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DECLARATION

OF

THE GLEN AT PARADISE **HILLS WEST**

CONDOMINIUM ASSOCIATION

DECLARATION OF THE GLEN AT PARADISE HILLS WEST CONDOMINIUM ASSOCIATION

ARTICLE 1. Submission: Defined Terms

Section 1.1. Declarant; Property; County; Name. Ronald D. Mattern, Allen Rex Mattern, and Daniel L. Mattern, General Partners of East End Partnership, (the "Declarants"), owners in fee simple of the Real Estate described in Exhibit "A" attached hereto, located in Benner Township, Centre County, Pennsylvania, hereby submits the Real Estate including all easements, rights and appurtenances thereunto belonging and the Buildings and improvements erected or to be erected thereon (collectively the "Property") to the provisions of the Pennsylvania Uniform Condominium Act 68 Pa. Cons. Stat. § 3101 et seq. (the "Act"), and hereby creates with respect to the Property a condominium to be known as "The Glen at Paradise Hills West Condominium (the "Condominium").

Section 1.2. Defined Terms

Section 1.2.1 Capitalized terms not otherwise defined herein or in the Plats and Plans shall have the meanings specified or used in the Act.

Section 1.2.2 The following terms are used or defined in general terms in the Act and

shall have specific meanings herein as follows:

- a. "Association" means the Unit Owners, Association of the Condominium and shall be known as the "The Glen at Paradise Hills West Condominium Association."
 - b. "Building(s)" means any building(s) included in the Property.
 - c. "Condominium" means the Condominium described in Section 1.1 above.
- d. "Declarants" means the Declarants described in Section 1.1 above and all successors to any Special Declarants Rights.
- e. "Declaration" means this document, as the same may be amended from time to time.
 - f. "Executive Board" means the Executive Board of the Association.
- g. "Plats and Plans" means the "Condominium Declaration Plan for The Glen at Paradise Hills West" dated August 3, 2013, and included as Exhibit "C" attached

hereto, as the same may be and intended amended from time to time.

- h. "Property" means the Property described in Section 1.1.
- i. "Unit" means a Unit as described herein and in the Plats and Plans.

Section 1.2.3. The following terms when used herein shall have the meaning set forth below:

- a. "General Common Expenses" means Common Expenses.
- b. "Percentage Interest" means the undivided ownership interest in the Common Elements appurtenant to each Unit as set forth in Exhibit "B" attached, as the same may be amended from time to time.

ARTICLE II. Allocation of Percentage Interests, votes and Common Expense Liabilities, Unit Identification and Boundaries; Maintenance Responsibilities

Section 2.1. Percentage Interests. Attached as Exhibit "B" hereto is a list of all Units by their Identifying Numbers and the Percentage Interest appurtenant to each Unit, determined on the basis of size, by dividing the "size" of the Unit by the aggregate of the "sizes" of all Units. The "sizes" 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 (exclusive of interior partitions). The Percentage Interest shall determine the portion of the votes in the Association and the share of Common Expense Liability appurtenant to each Unit. Percentage interest shall not include area or square footage contained in any optional sitting room, window bay or fireplace added by a Unit owner.

Section 2.2. Unit Title Lines.

- a. The Unit shall include the living Unit. The title lines of each unit are situated as shown on the Plats and Plans and are formed by the following planes:
 - (1) The Unit-Side surface of all doors and their sills and hardware, leading from such Unit to the exterior of the Building and the Unit-Side surface of the door frames in which such doors are set;
 - (2) The Unit-Side surface of the sash of windows which are set in the exterior walls of such Unit, the exterior surfaces of the panes of such windows and glass and the Unit-Side surface of the frames and sills for such windows;

- (3) The Unit-Side surface of the wall board/plaster constituting the ceiling of the Unit, except that for those portions of the Unit which have a drop ceiling, the title lines shall run along the surface opposite the Unit-Side surface of the drop ceiling;
- (4) The Unit-Side face of the concrete slab, brick or underlayment constituting the floor of such Unit and the entire brick facade of any fireplace serving such Unit;
- (5) The Unit-Side surface of the firring, as extended, around columns and "stacks" containing pipes, ducts, wires, conduits, chutes, mechanical chases, structural elements and flues that are Common Elements;
- (6) The Unit-Side surface of all grilles and registers covering exhaust fans or ventilation ducts.
- b. Each Unit consists of all portions of the Building within the aforesaid title lines, except the air space displaced by: structural members and bearing columns within or passing through such Unit which are deemed to be Common Elements; and other Common Elements within such Unit, including, without limitation, chutes, flues, ducts, wires, conduits and pipe runs, the provisions of Section 3202 (2) of the Act shall apply. There is included within a Unit (by way of illustration and not limitation):
 - (1) The air space enclosed within such title lines;
 - (2) All partitions which are wholly contained within such title lines, including (but not limited to) all doors, door frames, hardware, electrical outlets and wiring, telephone outlets and conduits, and other equipment and devices in such partitions serving any such unit;
 - (3) All plumbing fixtures located within such title lines and serving only such Unit, and its water and waste connections;
 - (4) All items of kitchen equipment located within such title lines and serving only such Unit, and such equipment's water, waste and electrical connections;
 - (5) Exhaust fans and the grilles, registers, ventilation ducts and related fixtures which serve only such Unit, whether or not any of the foregoing is located in any portion of the Common Elements;
 - (6) Lighting devices (including, by way of illustration and not limitation, lamps and bulbs which are surface-mounted on, recessed in or suspended from ceilings, walls and partitions within or on the perimeter of such Unit) serving only

such Unit, by way of illustration and not limitation, exterior lights at the entranceway to the living Unit and the pole lights serving such Unit, if any;

- (7) Outlets, wires, cables, conduits, circuits and related equipment transmitting electricity for lighting and power or transmitting impulses and signals (including, but not limited to, impulses and signals for telephone, telegraph and television transmission, except to the extent otherwise specifically provided herein which serve only such Unit and which are located entirely within the title lines of such Unit;
- (8) Surface-mounted and recessed medicine cabinets (including, by way of illustration and not limitation, all associated lighting fixtures and accessories);
- (9) Refrigerators, ranges, dishwashers, clothes washers and dryers, garbage disposal units and other appliances (if provided), and the portions of their water, waste, electrical and exhaust connections located within such title lines and serving only such Unit;
- (10) Floor coverings installed on the Unit-Side surfaces of the structural concrete or wooden floor.
- c. Those portions of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only such Unit and which lie partially within and partially outside the title lines of a Unit shall be deemed to be a part of such Unit.
- Section 2.3. 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 and Common Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of Section 3307 of the Act, except as expressly set forth to the contrary herein.

The Association shall maintain all stormwater management and permanent erosion and sedimentation pollution control facilities that are part of the approved land development plan entitled "Final Land Development Plan for The Glen at Paradise Hills West," dated October 4, 2012 (with later revisions, intended to be recorded), with the exception of those facilities located upon publicly dedicated lands, which maintenance responsibilities are specified on said land development plan as part of the Ownership & Maintenance Program.

Section 2.4. 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 3214 and 3215 of the Act.
Subdivision or conversion of Units by the Declarants pursuant to Sections 3215(c) of the Act may not result in more than fifteen (15) additional Units.

ARTICLE III. Easements.

- Section 3.1. Additional Easements. In addition to and in supplementation of the easements provided for by Sections 3216, 3217, 3218 of the Act; the following easements are hereby created:
 - A. Stormwater Easement for original Paradise Hills Subdivision, Record Book 1589 page 858;
 - B. Restrictive Covenants for the original Paradise Hills Subdivision, Record Book 1701 page 60;
 - C. Right of Way Agreement with Allegheny Power, Record Book 1765 page 125, for electric energy systems within the Paradise Hills Subdivision;
 - D. A "Declaration of Permanent Stormwater Management Facilities Access and Maintenance Easement for The Glen at Paradise Hills West," recorded on the 15th day of February, 2013, in Centre County Record Book 2119, page 395.
 - E. A Bellefonte Borough Authority "Deed of Easement" for the Glen at Paradise Hills West, recorded on the 15th day of February, 2013, in Centre County Record Book 2119, page 396.
 - F. A Private Sanitary Sewer Easement Agreement "Deed of Easement" for The Glen at Paradise Hills West, recorded on the 15th day of February, 2013, in Centre County Record Book 2119, page 396.
 - G. A Spring-Benner-Walker Joint Authority "<u>Updated and Amended Sanitary</u> Sewer Easement Agreement for The Glen at Paradise Hills West," recorded on the 27th day of August, 2013, in Centre County Record Book 2132, page 438.
- Section 3.2, Declarants' Use for Sales Purposes. Declarant shall have the right to maintain sales offices, management offices and models throughout the Property. Declarant reserves the right to place models, management offices and sales offices on any portion of the Common Elements or in a unit in such manner, of such size and in such locations as Declarant deems appropriate. Declarant may from time to time relocate models, management offices and sales offices to different locations within the Common Elements. Upon the relocation of a model, management office or sales office constituting a Common Element, Declarant may remove all personal property and fixtures therefrom. Any fixtures not so removed shall be deemed Common Elements, and any personal property not so removed shall be deemed the property of the Association.
 - Section 3.3. Utility Easements. The Units and Common Elements shall be, and are

hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such utility and service easements created in this Section 3.3 shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electric wires, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common Elements. Notwithstanding the foregoing provisions of this Section 3.3, unless approved in writing by the Unit Owner or Unit Owners affected thereby, any such easement through a Unit shall be located either in substantially the same location as such facilities or similar facilities existing at the time of first conveyance of the Unit by the Declarant, or so as not to materially interfere with the use or occupancy of the Unit by its occupants.

Section 3.4. Declarant's Easement to Correct Drainage. Declarant reserves an easement on, over, and under those portions of the Common Elements not located within a Building for the purpose of maintaining and correcting drainage of surface water and maintaining stormwater facilities, including stormwater detention and/or retention basins and conveyance systems (i.e. pipes and swales), in order to maintain reasonable standards of health, safety, and appearance. The easement created in this Section 3.4 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.

Section 3.5 Unrecorded Easements, Discrepancies or Conflicts. None known.

Section 3.6 Easement in Favor of Association. Declarant reserves an easement in favor of the Association granting it the right to inspect, maintain, repair and replace all or portions of the Common Elements including the crawl spaces serving either the respective Units or the Common Elements.

Section 3.7 Common Elements. The Common Elements are subject to easements in favor of the benefitted Units for: (A) installation, repair, maintenance, use, removal and/or replacement of utility lines and heating and air conditioning systems which are a part of or exclusively serve a single Unit and which pass across or through a portion of the Common Elements; (B) installation, repair, maintenance, use, removal and/or replacement of overhead lighting fixtures if they are located in a portion of the ceiling, wall or floor adjacent to a Unit which is part of the Common Elements; and (C) driving and removing nails, screws, bolts, etc., in the Unit-Side surfaces of walls, ceilings and floors which are part of the Common Elements.

Section 3.8. Easement for Structural Support. Each Unit has, to the extent necessary, an easement for structural support over every other Unit in the Building end the Common Elements, and each Unit and Common Element is subject to an easement for structural support in favor of every other Unit in the Building and the Common Elements.

Section 3.9. Additional Easements. The Units are also subject to the following easements; (A) in favor of the Association for inspection of the Units to verify the performance by Unit Owners of their maintenance and repair responsibilities, as well as for inspection, maintenance, repair and replacement of the Common Elements which are situated in or accessible from such Units or to correct emergency situations; and (B) in favor of the Unit Owners benefitted thereby and the Association for the installation of utility lines, pipes, ducts and conduits which pass across or through a portion of one or more units.

Section 3.10. Easement to Owner. An easement to the Owner of a Unit to affix and remove carpeting, parquet and other floor coverings and otherwise decorating, cleaning and maintaining the Unit Side surface of floors, walls, ceilings, doors and window sills.

Section 3.11. Easement for Completion of Improvements. Until the completion of all improvements in individual Units, the Declarant is granted and easement through the Units necessary to complete planned improvements.

Section 3.12. Easement for Decorating Unit. Whenever, in this Declaration and the Plats and Plans, a title line of a Unit is described as being the Unit-Side surface of a designated portion of the Premises, it is intended thereby, and it is hereby declared, that the Owner of such Unit shall have an easement for the purpose of decorating such surfaces and affixing thereto and removing therefrom paint, wallpaper, other decorative material, pictures, mirrors, wall systems and decorative articles, and (with respect to all such portions of the Premises) cleaning and maintaining such surfaces, all at the cost and expense of the Owner of such Unit. Thus, by way of illustration and not limitation, the Owner of a Unit has an easement to paint the Unit-Side surface of door and window sills. It is understood and agreed that the Association, acting by its Executive Board to maintain, repair and/or replace, the portions of the Premises of which said surfaces are a part, not withstanding the fact that such maintenance, cleaning, repair or replacement may temporarily adversely affect the Unit Owner's aforesaid easement and right to use the Unit-Side surface of such portion of the Premises.

ARTICLE IV. Amendment of Declaration

Section 4.1 Amendment Generally. 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.

Section 4.2. Rights of Secured Lenders. Subject to the limitations imposed by Section 3221 of the Act and except as set forth below, no amendment of this Declaration may be made without the prior written approval of all record holders of first mortgages on Units if and to the extent that such approval is required by the Act or if and to the extent that such amendment would have the effect of (i) terminating or abandoning the Condominium (except for termination

or abandonment as a result of a taking of all the Units by eminent domain); (ii) abandoning, encumbering, selling or transferring the Common Elements; (iii) partitioning or subdividing any Unit or the Common Elements; or (iv) changing the Percentage Interests of any Unit Owners. [Such approval shall not be required with respect to any Amendment pursuant to Article VI below.] The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed to be a transfer within the meaning of this Section.

Section 4.3. Other Amendments. If any amendment is necessary in the judgment of the Executive Beard to cure any ambiguity, or to correct or supplement any provision of the Declaration or the Plats and Plans which is defective or inconsistent with any other provision of this Declaration or the Plats and Plans or with the Act, or to change, correct or supplement anything appearing or failing to appear in the Plats and Plans which is incorrect, defective or similarly inconsistent, the Executive Board may, at any time and from time to time effect such amendment without the approval of the Unit Owners or Permitted Mortgagees, upon receipt by the Executive Board of an opinion from legal counsel to the effect that the propose amendment is permitted by the terms of this sentence, together with a like opinion from a registered architect or licensed professional engineer in the case of any such amendment to the Plats and Plans. Each such amendment shall be effective upon the recording of an appropriate instrument setting forth the amendment and its due adoption, execution and acknowledgment by one or more officers of the Executive Board.

ARTICLE V. Use Restrictions

Section 5.1. Use and Occupancy of Units and Common Elements. The Units and Common Elements shall be occupied and used subject to restrictions that may be set forth in the By-Laws or the Rules and Regulations as referred to in the By-laws.

- a. The only permitted occupancy and use of the Unit shall be for residential, for single families or no more than three (3) unrelated adults.
- b. Every lease, agreement of sale, deed or other instrument creating any interest in all or any part of the Unit shall be subject to the following provision:

"The Unit hereby leased (or agreed to be conveyed, or conveyed, as the case may be) may be used as a residence for use by a single family or no more than three (3) unrelated adults.

c. Prior to any party other than Declarant entering into any lease agreement in any Unit, such instrument shall be submitted to the Executive Board, together with a detailed statement of the proposed use and such additional information as the Executive

Board may reasonably request, and such instrument shall not be executed unless and until the Executive Board shall give its approval in writing, which approval shall not be unreasonably withheld. In the event the Executive Board does not give its written disapproval within 30 days after receipt of such submission and such additional documentation requested, its approval shall be deemed to have been given.

- d. Subject to other requirements of record, signs and advertising or other displays may be maintained or permitted on any part of the Property or Unit only with the prior written permission of the Executive Board. The right is reserved by the Declarant or its agent or agents to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units, and on any part of the Common Elements.
- e. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior consent of the Executive Board except as herein expressly provided. The use and the 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.

- f. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the property, or contents thereof, applicable uses otherwise permitted, 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 its Unit or in the Common Elements which will violate any law, statute, ordinance or regulation 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 the Common Elements.
- g. 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 Unit, the Buildings or on the Property and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior written consent of the Executive Board, which consent shall not be unreasonably withheld.
- h. Trash, garbage and recyclables shall be collected by each individual unit owner and stored within the unit owners garage. Disposal shall be by individual unit collection service.
 - i. Additional Executive Board Rules and Regulations, not in conflict with

the provisions of this Declaration, concerning the use and enjoyment of the property, may be promulgated from time to time by the Executive Board, subject to the right of the Unit Owners Association to change such Executive Board Rules and Regulations. Copies of the then current Executive Board Rules and Regulations and any amendments thereto

shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such Executive Board Rules and Regulations or any amendments thereto.

Section 5.2. Use Restrictions.

- a. No satellite dishes (or any other similar equipment) may be attached to the buildings exterior. Owners, upon review of plans by the Executive Board, may be granted permission to install a satellite dish, no greater than 24" in diameter, attached to a 4" x 4" post, with underground cable from the post to the unit. The post, trenching, cable, seeding, & mulching to be installed at the Owner's expense with final location of the post to be approved by the Condo Association Executive Board prior to installation.
- b. Exterior storage of boats, trailers, fifth wheels and other similar property is not permitted.
 - c. Detached storage buildings are not permitted.
- d. Installation of a screen door on the main entry door (at the Owner's expense) will be permitted subject to prior approval of the door and door color from the Condo Association Executive Board.

REAL PROPERTY. ARTICLE VI. Mortgages

Section 6.1. Permitted Mortgages. A Unit Owner other than the Declarant or the Executive Board may not voluntarily encumber or subject his or its Unit to any lien, other than the lien of a Permitted Mortgage. Whether or not they expressly so state, all such Permitted Mortgages and the obligations secured thereby shall be deemed to provide, generally, that the Permitted Mortgage, and the rights and obligations of the parties thereto, shall be subject to the terms and conditions of the Act and this Declaration and shall be deemed to provide specifically. but without limitation, that the Permitted Mortgagee shall have no right (a) to participate in the adjustment of losses with insurers or in the decision as to whether or not or how to repair or restore damage to or destruction of the property or (b) to accelerate the mortgage debt or to have any other remedies by virtue of waste or alleged waste or other conditions occurring anywhere on the Property other than within the affected Unit, and the obligation secured shall be prepayable, without penalty, upon the happening of any termination of the Condominium or determination not to restore or replace the affected Unit. No Unit Owner shall deliver any Permitted Mortgage, or any obligation to be secured thereby unless it has first notified the Executive Board of the name and address of the proposed Permitted Mortgagee and of the amount of the debt proposed to be so secured. When such a Permitted Mortgage is delivered to the Permitted Mortgagee the Unit Owner shall simultaneously provide executed or conformed copies to the Executive Board. Upon receipt of such copy of a Permitted Mortgage the Secretary of the Executive Board shall instruct the insurer of the property to add the name of the Permitted Mortgagee to the mortgage loss payable provision of the hazard insurance policy covering the

Property and to provide such Permitted Mortgagee with a Certificate of Insurance showing that the Permitted Mortgagee's name has been so added. The lien of any purported mortgage which does not comply with all the requirements of this Article VIII shall not attach to or affect the Property or any part thereof or interest therein and shall be of no force and effect as and to the extent that it purports to relate thereto. The Secretary shall maintain a register of such Permitted Mortgages showing the names and addresses of the Permitted Mortgagees and the amount secured thereby.

ARTICLE VII. Real Estate Taxes

Section 7.1. Real Estate Taxes. It is understood that real estate taxes are to be separately assessed and taxed to each Unit Owner for its Unit and corresponding Percentage Interest in the Common Elements, as provided in the Act. For the year in which this Declaration is first recorded, real estate taxes shall be apportioned between Declarant and each Unit Owner on a calendar year basis. In the event that real estate taxes for any year are not separately assessed against each Unit Owner, but rather are assessed against the Property as a whole, then each Unit Owner shall pay its proportionate share thereof in accordance with its respective Common Expense Liability, and in said event, such taxes shall be a Common Expense. The Executive Board shall have authority to advance funds of the Unit Owners' Association in payment of all or a portion of such taxes pending receipt from the respective Unit Owners of their proportionate share thereof.

ARTICLE VIII. Leasing

Section 8.1. Leasing. A Unit Owner may lease or sublease his Unit (but not less than his entire Unit) at any time and from time to time provided that (except for a lease or sublease made by (i) a Declarant or (ii) a Permitted Mortgagee which is either in possession or is a purchaser at judicial sale): (1) no Unit may be leased or subleased for transient or hotel purposes or for an initial term of less than ninety days; (2) no Unit may be leased or subleased without a written lease or sublease; (3) a copy of such lease or sublease shall be furnished to the Executive Board within ten days after execution thereof; and (4) the rights of any lessee or sublessee shall be bound by, the covenants, conditions, and restrictions set forth in the Declaration, Bylaws and Rules and Regulations and a default thereunder shall constitute a default under the lease or sublease; provided, however, that the foregoing shall not impose any direct liability on any lessee or sublessee of a Unit to pay any Common Expense assessments on behalf of the Owner of that Unit.

ARTICLE IX. Association Unit(s)

Section 9.1. Conveyance. The Declarant reserves the right to convey one or more Units to the Unit Owners' Association or its nominee from time to time, each subject to this Declaration, the By-laws, the Act, covenants, conditions, easements end restrictions of record,

and, in general, all matters to which title taken by buyers of Units from the Declarant are subject as set forth in real estate purchase contracts between Declarant and buyers of Units, for such lawful use as the Executive Board deems proper. From and after such conveyance, the Executive Board shall perform, on behalf of all Unit Owners, all of the obligations appurtenant to such Unit or Units. All costs incurred by the Executive Board with respect to such Unit or Units (including, without limitation, real estate taxes, repairs, maintenance, decorating, utility charges, and similar expenses) shall be deemed to be and shall be included as Common Expenses assessed pursuant to the Declaration in the same manner as would have been required had such Unit or Units been established as part of the Common Elements rather than as a Unit or Units, for as long as such Unit or Units are owned by-the Unit Owners' Association.

ARTICLE X. The Executive Board

Section 10.1. Powers. In addition to the powers set forth in the Act, the Executive Board shall have the following powers.

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

- b. To engage the services of a manager or managing agent, who may be any person, firm or corporation, upon such terms and compensation as the Executive Board deems fit.
- c. To engage the services of any persons (including, but not limited to, accountants and attorneys) deemed necessary by the Executive Board at such compensation as is deemed reasonable by the Executive Board, in the operation, repair, maintenance and management of the Property, or in connection with any duty, responsibility or right of the Executive Board and to remove, at any time, any such personnel.
- d. To pay any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part thereof which may in the opinion of the Executive Board constitute a lien against the Property or against the Common Elements, rather than merely against the interest therein of particular Unit Owners. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Executive Board by reasons of said lien or liens, including without limitation, reasonable attorneys' fees and disbursements, shall be specially assessed to said Unit Owners.
- e. To expend funds for the maintenance and repair of any Unit or any other portion of the Property which a Unit Owner is obligated to maintain or repair under the terms hereof, if such maintenance or repair is necessary, in the discretion of the Executive Board, to protect the Common Elements or any other portion of the Property,

and the Owner of said Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Executive Board to said Unit Owner; provided that the Executive Board shall levy a special assessment against such Unit for the cost of said maintenance or repair.

f. In the event two or more Units share a common utility meter or if a

portion of the Common Elements and one or more Units share a common utility meter, to determine the proper allocation of the cost of the utility service among the recipients of such utility service, which determination shall be conclusive and binding.

Section 10.2. Disputes. In the event of any dispute or disagreement between or among any Unit Owners relating to the Property, or any questions of interpretation or application of the provisions of this Declaration, the Plats and Plans, the By-laws or the Rules and Regulations, the determination thereof by the Executive Board acting in accordance with such governing documents, shall be final and binding on each and all such Unit Owners. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief or order to assist it in carrying out its responsibilities under this Section 11.2. All costs of obtaining such a judgment shall be borne by the disputants, or in the absence of disputants, by the Unit Owners' Association as a Common Expense.

Section 10.3. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Unit Owners' Association and one or more of its Executive Board members, or between the Unit Owners' Association and any corporation, firm or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board Members are present at any meeting of the Executive Board or a committee thereof which authorized or approved the contract or transaction or because its votes are counted, if the circumstances specified in either of the following subparagraphs exists:

- a. The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board or committee and is noted in the minutes hereof, and the Executive Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board member or members; or
- b. The contract or transaction is made in good faith and is not unconscionable to the Unit Owners' Association at the time it is authorized, approved or ratified.

Section 10.4. Inclusion of Interested Executive Board Members in the Quorum. Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence

of a quorum at a meeting of the Executive Board or committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 11.3 hereof.

ARTICLE XI, Budget, Common Expenses; Assessments and Enforcement

Section 11.1. Monthly Payments. All Common Expense assessments made in order to meet the requirements of the Association's annual budget shall be deemed to be adopted and assessed on 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. Special assessments shall be due and payable in one or more monthly payments, in advance, on the first day of each month, as determined by the Executive Board.

Section 11.2. 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 a* Permitted Mortgage on a Unit.

Section 11.3. Limitation on Expenditures. All expenses, charges and costs of the maintenance, repair or replacement of the Common Elements, and any other expenses, charges or costs for structural alterations, capital additions to, or capital improvements on, the Common Elements which the Executive Beard may incur or expend pursuant hereto, shall be approved by the Executive Board, and a written budget or memorandum thereof prepared and signed by the Treasurer. Other than for purposes of repairing, replacing and restoring portions of the Common Elements in an emergency as determined in good faith by the Executive Board, there shall be no funds expended, without the prior approval of Unit Owners holding at least two-thirds of the Percentage Interests as set forth in Exhibit "C", (a) in excess of 10% of the annual budget or (b) with respect to any items in the budget that exceed in the aggregate the budgeted amounts by more than 10% of the annual budget for the year in question unless such excess can be covered by other budgeted items not fully expended or by budget reserves.

Section 11.4. Reserve. Each annual budget for Common Expenses may include an amount reasonably considered by the Executive Board to be sufficient as a reserve (cap fee) for replacement, contingencies, capital expenditure and deferred maintenance. To initiate such reserve, the Declarant may collect from any or all of its grantees, at time of settlement, an amount equal to twice the estimated monthly common expenses assessment allocable to the Unit purchased by such grantee and shall remit such amount to the Executive Board; provided, that such assessment shall not be refunded or repayable in any event to the grantees. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against any such reserve in the discretion of the Executive Board. In addition, the Executive Board shall have the right to segregate all or any portion of the reserve for any specific replacement or contingency upon such conditions as the Executive and deems appropriate.

Section 11.5. Accounting. Within One Hundred Twenty (120) days after the end of the fiscal year of the Unit Owners' Association, the Executive Board shall supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding fiscal year actually incurred and paid together with tabulation of the amounts collected pursuant to the annual budget of assessments and leases and sales of Units owned or managed by the Executive Board on behalf of the Unit Owners' Association, and showing the net excess of deficit of income over expenditures plus reserves.

Section 11.6. Special assessments. If any annual budget proves inadequate for any reason, including nonpayment of any Unit Owner's assessments, or any non-recurring Common Expense or any Common Expense not set forth in the annual budget as adopted, the Executive Board may at any time levy a further assessment, which shall be assessed to the Unit Owners in accordance with Common Expense Liabilities, provided, that if such further assessment is greater than 10% of the aggregate amount of the annual budget for the year in question, the same shall first be approved by Unit owners holding at least two-thirds of the Percentage Interests as set forth in Exhibit "C". Such further assessment shall be payable in such monthly installments and subject to late payment charges as the and may determine. The Executive Board shall serve notice of such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall be me effective and shall be payable at such time or times as determined by the Executive Board.

Section 11.7. Acceleration. If Unit Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the Executive Board may, in addition to all other remedies in the Act or Declaration contained accelerate all other monthly payments of charges and assessments due for the fiscal year in which such default occurs; provided, however, a foreclosing permitted Mortgagee shall entitled to automatic subordination of such sums in excess of the amounts given priority over mortgage liens in the Act.

Section 11.8 Electricity and Other Utility Charges. Each Unit Owner shall pay all electricity and other utility charges of any type attributable to its Unit and shall be billed through separate meters. Electricity and other utility charges of any type attributable to the Common Elements shall be Common Expenses payable by all Unit Owners as such.

Section 11.9. Interest and Charges. All sums assessed by the Executive Board against any Unit Owner as a regular or special assessment or for electricity or other utility charges of any type shall be subject to late payment charges as determined by the Executive Board and shall bear interest thereon at a floating rate equal to the prime rate of Nittany Bank, or its successor, announced as such from time to time, plus two percent per annum, each change in the rate to be effective on the date announced, all as determined by the Executive Board, from the tenth (10th) day following default-in payment of any installment when due. Any delinquent Owner shall also be obligated to pay (i) all expenses of the Board, including reasonable attorneys' fees, incurred in the collection of the delinquent assessment or utility charges by legal proceedings or otherwise, and (ii) any amounts paid by the Board for taxes or on account of superior liens or

otherwise to protect its lien, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessment and shall be collectible as such, subject to Section 11.2 above.

Section 11.10. Surplus. Any amounts accumulated from assessments for General Common Expenses and income from the operation of the Common Elements to which such General Common Expenses pertain in excess of the amount required for actual General Common Expenses and reserves for future General Common Expenses shall be credited to each Unit Owner in accordance with Percentage Interests, said credits to be applied to the next monthly assessments of General Common Expenses due from said Unit Owners under the current fiscal year's budget, and thereafter, until exhausted.

Section 11.11, Confession of Judgment. IN ORDER TO EXPEDITE THE EXECUTIVE BOARD'S COLLECTION OF ANY DELINQUENT ASSESSMENT, ELECTRIC OR UTILITY CHARGE, EACH UNIT OWNER (BY THE ACCEPTANCE OF THE DEED TO ITS UNIT) SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE EXECUTIVE BOARD MEMBERS THE ATTORNEY-IN-FACT FOR SUCH UNIT OWNER TO CONFESS JUDGMENT AGAINST SUCH UNIT OWNER IN ANY COURT OF COMPETENT JURISDICTION IN PENNSYLVANIA, FOR ANY SUCH UNPAID ASSESSMENT(S) ORELECTRICITY OR OTHER UTILITY CHARGES OF ANY TYPE AND ALL OTHER AMOUNTS RECOVERABLE UNDER SECTION 12.9, WHICH APPOINTMENT (BEING FOR SECURITY) SHALL BE IRREVOCABLE; AND FOR SO DOING A COPY OF THIS ARTICLE 1E, VERIFIED BY AFFIDAVIT, SHALL BE A SUFFICIENT WARRANT. THE AUTHORITY GRANTED HEREIN TO CONFESS JUDGMENT SHALL NOT BE EXHAUSTED BY ANY EXERCISE THEREOF BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL THE DECLARATION SHALL BE TERMINATED.

ARTICLE XII. Rights of Permitted Mortgagees

Section 12.1. Reports and Notices. Upon the specific written request of a holder of a mortgage on a Unit or its services 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. Notice of the decision of the Unit Owners to make any material amendment to this Declaration;
- e. Notice of substantial damage to or destruction of any Unit (the repair of which would cost in excess of \$51,000) or any part of the common Elements (the repair of which would cost in excess of \$10,000);
- f. Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the property;
- g. Notice of any default by the owner of the Unit which is subject to the mortgage, where such default is not cured by the Unit Owner within thirty days after the giving of notice by the Association to the Unit Owner of the existence of the default;
- h. The right to examine the books and records of the Executive Board at any reasonable time; or
- i. Notice of any decision by the Executive Board to terminate professional management and assume self-management of the Property.

The request of a mortgagee or its services shall specify which of the above items it desires to receive and shall indicate the address to which any notice or documents shall be sent

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

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

ARTICLE XIII. Declarant's Rights

Section 13.1. Control.

- a. Until the 60th day after conveyance of twenty-five (25%) percent of units to Unit Owners other than Declarant, Declarant shall have the right to appoint and remove any and-all officers and members of the Executive Board. Declarant may not unilaterally remove any members of the Executive Board elected by Unit Owners other than Declarant.
- b. Not later than sixty days after conveyance of twenty-five (25%) percent of units to Unit Owners other than Declarant, three (3) of the five (5) members of the Executive Board shall be elected by the Unit Owners other than the Declarant.

Not later than the earlier of (i) five years after the date of the recording of this Declaration, or (ii) 60 days after seventy-five (75%) percent of the Units which may be constructed on the Property have been conveyed to Unit Owners other than Declarant, all members of the Executive Board shall resign, and the Unit Owners (including Declarant to the extent of Units owned by Declarant) shall elect a new five member Executive Board, at which time Declarant shall deliver to the Association all property of the Unit Owners held or controlled by Declarant, including, without limitation, a copy of the Recorded Declarations, all amendments thereto, the Association's Articles of Incorporation, if any, together with evidence of their filing with the Department of State, a copy of the Bylaws, a complete set of all Executive, Board Meeting minutes and resolutions, all other books and records of the Association; a complete copy of all rules and regulations adopted to that time, copies of all Association tax returns, and tax exempt elections, copies of all past and current budgets of the Association, resignations of all officers and members of the Executive Board who are required to resign who are required to resign within ninety days after the turnover of control; a complete audit of the finances of the Association for the time period between the last audit and the date of termination of Declarant control, prepared by en independent certified public accountant (the costs of the audit are to be borne equally by the Declarant and the Association), all Association funds or control of such funds; all tangible personal property which is part of the common elements or that is otherwise property of the Association, and inventories of such personal property; a copy of the plans or drawings and specifications, if any, used in the construction, rehabilitation, renovation or remodeling of any buildings and improvements, if and to the extent the work was performed by or on' behalf of the Declarant and was substantially completed during the period commencing three (3) years prior to the date of the first public offering statement and ending on the date by which compliance with §3320 is required; all insurance policies then in force insuring the association; copies of certificates or statements of occupancy, if and to the extent available; any other permits applicable to the property which are than currently in force, all notices of violations of governmental requirements then outstanding and uncured and all reports of investigations for the presence of hazardous conditions; any written warranties with regard to the property then in force from contractors; a roster of unit owners and mortgagees and their respective addresses and telephone numbers, if known; employment contracts in which the association is or is to be a contracting party; and service contracts and other contracts and leases in which the association is or is to be a contracting party or in which the association has directly or indirectly an obligation or a responsibility to pay some or all of the fees or charges.

ARTICLE XIV. Limitation of Liability

Section 14.1. 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, rains, 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 Unit Owner, or Unit Owner's tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Unit Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements or Limited Common Elements, except for the Executive Board members' 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 of or by virtue of their performance of their duties, except for the Executive Board members' own willful misconduct or gross negligence.
- Section 14.2. Indemnification. Each member of the Executive Board, in his or her 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 or she may become involved by reason of his or her being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he or she 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 or her 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 or she 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 or her conduct was unlawful. The indemnification by the Unit Owners set forth in this Section 14.2 shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such 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 14.3. Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the holders of any mortgages on Units and such complaints shall be defended by the Association. The Unit Owners and the holders of mortgages on Units shall have no right to participate in such defense other than through the Association.

Section 14.4. Insurance. The Executive Board shall obtain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth in Section 14.2 above, if and to the extent available.

ARTICLE XV. Insurance and Restoration

Section 15.1. Generally. The Executive Board shall acquire and pay for insurance as required by the Act subject to the following:

- a. Such insurance as the Executive Board deems advisable in the operation, and for its protection, of the Common Elements and the Units.
- b. The amount of property insurance obtained pursuant to the Act shall in no event be less than the aggregate principal amount of all Permitted Mortgages. Such insurance policy(ies) may, at the option of the Board, contain a "deductible" provision in an amount determined by the Board.
- c. Each Unit Owner and the Executive Board hereby waives and releases any and all claims which he or it may have against any other Unit Owner, the Unit Owners' Association, the Executive Board and members thereof, the Declarant and their respective officers, employees and agents, for damage to the Common Elements, the Units, or to any personal property located in the Units or Common Elements, caused by

fire or other casualty or any act or omission of any such party to the extent that such damage is covered by fire or other form of hazard insurance.

- d. If the act or omission of a Unit Owner, or of a guest, occupant, invitee, licensee or visitor of such Unit Owner, shall cause damage to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise a Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Executive Board, to the extent such payment is not waived or released under the provisions of subparagraph "c" above.
- e. Any release or waiver referred in subparagraphs "c" and "d" above shall be valid only if such release or waiver does not affect the right of the insured under the applicable insurance policy to recover thereunder. The Unit Owners and the Executive Board agree that with regard to the insurance carriers, such release or waiver does not affect their rights to recover.
- f. If the Executive Board fails within sixty (60) days of an insured loss to initiate a claim for damages recoverable under the property insurance policy(ies) obtained pursuant to the Act, the holder of any Permitted Mortgage may initiate such a claim on behalf of the Board.
- g. Each Unit Owner, other than the Defendant, shall notify the Board in writing of any additions, alterations or improvements to its Unit and each Unit owner shall be responsible for any deficiency in any insurance less recovery resulting from its failure so to notify the Unit Owners' Association.
- h. Comprehensive public liability and property damage insurance as required by the Act shall be in such limits as the Board shall deem desirable, insuring the Unit Owners' Association, the Board members, the managing agents, if any, and their respective officers, agents and employees, and the Unit Owners from any liability to the public or to the Unit Owners, their guests, occupants, invitees, licensees or visitors relating in any way to the ownership or use of the Property or any part thereof.
- i. The Board may obtain such other forms of insurance as it shall elect, including Board members' and officers' liability insurance and such Worker's Compensation insurance as may be necessary to comply with applicable law.
- j. The Board shall obtain a fidelity bond or bonds to protect against dishonest acts on the part of the Board members, officers, agents, employees, volunteers and all others who handle, or are responsible for handling, funds of the Unit Owners' Association. Such bond or bonds shall name the Unit Owners' Association as an obligee and shall be in such amount as the Board deems appropriate. Such bond or bonds shall

contain a waiver of defense based upon the exclusion of persons who serve without compensation from the definition of "employee".

- k. Except as otherwise provided in this Declaration, premiums for all insurance obtained or maintained by the Board, fees and expenses of the insurance trustee, if any, and the cost of any appraisal which the Board deems advisable in connection with any insurance, shall be Common Expenses.
- 1. The Board shall use its best efforts to secure policies with provisions that they cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual Unit Owners or any officer or employee of the Board or managing agent, if any, without a prior demand in writing that the Board or managing agent, as the case may be, cure the defect and without a reasonable period of time thereafter in which to cure the same.
- m. Insurance coverage on the furnishings and other items of personal property belonging to a Unit Owner and insurance for its personal liability, to the extent not covered by insurance maintained by the Board, shall be the responsibility of each such Unit Owner. This sub-paragraph shall apply to any improvements or fixtures installed by a Unit Owner.
- All physical damage insurance policies purchased by the Executive Board shall be for the benefit of the Unit Owners' Association, the Unit Owners and their Permitted Mortgagees, as their interests may appear, and shall provide that, with respect to any single loss, if the proceeds thereof exceed \$250,000.00, then all such proceeds shall be paid in trust to a reputable lending institution in Centre County with trust powers as may be designated by the Executive Board (which trustee is herein referred to as the "Insurance Trustee"). If such proceeds do not exceed \$250,000.00, then all such proceeds shall be paid to the Executive Board to be applied pursuant to the Act. If proceeds are payable to the Insurance Trustee, the Executive Board shall enter into an Insurance Trust Agreement with the Insurance Trustee which shall provide that the Insurance Trustee shell not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form of contents of the policies, the correctness of any amounts received on account of the proceeds of any insurance policies, or for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in this Declaration and the Act, for the benefit of the insured and their heneficiaries thereunder.
- o. Any and all insurance obtained shall be with an insurance company rated at least A, Class XIV by Best's Insurance Reports.

Section 15.2. Repairs and Reconstruction After Fire or Other Casualty.

a. When Repair and Reconstruction are Required. Except as otherwise provided in subparagraph (d) of this Section 15.2, in the event of damage to or destruction of a building as a result of fire or other casualty, the Executive Board, under the direction of the Insurance Trustee if an Insurance Trustee is required, shall arrange for and supervise the prompt repair and restoration of the Building as required by the Act. Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the redecorating of its own Unit.

b. Procedure for Reconstruction and Repair.

- (1) Cost Estimates. Immediately after a fire or other casualty causing damage to the Building or Buildings, the Executive Board, under the direction of the Insurance Trustee, if any, shall obtain reliable and detailed estimates of the cost of repairing and restoring the Building or Buildings as required by the Act to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Executive Board or Insurance Trustee determines to be necessary.
- (2) Assessments. If the proceeds of insurance are not sufficient to defray such estimated costs of reconstruction and repair, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds and/or shall be deemed a Common Expense and a special assessment therefor shall be levied.
- (3) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the original construction of the property.

c. Disbursement of Construction Funds.

- (1) Construction Fund and Disbursement. The proceeds of insurance collected on account of casualty, and the sums received by the Executive Board or Insurance Trustee from collections of assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner.
 - (a) If the estimated cost of reconstruction and repair is less than \$250,000.00, then the construction fund shall be disbursed in payment of such costs upon order of the Executive Board.
 - (b) If the estimated cost of reconstruction and repair is \$250,000.00

or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in Pennsylvania and employed by the Insurance Trustee to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with the work and stating that: (a) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished; (b) there is no other outstanding and indebtedness known to such architect for the services and materials described; and (c) the cost as estimated by such architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested.

- (2) Surplus. It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be divided among all Unit Owners in proportion to their Common Expense Liabilities and shall be credited or distributed in accordance with the priority of interests at law or in equity in each Unit.
- (3) Common Elements. When the damage is to both Common Elements and Units, the insurance proceeds shall be applied first to the cost of repairing those portions of the Common Elements which enclose and service the Units, then to the costs of repairing the Units.
- (4) Certificate. The Insurance Trustee shall be entitled to rely upon a certificate executed by the President or Vice President, and the Secretary, Certifying: (i) whether the reconstructed and repaired: (ii) the name of the payer and the amount to be paid with respect to disbursement from any construction fund or whether surplus funds to be distributed are less than the assessments paid by the Unit Owners; and (iii) all other of any construction fund. Any such certificate shall be delivered to the Insurance Trustee promptly after request.
- d. When Reconstruction is not required. In the event of insubstantial damage to the Common Elements, and if the Executive Board shall elect not to repair the same, or in the event there is to be no repair or replacement pursuant to Section 3312(g) of the Act, then in either such event any insurance proceeds received on account of such damage shall be expended and/or distributed in accordance with Section 3312 of

the Act. If the Condominium shall be terminated pursuant to Section 3220 of the Act, the provisions of Section 3220 of the Act shall apply.

IN WITNESS WHEREOF, the said parties	have hereunto set their seals the day of
Soplember, 2013.	Loral Malto
	Ronald D. Mattern
	Individually and as General Partner of
	East End Partnership
	at the
	Make Make
	UNION REM Mattern
	Individually and as General Partner
	of East End Partnership
	f Mall-
	Daniel L. Mattern
	Individually and as General Partner of
	East End Partnership
COMMONWEALTH OF PENNSYLVANIA) : SS
COUNTY OF CENTRE)
On this 3 day of Seplewing 2013, before officer, personally appeared Ronald D. Mattern, Al acknowledged themselves to be all of the General Pennsylvania General Partnership, or that as such, foregoing instrument for the purposes therein contapartnership by themselves and as General Partners.	len Rex Mattern, and Daniel L. Mattern, who Partners of East End Partnership, a being authorized to do so, executed the lined by signing the name of the general
IN WITNESS WHEREOF, I have hereunto	set my hand and notarial seal.
My Commission Expires: Nov. 30, 2016	Notary Public
	COMMONWEALTH OF PENNSYLVANIA Notarial Seal Eric Fisher, Notary Public Beliefonte Boro, Centre County My Commission Expires Nov. 30, 2016

LEGAL DESCRIPTION FOR TOTAL AREA OF REAL ESTATE THE GLEN AT PARADISE HILLS WEST CONDOMINIUM EXHIBIT "A"

ALL THAT CERTAIN messuage, tenement and tract of land situated in Benner Township, Centre County, Pennsylvania, bounded and described on the basis of a survey thereof performed by Knapka Surveying, Inc., as follows:

BEGINNING at a northeasterly corner of the land herein described, at an iron pin found in the southwesterly right of way line of the variable-width right of way of Quarry Street; thence along said southwesterly right of way line of said Quarry Street, South 41 degrees 08 minutes 03 seconds East, passing over an iron pin found at 176.71 feet and continuing along said southwesterly right of way line of Quarry Street for a total distance of 276.44 feet to an iron pin found; thence along lands now or formerly of Ronald D. Mattern, et al, in Lot 8 of a subdivision plan prepared by Knapka Surveying, Inc. entitled "FINAL PLAN PARADISE HILLS SUBDIVISION," dated January 1, 2003 and recorded in Centre County Plat Book 71, pages 93-95, by the following four courses: First, South 48 degrees 51 minutes 57 seconds West, 30.00 feet to an iron pin found; Second, South 07 degrees 05 minutes 11 seconds West, 203.35 feet to an iron pin found; Third, South 61 degrees 50 minutes 39 seconds West, 180.53 feet to an iron pin found; and Fourth, South 28 degrees 09 minutes 21 seconds East, 288.34 feet to an iron pin found; thence along lands now or formerly of Ivy Albright, South 60 degrees 06 minutes 32 seconds West, 144.51 feet to an iron pin found in stones, witnessed; thence along lands now or formerly of The Monte A. Confer Living Trust, in Lot 5 of said Centre County Plat Book 71, pages 93-95, North 28 degrees 09 minutes 21 seconds West, passing over an iron pin found at 562.72 feet and continuing along said lands of Lot 5 for a total distance of 832.72 feet to an iron pin found; thence along lands now or formerly of The Monte A. Confer Living Trust, in Lot 4 of said Centre County Plat Book 71, pages 93-95, North 61 degrees 50 minutes 39 seconds East, 254.11 feet to an iron pin found; thence continuing along said lands of Lot 4, South 85 degrees 22 minutes 20 seconds East, 169.98 feet to an iron pin found on curve of the cul-de-sac right of way at the northwesterly terminus of said Quarry Street; thence in a northeasterly direction along said cul-de-sac right of way, by a curve to the left on a radius of 50.00 feet for an arc distance of 13.75 feet to the iron pin at the place of beginning, the chord of which section of curve bears North 86 degrees 44 minutes 48 seconds East, 13.71 feet.

CONTAINING 5.962 acres, and BEING Lot 6R of a lot consolidation plan prepared by Knapka Surveying, Inc. entitled "FINAL LOT CONSOLIDATION PLAN OF LOT 6 & LOT 7 OF PB 71, PG'S 93-95 OF THE PARADISE HILLS SUBDIVISION INTO LOT 6R," dated May 16, 2012 and recorded in Centre County Plat Book 86, page 106; and

COMPRISING that certain tract of land which became vested in East End Partnership, by deed from same, dated September 18, 2012 and recorded in Centre County Record Book 2109, page 914.

EXHIBIT "A"

THE GLEN AT PARADISE HILLS WEST CONDOMINIUM PERCENTAGE INTEREST CALCULATION EXHIBIT "B"

DECLARANT PROPOSES THE TOTAL USABLE LIVING AREA IN The Glen at Paradise Hills West Condominium to be 25,808 square feet calculated as follows:

Unit No.	Square Feet	Percentage
7A	1,613	6.25%
7B	1,613	6.25%
7C	1,613	6,25%
7D	1,613	6.25%
8A	1,613	6.25%
8B	1,613	6.25%
8C	1,613	6,25%
8D	1,613	6.25%
9 A	1,613	6.25%
9B	1,613	6.25%
9C	1,613	6.25%
9D	1,613	6.25%
10A	1,613	6,25%
10B	1,613	6.25%
10 C	1,613	6.25%
10D	1,613	6.25%

EXHIBIT "B"











