

DECLARATION

MIDTOWN SQUARE

A CONDOMINIUM

ARTICLE I

Submission:

Midtown Square Associates, a Pennsylvania general Partnership, and Albert F. Williams and Jeanne L. Williams ("Declarants"), owners in fee simple of certain real estate described in "Exhibit A" attached hereto and made a part hereof, located in the Borough of State College, Centre County, Pennsylvania, hereby submit the real estate together with all easements, rights and appurtenances thereunto belonging and the buildings and improvements erected or to be erected thereon (collectively referred to as the "Property") to the provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S. Section 3101 et seq. (the "Act"), and hereby creates with respect to the Property a condominium, to be known as "Midtown Square" (the "Condominium").

ARTICLE II

Definitions:

2.1 Capitalized terms not otherwise defined herein or in the Plats and Plans shall have the meanings specified or used in the Act.

2.2. Defined terms. The following terms some of which are used or defined in general terms in the Act shall have specific meanings herein as follows;

(a) "Amendment" shall mean that amendment to the Declaration or other condominium documents made in accordance with Article VI hereof.

(b) "Association" means the Unit Owners' Association of the Condominium and shall be know as the "Midtown Square Condominium Association."

(c) "Building" means the seven (7) story structure erected on the Property located on the corner of South Allen Street and West Foster Avenue, State College, Centre County, Pennsylvania as shown on the Plats and Plans, and containing the Units with the addresses 300 - 310 South Allen Street and 112 West Foster Avenue.

(d) "Bylaws" means such governing regulations as are adopted pursuant to the Pennsylvania Uniform Condominium Act for the regulation and management of the Property including such amendments thereof as may be adopted from time to time.

(e) "Commercial-Office Unit" means a Unit as described herein and in the Plats and Plans to be used for commercial and/or office purposes, excepting only those Units located at 112 West Foster Avenue or in the residential tower.

(f) "112 West Foster Avenue Unit" means a Commercial-Office Unit located at 112 West Foster Avenue as described in the Plats and Plans.

(g) "Common Elements" means all portions of the Property other than the Units, the Limited Common Elements, Limited Commercial-Office Elements, Limited Residential Elements, Limited Residential and Commercial-Office Elements, Limited Commercial-Office and 112 West Foster Avenue Elements, and Limited 112 West Foster Avenue Elements and shall include the sidewalks and refuse dumpster.

(h) "Common Expenses" means expenditures made or liabilities incurred by or on behalf of the Association other than individual Unit Expenses, Limited Common Expenses, Limited Commercial-Office Expenses, Limited Residential Expenses, Limited Residential and Commercial-Office Expenses, Limited 112 West Foster Avenue Expenses, and Limited Commercial-Office and 112 West Foster Avenue Expenses, and shall include refuse removal, sidewalk snow removal and maintenance, repair and replacement of Common Elements.

(i) "Common Expense Liability" means the liability for Common Expenses allocated to each Unit in accordance with its

respective Percentage Interest.

(j) "Common Expense Surplus" means the balance, if any of all common charges, income, profits and revenues from the Common Elements and facilities remaining after the deduction of Common Expenses.

(k) "Condominium" means for the purposes of this Declaration, the Building located on the Property wherein an individual Unit Owner in fee simple is entitled to the exclusive ownership and possession of his/her Unit, and being entitled to an exclusive easement for the use of the Limited Common Elements appurtenant to his/her Unit, and with each Unit Owner being entitled to an undivided interest in the Common Elements and facilities of the entire Property included in this Declaration.

(l) "Condominium Documents" means the Declaration of Condominium, the Bylaws, the Declaration Plan, and the rules and regulations promulgated by the Executive Board from time to time, any and all exhibits, schedules and amendments to any of them.

(m) "Declarants" means the Declarants described in Article I above and all successors to any Special Declarant Rights.

(n) "Declaration" means this document, as the same may be amended from time to time.

(o) "Executive Board" means the board of natural

individuals of the number stated in the Bylaws who are residents of the Commonwealth of Pennsylvania and, except for the initial Executive Board, the majority of whom shall be Unit Owners, who shall manage the business, operation and affairs of the Association on behalf of the Unit Owners and in compliance with and subject to the provisions of the Pennsylvania Uniform Condominium Act, and who may take title to real or personal property as agent, nominee or trustee for the Association.

(p) "Limited Commercial-Office Elements" means all Common Elements allocated for the exclusive use of the Commercial-Office Units except for any Commercial-Office Unit(s) located at 112 West Foster Avenue.

(q) "Limited Commercial-Office Expenses" means the expenses, charges and fees associated with the maintenance, repair and replacement of Limited Commercial-Office Elements, including, but not limited to the elevator and lobby of the commercial tower, stairwells in the commercial-office tower including the 112 West Foster Avenue front stairtower, and all electrical, plumbing and HVAC systems and the roofs, except for the residential tower and 112 West Foster Avenue.

(r) "Limited Commercial-Office Expense Liability" means the liability for Limited Commercial-Office Expenses allocated to each Commercial-Office Unit in accordance with its respective percentage interest in the Limited Commercial-Office Elements.

(s) "Limited Commercial-Office Expense Surplus" means the balance if any of all Limited Commercial-Office Charges, income, profits and revenues from the Limited Commercial-Office Elements and facilities remaining after the deduction of Limited Commercial-Office Expenses.

(t) "Limited Commercial-Office and 112 West Foster Avenue Elements" means all Common Elements allocated for the exclusive use of the Commercial-Office Units and the 112 West Foster Avenue Units.

(u) "Limited Commercial-Office and 112 West Foster Avenue Expenses" means the expenses, charges, and fees associated with the maintenance, repair, and replacement of Limited Commercial-Office and 112 West Foster Avenue Elements.

(v) "Limited Commercial-Office and 112 West Foster Avenue Expense Liability" means the liability for Limited Commercial-Office and 112 West Foster Avenue Expenses allocated to each Commercial-Office Unit and each 112 West Foster Avenue Unit in accordance with its respective percentage interest in the Limited Commercial-Office and 112 West Foster Avenue Elements.

(w) "Limited Commercial-Office and 112 West Foster Avenue Expense Surplus" means the balance, if any, of all Limited Commercial-Office and 112 West Foster Avenue common charges, income, profits and revenues from the Limited Commercial-Office and 112 West Foster Avenue Elements and

facilities remaining after deduction of Limited Commercial-Office and 112 West Foster Avenue Expenses.

(x) "Limited Common Elements" means those portions of the Common Elements allocated for the exclusive use of a Unit or Units pursuant to Section 3209 of the Act or those portions of fixtures lying partially within and partially outside the designated boundaries of a Unit which Serve only that Unit including but not limited to chutes, flues, ducts, wires, conduits, bearing walls, bearing columns pursuant to Section 3202 (a) of the Act.

(y) "Limited Common Expenses" means the expenses, charges and fees associated with the maintenance, repair, replacement and use of Limited Common Elements to be borne by the owner of the Unit which is allocated or served by the Limited Common Element.

(z) "Limited Residential Elements" means all Common Elements allocated for the exclusive use of the Residential Units including, but not limited to, the elevator, roof, stairwells, hallways and all access routes to the Residential Units, and electrical, plumbing and HVAC systems for the residential tower.

(aa) "Limited Residential Expenses" means the expenses, charges and fees associated with the maintenance, repair and replacement of Limited Residential Elements.

(bb) "Limited Residential Expense Liability" means the

liability for Limited Residential Common Expenses allocated to each Residential Unit in accordance with its respective Percentage Interest in the Limited Residential Elements.

(cc) "Limited Residential Expense Surplus" means the balance if any of all limited residential common charges, income, profits and revenues from the Limited Residential Elements and facilities remaining after deduction of Limited Residential Expenses.

(dd) "Limited Residential and Commercial-Office Elements" means all Common Elements allocated for the exclusive use of all Residential and Commercial-Office Units except for those Units located at 112 West Foster Avenue, and shall include but not be limited to the foundations, structural parts, supports, and main walls, all except for 112 West Foster Avenue, roof decks, landscaping, planters, parking decks, and parking areas (except for the six (6) spaces allocated to 112 West Foster Avenue).

(ee) "Limited Residential and Commercial-Office Elements" means the expenses, charges and fees associated with the maintenance, repair and replacement of Limited Residential and Commercial-Office Elements, including the removal of snow and ice from the outdoor parking spaces off of Hole Alley.

(ff) "Limited Residential and Commercial-Office Expense Liability" means the liability for Limited Residential and Commercial-Office Expenses allocated to each Residential and Commercial-Office Unit in accordance with its percentage

interest in the Limited Residential and Commercial-Office Elements.

(gg) "Limited Residential and Commercial-Office Expense Surplus" means the balance, if any, of all Limited Residential and Commercial-Office charges, income, profits and revenues from the Limited Residential and Commercial-Office Elements and facilities remaining after the deduction of Limited Residential and Commercial-Office Expenses.

(hh) "Limited 112 West Foster Avenue Elements" means all common elements allocated for the exclusive use of the 112 West Foster Avenue Unit(s).

(ii) "Limited 112 West Foster Avenue Expenses" means the expenses, charges and fees associated with the maintenance, repair and replacement of Limited 112 West Foster Avenue Elements including but not limited to the roof and foundation of 112 West Foster Avenue.

(jj) "Limited 112 West Foster Avenue Expense Liability" means the liability for Limited 112 West Foster Avenue Expenses allocated to each 112 West Foster Avenue Unit in accordance with its respective Percentage Interest.

(kk) "Limited 112 West Foster Avenue Expense Surplus" means the balance if any of all limited 112 West Foster Avenue common charges, income, profits and revenues from the Limited 112 West Foster Avenue Elements and facilities remaining after deduction of Limited 112 West Foster Avenue Expenses.

(ll) "Majority of the Unit Owners" means the Owners of more than 50%, in the aggregate in Percentage Interest, of the undivided ownership of the Common Elements as specified in the Declaration.

(mm) "Percentage Interest" means the undivided ownership interest appurtenant to each Unit in the Common Elements and Limited Commercial-Office Elements, Limited Residential Elements, Limited Residential and Commercial-Office Elements, Limited 112 West Foster Avenue Elements, or Limited Commercial-Office and 112 West Foster Avenue Elements, as set forth in "Exhibit A" attached, and share of all votes of Unit Owners and share of Common Expense Liability and Limited Commercial Expense Liability, Limited Residential Expense Liability, or Limited 112 West Foster Avenue Expense Liability, or Limited Commercial-Office and 112 West Foster Avenue Expense Liability, and respective surpluses.

(nn) "Person" means a natural individual, corporation, partnership, association, trustee or other legal entity.

(oo) "Plats and Plans" means the Plats and Plans attached hereto as "Exhibit B" and made a part hereof, as the same may be amended from time to time.

(pp) "Property" means and includes the Land, the Building, all improvements thereon all owned in fee simple, and all easements, rights and appurtenances belonging thereto and as further described in Article I of this Declaration.

(qq) "Resident" means any Unit Owner occupying his/her Unit or any occupant of a Unit under written lease from a Unit Owner.

(rr) "Residential Units" means a Unit as described herein to be used for residential purposes and further described in the Plats and Plans as to be used for Residential purposes.

(ss) "Rules and Regulations" means such Rules and Regulations as are promulgated by the Executive Board from time to time with respect to the use and enjoyment of the Property.

(tt) "Unit" means a part of the Property designated or intended for any type of independent use, which has a direct exit to a public street or way, or to a Common Element or Limited Common Element leading to road or way, or to an easement or right-of-way leading to a public street or way, and includes the proportioned undivided interests in the Common Elements and Limited Common Elements, which is assigned thereto in this Declaration or any amendments hereto or as further defined in the Act. Unit number means the number, letter or combination thereof designating a Unit in the Plats and Plans.

(uu) "Unit Expenses" means the expenses, charges and fees associated with the maintenance, repair, replacement and use of the Unit and shall include but not be limited to electricity, water, heat, air conditioning and telephone as set forth with more particularity at Article XV of the By Laws.

(vv) "Unit Owner" means the person or persons owning a Unit in fee simple including the Declarants.

(ww) "Withdrawable Real Estate" means that Unit of real estate identified as 112 West Foster Avenue which may at a later date be withdrawn by the Declarants from the Condominium.

ARTICLE III

Allocation of Percentage Interests, Votes and Common Expense Liabilities; Unit Identification and Boundaries; Maintenance Responsibilities

Section 3.1. Percentage Interests. Attached as "Exhibit C" hereto is a list of all units by their identifying numbers and the Percentage Interest appurtenant to each Unit. The Condominium consists of both Residential and Commercial-Office units. The Percentage Interest shall determine the portion of the votes in the Association and the share of Common Expense Liability and respective surpluses appurtenant to each Unit. A Unit's Percentage Interest in the Limited Residential Elements shall determine its share of Limited Residential Expense Liability and Surplus; A Unit's Percentage Interest in the Limited Commercial-Office Elements shall determine its share of Limited Commercial-Office Expense Liability and Surplus; A Unit's Percentage Interest in the Limited Residential and Commercial-Office Elements shall determine its share of Limited Residential and Commercial-Office Expense Liability and surplus; A Unit's Percentage Interest in the Limited 112 West Foster Avenue

Elements shall determine its share of Limited 112 West Foster Avenue Expense Liability and surplus; A Unit's Percentage Interest in the Limited Commercial-Office and 112 West Foster Avenue Elements, if any, shall determine its share of Limited Commercial-Office and 112 West Foster Avenue Expense Liability and surplus.

The Percentage Interest appurtenant to each Unit is determined on the basis of size, by dividing the size of each Unit by the aggregate sizes of all Units. The size of each Unit is the total number of square feet of floor space contained therein determined by reference to the dimensions shown on the Plats and Plans. Only Residential Units shall have a Percentage Interest in the Limited Residential Elements. To determine a Unit's Percentage Interest in the Limited Residential Elements, the size of each Residential Unit shall be divided by the aggregate size of all Residential Units. Only Commercial-Office Units, except for the Unit(s) at 112 West Foster Avenue, shall have a Percentage Interest in the Limited Commercial-Office Elements. To determine a Unit's Percentage Interest in the Limited Commercial-Office Elements, the size of each Commercial-Office Unit shall be divided by the aggregate size of all Commercial-Office Units. Both Residential Units and Commercial-Office Units shall have a Percentage Interest in the Limited Residential and Commercial-Office Elements, except that no 112 West Foster Avenue Unit shall have a Percentage Interest therein. To determine a Unit's Percentage Interest in the Limited Residential and Commercial-Office Elements, the size of each Residential and Commercial-Office Unit

shall be divided by the aggregate size of all Residential and Commercial-Office Units. Only the 112 West Foster Avenue Unit(s) shall have a Percentage Interest in the Limited 112 West Foster Avenue Elements, which shall be determined by dividing the size of each 112 West Foster Avenue Unit by the aggregate size of all 112 West Foster Avenue Unit(s). Both Commercial-Office and 112 West Foster Avenue Units shall have a Percentage Interest in the Limited Commercial-Office and 112 West Foster Avenue Elements, if any, but no Residential Unit shall have a Percentage Interest therein. To determine a Unit's Percentage Interest in the Limited Commercial-Office and 112 West Foster Avenue Elements, the size of each Commercial-Office and 112 West Foster Avenue Unit shall be divided by the aggregate size of all Commercial-Office and 112 West Foster Avenue Units.

Section 3.2. Unit Boundaries. Each Residential and Commercial-Office Unit, except for the 112 West Foster Avenue Unit(s), consists of the space within the following boundaries:

(a) Upper and Lower (horizontal) Boundaries:

The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the vertical boundaries.

(1) Upper Boundary: The horizontal plane of the bottom surface of the ceiling.

(2) Lower Boundary: The horizontal plane of the top surface of the unfinished floor.

(b) **Vertical Boundaries:** The vertical boundaries of the Unit shall be the vertical planes, extended to intersections with each other and with the upper and lower boundaries, formed by the Unit-side surface of the masonry walls which surround the Unit.

The 112 West Foster Avenue Unit consists of all space described in the Engineer's Description dated November 14, 1986, of the 112 West Foster Avenue Unit which is attached hereto as "Exhibit C".

Section 3.3. Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units, Common Elements, Limited Common Elements, Limited Commercial-Office Elements, Limited Residential Elements, Limited Residential and Commercial-Office Elements, Limited 112 West Foster Avenue Elements, and Limited Commercial-Office and 112 West Foster Avenue Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of Sections 3208, 3307, and 3314 of the Act, except as expressly set forth to the contrary herein.

Section 3.4. Relocation of Unit Boundaries; Subdivision and Conversion of Units. Relocation of boundaries between Units and subdivision or conversion of Units will be permitted subject to compliance with the provisions therefor in Sections 3213 and 3215 of the Act, Section 8.1(g) of this Declaration and Sections 7.6 and

Article 13 of the Bylaws and the Rules and Regulations of the Executive Board. However, the owners of the 112 West Foster Avenue Unit(s) may change the appearance of the Limited 112 West Foster Avenue Elements and/or the exterior appearance of their Unit(s) at their sole discretion and without permission of the Association. Subdivision or conversion of Units by the Declarant pursuant to Section 3215(a) of the Act may not result in more than twenty (20) additional Commercial-Office and Residential Units located at and identified as 300-310 South Allen Street and no more than sixteen (16) additional Units within the Commercial-Office Unit located at 112 West Foster Avenue. Declarants expressly reserve the option to convert any or all of the Residential Units to Commercial-Office Units or to subdivide any or all said Residential and Commercial-Office Units into two (2) or more Units, Common Elements, or a combination of Units and Common Elements.

ARTICLE IV

Allocation of Limited Common Elements

Section 4.1. Designation of Limited Common Elements.

The Common Elements allocated to the Commercial-Office Units, Residential Units, and 112 West Foster Avenue Unit(s) as Limited Common Elements shall be as follows:

Commercial-Office Elements

electrical, plumbing, and HVAC systems, except for the residential tower and 112 West Foster Avenue;
all roofs and roof decks except for residential tower and 112

West Foster Avenue;
elevator and lobby of commercial tower;
two stairwells in commercial-office tower;
West Foster Avenue front stairtower;
hallways in commercial-office tower;
mechanical areas on floors of commercial towers.

Residential Elements

Elevator and lobby of residential tower;
two stairwells in residential tower;
roof for residential tower;
electrical, plumbing and HVAC systems for the residential tower;
hallways in residential tower;
mechanical areas on floors of residential tower.

Residential and Commercial-Office Elements

all foundations, structural parts, supports, and main walls,
except for 112 West Foster Avenue, landscaping and planters;
parking areas (except for the 6 spaces allocated to 112 West
Foster Avenue Unit(s)), and parking decks;
mechanical areas except those within 112 West Foster Avenue or
within residential or commercial towers;
exterior walls and windows, except for 112 West Foster Avenue.

112 West Foster Avenue Elements

roof over 112 West Foster Avenue;
basement and other mechanical/storage areas within 112 West
Foster Avenue;
six outside parking spaces directly to the rear of the 112 West
Foster Avenue Unit.

Commercial-Office and 112 West Foster Avenue Elements

bearing wall of Foster Avenue front stairtower
and foundation thereunder.

Declarants also reserve the right to allocate other portions of the
Property such as parking spaces or balconies as Limited Common
Elements pursuant to Section 3209 of the Act. Declarant may allocate
such Property as Limited Common Elements by making each allocation in
a written instrument or in the Deed to the Unit to which such Limited
Common Element shall be appurtenant or by recording an appropriate

amendment to this Declaration. Such allocations by Declarant may also be to Units owned by Declarant.

Section 4.2. Designation of Reserved Common Elements. Reserved Common Elements are those parts of the Common Elements, or Limited Residential and Commercial-Office Elements which the Executive Board may designate from time to time for use by less than all of the Unit Owners or by non-owners of any Units for specified periods of time or by only those persons paying fees or satisfying other reasonable conditions for use as may be established by the Executive Board.

ARTICLE V

WITHDRAWABLE REAL ESTATE

Declarants Albert F. Williams and Jeanne L. Williams reserve the right and option to withdraw from the Condominium the real estate described in "Exhibit D" attached hereto under the requirements, rules and procedures of Section 3212 of the Act.

This right and option shall lapse seven (7) years after the date of recording this Declaration, or at any sooner time if any portion of the withdrawable real estate is owned by persons other than Declarants Albert F. Williams and Jeanne L. Williams or the survivor. There are no other limitations on this option other than those limitations created by or imposed pursuant to law. Upon such withdrawal, Common Element Interest, relative voting strength in the

Association and share of Common Expense Liability for all remaining Condominium Unit Owners will be reallocated among the remaining owners in proportion to the Percentage Interests then appurtenant to each Unit. The Percentage Interest appurtenant to each Unit is determined on the basis of size, by dividing the size of each Unit by aggregate sizes of all Units. The size of each Unit is the total number of square feet of floor space contained therein determined by reference to the dimensions shown on the Plats and Plans. The bearing wall between 112 West Foster Avenue and the remaining Commercial-Office Units will become a party wall. The Condominium's interest in the party wall will be as a Limited Commercial-Office Element. Any other shared Limited Commercial-Office and 112 West Foster Avenue Elements will become Limited Commercial-Office Elements.

ARTICLE VI

Easements

Section 6.1. Declarants' Use for Sales and Commercial Purposes. Declarants shall have the right to maintain models, management offices and sales offices on the Property and to relocate such models, management offices and sales offices from time to time within the property. Declarants shall have the right to retain and maintain Commercial-Office space on the first level of the entire building, the second, third and fourth levels of the Commercial-Office tower and all levels of the 112 West Foster Avenue Unit(s).

Section 6.2. Utility Easements. The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarants, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 6.2. shall include, without limitation, rights of Declarants, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electric wires, conduits and equipment and ducts and vents over, under, through, along and on the Units, Common Elements, Limited Common Elements, Limited Commercial Elements, Limited Residential Elements, Limited Residential and Commercial-Office Elements, Limited 112 West Foster Avenue Elements, and Limited Commercial-Office and 112 West Foster Avenue Elements. Notwithstanding the foregoing provisions of this Section 6.2., unless approved in writing by the Unit Owner or Unit Owners affected thereby, any such easement(s) through a Unit shall be located within substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Unit by the Declarants, or so as not to materially interfere with the use or occupancy of the Unit by its occupants. The Condominium is also subject to the following recorded easements appearing in the chain of

title: Right of way, Bell Telephone Co., Centre County Ms. R p.
576.

ARTICLE VII

Amendment of Declaration

This Declaration may be amended only in accordance with the procedures specified in Section 3219 of the Act, the other Sections of the Act referred to in Section 3219 thereof and the express provisions of this Declaration.

ARTICLE VIII

Use, Purposes and Restrictions

Section 8.1. The uses of the Property and the purposes for which the Building and each of the Units therein and Common Elements, Limited Common Elements, Limited Commercial Elements, Limited Residential Elements, Limited Residential and Commercial-Office Elements, Limited 112 West Foster Avenue Elements, and Limited Commercial-Office and 112 West Foster Avenue Elements are intended shall be in accordance with the following provisions:

(a) No Residential Unit shall be used for any purpose other than as a residence for the use of one (1) family. No family shall consist of any persons under the age of twenty-three (23) years and not full-time employed except

natural or adoptive children fifteen (15) years or older, and no more than two (2) members of the family may be unrelated by blood, marriage or adoption. No business, trade, occupation or profession of any kind be it commercial, religious, educational or otherwise may be conducted, maintained or permitted in Residential Units, except as noted above and except for home occupations permitted by State College Borough ordinance for areas zoned residential. No animals or pets shall be raised bred or kept in any Residential Unit or elsewhere on the property. Declarants expressly reserve the option to convert any and all of the Residential Units to Commercial-Office Units.

(b) Commercial-Office Units may be used for any lawful commercial or business purpose, subject to the restrictions contained in this Declaration, the By Laws and the rules and regulations of the Executive Board. No use or practice shall be permitted which is a source of annoyance to the other Unit Owners or which interferes with the peaceful possession and proper use by the other Unit Owners. All valid laws, zoning ordinances or regulations of all governmental bodies having jurisdiction over the Property thereof must be observed.

(c) Declarant's Rights. The Declarant shall have the irrevocable right to use its Units for sales or administrative purposes, until it has conveyed title to the last Unit. This right shall not be subject to amendment or modification by the

Unit Owners.

(d) Storage and Insurance Rates. Without the prior written consent of the Executive Board, nothing shall be done or kept in any Unit or elsewhere on the Property which will increase the rate of insurance of the Building or the contents thereof beyond the normal rates applicable for its use. No Unit Owner shall permit anything to be done or kept in his Unit or elsewhere on the Property which would result in the cancellation of insurance on any portion of the Building or the contents thereof, or which will be in violation of any law. No refuse shall be permitted in the Common Elements, Limited Common Elements, Limited Commercial Elements or Limited Residential Elements, Limited Residential and Commercial-Office Elements, or Limited Commercial-Office and 112 West Foster Avenue Elements. There shall be no obstruction of the Common Elements, Limited Common Elements, Limited Commercial Elements, Limited Residential Elements, Limited Residential and Commercial-Office Elements, or Limited Commercial-Office and 112 West Foster Avenue Elements, nor shall anything be stored in those areas without the prior written consent of the Executive Board except as herein expressly provided. This Paragraph does not apply to the 112 West Foster Avenue Unit(s), or to the 112 West Foster Avenue Limited Common Elements.

(e) Displays, Hanging Objects. Except for the owner of the 112 West Foster Avenue Unit(s), Unit Owners shall not cause

or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of any of the Buildings and no sign, awning, canopies, shutters, or radio or television antennas shall be fixed or placed upon the exterior walls or roofs or any part thereof without the prior written consent of the Executive Board. Provided, however, until such time as it has conveyed title to the last Unit, the Declarants shall have the irrevocable right to display signs pertaining to the sale of the Units within or on the outside of the Buildings, and this right shall not be subject to amendment or modification by the Unit Owners.

(f) Offensive Activities. No noxious or offensive activity shall be carried on in any Unit or elsewhere on the Property nor shall anything be done therein either willfully or negligently which may or become an annoyance or nuisance to the other Unit Owners or Residents.

(g) Structural Integrity; Combination of Units. Nothing shall be done to any Unit or on or in the Common Elements which will impair the structural integrity of the Building or which will structurally change the Building. No Unit may be divided or subdivided into a smaller Unit nor may any portion of any Unit be added to or incorporated into another Unit without the written consent of the Executive Board, except for the rights otherwise retained by the Declarants and the owner(s) of the 112 West Foster Avenue Unit(s) as provided in Section 3.4. above.

Additionally all requirements set forth in Sections 3213 and 3215 of the Act and in Section 7.6. and Article 13 of the Bylaws and the Rules and Regulations of the Executive Board must be satisfied, except as otherwise provided in Section 3.4. above.

1. Subject to the foregoing, two or more Units may be combined either vertically or horizontally and doors, windows, stairways, or other openings established between such Units with the written consent of the Executive Board subject to the following:

The percentage of undivided interests appertaining to any such combined Units shall be the sum of the percentages of the individual Units so combined;

All work done and combining such Units shall be at the sole cost and liability of the Unit Owner carrying out such work;

The work shall be subject to all the requirements of the By-laws and shall be carried out in a manner so as not to interfere with the use and enjoyment of the Common Elements and the other Units by the Unit Owners or Residents; and

Provided the conditions of this Article VIII are satisfied, the required amendments to this Declaration and to the Declaration Plat and Plans will be made.

2. Interior partitions or walls may be moved in accordance with this Declaration or openings may be made thereto at the sole risk and expense of the Unit Owner and subject to this Declaration and the By-Laws and approval of the Executive Board.

(h) Exposure of objects. No clothes, sheets, blankets, articles of any kind or any other articles may be hung or exposed in or an any part of the Common Elements, Limited Common Elements, or Limited Residential Elements.

(i) Parking Areas. Except for motor vehicles of the type normally used for personal daily transportation, no vehicles or other property including, but not limited to, motor homes, all-terrain vehicles, trailers, boats, dump trucks or heavy commercial vehicles may be parked or stored in parking areas. Each Residential Unit Owner regardless of Unit size shall be assigned one (1) reserved parking space for his/her exclusive use. Commercial-Office Unit Owners shall be assigned reserved parking spaces by the Declarants at the time of closing based upon, among other things, their Percentage Interests.

(j) Powers of the Executive Board. The Executive Board shall have the power to make such rules and regulations as may be necessary to carry out the intent of these restrictions, and shall have the right to bring suit to enforce the provisions of the Declaration, the Bylaws and the rules and regulations promulgated by the Executive Board. The Executive Board shall further have the right to levy fines for violations of the provisions of this Declaration, the Bylaws and the rules and regulations promulgated by the Executive Board; any Unit owner determined to be in violation of this Declaration, the Bylaws and rules and regulations promulgated by the Executive Board,

shall pay all attorney's fees and costs incurred by the Executive Board in the enforcement of the same against the Unit Owner and any fine levied by the Executive Board, provided that the fine for a single violation may not, under any circumstances, exceed \$10.00. For each day a violation continues after notice it shall be considered a separate violation. Any fine so levied is to be considered as a Common Expense to be levied against a particular Unit Owner involved, and collection may be enforced by the Executive Board in the same manner as the Executive Board is entitled to enforce collections of Common Expenses. No rules and regulations, however, may be made by the Unit Owners Association or the Executive Board thereof concerning the use or appearance of the 112 West Foster Avenue Unit(s).

(k) Use of Common Elements. The Common Elements, Limited Residential Elements, Limited Commercial-Office Elements, Limited Residential and Commercial-Office Elements, and Limited Commercial-Office and 112 West Foster Avenue Elements shall be used only for the furnishing of the services or facilities for which they are reasonably suited and which are incidents of the use and occupancy of the Units.

(l) Reserve Funds. The Executive Board shall have the power to create contingency reserve funds which funds shall be used for the benefit of Unit Owners, and to assess the Unit Owners for contributions to the contingency reserve funds in

accordance with their percentage of ownership of the Limited Elements.

ARTICLE IX

Leasing

Section 9.1. Except for the 112 West Foster Avenue Unit(s), a Unit Owner may lease his/her Unit (but not less than the entire Unit) at any time under the conditions as herein stated;

(a) No Unit may be leased for transient or hotel purposes or for a term of less than twelve (12) months;

(b) No Unit may be leased without first obtaining the approval of the Executive Board;

(c) No Unit may be leased without a written lease;

(d) No Unit may be leased without a copy of such lease furnished to the Executive Board within ten (10) days after the execution thereof and be subject to said approval of the Executive Board.

(e) No animals or pets will be permitted to be raised, bred or kept by any lessee in any Residential Unit or elsewhere on the property.

(f) Residential Units shall be occupied by no more than two (2) principal residents none of whom shall be under the age of twenty-three (23) years and not full-time employed, except natural or adoptive children fifteen (15) years or older; and the rights of any lessee of the Unit shall be subject to, and

each such lessee shall be bound by the covenants, conditions and restrictions set forth in the Declaration, Bylaws and rules and regulations, and any default thereunder shall constitute a default under the lease; provided, however, that the foregoing shall not impose any direct liability on any lessee of a Unit to pay any Common Expense assessments on behalf of the Owner of that Unit. There shall be no restrictions whatsoever on the leasing of the 112 West Foster Avenue Unit(s).

ARTICLE X

Budgets; Common Expenses; Assessments and Enforcement

Section 10.1. Monthly Payments. All Common Expense and Limited Common Expense assessments made in order to meet the requirements of the Association's annual budget shall be deemed to be adopted and assessed against Unit Owners on a monthly basis (rather than on an annual basis payable in monthly installments) and shall be due and payable in advance, on the first day of each month or as otherwise determined by the Executive Board.

Section 10.2. Subordination of Certain Charges. Any fees, charges, late charges, fines and interest which may be levied by the Executive Board pursuant to Sections 3302(a) (10), (11), and (12) of the Act, shall be subordinate to the lien of the Permitted Mortgage on a Unit.

ARTICLE XI

Rights of Permitted Mortgagees

Section 11.1. Reports and Notices. Upon the specific written request of a holder of a mortgage on a Unit or its servicer to the Executive Board, the mortgagee shall be entitled to receive some or all of the following as designated in the request.

(a) Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Executive Board to the Owner of the Unit covered by the mortgage;

(b) Any audited or unaudited financial statements of the Association which are prepared for the Association and distributed to the Unit Owners;

(c) Copies of notices of meetings of the Unit Owners and the right to designate a representative to attend such meetings;

(d) Notices of the decision of the Unit Owners to make any material amendment to this Declaration;

(e) Notice of substantial damage to or destruction of any Unit (the right of which would cost in excess of \$1,000.00) or any part of the Common Elements (the repair of which would cost in excess of \$10,000.00);

(f) Notice of the commencement of any condemnation or eminent domain proceedings with respect to any of the Property;

(g) Notice of any default by the Owner of the Unit which

is subject to the mortgage, where such default is not cured by the unit Owner within thirty (30) days after the giving of notice by the Association to the Unit Owner of the existence of the default;

Section 11.2. The request of a mortgagee or its servicer shall specify which of the above items it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Executive Board. The Executive Board need not inquire into the validity of any request made by a mortgagee hereunder.

Section 11.3. Failure to comply with the requirements set forth herein or in the By Laws or rules and regulations shall in no way invalidate otherwise proper actions of the Association and the Executive Board.

ARTICLE XII

Declarant's Rights

Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units to Unit Owners other than the Declarants, not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Owners other than the Declarants. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units to Unit Owners other than the Declarants, not less than thirty-three and one-third percent (33 1/3%) of the members of the Executive Board shall be elected by Unit Owners other than the

Declarants. However, any of the Declarants, individually or jointly, shall also qualify as "Unit Owners other than the Declarants" to the extent they have purchased Units at fair market value from Declarants or have contributed or paid fair market value to Midtown Square Associates. The Declarants shall have the right to appoint any other officers and members of the Executive Board. This right shall terminate no later than one hundred eighty (180) days after conveyance of seventy-five percent (75%) of the units to unit owners other than the Declarants.

ARTICLE XIII

Limitation of Liability

Section 13.1. Limited Liability of the Executive Board. The Executive Board, and its members in their capacity as members, officers and employees:

(a) Shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another Unit Owner or Person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or

the Executive Board;

(b) Shall not be liable to the Unit Owners as a result of the performance of the Executive Board members' duties for any mistake of judgment, negligence or otherwise, except for the Executive Board members' own willful misconduct or gross negligence;

(c) Shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties;

(d) Shall not be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, customers or guests, for loss or damage caused by theft or damage to personal property left by such Unit Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements or elsewhere on the Property, except for the Executive Board members' own willful misconduct or gross negligence;

(e) Shall have no personal liability in tort to a Unit Owner or any other person or entity, direct or imputed, by virtue of acts performed by or for them, except for the Executive Board members' own willful misconduct or gross negligence in the performance of their duties; and

(f) Shall have no personal liability arising out of the

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

Section 13.2. Indemnification. Each member of the Executive Board, in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his duties; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he is then an Executive Board member) approves such settlement and reimbursement as being in the best interests of the Association; and provided further that indemnification hereunder with respect to any criminal action or proceeding is permitted only if such Executive Board member and/or officer had no reasonable cause to believe his conduct was unlawful.

The indemnification by the Unit Owners set forth in this Section 13.3. shall be paid the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

Section 13.3. Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the holders of any mortgages on Units and such complaints shall be defended by the Association. The Unit Owners and the holders of mortgages on Units shall have no right to participate in such defense other than through the Association.

IN WITNESS WHEREOF, the said Midtown Square Associates
and Albert F. Williams and Jeanne L. Williams have caused their names
to be signed to these presents on this 12 day of May,
1987.

MIDTOWN SQUARE ASSOCIATES
A Pennsylvania Partnership

Donald E. Coyne (SEAL)
Donald E. Coyne, General Partner

Albert F. Williams (SEAL)
Albert F. Williams, General Partner

Jeanne L. Williams (SEAL)
Jeanne L. Williams, General Partner

Albert F. Williams (SEAL)
Albert F. Williams

Jeanne L. Williams (SEAL)
Jeanne L. Williams

"EXHIBIT A"

ALL that certain messuage, tenement and tract of land situate, lying and being in the Borough of State College, County of Centre and State of Pennsylvania, more accurately bounded and described as follows:

BEGINNING at the southwesterly corner of the intersection of Foster Avenue and S. Allen Street; thence South 44 56' East 151.40 feet to Lot No. 4 of Highland Park Addition to the Borough of State College, said plan of lots being recorded in the Recorder's Office for Centre County, Pennsylvania in Deed Book 100 at page 238; thence along Lot No. 4 South 45 04' West 119 feet and along an alley South 50 15' West 68.86 feet to premises now or formerly of William Smith; thence North 34 23' West 176.01 feet to an iron pin and West Foster Avenue; thence along W. Foster North 55 37' East 157.8 feet to the intersection of W. Foster Avenue and S. Allen Street, the place of beginning.

BEING Lot No. 6, Block D, Lot No. 10, Block D, and Lot No. 5, Block D, in the plot or plan of Highland Park Addition to the Borough of State College, Lots No. 6, 10, and 5 of Block D were replotted into one lot and surveyed for Albert F. Williams by William C. Arble and Association, said plan being recorded in Plat Book 34 at page 49.

BEING the same premises which Albert F. Williams and Jeanne L. Williams by their deed dated October 24, 1985, and

recorded in Centre County Deed Book 436, Page 1046, granted and conveyed unto Albert F. Williams and Jeanne L. Williams. Lot No. 6 in Block D was conveyed from Margaret H. Jackson, widow to Charles E. Woodring and Albert F. Williams by her deed dated January 11, 1963, and recorded in Centre County Deed Book 265 at page 175. Lot No. 10 in Block D was conveyed from James H. Fulton, Jr. et al to Albert F. Williams and Charles E. Woodring by their deed dated July 11, 1964, and recorded in Centre County Deed Book 271 at page 231. Lot No. 5 in Block D was conveyed from Randall T. Graham, Executor et al to Albert F. Williams and Jeanne L. Williams and Charles E. Woodring and Helen F. Woodring by their deed dated July 12, 1966, and recorded in Centre County Deed Book 287 at page 425. Helen Woodring Gottlieb, Executrix of the Estate of Charles E. Woodring, and Helen Woodring Gottlieb, individually, and Arthur Gottlieb, her husband, by their deed dated October 25, 1972, and recorded in Centre County Deed Book 334 at page 1065 granted and conveyed unto Albert F. Williams and Jeanne L. Williams all of the right, title, interest of Charles E. Woodring and Helen F. Woodring in and to the premises. Midtown Square Associates held an equitable interest in a portion of the premises under an unrecorded Agreement with Albert F. Williams and Jeanne L. Williams.

"EXHIBIT B"

PLATS AND PLANS

TO BE ATTACHED

"EXHIBIT C"

MIDTOWN SQUARE

Percentage Interests

A. Residential Units

<u>Unit No.</u>	<u>No. of Bedrooms</u>	<u>%</u>
201	2	4.17
202	2	4.17
203	2	4.17
204	2	4.17
301	2	4.17
302	3	4.93
303	2	4.17
304	1	3.41
401	3	4.93
402	3	4.93
403	1	3.41
404	1	3.41
501	2	4.17
502	1	3.41
503	2	4.17
504	3	4.93
601	2	4.17
602	2	4.17
603	2	4.17
604	2	4.17
701	1	3.41
702	2	4.17
703	3	4.93
704	2	4.17
TOTAL		100%

MIDTOWN SQUARE

Percentage Interests

B. Office and Commercial

<u>Unit No.</u>	<u>%</u>
Sales Areas 100-105 (1st floor commercial)	40.34
Office Suite 200	19.89
Office Suite 300	19.89
Office Suite 401	12.39
Office Suite 402	<u>7.51</u>
TOTAL	100%

C. 112 West Foster Avenue

	<u>%</u>
All property identified in "Exhibit D"	100%

"EXHIBIT D"

ALL THAT CERTAIN PIECE OF LAND situated in the Borough of State College, Centre County, Pennsylvania, bounded and described as follows:

BEGINNING at an iron pin, said iron pin being on the southern right-of-way line of West Foster Avenue (a 50 foot right-of-way) and being S 55 37' 00" W, 157.87 feet from an iron pin at the intersection of the southern right-of-way line of West Foster Avenue and with the western right-of-way line of South Allen Street (a 50 foot right-of-way); Thence from the point of beginning along land of the State College Area School District, and approximately parallel to the face of an existing block building, S 34 26' 27" E, 116.42 feet to a point; Thence through lands now or formerly of Albert F. & Jeanne L. Williams and along the exterior wall line of the existing block building, N 55 42' 14" E, 33.87 feet to a point at the approximate corner of wooden steps; Thence continuing through same and along said wooden steps N 34 17' 46" W, 8.00 feet to a point on the exterior wall line of said block building; Thence continuing through lands of same and along the exterior wall line of said block building, N 55 42' 14" E, 8.19 feet to a point; Thence continuing through land of same and along the exterior wall line of said block building, and through a newly constructed block stairwell, N 34 28' 28" W, 108.49 feet to a point on the southern right-of-way line of West Foster Avenue; Thence along the southern right-of-way line of West

Foster Avenue S 55 37' 00" E, 42.02 feet to an iron pin, the place of beginning.

CONTAINING 4832 sq. ft.

BEING part of the lands now or formerly of Albert F. and Jeanne L. Williams recorded in the Records Office, Centre County, Pennsylvania in Deed Book 436, Page 1046. Having erected there on a two story block building.

COMMONWEALTH OF PENNSYLVANIA

:

: SS

COUNTY OF CENTRE

:

I, Nancy E. Jerko, a Notary Public in and
for said County, in the State aforesaid, do hereby certify
that Donald E. Coyne, whose name is subscribed to the
foregoing Declaration of Condominium as a General partner of
Midtown Square Associates, personally appeared before me this
day, and he acknowledged and swore that he signed, sealed and
delivered the said instrument as his free and voluntary act
and deed for the uses and purposes therein set forth and that
the statements herein contained are true.

Given under my hand and notarial seal this 12
day of May, 1987.

Nancy E. Jerko
Notary Public

NANCY E. JERKO, NOTARY PUBLIC
STATE COLLEGE BORO, CENTRE COUNTY
MY COMMISSION EXPIRES FEB. 6, 1989
Member, Pennsylvania Association of Notaries

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF CENTRE

:
: SS
:

I, Nancy E. Jerko a Notary Public in and for
said County, in the State aforesaid, do hereby certify that
Albert F. Williams and Jeanne L. Williams, whose names are
subscribed to the foregoing Declaration of Condominium
personally appeared before me this day, and they acknowledged
and swore that they signed sealed and delivered the said
instrument as their free and voluntary act and deed for the
uses and purposes therein set forth and that the statements
therein contained are true.

Given under my hand and notarial seal this
12 day of May, 1987.

Nancy E. Jerko
Notary Public

NANCY E. JERKO, NOTARY PUBLIC
STATE COLLEGE BORO. CENTRE COUNTY
MY COMMISSION EXPIRES FEB. 6, 1989
Member, Pennsylvania Association of Notaries

MIDTOWN SQUARE - A CONDOMINIUM

"EXHIBIT E"

UPPER PARKING DECK PARKING ASSIGNMENTS

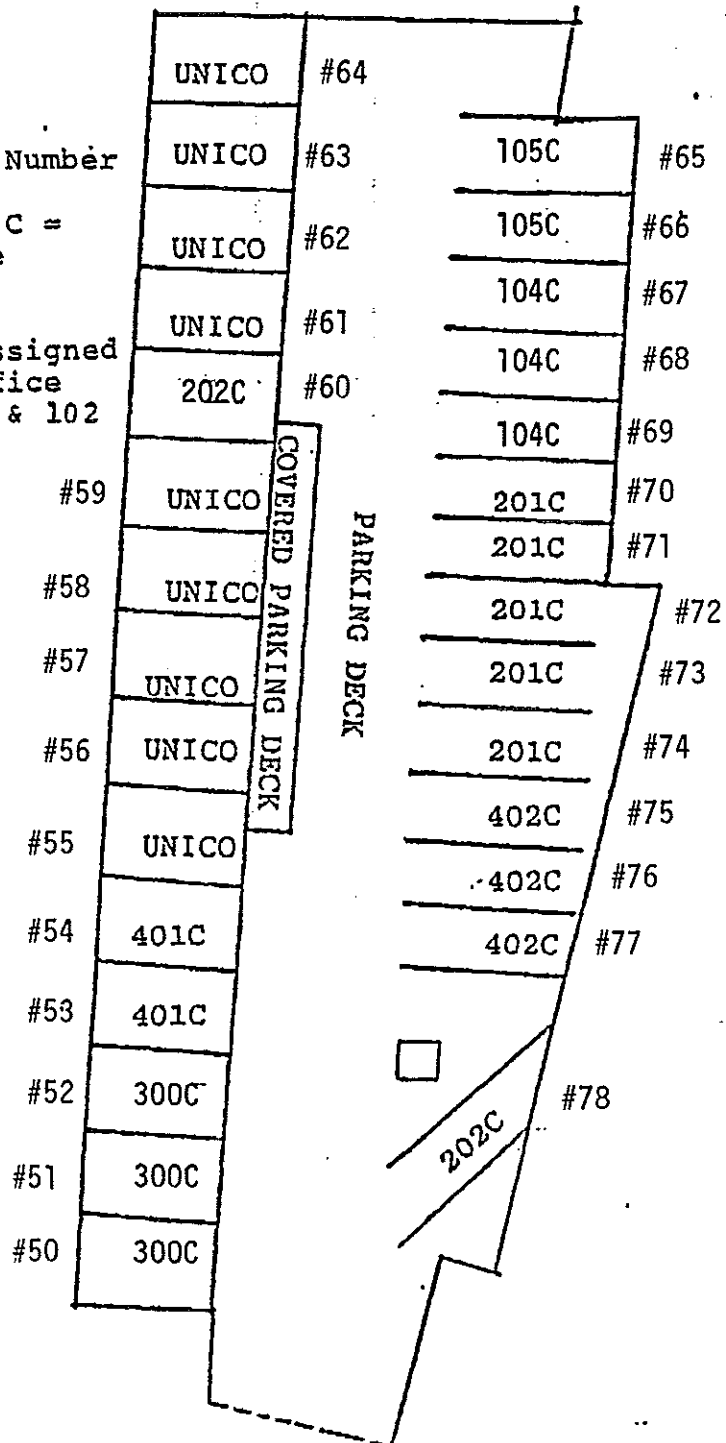
PARKING SPACES, numbered 50-78

KEY

3 Digit Number =
Residential Unit Number

3 Digit Number + C =
Commercial-Office
Unit Number

UNICO = Spaces Assigned
to Commercial-office
Unit Numbers 101 & 102



WEST FOSTER AVENUE ENTRANCE

MIDTOWN SQUARE _ A CONDOMINIUM

BASEMENT PARKING ASSIGNMENTS

PARKING SPACES, numbered 1-42

