REAL ESTATE TAXES

It is understood that the real estate taxes are to be separately assessed and taxed to each Residential Unit Owner for his or her Unit and its corresponding percentage interest in the Common Elements, as provided in the Act. In the event that real estate taxes for any year are not separately assessed against each Unit, but rather are assessed against the property as a whole, then each Residential Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage interest in the Common Elements at that time, and in said event, such taxes shall be a common expense. The Executive Board shall have the authority to advance Association funds in payment of all or a portion of such taxes pending receipt from the respective owners of their proportionate share thereof.

ARTICLE XVIIOPTION TO EXPAND THE CONDOMINIUM

Section 1. Reservation. The Declarant hereby explicitly reserves as option until the seventh anniversary of the recording of this Declaration to add additional units to the real estate from time to time in compliance with Section 3211 of the Act, without the consent of any unit owners or mortgagees. The option to expand may be terminated prior to such anniversary only upon the filing by the Declarant of an amendment to this Declaration. The Declarant expressly reserves the right to add any and all portions of additional units to the real estate already described by converting the real estate to units, at different times, at any time, in any order, without limitation and without any requirement that any other real estate shall be added, converted or withdrawn; PROVIDED, HOWEVER, that any converted real estate shall not exceed any of the areas described in the Exhibits attached hereto. There are no other limitations on the option to expand.

Section 2. Assurances. Declarant makes no assurances as to location of buildings on convertible real estate or the location of any units on the real estate as described on the Exhibits attached hereto. At such time as the condominium is expanded and additional units are constructed, the maximum number of units on the real estate as described in the Exhibits or the number of units converted on the real estate already described in the Exhibits as an aggregate will be no more than sixty-eight. The maximum percentage in the aggregate of land and buildings and of common area that may be created by construction or by the addition of additional units to the real estate already described, i.e., converted, if added, shall not be less than one-sixty-eighth when all sixty-eight units are constructed. Any buildings to be constructed in the phases on the real estate as described in the exhibits and the additional units constructed during the phases of construction thereon will be compatible in quality, material, and

style with the buildings initially constructed on the land. Declarant expressly reserves the right to create Limited Common Elements on the real estate and to designate Common Elements which may be subsequently assigned as Limited Common Elements. Declarant makes no assurances as to type, size or maximum number of such Common Elements or Limited Common Elements. The allocation of percentage interest in the real estate shall be computed in accordance with the number of units constructed if and when constructed. All restrictions in this Declaration affecting the use, occupancy and alienation of Residential Units will apply to units created in the real estate as described on the exhibits. In the event Declarant does add additional units to the real estate as described on the exhibits, Declarant shall nevertheless have the right to construct all or any portion of any building or buildings on the real estate described in the exhibits attached hereto and operate the same without restriction, except as set forth herein.

Section 3. Declarant easement for development of real estate. The Declarant reserves an easement on, over and under those portions of the Common Elements not located in a building which contains units, for all purposes relating to the construction, development, leasing and/or sale of improvements on real estate to which units will be constructed in the phases of construction. 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 the movement and storage of building materials and equipment, the conduct of sales, leasing and management activities, the maintenance of models and offices and the erection and maintenance of directional and promotional signs.

ARTICLE XVIII
CONVERTIBLE REAL ESTATE

Section 1. Reservation. The Declarant hereby explicitly reserves an option until the seventh anniversary of the recording of this Declaration to convert all or any portion of the convertible real estate as shown on the recorded plats and plans marked Exhibit C, and the plats and plans which will be recorded from time to time as the units are constructed to units, Common Elements and 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 mortgagee. The option to convert may be terminated prior to such anniversary only upon the filing of an amendment to this Declaration by the Declarant. The Declarant expressly reserves the right to convert any and 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 shall be added, converted or withdrawn; PROVIDED, HOWEVER, that the convertible real estate shall not exceed any of the areas described in the Exhibits attached hereto. There are no other limitations on the option to convert the convertible real estate from the condominium.

Section 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 attached hereto, and as recorded from time to time as units are constructed. At such time as the convertible real estate is completely converted, the maximum number of units which may be converted on the real estate as a whole in the development will be sixty-eight in the aggregate. Any buildings to be constructed within the the convertible real estate and units therein will be compatible in quality, materials and style with the buildings on other portions of the property. Declarant may construct or convert certain additional structures and other amenities serving the condominium project. Any buildings within the convertible real estate will be substantially shown on the exhibits

attached hereto and the recorded plats. The Declarant expressly reserves the right to create Limited Common Elements within the convertible real estate and to designate Common Elements therein which may be subsequently assigned as Limited Common Elements. The type of such elements may be attics, roofs, patios, terraces, electrical and mechanical rooms and systems including heating and cooling apparatus, parking, commercial and recreational facilities, and all other elements which can appropriately be designated as Common Elements or Limited Common Elements or any combination thereof. The size of such elements shall be limited approximately to the same size as the existing improvements and designated areas except for any additional patios or terraces which shall not exceed the normal size for such appurtenances; the electrical and mechanical rooms and systems including heating and cooling apparatus, shall not exceed the normal size for the same necessary to serve the property; and the parking, commercial and recreational facilities, if constructed, will not exceed the size necessary to serve the property. All restrictions in this Declaration affecting use, occupancy and alienation of units will apply to units created in the Convertible Real Estate. The reallocation of percentage interest in the Convertible Real Estate and the property may be recomputed from time to time. However, in the entire project all units are constructed and all additional real estate is added and/or additional units are converted the least percentage any Residential Unit Owner may possess would be one-sixty-eighth of the entire condominium project presuming there are sixty-eight units constructed and a unit owner owns only one unit.

ARTICLE XIX
TERMINATION

Section 1. The property may be removed from the provisions of the Act by a written ratification, duly recorded, and executed by all the Unit Owners, holders of all mortgages, judgments or other liens effecting the units. Once the property has been removed, and if it is not to be sold, the former unit owners shall become tenants in common with the property as provided by the Act.

ARTICLE XX

INTERPRETATION

Section 1. Matters of dispute or disagreement between Unit Owners or matters which require interpretation of this Declaration or the By-Laws, 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 XXI

SEVERABILITY

Section 1. If any of the provisions of this Declaration or of the By-Laws, Rules, and Regulations or of the Act are held invalid, the validity of the remaining provisions shall not be effected thereby.

ARTICLE XXII

CAPTIONS

Section 1. The captions 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 XXIII

CONFLICTS

Section 1. This Declaration is set forth to comply with the requirements of the Act. In the event of any conflict between this declaration and the provisions of the Act, the Act shall control.

ARTICLE XIV

MEMBERSHIP IN ASSOCIATIONS

Each Residential Unit Owner shall become a member of CEDAR KNOLL Condominium Association, a flexible condominium.

IN WITNESS WHEREOF, the Declarant has hereunto caused
its presents to be executed and its seal to be hereunto affixed
this 18th day of June, 1984.

ATTEST:

ZIMMERMAN HOMES, INC.

Paula Handy
Secretary-Treasurer

BY: Calvin E. Zimmerman (SEAL)
Calvin E. Zimmerman, President

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF CENTRE } SS:

Before me the undersigned personally appeared CALVIN E.
ZIMMERMAN, President of ZIMMERMAN HOMES, INC., the Declarant herein,
known to me or satisfactorily proven to be the person whose name is
subscribed to the within Declaration and acknowledged that he
executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and
subscribed my seal the 18th day of June, 1984.

John A. Mithiger
BELLEFONTE BORO, CENTRE COUNTY
MY COMMISSION EXPIRES JAN. 23, 1988
Member, Pennsylvania Association of Notaries

EXHIBIT "A"

ALL that certain messuage, tenement and tract of land situate in Ferguson Township, Centre County, Pa., bounded and described as follows, to-wit:

BEGINNING at an iron pin in the Southerly corner of lands owned now or formerly by John L. Carlson and Dorothy F. Carlson and the Northerly right-of-way line of Circleville Road (60' R/W); thence along said right-of-way line South 57° 42' 37" West 672.61 feet to an iron pin, being in the intersection of the Northerly right-of-way line of Circleville Road and the Easterly right-of-way line of Farmstead Lane (50' R/W); thence along the Easterly right-of-way line of Farmstead Lane the following four (4) courses: North 32° 17' 23" West 10.00 feet to an iron pin, along a curve to the right on a chord bearing North 77° 17' 23" West 42.43 feet (Radius - 30.00', Arc - 47.12') to an iron pin, North 32° 17' 23" West 327.29 feet to an iron pin, and along a curve to the left on a chord bearing North 35° 13' 53" West 93.43 feet (Radius - 910.00', Arc - 93.47') to an iron pin, being in the Southerly line of lands reserved for public park area; thence along said lands the following five (5) courses: along a curve to the right on a chord bearing North 04° 59' 43" East 41.05 feet (Radius - 30.00', Arc - 45.21) to an iron pin, North 48° 09' 56" East 11.06 feet to an iron pin, along a curve to the left on a chord bearing North 36° 10' 26" East 130.89 feet (Radius - 315.00', Arc - 131.85') to an iron pin, North 24° 10' 56" East 59.74 feet to an iron pin, and North 54° 29' 15" East 466.89 feet to an iron pin, being in the South-westerly line of lands owned now or formerly by K. B. & H., Inc.; thence along the lands of K. B. & H., Inc. and along lands of Carlson South 35° 30' 45" East 603.34 feet to an iron pin, being the place of beginning.

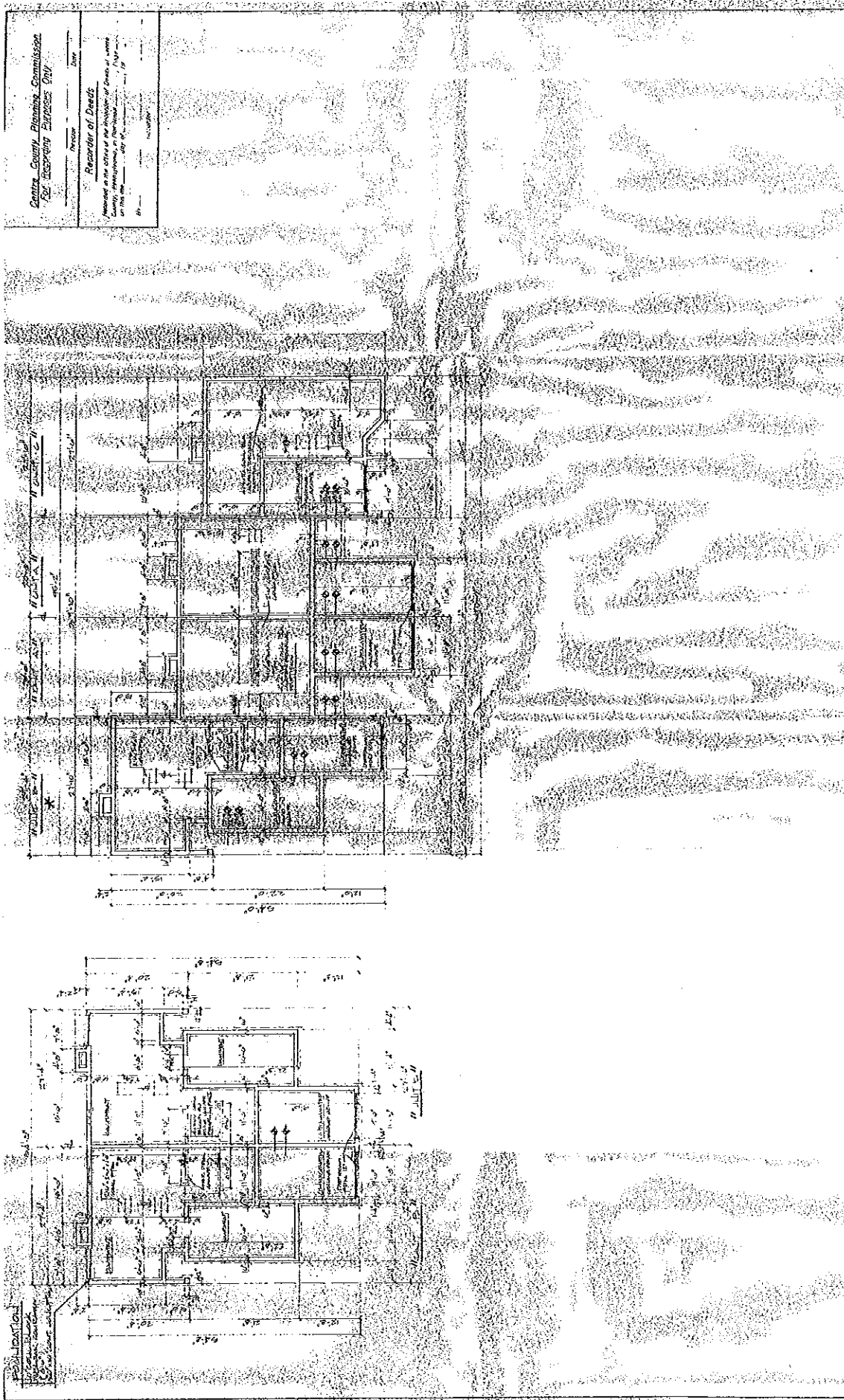
CONTAINING 8.96 acres.

BEING the same premises which W. Donald McCormick, et ux., and J. Alvin Hawbaker and Vera E. Hawbaker, his wife by her Attorney-in-Fact, Wayland Dunaway, by deed dated June 26, 1981 and recorded in Centre County Deed Book 403, at Page 145, granted and conveyed the same unto Zimmerman Homes, Inc., the Declarant herein.

EXHIBIT "B"

Unit Nos.	% Interest in Common elements of Condominium	No. of Votes
<u>HUNTINGTON LANE</u>		
1883	1/68	1
1884	1/68	1
1885	1/68	1
1886	1/68	1
1887	1/68	1
1889	1/68	1
1892	1/68	1
1894	1/68	1
1895	1/68	1
1896	1/68	1
1897	1/68	1
1898	1/68	1
<u>AYRSHIRE WAY</u>		
1882	1/68	1
1884	1/68	1
1885	1/68	1
1886	1/68	1
1887	1/68	1
1888	1/68	1
1892	1/68	1
1894	1/68	1
1896	1/68	1
1898	1/68	1
<u>HARVEST CIRCLE</u>		
1934	1/68	1
1936	1/68	1
1942	1/68	1
1943	1/68	1
1944	1/68	1
1945	1/68	1
1946	1/68	1
1947	1/68	1
1948	1/68	1
1949	1/68	1
1952	1/68	1
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1962	1/68	1
1963	1/68	1
1964	1/68	1
1965	1/68	1
1966	1/68	1
1967	1/68	1
1968	1/68	1
1969	1/68	1
1972	1/68	1
1973	1/68	1
1974	1/68	1
1975	1/68	1
1976	1/68	1
1977	1/68	1
1978	1/68	1

Unit Nos.	% Interest in Common elements of Condominium	No. of Votes
1979	1/68	1
1982	1/68	1
1983	1/68	1
1984	1/68	1
1985	1/68	1
1986	1/68	1
1987	1/68	1
1988	1/68	1
1989	1/68	1
1992	1/68	1
1994	1/68	1
1996	1/68	1
1998	1/68	1



Centre County Planning Commission
For Recording Purposes Only

Recorder of Deeds
Recorded in the Office of the Recorder of Deeds, Centre County, Pennsylvania, on this day of May, 1984.

BUILDING PLAN UNITS "A" "B" "C"		CEDAR KNOLL TOWNHOMES PENNSYLVANIA TOWNSHIP - CENTRE COUNTY, PENNSYLVANIA CONDOMINIUM PLAN MAY 1, 1984		UNI-TEC, INC. CONSULTING ENGINEERS 2011 QUINN AVENUE SUITE 201 STATE COLLEGE, PENNSYLVANIA 16801		DATE: 5-1-84 DRAWN BY: JLS CHECKED BY: JLS CALCULATED BY: JLS APPR: JLS		SCALE: 1/8" = 1'-0" EBD40 SHEET NO. 2 OF 5	
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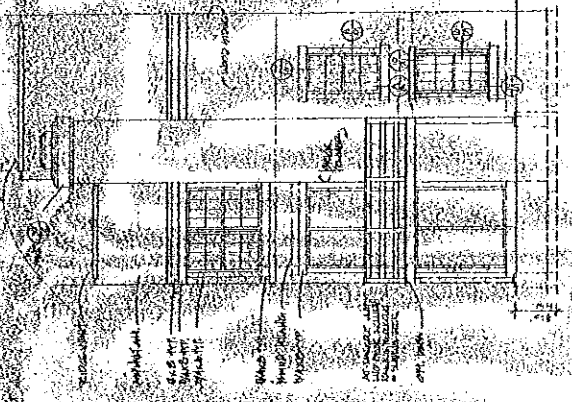
UNI-TEC, INC.
CONSULTING ENGINEERS
2011 CARD AVENUE
SUITE 201
STATE COLLEGE, PENNSYLVANIA 16801

CEDAR KNOLL TOWNHOMES
FEDERBURG TOWNSHIP - CENTRE COUNTY, PENNSYLVANIA
CONDOMINIUM PLAN
MAY 1, 1984

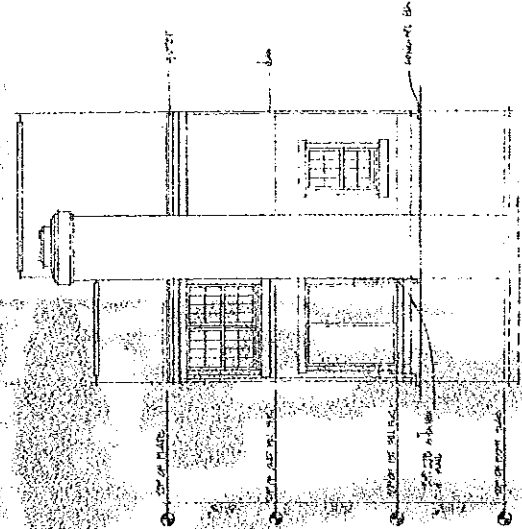
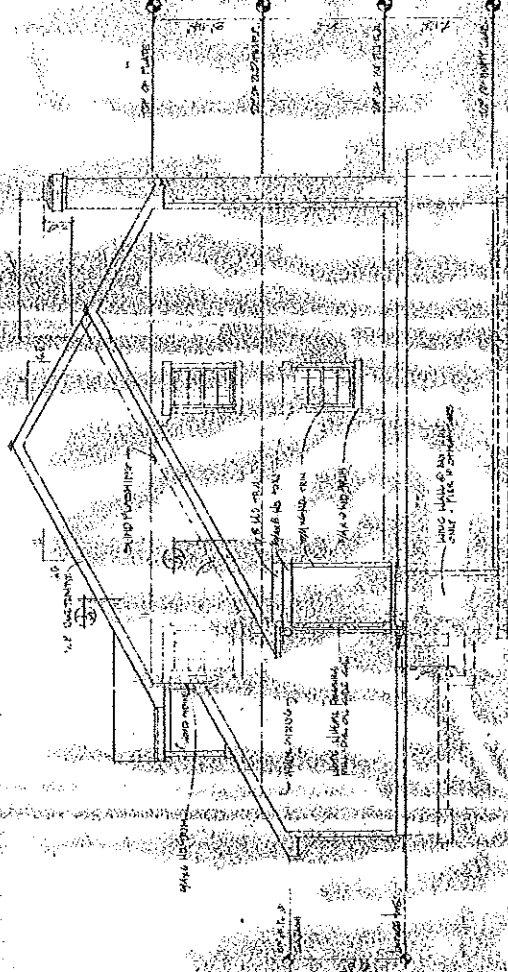
BUILDING UNIT
"A"

1/4" = 1'-0"
E8040
3" x 5"

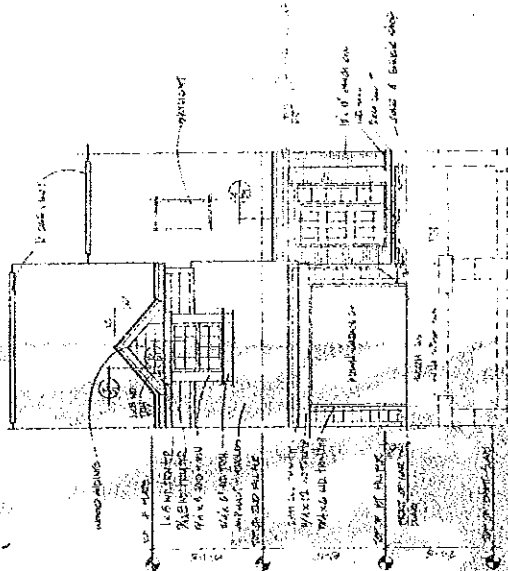
Cedar Knoll Condominium Association 1000 Locust Street, Suite 201 State College, PA 16801	
Prepared by: _____ Checked by: _____ Date: _____	Approved by: _____ Title: _____ Date: _____



FRONT ELEVATION - UNIT A



REAR ELEVATION - UNIT A



FRONT ELEVATION - UNIT B

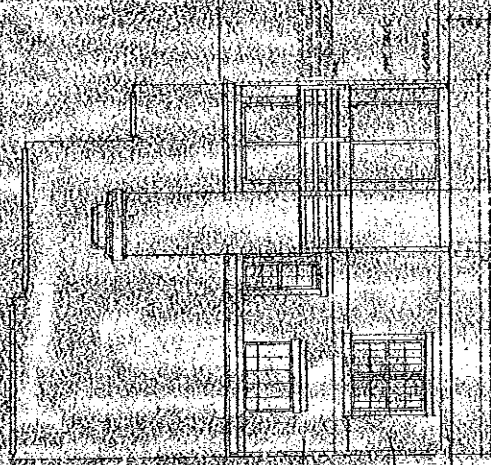
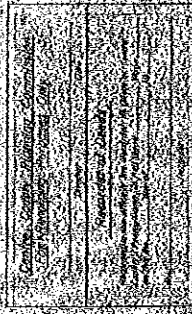
UNI-TEC, INC.

CONSULTING ENGINEERS
2011 CARD AVENUE
SUITE 201
STATE COLLEGE, PENNSYLVANIA 16801

GEDAR KNOLL TOWNHOMES
FEDERAL TOWNSHIP - CENTRE COUNTY, PENNSYLVANIA
MAY 1, 1984
CONDOMINIUM PLAN

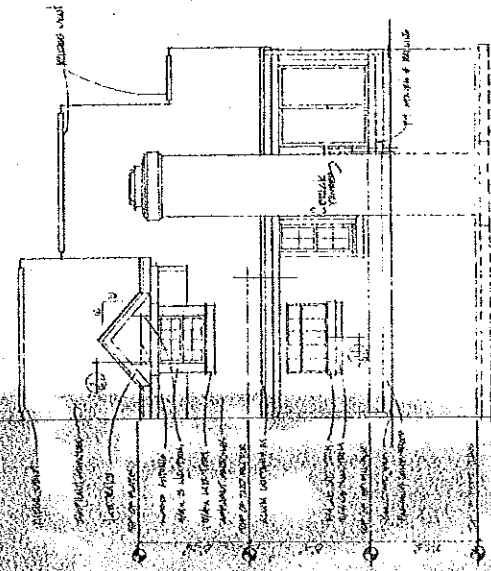
BUILDING UNIT
"B"

1/4" = 1'-0"
E8040
A.B.B.

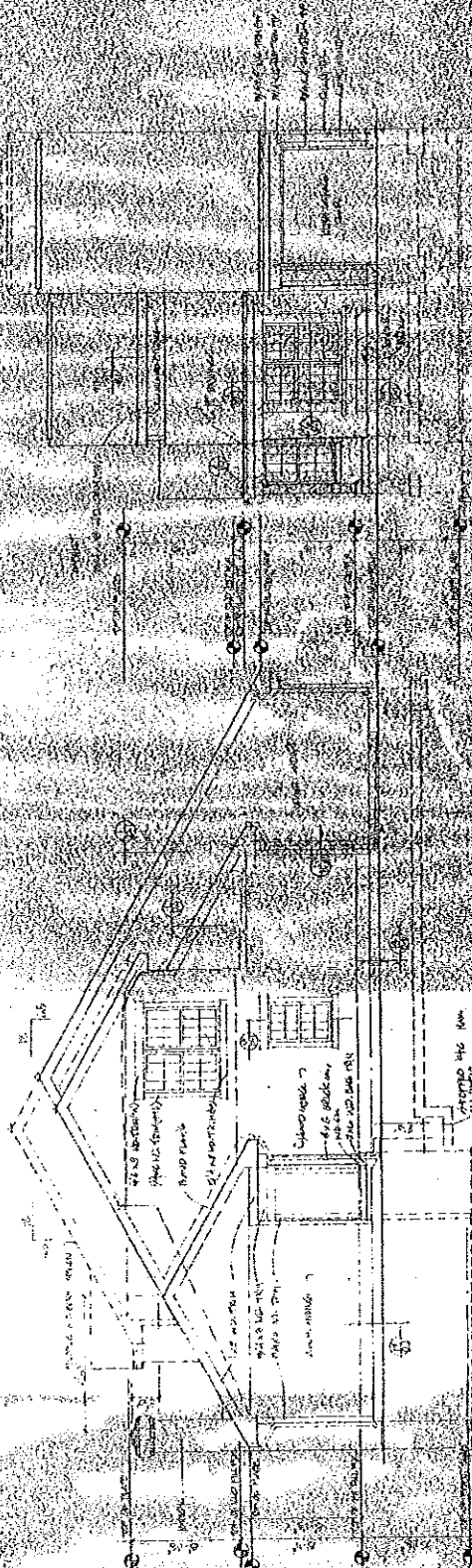


15 FRONT ELEVATION - BUILDING UNIT "B"
SCALE: 1/8" = 1'-0"

16 SIDE ELEVATION - BUILDING UNIT "B"
SCALE: 1/8" = 1'-0"



17 SIDE ELEVATION - BUILDING UNIT "B"
SCALE: 1/8" = 1'-0"

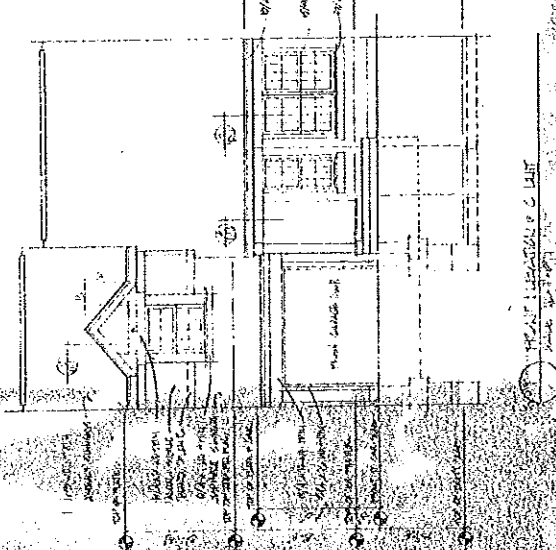
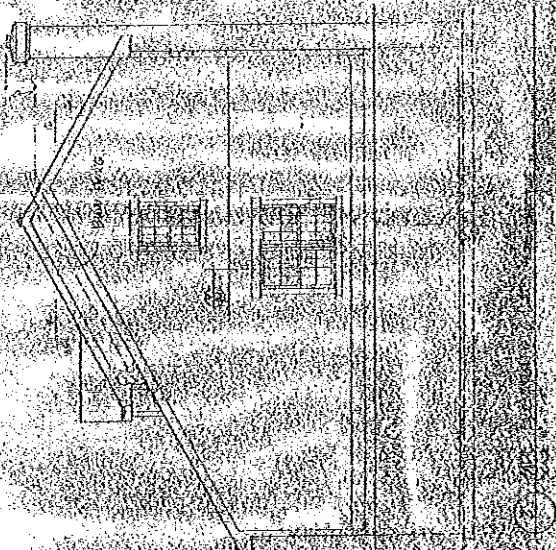
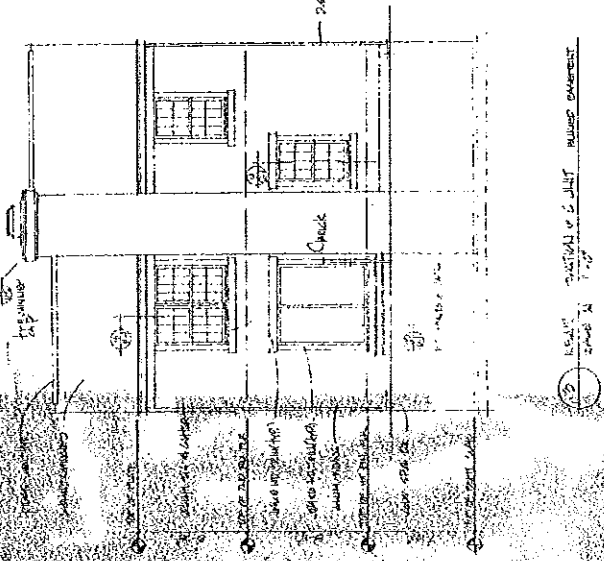
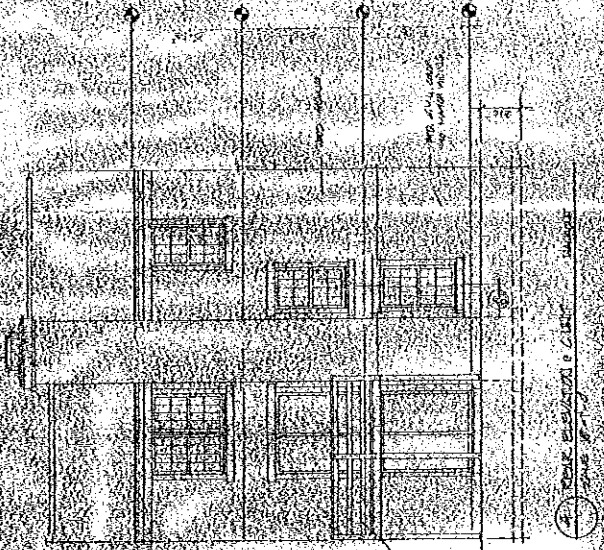


UNI-TEC, INC.
CONSULTING ENGINEER
2011 CARO AVENUE
JULIE 201
STATE OF CALIFORNIA, CIVIL ENGINEER 16151

CEDAR KNOLL TOWNHOMES
FEBRUARY 1984
CONDOMINIUM PLAN
MAY 1, 1984

BUILDING UNIT
"C"

1/4" = 1'-0"
E8040
5-6



Recorded in the office for the recording
of Deeds, etc. in and for Centre County
in Misc. Book No. 175, at page 947
9 day of Aug, A.D. 19 84

Witness my hand and seal of office

John W. Miles Recorder

FIRST AMENDMENT TO THE DECLARATION OF
CONDOMINIUM FOR CEDAR KNOLL, a
Flexible Residential Condominium

THIS AMENDED Declaration made on the day and year
hereinafter set forth by:

ZIMMERMAN HOMES, INC., a Pennsylvania corporation
with principal offices located at 2029 Cato Avenue, State
College, Centre County, Pennsylvania, as the owner in fee simple
of the real estate hereinafter described, and hereinafter
referred to as "DECLARANT".

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain property
known as Cedar Knoll, a flexible residential condominium which
has been declared to be a condominium by the filing of a
Declaration for Condominium dated the 18th day of June, 1984,
and recorded in the Office of the Recorder of Deeds of Centre
County in Misc1. Book 175, Page 147 and has recorded the
Plat Plan in Plat Book 33, Page 33, in the Office of the
Recorder of Deeds of Centre County, Pennsylvania. Amended Plats
will be recorded from time to time in the Office of the Recorder
of Deeds of Centre County and will be recorded at all times under
the recorded name of Cedar Knoll, a flexible residential condominium.

NOW, THEREFORE, the Declarant does hereby declare that
it is the express purpose, desire and intention of the Declarant
to submit, and the Declarant does hereby submit this Amended
Declaration, including any improvements for the property, to the
provisions of the Pennsylvania Uniform Condominium Act, 68 PA.
C.S. 3101, et seq., ("The Act"), and as may be amended from time
to time for the specific purpose of creating and establishing a
condominium; which property shall be used, held, sold and conveyed,

subject to:

- i. The provisions of the aforesaid Act;
- ii. The provisions of this Declaration;
- iii. The attachments to the Declaration as filed;
- iv. The By Laws, Rules and Regulations, and also

subject to;

v. Such Rules and Regulations as the Condominium Executive Board may duly adopt, and each and all the aforesaid five provisions for the purposes of effecting this condominium and of protecting the value and desirability of the said property and 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, their heirs, successors, administrators and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

Definitions

Section 23. "Percentage Interest" means each unit owner's undivided ownership interest in the common elements; share of all votes of unit owners and share of common expense liability appurtenant to each unit as set forth in Exhibit "B". The maximum number of units constructed shall be 68. The minimum number shall be 60.

ARTICLE III

Buildings, Units, Boundaries, Plots and Plans

Section 2. "Description of Units" each unit is intended for independent residential use and each of the residential units consists of the following portions of a building:

5. Upper and Lower (Horizontal) Boundaries: The upper and lower boundaries of the units shall be the following boundaries extended to intersections with the vertical boundaries:
 - (i) Upper Boundary: The upper boundary shall be the horizontal plane of the upper surface of a ceiling unit.
 - (ii) The horizontal plane of the top surface of the unfinished, concrete floor slab.
 - (iii) Vertical Boundaries: The vertical boundaries of the units shall be the vertical planes, extended to intersections with each other and the upper and lower boundaries, of the unit side of the exterior unit side surface of the

exterior walls which do not separate the unit from any other unit and of the center line unit side surface of the party walls which separate the unit from other units.

ARTICLE XVII

OPTION TO EXPAND THE CONDOMINIUM

Section 1. Reservation. The Declarant hereby explicitly reserves as option until the seventh anniversary of the recording of this Declaration to add additional units or to modify units on the real estate, from time to time, in compliance with Section 3211 of the Act, without the consent of any unit owners or mortgagee. The option to expand or modify units may be terminated prior to such anniversary only upon the filing of the Declarant of an Amendment to this Declaration. The Declarant expressly reserves the right to add any and all portions of additional units or to modify the units as set forth on the Plat Plan, on the real estate already described by converting the real estate to units, at different times, at any time, in any order, without limitation and without any requirement that any other real estate shall be added, converted or withdrawn; PROVIDED, HOWEVER, that any converted real estate shall not exceed any of the areas described in the exhibits attached to the original Declaration. There are no other limitations on this option to expand the condominium or to modify the configurations of the units. The number of units in the maximum shall be 68 and the minimum shall be 60.

Section 2. Assurances. Declarant makes no assurances as to location of buildings on convertible real estate or the location of any units on the real estate as described on the Exhibits attached to the original Declaration. At such time as the condominium is expanded or modified and additional units are constructed or units are modified and expanded within themselves as constructed, or requested by unit owners, the maximum number of units on the real estate as described in the Exhibits or the number of units converted on the real estate already described in Exhibits as an aggregate, will be no more than 68. The maximum percentage in the aggregate of land and buildings of the common area that may be created by construction or by modification of the

units as shown on the Plat Plans or by the addition of additional units to the real estate, or by the modification of the additional to be built, units to the real estate already described, or converted, if added or modified, shall not be greater than 1/68th if and when 68 units in the maximum are constructed, and may be as great as 1/60th. In the event the Declarant elects to construct only 60 units, there shall not be any withdrawal of the described real estate as originally declared in the original Declaration as hereinbefore set out. Any buildings to be constructed in the phases on the real estate as described in the original Declaration and the attached Exhibits and the additional units as constructed during the phases of construction thereon will be compatible in quality, material, and style with the buildings initially constructed on the land. The Declarant expressly reserves the right to create limited common elements on the real estate and to designate common elements which may be subsequently assigned as limited common elements. Declarant also makes no assurances as to the type, size or maximum number of such common elements or limited common elements. The allocation of the percentage interest in the real estate shall be computed in accordance with the number of units constructed, if and when constructed. All restrictions in this Declaration effecting the use, occupation and alienation of residential units will apply to units created in the real estate as described in the Exhibits and as modified, from time to time, by the filing of the Declarant of Amended Plats. In the event the Declarant does add additional units or modifies the units as shown on the original Plat as filed on the real estate as described on the original Declaration and attached as Exhibits, Declarant shall nevertheless have the right to construct all or any portion of any building or buildings on the real estate described in the Exhibits attached hereto as he elects to modify, and operate the same without restriction, except as set forth herein.

ARTICLE XVIII
CONVERTIBLE REAL ESTATE

Section 1. Reservation. The Declarant hereby explicitly reserves an option until the seventh anniversary of the recording of this Declaration to convert all or any portion of the convertible real estate as shown on the recorded Plats and Plans as originally filed on the original Declaration, and as modified by the Declarant from time to time. The Declarant will file amended Plats and Plans and will be recorded from time to time as the units are constructed or modified to units, common elements and 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 mortgagee. The option to convert may be terminated prior to such anniversary only upon the filing of an Amendment to this Declaration by the Declarant. The Declarant expressly reserves the right to convert any and 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 shall be added, converted or withdrawn; PROVIDED, HOWEVER, that the convertible real estate shall not exceed any of the areas described in the original Declaration as attached as an Exhibit thereto, and there are no other limitations on the option to convert the convertible real estate from the condominium, and no limitation on the Declarant to modify or change the configuration of the units as shown on the original Plats and Plans as recorded. All amended plats and plans will be recorded by the Declaration.

Section 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 attached hereto, and as recorded from time to time as units are constructed. At such time as the convertible real estate is completely converted, the maximum number of units which may be converted on the real estate as a whole in the development will be 68 in the aggregate. There may be as few as 60. Any buildings to be constructed

within the convertible real estate and units therein will be compatible in quality, materials and style with the buildings and other portions of the property. The Declarant may construct or convert certain additional structures and other amenities serving the condominium project and may modify the configurations as shown on the original plats and plans. Any changes shall be accompanied with additional plats and plans which will be recorded. Any buildings within the convertible real estate will be substantially shown on the exhibits attached and recorded. The Declarant expressly reserves the right to create limited common elements within the convertible real estate and to designate common elements therein which may be subsequently assigned as limited common elements. The type of such elements may be attics, roofs, patios, terraces, electrical and mechanical rooms and systems, including heating and cooling apparatus, parking, commercial and recreational facilities, and all other elements which can appropriately be designated as common elements or limited common elements or any combination thereof. The size of such elements shall be limited approximately to the same size as the existing improvements and the designated areas, except for any additional patios or terraces which shall not exceed the normal size for such appurtenances; however, the Declarant reserves the right to make modifications in the structures to meet the needs or requests of any designated unit owners. The electrical and mechanical rooms and systems, including heating and cooling apparatus, shall not exceed the normal size for the same necessary to serve the properties as constructed; and the parking, commercial and recreational facilities, if constructed, will not exceed the size necessary to serve the property. All restrictions in this Declaration effecting use, occupancy and alienation of units will apply to units created in the convertible real estate as modified and as amended from time to time. The reallocation of percentage interest in the convertible real estate in the property may be recomputed from time to time. The maximum number in the aggregate shall be 68 units and the minimum number of the units

constructed shall be 60. However, in the entire project all units are constructed and all additional real estate, as added and/or as additional units are converted or constructed. The lease percentage any residential unit owner may possess would be 1/60th of the entire condominium project, presuming that the ultimate project has only 60 units constructed and each unit owner only owns one unit.

IN WITNESS WHEREOF, the Declarant has hereunto caused these presents to be executed and his seal to be hereunto affixed at State College, Pa., this 9th day of August 1984.

ZIMMERMAN HOMES, INC.

By: Calvin E. Zimmerman (SEAL)
Calvin E. Zimmerman, President

ATTEST:

Paul H. Hunsley
Secretary

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF CENTRE) ss:

Before me, the undersigned, personally appeared CALVIN E. ZIMMERMAN, who acknowledged himself to be the President of ZIMMERMAN HOMES, INC., the foregoing corporation, and that as such, he, being authorized by such corporation to do so, executed the foregoing agreement for the purpose therein contained by signing his name thereon as such.

IN WITNESS WHEREOF, I have hereunto set my hand and subscribed my seal the 9th day of August, 1984.

Kathy L. Runkle
Notary

KATHY L. RUNKLE, NOTARY PUBLIC
BERNER TOWNSHIP, CENTRE COUNTY
MY COMMISSION EXPIRES DEC. 22, 1988
Member, Pennsylvania Association of Notaries

- 7 -

BOOK 175 PAGE 953

EXHIBIT "B"

Unit Nos.	% Interest in Common elements of Condominium	No. of Votes
<u>HUNTINGTON LANE</u>		
1883	1/60 - 1/68	1
1884	1/60 - 1/68	1
1885	1/60 - 1/68	1
1886	1/60 - 1/68	1
1887	1/60 - 1/68	1
1889	1/60 - 1/68	1
1892	1/60 - 1/68	1
1894	1/60 - 1/68	1
1895	1/60 - 1/68	1
1896	1/60 - 1/68	1
1897	1/60 - 1/68	1
1898	1/60 - 1/68	1
<u>AYRSHIRE WAY</u>		
1882	1/60 - 1/68	1
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1885	1/60 - 1/68	1
1886	1/60 - 1/68	1
1887	1/60 - 1/68	1
1888	1/60 - 1/68	1
1891	1/60 - 1/68	1
1894	1/60 - 1/68	1
1896	1/60 - 1/68	1
1898	1/60 - 1/68	1
<u>HARVEST CIRCLE</u>		
1934	1/60 - 1/68	1
1936	1/60 - 1/68	1
1942	1/60 - 1/68	1
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1945	1/60 - 1/68	1
1946	1/60 - 1/68	1
1947	1/60 - 1/68	1
1948	1/60 - 1/68	1
1948	1/60 - 1/68	1
1952	1/60 - 1/68	1
1953	1/60 - 1/68	1
1954	1/60 - 1/68	1
1955	1/60 - 1/68	1
1956	1/60 - 1/68	1
1957	1/60 - 1/68	1
1958	1/60 - 1/68	1
1959	1/60 - 1/68	1
1962	1/60 - 1/68	1
1963	1/60 - 1/68	1
1964	1/60 - 1/68	1
1965	1/60 - 1/68	1
1966	1/60 - 1/68	1
1967	1/60 - 1/68	1
1968	1/60 - 1/68	1
1969	1/60 - 1/68	1
1972	1/60 - 1/68	1
1973	1/60 - 1/68	1
1974	1/60 - 1/68	1
1975	1/60 - 1/68	1
1976	1/60 - 1/68	1
1977	1/60 - 1/68	1
1978	1/60 - 1/68	1

Unit Nos.	% Interest in Common elements of Condominium	No. of Votes
1979	1/60 - 1/68	1
1982	1/60 - 1/68	1
1983	1/60 - 1/68	1
1984	1/60 - 1/68	1
1985	1/60 - 1/68	1
1986	1/60 - 1/68	1
1987	1/60 - 1/68	1
1988	1/60 - 1/68	1
1989	1/60 - 1/68	1
1992	1/60 - 1/68	1
1994	1/60 - 1/68	1
1996	1/60 - 1/68	1
1998	1/60 - 1/68	1