

Honors Crossing Customer Docs

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PUBLIC OFFERING STATEMENT FOR

Honors Crossing, a Pennsylvania Sub-Planned Community

The following statements are made in compliance with the Uniform Planned Community Act at 68 Pa. C.S.A § 5101 et seq. as amended, (hereinafter the "Act"), specifically Section 5402 (a)(13):

- A. UNDER PENNSYLVANIA LAW, A PURCHASER OF A UNIT IN A PLANNED COMMUNITY IS AFFORDED A SEVEN (7) DAY PERIOD FROM RECEIPT OF A PUBLIC OFFERING STATEMENT, OR ANY AMENDMENT THERETO THAT MATERIALLY AND ADVERSELY AFFECTS THE RIGHTS OR OBLIGATIONS OF THE PURCHASER, DURING WHICH THE PURCHASER MAY CANCEL AN EXECUTED SALE AGREEMENT WITHOUT PENALTY AND OBTAIN FULL REFUND OF ANY SUMS DEPOSITED IN CONNECTION WITH THE AGREEMENT. IF THE PURCHASER ELECTS TO CANCEL, THE PURCHASER MUST DELIVER NOTICE OF CANCELLATION TO THE DECLARANT BY HAND (IN WHICH CASE EVIDENCE OF RECEIPT SHOULD BE OBTAINED) OR BY UNITED STATES MAIL, RETURN RECEIPT REQUESTED. THIS CANCELLATION IS WITHOUT PENALTY AND ALL PAYMENTS MADE BY THE PURCHASER BEFORE CANCELLATION WILL BE PROMPTLY REFUNDED BY THE DECLARANT.
- B. IF THE DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT (AND ANY AMENDMENTS THERETO) TO A PURCHASER BEFORE CONVEYING A UNIT, THAT PURCHASER MAY RECOVER FROM THE DECLARANT AS PROVIDED IN SECTION 5406 OF THE ACT, IN ADDITION TO ANY OTHER RELIEF, AN AMOUNT EQUAL TO FIVE PERCENT (5%) OF THE SALE PRICE OF THE UNIT UP TO A MAXIMUM OF TWO THOUSAND DOLLARS (\$2,000.00), OR ACTUAL DAMAGES, WHICHEVER IS GREATER; PROVIDED, HOWEVER, THAT A MINOR OMISSION OF ERROR IN THE PUBLIC OFFERING STATEMENT THAT IS NOT WILLFUL SHALL ENTITLE THE PURCHASER TO RECOVER ONLY ACTUAL DAMAGES, IF ANY.
- C. IF A PURCHASER RECEIVES A PUBLIC OFFERING STATEMENT MORE THAN SEVEN (7) DAYS BEFORE SIGNING A SALE AGREEMENT, THE PURCHASER CANNOT CANCEL THE SALE AGREEMENT PURSUANT TO THE FOREGOING PROVISIONS, EXCEPT THAT A PURCHASER SHALL HAVE THE RIGHT TO CANCEL BEFORE CONVEYANCE WITHIN SEVEN (7) DAYS AFTER RECEIPT OF ANY AMENDMENT THAT WOULD HAVE A MATERIAL AND ADVERSE EFFECT ON THE RIGHTS OR OBLIGATIONS OF THAT PURCHASER.

This Public Offering Statement for The Honors Crossing (hereinafter the "Public Offering Statement") dated as of September ____, 2015 (hereinafter the "Effective Date") is given by Pinnacle Development, LLC, Pinnacle Development 2, LLC, and Pinnacle Development 2/ Gregory Limited Liability Company I Joint Venture (hereinafter collectively referred to as "Declarant") in compliance with Section 5402 of the Pennsylvania Uniform Planned Community Act (68 Pa. Cons. Stat. Section 5101 et seq., hereinafter the "Act"). Capitalized terms in this Public Offering Statement, but not specifically defined herein, are intended to have the same meanings as are given to them in the Act, the Declaration and/or the By-Laws. For purposes of this Public Offering Statement, the Declarant states as follows:

1. The name of the Planned Community is Honors Crossing. The Planned Community is located in Patton Township, Centre County, Pennsylvania. The principal address of the Declarant is 2121 Old Gatesburg Road, Suite 200, State College, PA 16803.
2. Honors Crossing is a Sub-Planned Community Development under the Master Planned Development known as The Village at Penn State (hereinafter Master Planned Development). Details of the relationship between the Sub-Planned Community Development and the Master Planned Development are detailed as follows and as per the Declarations, Plats and Plans, and By-Laws of the Master Planned Development known as The Village at Penn State and the Sub-Planned Community Development known as Honors Crossing (hereinafter the "Planned Community"). As with any of the referenced documents, if you have any questions regarding the documents or the relationship between developments, please feel free to contact the provider of this Public Offering Statement with questions or concerns.
3. The Planned Community shall consist of a maximum of twenty (20) residential Units (hereinafter the "Units") being single-family detached residential dwellings Units with accompanying improvements. All Units are intended to be constructed in one (1) phase on 3.985 acres of land.
4. Also included under the Master Planned Development is a Sub-Planned Development known as The Single-Family Homes at The Village at Penn State consisting of seventy-nine (79) Units, each consisting of lots upon which the Declarant will construct a single-family home with accompanying improvements.

Additionally included under the Master Planned Development is a Sub-Planned Condominium Development known as The Homecoming Ridge Condominium, consisting of thirty-two (32) Units in four (4) two-story buildings, as well as the Sub-Planned Condominium Development known as Tradition Cove, which consists of thirteen (13) single family detached Condominium Units. Also under the Master Planned Development is a Sub-Planned Condominium Development known as The Varsity Hollow Condominium, which consists of a total of forty (40) Units, The Homecoming Ridge II Condominium which consists of thirty-eight (38) Units in five (5) buildings, The Mascot Cove I Condominium which consists of a total of forty-

eight (48) Units, and The Collegiate Station Condominium consisting of a total of eight-four (84) Units.

The Declarant reserves the right to create additional Sub-Planned Developments.

5. A homeowners association for the Planned Community has been created and is called The Honors Crossing Homeowners Association, Inc. The Association will manage the Common and Limited Common Elements and Expenses, as well as conduct those activities designated to it in the Declaration, the By-Laws, and the Rules and Regulations.
6. Also, a homeowners association for the Master Planned Development has been created and is called The Village at Penn State Master Association, Inc. and will manage the Common and Limited Common Elements and Expenses for all General Common Units within the entire Master Planned Development, as well as conduct those activities designated to it in the Master Planned Declaration, the Master Planned By-Laws, and the Rules and Regulations.
7. The Common Elements of the Master Planned Development provided to the Planned Community will consist of storm water basins with accompanying storm water drainage facilities, parklands within the development, entrance sign area and median strip, and a community center (hereinafter the Master Association Common Elements).
8. The Common Elements for The Honors Crossing will consist of one Open Space/ Stormwater Management Lot, including storm drainage easements and basin, sanitary and sewer easements, and sidewalks.
9. In addition, Limited Common Elements may be provided in the Planned Community.
10. The Units, and other on-lot improvements, will be constructed before the Unit is conveyed by the Declarant to a Unit purchaser. Construction of the streets and the Common Elements within the Master Planned Development were started in August of 2002. All of the Common Elements of the Planned Community will be substantially completed within seven (7) years after the first Unit of the Planned Community is conveyed. The Declarant contemplates that all of the Units in the Planned Community will be sold over the course of up to seven (7) years. All of the foregoing times are estimates based on the current intentions of the Declarant and are subject to weather conditions, performance of contractors, the availability of materials, market conditions, and other factors.
11. No Units in excess of the twenty (20) planned by the Declarant may be included in the Planned Community and the Declarant does not intend to rent or market any of the blocks to investors.

12. Attached as Exhibits to this Public Offering Statement are copies of the Planned Community Declaration (Exhibit A), the By-Laws of The Honors Crossing Association, Inc., (Exhibit B) and the proposed form of Agreement of Sale pursuant to which Units will be sold to purchasers (Exhibit C). There are no contracts or leases or other agreements of a material nature to the Planned Community that will or may be subject to cancellation by the Association under Section 5305 of the Act, aside from an anticipated Managing Agent contract.
13. The Planned Community Declaration, attached as Exhibit A, includes information required under the Act concerning the Planned Community. The Declaration shall be recorded by the Declarant in the Office of the Recorder of Deeds in and for Centre County before the conveyance by the Declarant of the first Unit in the Planned Community. The significant features of the Planned Community Declaration are as follows:
- A. a description of the Planned Community, its Units, and its Common and Limited Common Elements as well as the Declaration Plat as an Exhibit attachment to the Planned Community Declaration, which shall depict the Planned Community, the Units, and the Common and Limited Common Elements.
 - B. the votes in The Village at Penn State Master Association (the Master Association) and The Honors Crossing Association, Inc. (the Planned Community Association) and the Percentage Interest share of the Common Expenses of the Master Planned Development and the Sub-Planned Community Development allocated to each Unit. Votes in The Honors Crossing Association are allocated one vote per Unit. No cumulative voting (that is, giving a Unit Owner the same number of votes as the positions open in an election with the right to cast all of the votes for a single candidate), or class voting (that is, votes allocated by classes or types of Units) is permitted.
 - C. restrictions imposed by the Declarant against the Units and easements benefiting the Units are described in the Declarations.
 - D. a description of rights reserved by the Declarant.
14. The By-Laws, attached as Exhibit B, explain the manner in which The Honors Crossing Homeowners Association, Inc. functions and contains provisions governing the organization and operation of the Association, and includes sections dealing with meetings of Unit Owners, the qualifications for members of the Association Executive Board (the governing body of the Planned Community Association) and officers of the Planned Community Association, elections and removal of Executive Board members and Planned Community Association officers, powers of the Executive Board, and officers meetings of the Executive Board.

15. The Agreement of Sale, attached as Exhibit C, contains provisions dealing with the procedures to be followed by the Declarant and a Unit purchaser in connection with the sale and purchase of a Unit. The Agreement of Sale provides and identifies, among other things, the amount of the purchase price for a Unit, the manner in which the purchase price for a Unit it to be paid, any financing contingency, other conditions to be satisfied by the Declarant and the purchaser before settlement can be completed, by the date, time, and place of settlement, the procedure for the completion of settlement, any custom selections made by the purchaser, the procedure for pre-settlement inspection, warranties provided to a purchaser with respect to the Unit purchased, and rights and remedies available upon a default by the purchaser or Declarant.
16. Attached to this Public Offering Statement as Exhibit D is a current balance sheet and projected budget of the Master Association and the Planned Community Association containing information required by the Act.
17. Attached to this Public Offering Statement as Exhibit E is a warranty provided by the Declarant against any structural defects that appear within the first two years in the Units, the Limited Common Elements or the Common Elements.
18. Attached to this Public Offering Statement as Exhibit F is The Village at Penn State Master Declaration of Planned Community, and any amendments thereto, which also controls Honors Crossing and contains binding use restrictions, listing of Common and Limited Common Elements as well as provisions for the apportionment of Common and Limited Common Expenses in the Master Planned Community.
19. Attached to this Public Offering Statement as Exhibit G are the By-Laws for the Master Association, which details the manner in which the Master Association shall function and operate, as well as the provisions for the organization and election of Executive Board members, the voting procedures and calling of meetings for the Master Association.
20. The Declarant may now or in the future, provide services which are not currently included in the Budget for the Master Association and for the Planned Community Association, but which may become a Common Expense of the Associations in the future. Except for equipment owned by the Declarant and used for landscaping and maintenance, there is no other personal property provided by the Declarant that will be required by the Planned Community Association for the use or enjoyment of the Common Elements. The Declarant shall notify all Unit Owners, regarding such additional Common Expenses, via written correspondence from the Declarant to the Unit Owners or in the form of regular Planned Community Association or Master Association business held at annual or special meetings of the Associations, at which time such business regarding the additional Common Expenses shall be documented as part of the meeting minutes.

21. There shall be an Initial Capitalization Fee due from the purchaser at settlement to the Association, which fee shall be shown on the current budget given as part of Exhibit "D" herein.
22. Currently, the Master Planned Development and Planned Community are subject to a mortgage lien in favor of M&T Bank in connection with the acquisition by the Declarant of the Real Estate in the Master Planned Development and the Planned Community and for construction of the Common Elements, the streets, the Units and accompanying improvements in the Master Planned Development and the Planned Community. The Declarant will obtain a release of the lien of such mortgage as to any Unit before the Unit is conveyed to a purchaser.
23. The Declarant is providing no financing to Unit purchasers.
24. The Declarant will provide the following warranties in connection with the Master Planned Development and the Planned Community:
 - A. Pursuant to Section 5411 (b) of the Uniform Planned Community Act and Section 5411 (b) of the Uniform Planned Community Act, the Declarant warrants to each of Declarant's bona fide purchasers that the Declarant will correct:
 - I. Any structural defects appearing in the purchaser's Unit(s) within two (2) years from the date the Unit is conveyed to the purchaser; and
 - II. Any structural defects appearing in the Common Elements within the two (2) year period commencing upon the later of the time at which the work on, or improvement to, the Common Element in question was completed or the time at which the first Unit in the Master Planned Development and/or the Planned Community is conveyed to a bona fide purchaser. The term structural defect is defined in the Act as those defects in components constituting any Unit or Common Element which reduce the stability or safety of the structure below accepted standards or restrict the normal intended use of all or part of the structure and which require repair, renovation, restoration or replacement.
 - B. Declarant is not responsible for any items of maintenance relating to Units, Limited Common or Common Elements. With the sole exception of the warranties described in this paragraph, the Declarant is selling the Units, and any personal property in the Unit, "as-is" and "where-is".
 - C. The procedure for making warranty claims and the limitations with respect to such claims are also set forth in the Agreement of Sale. No

claim arising out of any of the warranties set forth in the Agreement of Sale may be brought unless, prior to the expiration of the appropriate warranty period, the purchaser or the appropriate Association have delivered notice to the Declarant of alleged breaches of these warranties.

D. The Declarant will provide to each purchaser at settlement copies of any warranty on any item of equipment or appliance that has been purchased new from the Declarant if such warranty has been provided to the Declarant by manufacturer thereof.

25. As of the effective date of this Public Offering Statement there are no judgments against either the Master Association or the Planned Community Association, nor are the aforementioned Associations a party to any pending litigation. The Declarant has no actual knowledge of any current pending litigation material to the Master Planned Development or the Planned Community.

26. Any deposit made in connection with the purchase of a Unit will be held in an escrow account in accordance with the provisions of Section 5408 of the Act and will be returned to the purchaser if the purchaser cancels his contract within the fifteen (15) day time period provided by the terms of Section 5406 of the Act (as explained more fully on the first page of this Public Offering Statement).

27. The Master Association and the Planned Community Association will maintain a liability insurance policy on behalf of the Master and Planned Community Associations, as well as the Unit Owners to insure against liability arising out of the ownership or use of the Common Elements, complying with the applicable requirements of the Act. This policy will not insure Unit Owners against liability arising from an accident or an injury occurring within their Unit or from Unit Owners own negligence. The Planned Community Association will maintain Property Insurance on behalf of the Association and all Unit Owners covering the project facilities and the Units, but excluding the interior of the Units and personal property within the Units. A Unit Owner is able to maintain their own insurance policy.

28. There are no restrictions on the resale or lease of a Unit by its Owner and no right of first refusal with respect thereto, except as provided for in Article 9 of the Declaration.

29. The Master Planned Development and the Planned Community are subject to:

A. The instruments, easements and restrictions described in Article 1, Section 1.2, Article 7, Article 8 and Article 9 of the Planned Community Declaration, or amendments thereto, and Article 1, Section 1.2, Article V and Article VIII of the Master Planned Development Declaration, or amendments thereto, appended hereto as Exhibit A, including, without limitation, the Development Agreement between the Declarant, S & A Homes, Inc. and Patton Township

and the final approved plans for the Master Planned Development and the Planned Community prepared by Penn Terra Engineering; and

B. Statutory easements granted by the Act. These include:

- i. The easement provided by Section 5216 of the Act, which provides that the Unit or Common Element is subject to a valid easement to the extent that any other Unit or Common Element encroaches upon it;
- ii. The provisions of Section 5217 of the Act, which provide that Declarant may maintain sales offices, management offices and models in portions of the Planned Community; and
- iii. An easement (provided for in Section 5218, or amendments thereto, of the Act) permitting the Declarant to use the Common Elements as may be reasonably necessary in order to facilitate the completion of the Master Planned Development and the Planned Community or the exercise of any Special Declarant Rights.

30. The following governmental approvals and permits have been obtained or will be obtained and are required for the use and occupancy of the Master Planned Development and the Planned Community;

Approvals and Building Permits from Patton Township, which are to be or have been obtained prior to construction, are listed as follows:

Master Plan for The Village at Penn State, Phase Two approved May 7, 2002 by Patton Township and recorded May 30, 2002 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 65 at Page 160.

Final Subdivision Plan of Section 1A of The Village at Penn State (SFH-Tradition Point 1A) approved by Patton Township and recorded Nov. 22, 2002 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 67 at Page 35.

Final Subdivision Plan of Section 1B of The Village at Penn State (SFH-Tradition Point 1B) approved Jan. 28, 2004 by Patton Township and recorded Feb. 5, 2004 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 70 at Page 132.

Final Subdivision Plan of Section 1C of The Village at Penn State (SFH-Tradition Point 1C) dated January 27, 2004 and recorded October 13, 2004 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 72 at Page 38.

Preliminary and Final Subdivision Plan for the Community Center/ Lot Consolidation Plan dated June 30, 2004 and recorded October 14, 2004 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 72 at Page 23.

Record Plan for Tradition Point, Section 1B/ Community Center Land Development Plan dated June 8, 2004, recorded October 18, 2004 in Plat Book 72 at Page 49.

Zoning and Building Permits for Phase 2, Sections 1A, 1B and 1C for the Single-Family Homes at the Village at Penn State, are to be obtained prior to development of the Units.

Preliminary and Final Subdivision Plan of Section Three of The Village at Penn State (Homecoming Ridge Condominium) approved Nov. 5, 2003 by Patton Township and recorded November 25, 2003 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 70 at Page 43.

Preliminary and Final Land Development Plan of Section Two of The Village at Penn State (The Tradition Cove Condominium) dated May 20, 2004 and recorded October 13, 2004 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 72 at Page 42.

Preliminary and Final Land Development Plan of Section Two of The Village at Penn State (The Tradition Cove Condominium, Phase II) dated September 28, 2004 and recorded March 2, 2005 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 73 at Page 18.

Minor Replot and Revision Plan for Lots 169-171 in Section 1C of Tradition Point, dated January 4, 2005 and recorded March 2, 2005 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 73 at Page 17.

Preliminary and Final Subdivision Plan and Replot and Final Subdivision Plan for Phase Two, Section Three of The Village at Penn State (The Homecoming Ridge II Condominium) recorded November 18, 2005 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 75 at Page 92.

Land Development Plan of Section Three of The Village at Penn State (The Homecoming Ridge I Condominium) recorded November 18, 2005 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 75 at Page 93.

Preliminary and Final Subdivision Plan of Section Five of The Village at Penn State (Varsity Hollow) recorded April 11, 2005 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 73 at Page 67.

Final Subdivision Plan of Phase Two, Section Four of The Village at Penn State (Mascot Cove I) recorded October 24, 2007 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 79 at Page 198.

Preliminary and Final Land Development Plan of Phase Two, Section Four of The Village at Penn State (Mascot Cove I) recorded October 24, 2007 in the Office of the Recorder of Deeds in and for Centre County in Plat Book 79 at Page 199, as revised by Plan recorded May 6, 2008 in Plat Book 80 at Page 147.

Preliminary/ Final Subdivision Plan for Phases 6, 7, & 8 for The Village at Penn State prepared by PennTerra Engineering, Inc. dated January 2, 2008 and recorded July 9, 2008 in Plat Book 81 at Page 35.

Preliminary/ Final Land Development Plan for Phase 8 for The Village at Penn State (Ivy Ridge) prepared by PennTerra Engineering, Inc. dated March 4, 2008 and recorded July 25, 2008 in Plat Book 81 at Page 50.

Preliminary/Final Land Development Plan for Phase 6 for The Village at Penn State (Mascot Cove I, Phase 2) prepared by PennTerra Engineering, Inc. dated March 4, 2008 and recorded July 25, 2008 in Plat Book 81 at Page 48.

Preliminary/Final Land Development Plan for Phase 7 for The Village at Penn State (Collegiate Station and Ivy Ridge) prepared by PennTerra Engineering, Inc. dated March 4, 2008 and recorded July 25, 2008 in Plat Book 81 at Page 49.

Master Plan Amendment for The Village at Penn State prepared by PennTerra Engineering, Inc. dated October 1, 2007 and recorded July 9, 2008 in Plat Book 81 at Page 37.

Preliminary/ Final Subdivision Plans for Phase 12 for The Village at Penn State (Honors Crossing) prepared by PennTerra Engineering, Inc. dated June 3, 2014 and recorded December 16, 2014 in Plat Book 89 at Page 37.

Zoning and Building Permits for The Honors Crossing are to be obtained prior to development of the Units.

All permits and approvals required for the use and occupancy of the Units in the Planned Community will be obtained by, and at the expense of, Declarant prior to conveyance of a Unit.

31. The Declarant has no knowledge of any outstanding and uncured notices of violation of governmental requirements.
32. Section 5402(a)(26) of the Act requires the Declarant to provide you with the addresses and telephone numbers set forth below of the Pennsylvania Department of Environmental Resources and the United States Environmental Protection Agency where you may obtain information about the environmental conditions of the Property.

Pennsylvania Department of Environmental Resources
North Central Regional Office
208 West Third Street, Suite 101
Williamsport, PA 17701-6448
(570) 327-3636

United States Environmental Protection Agency
Region III
1650 Arch Street (3PM52), Philadelphia PA 19103
(215) 814-2900, (215) 814-5000 or 1-800-438-2474

The Declarant did not cause an investigation to be performed to confirm the absence of hazardous conditions. The Declarant has no knowledge of any hazardous condition, whether contamination or otherwise, which presently exist at the Master Planned Development or the Planned Community.

33. Water is to be provided to each Unit by State College Borough Water Authority, sewer service by University Area Joint Authority, natural gas by Columbia Gas of Pennsylvania, electricity by Allegheny Power Company, telephone by Verizon, cable by Comcast, storm sewers by Patton Township, and trash service by Veolia Environmental Systems.
34. There are no additional fees or charges presently expected for the use of the Common Elements or the Common Facilities within the Master Planned Development or the Planned Community. As a member of The Honors Crossing Homeowners Association and the Master Association, you will receive as part of your Assessment, charges for costs attributable to maintenance of the Common and Limited Common Elements, which include the recreation improvements and repairs and maintenance to open space, private roads, and storm water management systems, in addition to any other items as are noted on the budgets, attached hereto as Exhibit D.

35. This Public Offering Statement is subject to change without notice in order to reflect any material changes in the information set forth herein or as otherwise required by the Act. The Declarant will mail copies of all such amendments to any persons who are parties to valid and binding Sale Agreements respecting any Unit or Units.

36. ANY INFORMATION OF DATE REGARDING THE MASTER PLANNED DEVELOPMENT AND THE PLANNED COMMUNITY NOT INCLUDED IN THIS PUBLIC OFFERING STATEMENT MUST NOT BE RELIED UPON. NO PERSON HAS BEEN AUTHORIZED BY THE DECLARANT TO MAKE ANY STATEMENT, REPRESENTATION OR WARRANTY NOT EXPRESSLY CONTAINED HEREIN. THIS PUBLIC OFFERING STATEMENT MAY NOT BE CHANGED OR MODIFIED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY THE DECLARANT.

37. List of Exhibits to Public Offering Statement:

Exhibit "A" - The Honors Crossing Declaration

Exhibit "B" - The Honors Crossing Homeowners Association, Inc. By-Laws

Exhibit "C" - Agreement of Sale Form

Exhibit "D" - Balance Sheet and Budget of the Master Association and The Honors Crossing Homeowners Association, Inc.

Exhibit "E" - Warranty

Exhibit "F" - The Village at Penn State Master Declaration (with amendments)

Exhibit "G" - The Village at Penn State Master Association Bylaws

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Apple Leaf Abstracting & Sett Co
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R 02173-0879 Dec 22, 2015
PTINACLE DEVELOPMENT LLC
HONORS CROSSING

12-22-2015
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DEC 34 pgs
RECORDED BY DEEDS

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DECLARATION FOR THE PLANNED COMMUNITY
OF
HONORS CROSSING,
A SUB-PLANNED PENNSYLVANIA PLANNED
COMMUNITY DEVELOPMENT

PURSUANT TO THE PROVISIONS OF THE PENNSYLVANIA UNIFORM PLANNED
COMMUNITY ACT, 68 Pa. C.S. Section 5101 et seq.

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DECLARATION FOR HONORS CROSSING
A PENNSYLVANIA PLANNED COMMUNITY

ARTICLE I
SUBMISSION; DEFINED TERMS

Section 1.1 Declarant; Property; County; Name.

Pinnacle Development, LLC, Pinnacle Development 2, LLC, legal owners, and Pinnacle Development 2/ Gregory Limited Liability Company I Joint Venture, equitable owner (hereinafter "Declarant"), owner in fee simple of the Real Estate located in Patton Township, Centre County, PA, a legal perimeter description of which is designated as Exhibit "A" attached hereto, hereby submits the Real Estate described in Exhibit "A" including all easements, rights, and appurtenances thereunto belonging and the buildings and improvements executed or to be erected thereon (collectively, the "Property") to the provisions of the Pennsylvania Uniform Planned Community Act, 68 Pa. C.S. Section 5101 et seq. (the "Act") and hereby creates with respect to the Property a Planned Community, to be known as Honors Crossing, a Pennsylvania Planned Community.

The Property identified herein in Exhibit "A" shall be held as a Sub-Planned Development pursuant to the terms of this Declaration and the Master Declaration identified in Section 1.3, known as The Village at Penn State Master Planned Unit Development.

Section 1.2 Easements and Licenses.

- 1.2.1 Right-of-way to the Bell Telephone Company as recorded July 8, 1939 in Miscellaneous Book 30, Page 240.
- 1.2.2 Right-of-way to the Bell Telephone Company as recorded February 1, 1967 in Miscellaneous Book 98, Page 43.
- 1.2.3 Right-of-way to the Bell Telephone Company as recorded April 17, 1969 in Miscellaneous Book 105, Page 653.
- 1.2.4 Declaration of Protective Covenants to run for 35 years as recorded May 2, 1969 in Miscellaneous Book 105, Page 987.
- 1.2.5 Right-of-way to the Bell telephone Company as recorded June 9, 1972 in Miscellaneous Book 117, Page 410.
- 1.2.6 Deed of Dedication to Toftrees Homeowners Association, Inc. as recorded August 19, 1970 in Deed Book 318, Page 454.
- 1.2.7 Deed of Dedication to Toftrees Homeowners Associations, Inc. as recorded May 21, 1975 in Deed Book 353, Page 263.
- 1.2.8 Deed of Dedication to Township of Patton as recorded January 27, 1972 in Deed Book 328, Page 509.
- 1.2.9 Clean & Green Applications as recorded January 13, 1995 in Clean and Green Book 6, Page 289.
- 1.2.10 Easements, covenants, conditions and set-back lines shown on Land Disposition and Subdivision Map of a Portion of Lands of Federated

Home and Mortgage Co., Inc. as recorded October 4, 1985 in Plat Book 34, Page 116.

- 1.2.11 Portion of a right-of-way from the extension of Toftrees Avenue as recorded in Deed Book 674, Page 128.
- 1.2.12 Twenty Foot (20') wide sanitary sewer easement as recorded in Deed Book 674, Page 128.
- 1.2.13 Fifteen Foot (15') wide right-of-way for ingress and egress to Bruce and Susan Heim as described in Deed Book 396, Page 196 and Deed Book 674, Page 128.
- 1.2.14 Fifteen Foot (15') wide water line easement as described in Deed Book 275, Page 114 and Deed Book 275, Page 114 and Deed Book 274, Page 128.
- 1.2.15 Affidavit of Edward M. Mittleman, former Trustee of the Sieglund Irrevocable Trust Agreement dated November 11, 1992 recorded in Miscellaneous Book 186, Page 1030.
- 1.2.16 Affidavit of Robert N. Levy appointing Judith O. Sieg, as Co-trustee under the Sieglund Irrevocable Trust under Trust Agreement dated November 11, 1992 in Miscellaneous Book 188, Page 303.
- 1.2.17 UNDER AND SUBJECT to that portion of a right-of-way for the extension of Toftrees Avenue as more fully shown on the above-mentioned Land Disposition Map.
- 1.2.18 Right of way to Verizon Pennsylvania & Allegheny Power as recorded 1/30/03 in Record Book 1471 at Page 263.
- 1.2.19 Right of way to Verizon Pennsylvania as recorded 1/30/03 in Record Book 1471 at Page 265.
- 1.2.20 Right of way to Verizon Pennsylvania as recorded 1/30/03 in Record Book 1471 at Page 267.
- 1.2.21 Columbia Gas right of way as recorded 3/4/05 in Record Book 1797 at Page 62.
- 1.2.22 Right of way to West Penn Power Company, d/b/a Allegheny Power, as recorded 2/10/03 in Record Book 1475 at Page 349.
- 1.2.23 Subject to matters contained in Plot Plan filed 8/24/09 in Plat Book 82 at Page 88.
- 1.2.24 Declaration of Planned Community of the Village of Penn State as recorded 9/9/03 in Record Book 1596 at Page 441, as amended in Record Book 1742 at Page 582, Record Book 1742 at Page 599, Record Book 1757 at Page 668, Record Book 1935 at Page 525, Record Book 2010 at Page 907, Record Book 2027 at Page 154, Record Book 2057 at Page 133, as well as the Bylaws for The Village at Penn State Master Association.

- 1.2.25 Preliminary/Final Subdivision Plan for Phase 6, 7, & 8 for The Village at Penn State prepared by PennTerra Engineering, Inc., dated January 2, 2008 and recorded July 9, 2008 in Plat Book 81 at Page 35.
- 1.2.26 Preliminary/Final Land Development Plan for Phase 7 (Lots 701 through Lots 704) for the Village at Penn State prepared by PennTerra Engineering, Inc. dated March 4, 2008 and recorded July 25, 2008 in Plat Book 81 at Page 49.
- 1.2.27 Covenants, conditions, set back lines, easements and restrictions in a final Subdivision Plan recorded December 16, 2014 in the Office of the Recorder of Deeds in and for Centre County, Pennsylvania in Plan Book 89 at Page 37.
- 1.2.28 Easements and rights-of-way created by this Declaration, and the By-Laws of The Honors Crossing Homeowners Association, Inc.
- 1.2.29 Any restrictions on use, occupancy and alienations contained within the Master-Planned Unit Development Declaration known as The Village at Penn State as well as this Declaration.
- 1.2.30 Any restrictions on use, occupancy and alienations contained within the By-Laws of the Master Planned Unit Development known as the Village at Penn State.

Section 1.3 Relationship with Master Planned Unit Development. This Planned Community Declaration is intended to be a Sub-Planned Development under the Master Planned Unit Development known as The Village at Penn State (hereinafter "Master Association") pursuant to the Declaration of Planned Community of the Village at Penn State as recorded in the Office of the Recorder of Deeds in and for Centre County, Pennsylvania in Record Book 1596, Page 441, as amended, hereinafter incorporated by reference.

As contained in the Master Planned Unit Development Declaration of The Village at Penn State, the Declarant will create Sub Planned Unit Developments and Condominiums, such as Honors Crossing, as the overall development progresses. It is the intent of the Developer that all Common Elements and Common Facilities as defined in the Master Declaration are to be used by all the Units of this Sub-Planned Community Development and Master Planned Unit Development and shall be administered by the terms and conditions of the Master Planned Unit Development Declaration and the By-Laws created pursuant thereto. Further, the individual Sub Planned Unit Developments, such as Honors Crossing, will further have a homeowners association to possess, control, maintain and assess the cost of the Common Area and Limited Common Area expenses within their respective Sub-Planned Developments.

Section 1.4 Maximum Number of Units.

The maximum number of Units created by the Subdivision owned by the Declarant, which Subdivision Plan is recorded in the Office of the Recorder of Deeds in and for Centre County, Pennsylvania shall be twenty (20) total residential Units and one (1) Open Space Units on 6.737 acres of land. All Units are expected to be completed in one (1) phase.

Section 1.5 Defined Terms.

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

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

- A. "Allocated Interests" means the Common Expense Liability and votes in the Association allocated to each Unit.
- B. "Association" means the Unit Owners Association of the Planned Community and shall be known as The Honors Crossing Homeowners Association, Inc., a Sub-Planned Pennsylvania Planned Community, and the Association as defined in the Master Planned Unit Development Declaration, known as The Village at Penn State hereinafter designated as the "Master Association."
- C. "Building(s)" means any structures depicted on the Plats and Plans of this Declaration and any structures depicted in the Plats and Plans of the Master Planned Unit Development Declaration.
- D. "Common Elements" means each portion of the Planned Community other than conveyed with a Unit. It also means the same as defined in the Master Planned Unit Development Declaration.
- E. "Common Expense Liability" means the same as defined in the Master Planned Unit Development Declaration which shall control and be defined by the Executive Board of the Master Association whose interpretations shall be final and binding.
- F. "Common Expenses" means the expenses or financial liabilities for the operation of the Common Elements and the Association. These include:
 - (i) Expenses of administration, maintenance, repair or replacement of the Common Elements;
 - (ii) Expenses declared to be Common Expenses by the Planned Community Documents or the Act;
 - (iii) Expenses agreed upon as Common Expenses by the Association;
 - (iv) Such reasonable reserves, as may be established by the Association, whether held in trust or by the Association for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.
 - (v) Expenses as defined in the Master Planned Unit Development Declaration.
- G. "Common Facilities" means the same as defined in the Master Planned Unit Development Declaration which shall control and be defined by the Executive Board of the Master Association whose interpretation shall be final and binding.
- H. "Controlled Facilities" means the same as defined in the Master Planned Unit Development Declaration which shall control and be defined by the Executive Board of the Master Association whose interpretation shall be final and binding.
- I. "Declarant" means the Declarant described in Section 1.1 above and all successors to any Special Declarant Rights and as further defined under the Act. It also means the same as defined in the Master Planned Unit Development Declaration.

- J. "Declarant Control Period" means the time period commencing on the date of recordation of this Declaration and ending on the earlier of:
- (i) Seven (7) years after the date of the first conveyance of a Unit to a Unit Owner other than the Declarant; or
 - (ii) One hundred eighty (180) days after the conveyance of seventy-five percent (75%) of the Units to Unit Owners other than the Declarant.
- K. "Declaration" means this document, as the same may be amended from time to time. It also means the same as defined in the Master Planned Unit Development Declaration.
- L. "Eligible Mortgage" means a first mortgage to
- i. the Declarant;
 - ii. the Seller of a Unit;
 - iii. a bank, trust company, savings bank, savings and loan association, mortgage service company, insurance company, credit union, pension fund, real estate investment fund or like institutional investor or lender; and
 - iv. any other mortgage approved by the Executive Board, or a junior mortgage which is approved by the Executive Board.
- A holder, insurer or governmental guarantor of an Eligible Mortgage is referred to herein as an "Eligible Mortgagee"
- M. "Executive Board" means the Executive Board of the Association. It also means the same as defined in the Master Planned Unit Development Declaration.
- N. "Identifying Number" means a symbol that identifies only one Unit in a Planned Community. It also means the same as defined in the Master Planned Unit Development Declaration.
- O. "Limited Common Elements" means the portion of the Planned Community designated herein as shown on the Plats and Plans. The portions of the Common Elements allocated for the exclusive use of one or more but fewer than all of the Units by the Declaration or the Act. It also means the same as defined in the Master Planned Unit Development Declaration.
- P. "Limited Common Expenses" means the Common Expenses incurred for maintenance, repair and/or replacement of certain Limited Common Elements which are to be assessed against all the Unit Owners of the Association pursuant to their Percentage Interest as set forth in Exhibit "B". It also means the same as defined in the Master Planned Unit Development Declaration.
- Q. "Limited Common Facility" means the same as defined in the Master Planned Unit Development Declaration which shall control and be defined by the Executive Board of the Master Association whose interpretation shall be final and binding.
- R. "Limited Controlled Facility" means the same as defined in the Master Planned Unit Development Declaration which shall control and be defined by the Executive Board of the Master Association whose interpretation shall be final and binding.
- S. "Majority or Majority of Unit Owners" mean the owners of more than fifty percent (50%) of the votes in the Association.

- T. "Percentage Interest" means the allocation of a fraction or percentage of undivided ownership interest in the Common Elements and in the Common Expenses of the Association appurtenant to each Unit as set forth in Exhibit "B" attached hereto.
- U. "Planned Community" means the same as defined in the Master Planned Unit Development Declaration which shall control and be defined by the Executive Board of the Master Association whose interpretation shall be final and binding.
- V. "Plats and Plans" means the Declaration Plat attached hereto as Exhibit "C" and made a part hereof. It also means the same as defined in the Master Planned Unit Development Declaration.
- W. "Property" means the land and all improvements, easements, rights and appurtenances which have been submitted to the provisions of the Act by this Declaration.
- X. "Public Offering Statement" means the current document prepared pursuant to Section 5402 of the Act as it may be amended from time to time and provided to purchasers prior to the time of execution of a binding purchase agreement.
- Y. "Purchaser" means the same as defined in the Master Planned Unit Development Declaration, which shall control and be defined by the Executive Board of the Master Association whose interpretation shall be final and binding.
- Z. "Real Estate" means the same as defined in the Master Planned Unit Development Declaration which shall control and be defined by the Executive Board of the Master Association whose interpretation shall be final and binding.
- AA. "Reserved Common Elements" means portions of the Common Elements of the Planned Community which the Executive Board may designate as such from time to time.
- BB. "Special Declarant Rights" means Special Declarant Rights as defined in Section 5103 of the Act and such additional rights reserved for the benefit of the Declarant as set forth in the "Planned Community Documents".
- CC. "Sub Planned Unit Development" or "Sub Planned Development" means the same as defined in the Master Planned Unit Development Declaration, which shall control and be defined by the Executive Board of the Master Association whose interpretation shall be final and binding.
- DD. "Unit" means a Unit as described herein and in the Plats and Plans.
- EE. "Unit Owner" means the same as defined in the Master Planned Unit Development Declaration which shall control and be defined by the Executive Board of the Master Association whose interpretation shall be final and binding.

ARTICLE II

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

Section 2.1 Percentage Interests, Votes and Common Expense Liabilities.

- 2.1.1 Attached as Exhibit "B" hereto is a list of all Units by their Identifying Numbers and the Percentage Interest appurtenant to each Unit. The Percentage Interest appurtenant to each Unit is a fraction, the numerator of which is the particular Unit and the denominator of which is the total number of Units in the Planned Community.
- 2.1.2 The share of Common Expense Liability appurtenant to each Unit shall be in proportion to its Percentage Interest.
- 2.1.3 Each Unit Owner shall have one vote in the Association per Unit Owned.

Section 2.2 Allocation of Percentage of Common Expenses owed to the Master Planned Unit Development.

The Percentage Interest used to determine the Common Expense Liabilities of any Sub Planned Unit Development to the Master Planned Unit Development shall be determined by creating a fraction, the numerator of which is all units of any one particular Sub Planned Unit Development and the denominator of which is the total of Units within all the Sub Planned Unit Developments.

Section 2.3 Unit Boundaries.

- 2.3.1 The title lines or boundaries of each Unit are situated as shown on the Plats and Plans attached hereto as Exhibit "C".
- 2.3.2 Each Unit in the Planned Community is a single subdivided lot as depicted in the Plats and Plans herein attached as Exhibit "C". The Plats and Plans also indicate each Unit's Identifying Number.

ARTICLE III

ALLOCATION AND RESTRICTION OF COMMON ELEMENTS, CONTROLLED FACILITIES, LIMITED COMMON ELEMENTS, AND LIMITED CONTROLLED FACILITIES

Section 3.1 Common Elements.

Declarant has indicated on the Plats and Plans the areas of Real Estate that are to be used as Common Facilities. Upon completion of the Common Facilities by Declarant the same, if not contained in a Unit to be sold to a purchaser, will be conveyed in its entirety to the Association by the Declarant or a successor to the interest of the Declarant by the later of the date of conveyance of the last Unit that the Declarant reserves the right to include in the Planned Community. Any easements on property to be conveyed to a third-party purchaser shall be reserved in the deed conveyance. Without limiting the generality of Section 1.5.2 (D) hereof, the following portions of the Property are hereby designated as Common Elements:

- 3.1.1 Open Space A.
- 3.1.2 Sidewalks within the Planned Community not dedicated to the township.
- 3.1.3 All Storm Drainage easements depicted on the Plats and Plans attached hereto as Exhibit "C."
- 3.1.4 All Sanitary and Sewer easements as depicted on the Plats and Plans attached hereto as Exhibit "C."

3.1.5 Any other areas shown and identified as such on the Plats and Plans attached hereto as Exhibit "C" and any amendment subsequently created.

3.1.6 Notice is made that the Stormwater Detention Basin (Open Space B) shall be maintained as Common Element of the Master Association for The Village at Penn State.

Section 3.2 Binding Obligation.

The obligation of the Declarant to convey or lease to the Association the Common Facilities shall be binding on the Declarant and any successor in interest of the Declarant, whether or not the successor succeeds to any Special Declarant Rights. The conveyance of the Common Facilities will be for no consideration other than the Association's acceptance of the conveyance.

Section 3.3 Storms Drains and Storm Water Management Basins.

Declarant, in the course of developing the Planned Community, will be installing storm drains as shown on the Plats and Plans. The same shall become a Common Facility and shall be maintained by the Association as easements, pursuant to the terms set forth in Section 3.4 herein.

Section 3.4 Limited Common Elements.

Those portions of the Common Elements serving only one or more, but fewer than all Units within the Planned Community, are Limited Common Elements allocated only to the Unit or Units which they serve. Without limiting the generality of Section 1.5.2(O) hereof, the following portions of the Property are hereby designated as Limited Common Elements:

3.4.1 Any other areas shown and identified as such on the Plats and Plans herein and any amendment subsequently created.

Section 3.5 Controlled Facilities.

Those portions of the Real Estate, whether or not a part of a Unit, which are not a Common Facility and which are regulated, managed and controlled by the Association. Without limiting the generality of Section 1.5.2(H) hereof, the following portions of the Property are designated as Controlled Facilities:

3.5.1 Any other areas shown and identified as such on the Plats and Plans herein and any amendment subsequently created.

Section 3.6 Limited Controlled Facilities.

Those portions of Controlled Facilities, other than the Controlled Facilities which are themselves part of a Unit allocated by or pursuant to the Declaration for the exclusive use of one or more, but fewer than all of the Units. Without limiting the generality of Section 1.5.2(R), the following portions of the Property are designated as Limited Controlled Facilities:

3.6.1 Any areas shown and identified as such on the Plats and Plans herein and any amendment subsequently created.

Section 3.8 Use of and Maintenance of Sidewalks.

All Unit Owners, their families, guests and invitees shall have a non-exclusive easement for pedestrian uses over and upon all sidewalks even if those sidewalks are designated as Limited Common Elements appurtenant to one or more Units.

Unless otherwise provided herein, each Unit Owner shall be responsible for the maintenance, repair, snow removal and cleaning of that portion of the sidewalks along the public road that abuts their Unit. The Association shall be responsible for the maintenance, repair, snow removal and cleaning of that portion of the sidewalks along the public road that abuts a Common Element. Facility.

Section 3.9 Changes by Executive Board.

Subject to any limitation herein, the Executive Board may make any additions, alterations or improvements to the Common Elements which it, in its judgment, deems necessary.

ARTICLE IV
MAINTENANCE, REPAIR AND REPLACEMENT RESPONSIBILITIES

Section 4.1 Maintenance Responsibilities.

The Units, including all improvements constructed thereon, shall be maintained and repaired by each Unit Owner, and the Common Elements as defined in this Declaration shall be maintained and repaired by the Association in accordance with the provisions of Section 5307 of the Act, except as expressly set forth to the contrary in this Declaration or the By-Laws.

Section 4.2 Association Maintains Common Elements and Limited Common Elements

4.2.1 The Association shall maintain, repair, and replace all of the Common Elements and Limited Controlled Elements, as defined in this Declaration (except the portions of the Limited Common Elements which are required by this Declaration or By-Laws to be maintained, repaired, or replaced by the Unit Owner) so that the same are in good order and repair and in an attractive condition consistent with a residential community, and in connection therewith, the Association shall continually keep and maintain, or cause to be continually kept and maintained, all improvements to the Common Elements and Limited Controlled Elements in a safe, sightly, and serviceable condition which repair and maintenance shall include replacement, cleaning, lighting, painting, landscaping, removing obstructions, snow, water, and ice from private streets, re-paving and surfacing the curbs, walks, utilities, and drainage facilities, directional signs and lighting facilities as necessary from time to time. Maintenance of the Common Elements by the Association includes the payment of all utility charges applicable to the Common Elements and if necessary, the Limited Common Elements.

4.2.2 Notwithstanding the above, each Unit Owner will be responsible for mowing and general yard maintenance for any easement areas that cross their Units.

4.2.3 The Master Planned Unit Development Association shall be responsible for those items as set forth in Article IV of the Master Planned Unit

Development Declaration, including the adjacent Open Space Stormwater Management Basin.

Section 4.3 Units and Limited Common Elements.

Each Unit Owner shall maintain, repair, and replace, at his own expense, all portions of his Unit and the Limited Common Elements appurtenant thereto in safe, clean condition, except the portions which are required by this Declaration or By-Laws to be maintained, repaired, or replaced by the Association.

Section 4.4 Action by Executive Board to Remedy Unsatisfactory Conditions.

Any person authorized by the Executive Board shall have the reasonable right of access to all portions of the Property, including a Unit, for the purpose of correcting any condition threatening any other Unit or the Common Elements, and for the purpose of performing installations, alterations, or repairs; for the purpose of reading, repairing, replacing utility meters and related pipes, valves, wires, and equipment; and for other proper purposes provided that all requests for entry are made in advance and that any such entry is at a time reasonably convenient to the affected Unit Owner. In case of any emergency, reasonable attempts to notify a Unit Owner shall be made, however, such right of entry shall be immediate, whether or not the Unit Owner is present at the time. If damage is inflicted on the Common Elements, Controlled Facilities, or Limited Controlled Facilities, or on any Unit through which access is taken, the Unit Owner is responsible for the damage or the Association, if it is responsible, is liable for the prompt repair of the damage.

ARTICLE V
EASEMENTS

Section 5.1 Additional Easements.

In addition to and in supplementation of the easements provided for by Section 5216 (easement for encroachment), Section 5217 (Declarant offices, models, and signs) and Section 5218 (easement to facilitate completion, conversion, and expansion) of the Act, the following are hereby created:

5.1.1 Common Elements. Declarant reserves the right to place one or more models, management offices, and sales offices on any portion of the Common Elements 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. Declarant shall have the right to remove any such models, management offices, and/or sales offices from the Common Elements at any time up to thirty (30) days after Declarant ceases to be a Unit Owner. Upon the relocation of a model or office constituting a Common Element, Declarant may remove all personal property and fixtures therefrom. Any further fixtures not so removed shall be deemed Common Elements, and any personal property not so removed shall be deemed the property of the Association.

5.1.2 Signs. Subject to any limitation in the Declaration, Declarant may maintain signs in the Declarant's Units or on the Common Elements advertising Units in the Planned Community owned by the Declarant for sale or lease.

- 5.1.3 Units. Declarant shall have the right to locate, relocate, and maintain offices and models used only in connection with management of or sale or rental of Units owned by the Declarant in the Planned Community, in the Declarant's Unit or Units in the Planned Community notwithstanding the fact that the Declaration would otherwise preclude use of the Units for such purposes, but subject to all other provisions in the Declaration, including without limitation, modification, or elimination of the Declarant's rights under this subsection by specific reference thereto.
- 5.1.4 Utility Easements. The Units and Common Elements, which includes Common Facilities and/or Controlled Facilities, 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 lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 5.1.4 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 wire, conduits, and equipment, and ducts and vents over, under, through, along, and on the Units and Common Elements and/or Limited Common Elements. Notwithstanding the foregoing provisions of this Section 5.1.4, 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 of similar facilities existed at the time of first conveyance of the Unit by the Declarant, or so as not to materially interfere with the use or occupancy of the Unit by its occupant.
- 5.1.5 Reciprocal Non-Exclusive Easement for Use of Utility Systems. Subject to compliance with applicable laws and regulations, and subject to obtaining the prior written consent of the Executive Board, which consent will not be unreasonably withheld, delayed, or conditioned, the Common Elements (including but not limited to the Limited Common Elements) shall be and are hereby made subject to a permanent, mutual, reciprocal, non-exclusive easement and right to tie into (and maintain and repair such tie in) and use the sanitary and storm sewers, water lines, and other utilities as may be constructed on the Common Elements and/or the Limited Common Elements for the mutual and reciprocal benefit of the Units, provided that such use shall not overburden such utilities or unreasonably interfere with the use thereof by the owners and occupants of other Units. The Association shall have the right to dedicate any utilities to a public utility or other proper entity.
- 5.1.6 Declarant's Easement to Correct Drainage. Declarant reserves an easement on, over, and under those portions of the Common Elements and/or Limited Common Elements not located within a Building for the purpose of maintaining and correcting drainage of surface water in order to maintain reasonable standards of health, safety, and appearance. The easement created by this Section 5.1.6 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 Declarant shall restore the affected property as closely to its original condition as practicable.

- 5.1.7 Easement for Construction and Maintenance of Building. In connection with work performed within Unit title lines, incidental encroachments upon the Common Elements and/or Limited Common Elements as a result of the use of ladders, scaffolding, barricades, and similar facilities resulting in temporary obstruction of portions of the Common Elements and/or Limited Common Elements shall be permitted as long as the encroachments caused by such construction, maintenance, or repair work are reasonable and work is being diligently pursued. The Common Elements and/or Limited Common Elements may be utilized for ingress and egress of vehicles transporting construction materials, equipment, and personnel and for temporary storage of materials and vehicles being used in connection with the construction, repair, maintenance, and rebuilding of Buildings and related improvements, subject to all of the other terms of this Declaration.
- 5.1.8 Easement for Use of Recreational Area. Each Unit Owner is hereby granted non-exclusive perpetual right and easement access to and enjoyment in common with others of the amenities and recreational facilities.
- 5.1.9 Easements of the Master Planned Unit Development. In addition to those easements that are set forth herein as they pertain to the Planned Community, this sub-Planned Community created in this Declaration is subject to the following provisions of the Master Declaration:

Article III, Section 9
Article III, Section 10
All of Article V

ARTICLE VI COMPLETION OF COMMON FACILITIES

Section 6.1 Time for Completion.

Improvements to Common Facilities will be completed at the discretion of the Declarant, but in no event will the Common Facilities be completed later than the day of conveyance or lease, by Declarant of the last Unit, which the Declarant reserves the right to include in the Planned Community or the date of the expiration of the rights under Section 5211 of the Act.

Section 6.2 Responsibility for Common Facilities Until Completed.

Until the Common Facilities are completed, the Declarant shall be solely responsible for real estate taxes assessed against or allocable to the Common Facilities and for all other expenses in connection with the construction of the Common Facilities.

Section 6.3 Bonding of Common Facilities.

Declarant is not providing any third party guarantee, bond, escrow, letter of credit, or other mechanism to assure completion of the Common Facilities and the only guarantee of completion is Declarant's own guarantee.

ARTICLE VII AMENDMENT OF DECLARATION

Section 7.1 Amendment Generally.

This Declaration, including the Plats and Plans, may be amended only by vote of at least sixty-seven (67%) percent of the Unit Owners of the Association, except unanimous consent of all Unit Owners affected shall be required to create or increase Special Declarant Rights, alter the terms or provisions governing the completion or conveyance or lease of Common Facilities, or increase the number of Units or change in the boundaries of any Unit, the Common Expenses, Liability, or voting strength in the Association allocated to a Unit, or the uses to which a Unit is restricted. No Declaration provisions pursuant to which any Special Declarant Rights have been reserved to a Declarant shall be amended without the express written joinder of the Declarant in such amendment. This Section shall not apply to amendment executed by a Declarant under Section 5210 (e) or (f) (relating to Plats and Plans), Section 5211 (a) (relating to conversion and expansion of Flexible Planned Communities), Section 5212 (a) (relating to withdrawal or Withdrawable Real Estate), or amendments executed by the Association under Section 5107 (relating to eminent domain), Section 5209 (relating to Limited Common Elements), Section 5215 (relating to subdivision or conversion of Units), or amendments executed by certain Unit Owners under Section 5209 (b) and Section 5214 (a) (relating to relocation of boundaries between Units), Section 5215 and Section 5220 (b) (relating to termination of Planned Community). The requirements of the storm water management system established herein may not be amended.

Section 7.2 Technical Corrections.

If any amendment to the Declaration is necessary in the judgment of the Executive Board to cure an ambiguity, correct or supplement any provision of the Declaration, including Plats and Plans, that is defective, missing, or inconsistent with any other provision of the Declaration or Act or conform to the requirements of any agency or entity that has established national or regional standards with respect to loans secured by mortgages or deeds of trust or Units in Planned Community or so called "PUD" projects, such as Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, the Executive Board may effect an appropriate corrective amendment without approval of the Unit Owners or the holders of liens on the Planned Community, upon receipt of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of the Section 5219 of the Act.

Section 7.3 Rights of Secured Lenders.

Annexation of additional properties, mergers, and consolidations, dedication of Common Areas, and amendment of the Declaration, does not require prior approval of HUD/VA as long as the Declarant exercises its Special Declarant Rights which extend for a period of time of seven (7) years from the date of the first conveyance of a Unit to a person other than the Declarant; provided, however, that the Special Declarant's Rights will terminate sixty (60) days after conveyance of seventy-five percent (75%) of the Units which may be created to Unit Owners other than Declarant (hereinafter "Declarant Control Period"). Special Declarant's Rights which entitle it to unilaterally convert Convertible Real Estate, add additional Real Estate, and withdraw Withdrawable Real Estate, cause mergers and consolidations, and appoint or remove the Executive Board, within the aforementioned Declarant Control Period.

ARTICLE VIII
USE RESTRICTIONS

Section 3.1 Use and Occupancy of Units, as well as Common and Limited Common Elements and Facilities.

The occupancy and use of the Units, Common Elements, Limited Common Elements, Common Facilities and Limited Common Facilities shall be subject to the following restrictions:

3.1.1 Prohibited Uses and Nuisances.

A. Itemization. Except for the activities of Declarant during original development:

1. Only dwelling houses as defined herein shall be used for residential purposes upon said Units. Only one detached dwelling, not to exceed two stories in height shall be erected on each unit.
2. Each dwelling shall conform in general architectural design, quality and workmanship and materials to existing dwelling houses in this Planned Community Development. Minimum square footage of living space of all dwellings, excluding basements and garages, must be at least twelve hundred (1,200) square feet.
3. The Declarant shall maintain architectural control over the construction of the Units during the Declarant Control Period. At the end of the Declarant Control Period, the Association, by and through the Architectural Review Committee, shall maintain architectural control over the construction of the Units and shall require all Unit Owners to contract with an architectural firm as determined by the Architectural Review Committee which is capable of conforming to the architectural specifications of the Planned Community.
4. Each structure must meet the minimum set back requirements as established by Patton Township, Centre County, Pennsylvania.
5. The erection and maintenance of any structure of a temporary and/or permanent character, such as a tent, trailer, barn, shed or any other type of out building, is prohibited during the Declarant Control Period. Following transfer of control to the Association, an affirmative vote of sixty-seven (67%) percent of the Unit Owners will be required to allow such temporary and/or permanent structures within the Planned Community Development, which will be subject to such guidelines as the Association may hereafter adopt. No temporary or other structure of any kind shall at any time be used for residential purposes.
6. Said Units, as herein above provided, shall be used for residential or dwelling purposes and no business, mercantile, commercial, or manufacturing enterprise or activity of any kind shall be conducted thereon with the exception of such home occupations as permitted by the zoning ordinances established by the governing municipality and approved by the Declarant.
7. The erection and maintenance of any type of sign (i.e. billboards, signboards, or other advertising contrivance or medium) is prohibited, with the exception of the entrance sign and signs for professional purposes, not to exceed in area one square foot, or a sign advertising the property for sale or rent, not exceeding five square feet, or signs used by the builder to advertise the property during the construction

and sales period. All signage must be in compliance with the Patton Township Ordinances for signage. At no time will "for sale" signs be permitted at the entrance sign areas or other Common Areas throughout the Planned Community Development.

8. No animals, livestock, horses or poultry of any kind shall be kept for breeding or commercial use. Domestic animals shall be maintained within the municipality ordinances. No Unit Owner shall be allowed to have more than three (3) domestic animals, which shall be defined as dogs, cats or other indoor household animals, also referred to as pets. All pets must be on a leash when outside and pet Unit Owners must carry a sanitary utensil to clean up after their pets. Domestic animals are to be housed inside the dwelling, no exterior pet houses will be allowed.
9. All trash, garbage and refuse shall be stored in covered metal or plastic receptacles and concealed from view by an enclosure or screening approved by Declarant, their successors and assigns. Trash may be visible only on the day or night before the day of trash pickup by the municipality. All incinerators or other equipment for the storage or disposal of such matter shall be maintained in a clean and sanitary condition.
10. The use of any Unit or part thereof as a dumping ground for garbage and rubbish is strictly prohibited. All excess fill from home construction shall be required to be dumped in such areas as indicated by the Declarant.
11. All landscaping plans must be submitted, in writing, to the Architectural Review Committee for approval. This shall include, but not be limited to, such landscaping items as decorative fencing, tree rows as a form of screening or other trees, bushes, shrubs and flowers, which shall be planted in a landscape design. All landscape requests must be in compliance with all set back regulations established by the governing municipality. Following review by the Architectural Review Committee, the resident will receive, in writing, the Committee's decision of approval or disapproval. Only after approval is received may the landscaping work commence.
12. All fencing must be constructed in accordance to specific fence guidelines established by the Declarant. The guidelines shall be subject to change from time to time. All fence requests must be submitted, in writing, to the Architectural Review Committee for approval. All fence requests must be in compliance with all set back regulations and other ordinances established by Patton Township. Fencing surrounding or screening in-ground pools, spas and hot tubs must comply with Patton Township Ordinances. Following review of the fence request by the Architectural Review Committee, the resident will receive, in writing, the Committee's decision of approval or disapproval. Only after approval is received and zoning and building permits are obtained may the fence installation commence.

The erection, planting or maintaining of any type of fence, wall, hedge, tree or shrub, which may interfere with reasonable visibility at street intersections, and thereby jeopardize public safety, is prohibited, and furthermore, no fence shall be erected on the portion of the Unit between the rear wall of the house and the front line.

13. No building, garage, wall or other structure shall be commenced, erected, or maintained, nor shall any addition to or change or alteration therein be made until the plans and specifications, showing the nature, floor plan, location, and approximate cost of such structure and the grading plan of the lot upon which such structure is to be built, shall have been submitted to and been approved in writing by Declarant, as hereinafter defined. Approval or disapproval of said plans and specifications by the Declarant shall be absolute and final.
14. Any activity which is noxious or offensive and inconsistent with the residential character of the neighborhood is strictly prohibited, and is herewith declared to be a public nuisance and abatable as much.
15. No above ground pools shall be permitted. Spas, in-ground pools and hot tubs are permissible following compliance with the specific guidelines for screening, which will be established by the Developer and the Association, compliance with the Patton Township Ordinances, and upon written approval from the Architectural Review Committee. Compliance with Patton Township Ordinances regarding fencing around the spas, in-ground pools and hot tubs, must also be followed. Requests for approval must first be submitted to the Architectural Review Committee. Only following approval from the Committee and the receipt of building and zoning permits from Patton Township, may installation commence.
16. No permanent clothesline or any structure used for the drying of clothing or housewares shall be visible upon any lot when viewing the front of the structure. The temporary umbrella type may be used during the day, only if disassembled by dusk every evening.
17. No rooftop or other type of antennas shall be permitted to be installed on any exterior portion of the Unit. No more than one (1) satellite dish per Unit is permitted, which can be no larger than twenty-four inches (24") in diameter. All satellite dishes must be placed on the rear of the Unit, and are subject to approval from the Architectural Review Committee as to their location and color, which approval may not be unreasonably withheld.
18. No unlicensed, uninspected, or unregistered motor vehicle may be maintained or kept on any Unit of the said Planned Community. In addition, no repair work will be done on any motor vehicle in the Planned Community. Any vehicle over three-quarters (¾) ton shall not be permitted to park on or adjacent to the Units.
19. No automobile bodies, junk, erected cars, rubbish or other debris shall be kept on any Unit. All Units shall be kept neat and clean and free from refuse and weeds and nothing shall be placed, kept, stored, or maintained thereon which may constitute a nuisance or annoyance to Unit Owners or the residents of the subdivision. The responsibility of the Unit Owner to keep the grass and vegetation moved and maintained on the Unit shall commence from the time of the Unit purchase. Further, Unit Owner shall comply with all Patton Township Ordinances related to the aforementioned.
20. No motor homes, boats, campers, trailers, gliders or other recreational vehicles of any size may be kept on the property unless parked in the

garage with the garage door down.

21. No Unit shall be re-subdivided into two (2) or more Units; however, two (2) Units may be merged to form a single Unit.
22. No games courts shall be permitted on a Unit without the prior approval of the Architectural Review Committee.
23. No trampolines will be permitted on a Unit. Children's play equipment may be permitted only after submitting a request for approval and receiving written approval from the Architectural Review Committee.
24. An outside electric eye pole light must be installed in each Unit prior to the completion of the dwelling Unit and must be maintained thereafter. The pole light must be lighted at all times, from sundown to sunrise; it must be regulated by an automatic day and night switch or photocell, and it must have at least a one hundred (100) watt bulb. The pole light shall be wired directly to the electric panel box and shall not have an in-line switch.
25. Solar collection panels shall not be permitted.
26. No Unit may be used as a means of access, ingress, egress or regress to or from any other real estate, except with Declarant's written consent, which may be withheld for any reason.
27. Each Unit Owner shall refrain from interference with natural drainage courses and swales within the Planned Community.
28. Developer and Declarant shall have the sole right to erect, maintain and operate real estate sales, management and/or construction offices on any part of the Property and/or in any dwelling house now or hereinafter erected on any Unit provided such offices are solely used and operated in connection with the development of the Property or the building of structures on the Units, or the management, rental or sale of any part of the Unit, or of structures now or hereafter erected thereon, but no part of the Property, nor any part of any dwelling now or hereafter erected thereon, shall be used for any of the aforesaid purposes set forth in this paragraph without written consent and approval of Declarant, in his sole, reasonable discretion, being first had and obtained. Successor Declarant shall not enjoy the rights granted by this paragraph unless instrument signed by Declarant, expressly granting such right has been recorded in the Centre County Recorder of Deeds.
29. These conditions, reservations, covenants, and restrictions shall apply to all Units shown on the aforesaid Subdivision Plan whether vacant or improved and to all structures erected or to be erected thereon as well as to the alteration or improvement of or addition to any such structures.
30. Enforcement of these covenants shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages. Non-compliance to violations shall be assessed violation fees of up to \$50.00 per day and fifteen percent (15%) interest, plus any court,

magistrate, penalties, fines and attorney fees incurred by the Association in the process of enforcing compliance of the violation.

31. Reasonable 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 Association to change such rules and regulations. Copies of the then, current rules and regulations and any amendments thereto shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such rules and regulations or any amendments thereto.

32. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

8.1.2 Survival of Article VIII.

The uses, restrictions, and architectural standards as set forth in this Article VIII shall survive the termination of the Planned Community. It is the intent of Declarant that the use restrictions shall run with the land.

ARTICLE IX LEASING

Section 9.1 Rental of Units.

The Unit Owner of any Unit may not lease his respective property as an investment and the Unit Owner must occupy the Unit, except as set forth below:

9.1.1 Unit Owner may lease his Unit for any periods when the Unit Owner is on an extended vacation. Any lease between a Unit Owner and a lessee must be in writing and shall not be for a term of less than ninety (90) days.

9.1.2 The lease shall state that it is subject in all respect to, and that the lessee shall comply with, all of the provisions of the Declaration, Rules and Regulations, and By-Laws and that failure of the lessee to comply with any of the terms of the aforementioned documents shall be a default under the lease.

9.1.3 The lease shall in no way relieve the Unit Owner of any duty or obligation imposed by this Declaration.

9.1.4 All leases must be approved by the Executive Board of the Association, or its assign.

ARTICLE X BUDGETS; COMMON EXPENSES; ASSESSMENTS; AND ENFORCEMENT

Section 10.1 Definition of Common Expenses. Common Expenses shall include:

10.1.1 Expenses of administration, maintenance, and repair or replacement of the Common Elements and/or Controlled Facilities; and

10.1.2 Expenses declared to be Common Expenses by the Planned Community documents or the Act; and

10.1.3 Expenses agreed upon as Common Expenses by the Association; and

10.1.4 Such reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement or addition to the Common Elements and/or Controlled Facilities or any real or personal property acquired or held by the Association.

Section 10.2 Apportionment of Common and Limited Common Expenses.

All Common Expenses shall be assessed against all Units in accordance with their respective Percentage Interests as shown on Exhibit "B," as defined in Article II of this Declaration. Common Expenses related to Limited Common Elements or Limited Controlled Facilities are assessed in equal shares against the Unit to which the Limited Common Elements or Limited Controlled Facilities were assigned at the time.

All Common Expenses assessed by the Master Association to be paid by this Sub Association shall be assessed against all Units in accordance with their respective Percentage Interests as stated in Article II, Section 2.2 of this Declaration and any amendments thereto.

Section 10.3 Annual Payments.

All Common Expense assessments made in accordance with Sections 2.1 and 10.2 of this Declaration to meet the requirements of the Association's annual budget shall be on a calendar year basis, payable in one (1) annual payment, which shall be due and payable to the Association, on or before, and no later than January 31st of each year. Special assessments shall be due and payable as set forth by the Executive Board.

Assessments for the first year shall be prorated from the date of settlement, utilizing the annual budget assessment schedule, for that current year, which shall be established by the Executive Board and used in the computation of the first year assessment amount due.

Section 10.4 Payments from the Sub Association to the Master Association.

All Common Expense assessments made according to Section 2.2 to meet the Sub Association's payment for the Master Association's annual budgets, shall be paid by the Sub Association to the Master Association on a Quarterly basis, payable in four (4) annual payments, which payments shall be due to the Master Association by the dates of March 15th, June 15th, September 15th and December 15th each year. Special assessments shall be due and payable as set forth by the Executive Board.

Section 10.5 Initial Capitalization Fees.

During the Declarant Control Period, Declarant reserves the right to charge an Initial Capitalization Fee for each Unit sold in the Planned Community. At the conclusion of the Declarant Control Period, the Executive Board may determine the amount of Initial Capitalization Fees.

The Initial Capitalization Fee shall be paid immediately upon transfer of the Deed for a Unit and shall be a one time fee used by the Association for capital expenses and improvements in starting and maintaining the Association.

The amount of the Initial Capitalization Fee shall be set by the annual Association Budget, and disclosed in a Public Offering Statement or Resale Certificate provided by the Declarant or the Association.

Section 10.6 Subordination of Certain Charges.

Any fees, charges, late charges, fines, and interest which may be levied by the Executive Board pursuant to Section 5302 (a), (10), (11), and (12) of the Act, shall be subordinate to the lien of a Permitted Mortgage on a Unit.

Section 10.7 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 shall be held by the Association as reserves for future General Common Expenses.

Section 10.8 Assignment of Income Rights.

The Association may assign rights to future income, including payments made on account of assessments for General Common Expenses and Limited Common Expenses, to secure any loan obtained by the Association for repairs, replacements, or capital improvements to the Common Elements.

Section 10.9 Special Allocation of Expenses.

10.9.1 Any Common Expenses associated with the maintenance, repair, or replacement of a Limited Common Element or Limited Controlled Facility shall be assessed in equal shares against the Units to which that Limited Common Element or Limited Controlled Facility was assigned at the time the expense occurred.

10.9.2 Any Common Expense benefiting fewer than all of the Units shall be assessed exclusively against the Units benefited.

10.9.3 The costs of insurance shall be assessed in proportion to risk, and the costs of utilities that are separately metered to each Unit shall be assessed in proportion to usage.

10.9.4 If a Common Expense is caused by the negligence or misconduct of any Unit Owner, the Association may assess that expense exclusively against his Unit.

Section 10.10 Commencement of Common Expense Assessments.

In general, Common Expense assessments shall begin as of the date of conveyance of the first Unit to a Unit Owner other than the Declarant (the "First Settlement").

Section 10.11 Personal Liability of Unit Owners.

The Owner of a Unit at the time a Common Expense assessment or portion thereof is due and payable is personally liable for the assessment. Personal liability for the assessment shall not pass to a successor in title to the Unit unless said successor agrees to assume the obligation.

Section 10.12 No Waiver of Liability for Common Expenses.

No Unit Owner may exempt himself from liability for payment of the Common Expenses by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the assessments are made.

Section 10.13 Acceleration of Assessments.

In the event of default by the Unit Owner for a period of ten (10) days in the payment of any assessment levied against the Unit Owner's Unit, the Executive Board of the Association shall have the right to declare all unpaid assessments for the pertinent fiscal year to be immediately due and payable. Further, a late fee of fifteen percent (15%) of the total fee annually, on the delinquency, and a penalty of Five Dollars (\$5.00) per day will be assessed. In addition, attorney's fees equal to fifteen percent (15%) of the total due and payable shall be assessed.

Section 10.14 Confessions of Judgment.

IN ORDER TO EXPEDITE THE EXECUTIVE BOARD'S COLLECTION OF ANY DELINQUENT ASSESSMENT, EACH UNIT OWNER (BY ACCEPTANCE OF THE DEED TO HIS 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 ASSESSMENTS, WHICH APPOINTMENT (BEING FOR SECURITY) SHALL BE IRREVOCABLE; AND FOR SO DOING A COPY OF THIS SECTION 10.14 AND SAID DEED, BOTH VERIFIED BY AFFIDAVIT, SHALL BE A SUFFICIENT WARRANT. THE AUTHORITY GRANTED HEREIN TO CONFESS JUDGMENT SHALL NOT BE EXHAUSTED BY ANY EXERCISE THEREOF BUT SHALL CONTINUE FROM TIME TO TIME AND ALL TIMES UNTIL THIS DECLARATION SHALL BE TERMINATED.

Section 10.15 Lien.

- 10.15.1 The Association has a statutory lien on a Unit for any assessment levied against that Unit or fine imposed against the Unit Owner from the time the assessment or fine becomes delinquent. Fees, including attorney's fees, late charges, fines, and interest charged pursuant to the Act and the Planned Community Documents are enforceable as assessments under this Section. If an assessment is payable in installments, and one or more installments are not paid when due, the entire outstanding balance of the assessment becomes effective as a lien from the due date of the delinquent installment.
- 10.15.2 Recording of this Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this Section is required.
- 10.15.3 Any lien for delinquent assessments or other charges that the Association has on a Unit will be subordinate to a first mortgage on the Unit, if the mortgage was recorded before the due date of the assessment or the due date of the unpaid installment, if the assessment is payable in installments.
- 10.15.4 If a holder of a first mortgage on a Unit forecloses that mortgage, the purchaser at the foreclosure sale is not liable for any unpaid assessments

against the Unit which became due before the sale, other than the assessments which are prior to that mortgage in accordance with the provisions of the Act. Any unpaid assessments not satisfied from the proceeds of sale become Common Expenses collectible from all the Unit Owners, including the purchaser.

- 10.15.5 Any fees, including attorney's fees, late charges, fines, and interest which may be levied by the Executive Board pursuant to Section 5301 (a) (10), (11), and (12) of the Act, shall be subordinate to the lien of a first mortgage on a Unit.
- 10.15.6 The Association's lien may be foreclosed in a like manner as a mortgage on a real property.
- 10.15.7 This Section does not prohibit actions to recover sums for which this Section creates a lien or prohibit the Association from taking a deed in lieu of foreclosure.
- 10.15.8 A judgment or decree in any action brought under this Section shall include costs and reasonable attorney's fees for the prevailing party.
- 10.15.9 A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three (3) years after the assessments become payable; provided, that if an Owner of a Unit subject to a lien under this Section files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the automatic stay of proceedings under Section 362, or succeeding Sections if amended, of the Bankruptcy Code is lifted.
- 10.15.10 Any payments received by the Association in the discharge of a Unit Owner's obligation may, at the Association's discretion, be applied to the oldest balance due.

Section 10.16 Association Records.

The Association shall keep financial records sufficiently detailed to enable the Association to comply with Section 5407 of the Act. All financial and other records shall be made reasonably available for examination by any Unit Owner and his authorized agents.

Section 10.17 Statement of Unpaid Assessments.

On written request, the Association shall furnish to a Unit Owner a statement in recordable form setting forth the amount of unpaid assessments currently levied against the Unit and any credits of surplus in favor of his Unit as required by Section 5315 (h) of the Act. The statement shall be furnished within ten (10) business days after receipt of the request and is binding on the Association, the Executive Board, and every Unit Owner.

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 or the following as designated in the request:

- 11.1.1 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;
- 11.1.2 Any audited or unaudited financial statements of the Association which are prepared for the Association and distributed to the Unit Owners;
- 11.1.3 Copies of notices of meetings of the Unit Owners and the right to designate a representative to attend such meetings;
- 11.1.4 Notice of the decision of the Unit Owners to make any material amendment to this Declaration;
- 11.1.5 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;
- 11.1.6 The right to examine the books and records of the Executive Board at any reasonable time; or
- 11.1.7 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 servicer shall specify which of the above items it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Executive Board. The Executive Board need not inquire into the validity of any request made by a mortgagee hereunder.

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

ARTICLE XII

EXECUTIVE BOARD; DECLARANT'S RIGHTS; SPECIAL DECLARANT RIGHTS

Section 12.1 Overview.

- 12.1.1 There shall be an Executive Board for the Association. The number of Executive Board members of the Association shall be five (5), of which three (3) shall be Initial Directors/ Executive Board members, and two (2) Executive Board member positions shall be added per Article XII, Section 12.2.2.

Section 12.2 Control.

Subject to the provisions below, Declarant's control of the Association will extend from the date of the first conveyance of Unit to a person other than a Declarant for a period of not more than seven (7) years, provided, however, that notwithstanding the foregoing Declarant's control shall terminate regardless no later than the earlier of sixty (60) days after conveyance of seventy-five percent (75%) of the Units which may be created to Unit Owners other than the Declarant, two (2) years after all Declarant's have ceased to offer Units for sale in the

ordinary course of business, or two (2) years after any development right to add new Units was last exercised.

12.2.1 Until the sixtieth (60th) day after conveyance of twenty-five percent (25%) of the Units, which may be created 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.

12.2.2 Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units which may be created to Unit Owners other than Declarant, one (1) additional Executive Board member, who shall comprise not less than twenty-five percent (25%) of the Executive Board, shall be elected by Unit Owners other than Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units, which may be created to Unit Owners other than Declarant, one (1) additional Executive Board member, who shall comprise not less than thirty-three percent (33%) of the members of the Executive Board, shall be elected by Unit Owners other than Declarant.

Section 12.3 Declarant Rights.

Declarant reserves unto itself all Special Declarant Rights as defined in Section 5103 of the Act and as defined under Section 1.4.2(BB) of this Declaration, now or as amended in the future.

ARTICLE XIII LIMITATION OF LIABILITY

Section 13.1 Standard of Conduct.

13.1.1 In the performance of their duties, the officers and members of the Executive Board shall stand in a fiduciary relation to the Association and shall perform their duties, including duties as members of any committee of the Board upon which they may serve, in good faith, in a manner they reasonably believe to be in the best interests of the Association and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

13.1.2 In discharging the duties of their respective positions, the Executive Board members and officers may, in considering the best interests of the Association, consider the effects of any action upon employees, upon suppliers of the Association, upon communities in which the Planned Community is located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described above.

13.1.3 Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as an Executive Board member or officer, or any failure to take any action shall be presumed to be in the best interest of the Association.

Section 13.2 Good Faith Reliance.

In performing his duties, an officer or member of the Executive Board shall be entitled to rely in good faith on information, opinions, reports, or statements,

including financial statements and other financial data, in each case prepared or presented by any of the following:

- 13.2.1 One or more other officers or employees of the Association whom the officer of Executive Board member reasonably believes to be reliable and competent in the matter presented.
- 13.2.2 Counsel, public accountants, or other persons as to matters which the officer or member of the Executive Board reasonably believes to be within the professional or expert competence of such person.
- 13.2.3 A committee of the Executive Board upon which he does not serve, duly designated in accordance with law, as to matters, within its designated authority, which committee the officer or member of the Executive Board reasonably believes to merit confidence.

An officer or member of the Executive Board shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause his reliance to be unwarranted.

Section 13.3 Limited Liability.

No Executive Board member or officer, in his capacity as such, shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless he has breached or failed to perform the duties of his office under the standards described above; provided, however, that the provisions of this Section 13.3 shall not apply to the responsibility or liability of an Executive Board member or officer pursuant to any criminal statute, or to the liability of an Executive Board member or officer for the payment of taxes pursuant to local, state, or federal law.

Section 13.4 Indemnification.

To the extent permitted under Pennsylvania law, 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 attorney's fees, reasonable 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 to be in breach of the standards of conduct described above; 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 and/or officer) 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 13.4 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.

To the extent permissible under Pennsylvania law, expenses incurred by an Executive Board member and/or officer in defending a civil or criminal action, suite, or proceeding shall be paid by the Association in advance of the final disposition of such action, suit, or proceeding upon the request of the Executive Board member and/or officer, after the Association has received an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association.

Section 13.5 Directors & Officers Insurance.

The Executive Board shall obtain and maintain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth in Section 13.4 above, if and to the extent available at reasonable cost.

ARTICLE XIV
INSURANCE

Section 14.1 Insurance to be Carried by Association.

Commencing not later than the time of the first conveyance of a Unit to a person other than a Declarant, the Association shall maintain, to the extent reasonably available, all of the following:

- 14.1.1 Property insurance on the Common Facilities, Controlled Facilities, and Limited Controlled Facilities insuring against all common risks of direct physical loss. The total amount of insurance after application of any deductibles shall not be less than ninety percent (90%) of the actual cash value of the insured Property, exclusive of land, excavations, foundations, and other items normally excluded from property policies.
- 14.1.2 Comprehensive general liability insurance, including medical payments insurance, in an amount determined by the Executive Board covering all occurrences commonly insured against for death, bodily injury, and property damage, arising out of or in connection with the use, ownership, or maintenance of the Common Elements.
- 14.1.3 If the insurance described herein above is not maintained, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Unit Owners. The Association may carry any other insurance it deems appropriate to protect the Association or Unit Owners.
- 14.1.4 The policy terms of the insurance shall be in accordance with Section 5312 (d) of the Act.

IN WITNESS WHEREOF, the said Declarant, has executed this Declaration
this 5th day of November 2015.

WITNESS

Richard L. May

Pinnacle Development, LLC

By: Robert E. Poole, Jr.
Robert E. Poole, Jr., President/Managing
Member

Richard L. May

Pinnacle Development 2, LLC

By: Robert E. Poole, Jr.
Robert E. Poole, Jr., Managing Member

Richard L. May

Pinnacle Development 2/ Gregory Limited Liability
Company I Joint Venture

By: Robert E. Poole, Jr.
Robert E. Poole, Jr., Managing Member

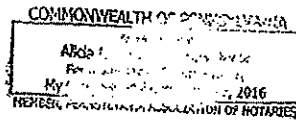
COMMONWEALTH OF PENNSYLVANIA

SS.

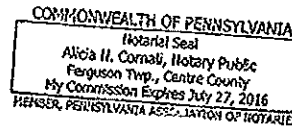
COUNTY OF CENTRE

On this, the 5 day of NOVEMBER, 2015, before me, a Notary public, in and for said Commonwealth, personally appeared, Robert E. Poole, Jr., who, after being duly sworn according to law, deposes and says that he is the President/Managing Member of Pinnacle Development, LLC, that he is authorized to execute the Declaration for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



NOTARY PUBLIC
My Commission Expires:



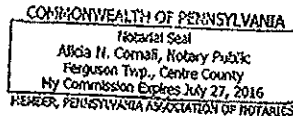
COMMONWEALTH OF PENNSYLVANIA

SS.

COUNTY OF CENTRE

On this, the 5 day of NOV, 2015, before me, a Notary public, in and for said Commonwealth, personally appeared, ROBERT E. POOLE JR. who, after being duly sworn according to law, deposes and says that he is the managing member of Pinnacle Development 2, LLC, that he is authorized to execute the Declaration for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



NOTARY PUBLIC
My Commission Expires:

Alicia H. Cornali

COMMONWEALTH OF PENNSYLVANIA

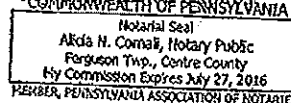
SS.

COUNTY OF CENTRE

On this, the 5 day of NOV, 2015, before me, a Notary public, in and for said Commonwealth, personally appeared, ROBERT E. POOLE JR. who, after being duly sworn according to law, deposes and says that he is the managing member of Pinnacle Development 2/ Gregory Limited Liability Company I Joint Venture, that he is authorized to execute the Declaration for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARY PUBLIC
My Commission Expires:



Alicia H. Cornali

EXHIBIT "A"

ALL that certain land or piece of ground lying, being and situate in the Township of Patton, County of Centre, Commonwealth of Pennsylvania, being more particularly bound and described as follows:

BEGINNING at a point of land being the southern corner of lands now or formerly of Bruce K. & Susan S. Heim and the right-of-way for Toftrees Avenue, thence continuing along said right-of-way along a curve to the right having a radius of 800.00 feet, an arc of 222.95 feet, and a chord bearing of South 63 degrees 00 minutes 57 seconds West for a distance of 222.23 feet to a point; thence from said point South 70 degrees 59 minutes 58 seconds West for a distance of 86.01 feet to a point; thence from said point South 70 degrees 59 minutes 58 seconds West for a distance of 78.00 feet to a point; thence from said point South 70 degrees 59 minutes 58 seconds West for a distance of 107.00 feet to a point along lands now or formerly of Federated Home & Mortgage; thence along said lands North 19 degrees 00 minutes 02 seconds West for a distance of 187.96 feet to a point; thence from said point North 63 degrees 49 minutes 40 seconds West for a distance of 134.57 feet to a point; thence from said point along a curve to the left having a radius of 290.00, an arc of 17.68 feet, and a chord bearing of North 24 degrees 25 minutes 33 seconds East for a distance of 17.68 feet to a point; thence from said point North 22 degrees 40 minutes 46 seconds East for a distance of 103.05 feet to a point; thence from said point along a curve to the left having a radius of 14.00, an arc of 23.57 feet, and a chord bearing of North 25 degrees 33 minutes 05 seconds West for a distance of 20.88 feet to a point; thence from said point along a curve to the left having a radius of 325.00 feet, an arc of 67.45 feet, and a chord bearing of North 79 degrees 43 minutes 42 seconds West for a distance of 67.33 feet to a point; thence from said point and along lands now or formerly of Pinnacle Development, LLC North 04 degrees 19 minutes 33 seconds East for a distance of 122.79 feet to a point; thence from said point North 22 degrees 40 minutes 46 seconds East for a distance of 212.25 feet to a point; thence from said point North 41 degrees 26 minutes 47 seconds East for a distance of 225.45 feet to a point; thence from said point South 42 degrees 11 minutes 14 seconds East for a distance of 150.00 feet to a point along the right-of-way for Woodledge Drive; thence along said right-of-way South 47 degrees 48 minutes 46 seconds West for a distance of 91.30 to a point; thence from said point across the right-of-way for Woodledge Drive South 42 degrees 11 minutes 14 seconds East for a distance of 50.00 feet to a point; thence from said point; thence from said point South 42 degrees 11 minutes 14 seconds East for a distance of 152.00 feet to a point; thence from said point North 47 degrees 48 minutes 46 seconds East for a distance of 184.45 feet to a point; thence from said point South 49 degrees 10 minutes 05 seconds East for a distance of 63.47 feet to a point along lands now or formerly of Bruce K. & Susan S. Heim; thence along said lands South 47 degrees 48 minutes 46 seconds West for a distance of 286.91 feet to a point; thence from said point South 49 degrees 09 minutes 40 seconds East for a distance of 374.44 feet to a point along the right-of-way for Toftrees Avenue, being the place of BEGINNING.

SAID legal description taken from The Village at Penn State, Phase 12 Preliminary/ Final Subdivision Plan prepared by PennTerra Engineering dated June 3, 2014 and recorded in Plan Book Volume 89 at Page 37.

EXHIBIT "B"

UNIT ID NUMBERS/ PERCENTAGE INTEREST AND VOTING INTEREST

Unit Number	Percentage Interest	Voting Interest
1	5%	1
2	5%	1
3	5%	1
4	5%	1
5	5%	1
6	5%	1
7	5%	1
8	5%	1
9	5%	1
10	5%	1
11	5%	1
12	5%	1
13	5%	1
14	5%	1
15	5%	1
16	5%	1
17	5%	1
18	5%	1
19	5%	1
20	5%	1
20	100%	20
		TOTAL

Appendix

**BY-LAWS OF THE HONORS CROSSING
HOMEOWNERS ASSOCIATION, INC.,**

**A PENNSYLVANIA INCORPORATED
SUB-PLANNED COMMUNITY ASSOCIATION**

**PURSUANT TO THE PROVISIONS OF THE PENNSYLVANIA
UNIFORM PLANNED COMMUNITY ACT,
68 Pa. C.S.A § 5101 et. seq.**

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**BY-LAWS AND ORGANIZATION OF THE HONORS CROSSING
HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I

IDENTIFICATION OF THE PROPERTY AND DEFINITIONS

Section 1.1 Applicability. These By-Laws are adopted this _____ day of _____ 2016, pursuant to the Uniform Planned Community Act of Pennsylvania at 68 Pa.C.S.A. § 5101 et seq., for the regulation and management of the Property known and identified as The Honors Crossing Planned Community, a Sub-Planned Pennsylvania Planned Community Development, (hereinafter a Sub-Planned Development) situated in Patton Township, Centre County, Pennsylvania, which has been created according to the provisions of the Act by a Declaration creating and establishing The Honors Crossing Homeowners Association, Inc. (hereinafter a Sub-Planned Association) recorded in the Office of the Recorder of Deeds in and for Centre County, Pennsylvania in Record Book _____ Page _____ and the accompanying Declaration Plat which was recorded in said Office as Exhibit "D" to the Declaration and which was filed in Record Book _____ at Page _____.

Section 1.2 Definitions. Capitalized terms when used in these By-Laws without definition shall have the same meanings ascribed to them in the Declaration to which these By-Laws pertain, or, if not defined therein, the meanings specified or used for such terms in the Act such terms as defined in The Village at Penn State Master Association Declaration.

ARTICLE 2

ADMINISTRATION: APPLICABILITY

Section 2.1 Administration. The administration and management of the Sub-Planned Association, the Property, the actions of the Sub-Planned Association, and the Unit Owners shall be governed by the Declaration and these By-Laws.

Section 2.2 Applicability. All present and future Unit Owners, tenants, their licensees, servants, agents, employees and any other person or persons that shall be permitted to use the Property shall be subject to the By-Laws and to the Rules and Regulations made and promulgated by the Association. Acquisition, rental or occupancy of any Unit shall be conclusively deemed to mean that the Unit Owner, tenant or occupant accepted and ratified the By-Laws and the Rules and Regulations of the Sub-Planned Association and will comply with them.

Section 2.3 Principal Office. The office of the Sub-Planned Development, the incorporated Sub-Planned Association and the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

ARTICLE 3
THE SUB-PLANNED DEVELOPMENT

Section 3.1 Composition.

The Sub-Planned Association is hereby organized on the date hereof as an incorporated Sub-Association. The Sub-Planned Association shall consist of all of the Unit Owners acting as a group in accordance with the Act, the Master Declaration, the Sub-Planned Declaration and these By-Laws. The incorporated Sub-Planned Association shall have the responsibility of administering the Sub-Planned Development, establishing the means and methods of collecting assessments and charges, arranging for the management of the Sub-Planned Development and performing all of the other acts that may be required or permitted to be performed by the incorporated Sub-Planned Association pursuant to the Act and the Declaration of the Sub-Planned Development. The foregoing responsibilities shall be performed by the Executive Board as more particularly set forth in these By-Laws.

Section 3.2 Annual Meetings.

The annual meetings of the incorporated Sub-Planned Association shall be held on November 15th of each year unless such dates shall occur on a holiday, in which event the meetings shall be held on the succeeding Monday. At such annual meetings the Executive Board shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 4.3 of these By-Laws and such other business as may properly come before the meeting may be transacted. In addition, the Executive Board will appoint any members to the Master Executive Board that it is entitled to appoint.

Section 3.3 Place of Meetings.

Meetings of the Sub-Planned Association shall be held at the principal office of the incorporated Sub-Planned Association or at such other suitable place convenient to the Unit Owners as may be designated by the Executive Board.

Section 3.4 Special Meetings.

- 3.4.1 The President shall call a special meeting of the incorporated Sub-Planned Association if so directed by resolution of the Executive Board or upon a petition signed and presented to the Secretary by Unit Owners entitled to cast at least twenty-five (25%) percent of the votes in the Sub-Planned Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within forty-five (45) days after receipt

by the President of such resolution or petition, provided, however, if the purpose includes the consideration of the rejection of a budget or capital expenditure pursuant to Section 6.2 below, such meeting shall be held within fifteen (15) days after receipt by the President of such resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

3.4.2 No later than sixty (60) days after conveyance of twenty-five (25%) percent of the Units which may be created to Unit Owners other than the Declarant, a special meeting of the Sub-Planned Association shall be held, at which time, at least one (1) member of the Executive Board shall be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty (50%) percent of the Units which may be created to Unit Owners other than the Declarant, at least two (2) members and not less than thirty-three (33%) percent of the Executive Board shall be elected by Unit Owners other than the Declarant.

3.4.3 Such successor members shall serve until the annual meeting of the incorporated Sub-Planned Association following the meeting at which they were elected.

3.4.4 Notwithstanding the foregoing, if any meeting required pursuant to Sections 3.4.2 and 3.4.3 above could be held on the date an annual meeting of the incorporated Sub-Planned Association is scheduled, then such meetings shall be held concurrently with such annual meeting.

Section 3.5 Notice of Meetings.

The Secretary shall give to each Unit Owner a notice of each annual or regularly scheduled meeting of the incorporated Sub-Planned Association at least ten (10) but not more than sixty (60) days and of each special meeting of the Unit Owners at least ten (10) but not more than forty-five (45) days prior to such meeting, stating the time, place and purpose thereof, including without limitation, any proposed budget or assessment change, the general nature of any proposed amendment to these By-Laws or Sub-Planned Declaration and any proposal to remove an Executive Board member or officer. The giving of a notice of meeting in the manner provided in this Section 3.5 and Section 11.1 of these By-Laws shall be considered service of notice.

Section 3.6 Adjournment of Meetings.

If at any meeting of the Sub-Planned Association a quorum is not present, Unit Owners entitled to cast a majority of the votes represented at such meeting may

adjourn the meeting to a time not less than forty-eight (48) hours after the time slot which the original meeting was called.

Section 3.7

Voting.

Voting at all meetings of the Sub-Planned Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be the Percentage Interest assigned to such Unit Owners in the Sub-Planned Declaration. If the Owner of a Unit is an Incorporated Sub-Planned Association, joint venture, partnership or unincorporated association, the natural person who shall be entitled to cast the vote for such Units shall be the natural person named in a certificate executed by such entity pursuant to its governing documents. If the Owner of a Unit is a trust, the trustee or trustees shall be deemed to be the owners for voting purposes. Where the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the natural person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting, the natural person who shall be entitled to cast the vote of such Unit shall be the natural person owning such Unit who is present. If more than one of the multiple owners is present, then such votes shall be cast in accordance with their unanimous agreement pursuant to Section 5310(a) of the Act. There shall be deemed to be agreement if any one of the multiple owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the Owners of the Unit. Such certificates shall be called until revoked by a Sub-Planned subsequent certificate similarly executed. Subject to the requirements of the Act, wherever the approval or disapproval of a Unit Owner is required by the Act, the Sub-Planned Declaration or these By-Laws, such approval or disapproval shall be made only by the natural person who would be entitled to cast the vote for such Unit at any meeting of the Sub-Planned Association. Except with respect to election of member of the Executive Board and except where a greater number is required by the Act, the Sub-Planned Declaration or these By-Laws, the owners of more than fifty (50%) percent of the aggregate Percentage Interests in the Sub-Planned Development voting in person or by proxy at one time at a duly convened meeting at which a quorum is present is required to adopt decisions at any meeting of an incorporated Sub-Planned Association. Any specified percentage of the Unit Owners means the Unit Owners owning such Percentage Interests in the aggregate. In all elections for Executive Board members, each Unit Owner shall be entitled to cast for each vacancy to be filled at such election the number of votes allocated to the Unit or Units owned by such Unit Owner as provided in the Sub-Planned Declaration. Those candidates for election receiving the greatest number of votes cast to unequal terms, the candidates receiving the highest number of votes shall be elected to the longest terms. Except as set forth in Section 3.4.2, if the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Sub-Planned Association to cast the votes to which

such Unit or Units are entitled. No votes allocated to a Unit owned by the Sub-Planned Association may be cast. There shall be no cumulative or class voting.

Section 3.8 Proxies.

A vote may be cast in person or by proxy. If a Unit is owned by more than one person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. Such proxy may be granted by any Unit Owner in favor of another Unit Owner, a holder of a mortgage on a Unit or the Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt of the person presiding over the meeting of written notice of revocation from the grantors of the proxy. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

Section 3.9 Quorum.

Except as set forth below, the presence in person or by a proxy of Unit Owners of fifty (50%) percent or more of the aggregate Percentage Interests at the commencement of all meetings shall constitute a quorum at all meetings of the Unit Owners Sub-Planned Association. If a meeting is adjourned pursuant to Section 3.6 above, the quorum at such second meeting shall be deemed present throughout any meeting of the Sub-Planned Association if persons entitled to cast fifty (50%) percent of the votes which may be cast for the election of the Executive Board are present in person or by proxy at the beginning of the meeting.

Section 3.10 Conduct of Meetings.

The President (or in the President's absence, one of the Vice-Presidents) shall preside over all meetings of the incorporated Sub-Planned Association and the Secretary, or such other person as the President may appoint, shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. The President may appoint a person to serve as parliamentarian at any meeting of the incorporated Sub-Planned Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the incorporated Sub-Planned Association when not in conflict with the Sub-Planned Declaration, these By-Laws or the Act. All votes shall be tallied by tellers appointed by the President.

ARTICLE 4
EXECUTIVE BOARD

Section 4.1 Number and Qualification.

The affairs of the Sub-Planned Association shall be governed by an Executive Board (hereinafter referred to as the "Board"). The Board shall be composed of at least three (3) natural persons, all of whom shall be Unit Owners or designees of the Declarant.

Section 4.2 Delegation of Powers: Managing Agent.

The Board may employ for the Sub-Planned Development a Managing Agent at the compensation established by the Board. The Managing Agent shall perform such duties and services as the Board shall authorize, including but not limited to, all of the duties listed in the Act, the Sub-Planned Declaration and these By-Laws, provided, however, where a Managing Agent does not have the power to act under the Act, the Sub-Planned Declaration or these By-Laws, such duties shall be performed as advisory to the Board. The Board may delegate to the Managing Agent all of the powers granted to the Board by the Act, the Sub-Planned Declaration and these By-Laws, as well as the following other powers:

- 4.2.1 To adopt the annual budget and any amendment thereto which budget shall include the assessments made by the Master Executive Board and which budget shall also include the Sub-Planned Association's Common Expenses and Limited Common Expenses as outlined in the Sub-Planned Development Declaration;
- 4.2.2 To adopt, repeal or amend the Rules and Regulations, provided they do not alter or amend any Rules and Regulations promulgated by the Master Executive Board, which affects the Sub-Planned Development. The interpretation of whether such proposed Rules and Regulations alter, amend or change any of the rules and regulations of the Master Association shall be determined by the Master Executive Board whose decision shall be final and binding. To that end, prior to the adoption of any rules and regulations, they shall be submitted to the Master Executive Board for its interpretation;
- 4.2.3 To designate signatories on the corporate Sub-Planned Association bank accounts;
- 4.2.4 To borrow money on behalf of the corporate Sub-Planned Association.
- 4.2.5 To acquire and mortgage Units; and

4.2.6 To allocate Limited Common Elements.

Any contract with the Managing Agent must provide that it may be terminated with cause on no more than thirty (30) days written notice and without cause on no more than ninety (90) days written notice. The term of any such contract may not exceed one year.

Section 4.3

Election and Term of Office.

4.3.1 At the annual meeting of the incorporated Sub-Planned Association, the election of members of the Sub Board shall be held. The term of office of any Sub Board member to be elected (except as set forth in Sections 3.4.2, 3.4.3 and 4.5 hereof) shall be fixed at three (3) years. The members of the Sub Board shall hold office until the earlier of which may occur, the election of their respective successors, their death, adjudication of competency, removal or resignation. Any Sub Board member may serve an unlimited number of terms and may succeed himself.

4.3.2 Persons qualified to be members of the Sub Board may be nominated for election only as follows:

- A. Any Unit Owner may submit to the Secretary, at least thirty (30) days before the meeting at which the election is to be held, a nominating petition signed by the Unit Owners owning at least five (5) Units in the aggregate, together with a statement that the person nominated is willing to serve on the Sub Board and a biographical sketch of the nominee. The Secretary shall mail or hand deliver the submitted items to every Unit Owner along with the notice of such meeting; and
- B. Nominations may be submitted from the Floor at a meeting at which the election is held for each vacancy on the Sub Board for which no more than one person has been nominated by petition.

Section 4.4

Removal or Resignation of Members of the Executive Board.

Except with respect to members designated by the Declarant, at any regular or special meeting of the incorporated Sub-Planned Association duly called, any one or more of the members of the Sub Board may be removed with or without cause by Unit Owners entitled to cast a majority of all votes in the Sub-Planned Association and a successor may then and there be elected to fill the vacancy thus created. Any Unit Owner proposing removal of a Sub Board member shall give notice thereof to the Secretary. Any member whose removal has been

proposed by a Unit Owner shall be given at least ten (10) days notice by the Secretary of the time, place and purpose of the meeting and they shall be given an opportunity to be heard at the meeting. A member of the Sub Board may resign at any time and shall be deemed to have resigned upon transfer of title of his Unit. The Declarant shall have the right to remove and replace any or all members appointed by the Declarant in accordance with the Act.

Section 4.5

Vacancies.

Except as set forth in Section 4.4 above with respect to members appointed by the Declarant, vacancies in the Sub Board caused by any reason other than the removal of a member by vote of Unit Owners shall be filled by a vote of majority of the remaining members at a special meeting of the Sub Board held for such purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Sub Board for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Sub-Planned Association at which such seat is to be filled upon expiration of the term of his predecessor. In case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term.

Section 4.6

Organization Meeting.

The first meeting of the Sub Board following each annual meeting of the incorporated Sub-Planned Association shall be held within ten (10) days thereafter at such time and place as shall be fixed by the President (even if he is the outgoing President) at the meeting at which such Sub Board shall have been elected and no notice shall be necessary to the newly elected members of the Sub Board in order legally to constitute such meeting, if a majority of the Sub Board members shall be present at such meeting.

Section 4.7

Regular Meetings.

Regular meetings of the Sub Board may be held at such time and place as shall be determined from time to time by a majority of the members, but such meetings shall be held at least every four (4) months during each fiscal year. Notice of regular meetings of the Sub Board shall be given to each member, by mail or telecopy, at least three (3) business days prior to the day named for such meeting.

Section 4.8

Special Meetings.

Special meetings of the Sub Board may be called by the President on at least three (3) business days notice to each member, given by mail or telecopy, which notice shall state time, place and purpose of the meeting. Special meetings of the Sub Board shall be called by the President, or the Secretary in like manner, and on like notice of the written request of at least two (2) members of the Sub Board.

Section 4.9

Waiver of Notice.

Any member may at any time, in writing, waive notice of any meeting of the Sub Board and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Sub Board shall constitute a waiver of notice by him of the time, place and purpose of such meeting. If all members are present at any meeting of the Sub Board, no notice shall be required and any business may be transacted at the meeting.

Section 4.10

Quorum of the Executive Board.

A quorum is deemed present throughout any meeting of the Sub Board if persons entitled to cast fifty (50%) percent of the votes on the Sub Board are present at the beginning of the meeting. The votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Sub Board. If at any meeting of the Sub Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. Any such adjourned meeting at which a quorum is present, any business, which might have been transacted at the meeting originally called, may be transacted without further notice. One or more members of the Sub Board may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other.

Section 4.11

Compensation.

No member of the Sub Board shall receive any compensation from the corporation for acting as such, but may be reimbursed for any expenses incurred in the performance of his duties.

Section 4.12

Conduct of Meetings.

The President shall preside over all meetings of the Sub Board and the Secretary, or such other person as the President may appoint, shall keep a minute book of the Sub Board meetings, recording therein all resolutions adopted by the Sub Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meeting of the Sub Board if and to the extent not in conflict with the Sub-Planned Declaration, By-Laws or the Act.

Section 4.13 Action Without Meetings.

Any action by the Sub Board required, or permitted to be taken, at any meeting may be taken without a meeting if all of the members of the Sub Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Sub Board.

Section 4.14 Validity of Contracts with Interested Executive Board Members.

No contract or other transaction between the incorporated Sub-Planned Association and one or more of its Sub Board members or between the incorporated Sub-Planned Association and any corporation, firm or association in which one or more of the Sub Board members are directors or officers or are financially interested shall be void or voidable because such Sub Board member or members are present at any meeting of the Sub Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

4.14.1 The fact that a Sub Board member is also such, a director or officer or has financial interest is disclosed or known to the Sub Board and is noted in the minutes thereof, and the Sub Board 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 Sub Board member or members; or

4.14.2 The contract or transaction is made in good faith and is not unconscionable to the incorporated Sub-Planned Association at the time it is authorized, approved or ratified.

Section 4.15 Inclusion of Interested Sub Board Members in the Quorum.

Any Sub 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 Sub Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 4.14 hereof.

ARTICLE 5
OFFICERS

Section 5.1 Designation. The principal officers of the Sub-Planned Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Sub Board. The Sub Board may appoint an assistant treasurer, an assistant secretary and such other officers as, in its judgment, may be necessary. The President and Vice President shall be members of the Sub

Board. Any other officers may, but need not, be Unit Owners or members of the Sub Board. An officer other than the President may hold more than one office.

Section 5.2 Election of Officers. The officers of the Sub-Planned Association shall be elected annually by the Sub Board at the organization meeting of each new Board and shall hold office at the pleasure of the Sub Board.

Section 5.3 Removal of Officers. Upon the affirmative vote of a majority of all members of the Sub Board, any officer may be removed, either with or without cause, and a successor may be elected at any meeting of the Sub Board called for this purpose.

Section 5.4 Compensation of Officers. No officer who is also a member of the Sub Board shall receive any compensation from the incorporated Sub-Planned Association for acting as an officer, but may be reimbursed for any out-of-pocket expense incurred in performing his duties; provided, however, the Secretary and Treasurer may be compensated for their services if the Sub Board determines the compensation to be appropriate.

Section 5.5 President. The President shall be the chief executive officer of the incorporated Sub-Planned Association, preside at all meetings of the incorporated Sub-Planned Association and of the Sub Board, and shall have all of the general powers and duties which are incident to the office of the President of an incorporated Sub-Planned Association organized under the laws of the Commonwealth of Pennsylvania, including without limitation, the power to appoint committees from among the Unit Owners from time to time as the President may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the incorporated Sub-Planned Association. The President shall cease holding this office at such time as he or she ceases to be a member of the Sub Board.

Section 5.6 Vice President. The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Sub Board shall appoint some other member of the Sub Board to act in the place of the President, on an interim basis. The Vice President shall also perform any other duties as shall from time to time be delegated or assigned him or her by the Sub Board or by the President. The Vice President shall cease holding this office at such time as he or she ceases to be a member of the Sub Board.

Section 5.7 Secretary. The Secretary, or such other person as the President may appoint, shall keep the minutes of all meetings of the incorporated Sub-Planned Association and of the Sub Board, have charge of such books and papers as the Sub Board may direct, maintain a register setting forth the place to which all

notices to Unit Owners and holders of mortgages on any Units hereunder shall be delivered and, in general, perform all the duties incident to the office of the secretary of an incorporated Sub-Planned Association organized under the laws of the Commonwealth of Pennsylvania. The Secretary shall, upon request, provide any person or cause to be provided to any person entitled thereto, a written statement or certification of the information required to be provided by the incorporated Sub-Planned Association pursuant to the terms of Section 5315(g), Section 5407(a) and Section 5407(b) of the Planned Community Act and as further stated in Section 6.10 or other Sections of these By-Laws.

Section 5.8 Treasurer. The Treasurer shall have the responsibility for the safekeeping of the incorporated Sub-Planned Association funds and securities, be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all financial data, and be responsible for the deposit of all monies in the name of the Sub Board, the incorporated Sub-Planned Association or the Managing Agent, in such depositories as may from time to time be designated by the Sub Board and, in general, perform all the duties incident to the office of the Treasurer of an incorporated Sub-Planned Association organized under the laws of the Commonwealth of Pennsylvania.

Section 5.9 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the incorporated Sub-Planned Association for expenditures or obligations in excess of Five Thousand Dollars (\$5,000.00) shall be executed by any two (2) officers of the incorporated Sub-Planned Association. All such instruments for expenditures or obligations of Five Thousand Dollars (\$5,000.00) or less may be executed by any one (1) officer of the incorporated Sub-Planned Association.

Section 5.10 Other Provisions. Subject to the provisions of the Declaration, the By-Laws may provide for any other matters the Sub-Planned Association deems necessary and appropriate.

ARTICLE 6 COMMON EXPENSES- BUDGETS

Section 6.1 Fiscal Year.

The fiscal year of the Sub-Planned Association shall be the calendar year unless otherwise determined by the Sub Board; provided, however, that the first fiscal year shall begin upon the recordation of the Sub-Planned Planned Community Declaration.

Section 6.2 Preparation and Approval of Budget.

- 6.2.1 On or before November 15th of each year, the Sub Board shall adopt an annual budget for the Sub-Planned Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Limited Common Elements and those parts of the Units as to which it is the responsibility of the Sub-Planned Association to maintain, repair and replace and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, these By-Laws, the Master Declaration, the Sub-Planned Planned Community Declaration and the By-Laws of the Master Association or a resolution of the incorporated Sub-Planned Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services. Such budget shall also include such reasonable amounts as the Sub Board considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements, and the amount assessed by the Master Association as the Sub-Planned Association's share of its operating budget as set forth in its Sub-Planned Planned Community Declaration and By-Laws.
- 6.2.2 On or before November 1st, the Sub Board shall make the budget available for inspection at the Sub-Planned Association office and shall send to each Unit Owner a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Unit Owners assessments for General Common Expenses and Limited Common Expenses for the incorporated Sub-Planned Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, Sub-Planned subject to Section 6.8 below.
- 6.2.3 The Sub Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

Section 6.3

Assessment and Payment of Common Expenses.

The Sub Board shall calculate the yearly assessments for General Common Expenses, as defined in the Master Declaration and the Sub-Planned Planned Community Declaration against each Unit by dividing the total amount of the estimated funds required by the total number of Units.

Assessments for the General Common Expenses due from the Sub-Planned Association and payable to the Master Association shall be due and payable to the Master Association on a quarterly basis, commencing with the date of March 15 and payable each quarter thereafter. Special assessments shall be due and payable as set forth by the Executive Board.

Assessments budgeted for the General Common Expenses, Common Expenses and Limited Common Expenses, which are due from the Unit Owners and payable to the Sub-Planned Association, shall be deemed to have been adopted and assessed on a monthly basis and shall be due and payable in twelve (12) monthly payments. Payments shall be due and payable to the Sub-Planned Association no later than the first day of the month and shall be a lien against each Unit Owners Unit as provided in the Act and the Sub-Planned Declaration. Within ninety (90) days after the end of each fiscal year, the Sub Board shall prepare and deliver to each Unit Owner and to each record holder of a mortgage on a Unit, who has registered an address with the Secretary, an itemized accounting of the Common Expenses and the funds received during such fiscal year less expenditures actually incurred and sums paid unto reserves. Any net shortage with regard to General Common Expenses, after application of such reserves as the Sub Board may determine, shall be assessed promptly against the Unit Owners in accordance with their Percentage Interests and shall be payable in one or more monthly assessments, as the Sub Board may determine.

Assessments for the first year shall be prorated from the date of settlement, utilizing the annual budget assessment schedule, for the current year, which shall be established by the Sub Board and used in the computation of the first year assessment amount due.

- 6.3.1 Reserves. The Sub Board shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget, which may become necessary during the fiscal year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including non-payment of any Unit Owners assessments, the Sub Board may at any time levy further assessments for General Common Expenses and/or Limited Common Expenses which shall be assessed against the Unit Owners either according to their respective Percentage Interests with regard to General Common Expenses or in accordance with allocable shares of Limited Common Expenses with regard to Limited Expenses (whichever if appropriate) and shall be payable in one or more monthly assessments as the Sub Board may determine.

Section 6.4

Further Assessments.

The shall serve notice on all Unit Owners of any further assessments pursuant to Sections 6.3 and 6.3.1, or otherwise as permitted or required by the Act, the Sub-Planned Planned Community Declaration and these By-Laws by a statement in writing giving the amount and reasons therefore and such further assessments shall, unless otherwise specified in the notice, become effective with the next annual assessment which is due more than ten (10) days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such assessments. Such assessments shall be a lien as of the effective date as set forth in the preceding Sections 6.3 and 6.3.1.

Section 6.5

Initial Budget.

At or prior to the time assessment of Common Expenses commences, the Sub Board shall adopt the budget, as described in this Article, for a period commencing on the date the Sub Board determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessments shall be levied and become a lien against the Unit Owners during such period as is provided in Section 6.3 above.

Section 6.6

Delivery of Approved Budget and Notice of Capital Expenditure; Effect of Failure to Prepare or Adopt a Budget.

The Sub Board shall deliver to all Unit Owners copies of each budget approved by the Sub Board and notice of any capital expenditure approved by the Planned Board promptly after such approval. The failure or delay of the Sub Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owners obligation to pay such Unit Owners allocable share of the Common Expenses as herein provided whenever the same shall be determined, and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each assessment at the rate established for the previous fiscal year until the new annual budget shall have been adopted.

Section 6.7

Accounts; Audits.

All sums collected by the Sub Board with respect to assessments against the Unit Owners or from any other source may be commingled into a single fund. All books and records of the Sub-Planned Association shall be kept in accordance with good and accepted accounting practices, and the same, may be audited by an independent accountant retained by the Sub Board, at such time as the Board decides.

Section 6.8

Liability for Payment of Common Expenses.

Each Unit Owner shall pay the Common Expenses and Controlled Facility Expenses (hereinafter Common Expenses) assessed by the Sub Board pursuant to the provisions of this Article. No Unit Owner may exempt himself from the liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any Common Elements or by abandonment of his Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recordation of a conveyance by him in fee of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice for the purchasers right to recover from the selling Unit Owner amounts paid by the purchaser therefore; provided, however, that any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Unit Owner within five (5) days following a written request thereof to the Sub Board or Managing Agent and such purchaser shall not be liable for, nor shall the Unit conveyed by subject to a lien for any unpaid assessments with respect to the time period covered by such statement, in excess of the amount therein set forth; and, provided further that, subject to Section 5315(b)(2) of the Act, each record holder of a mortgage on a Unit who comes into possession of a Unit by virtue of foreclosure or by deed or assignment in lieu of foreclosure or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments or charges against such Unit which accrue prior to the time such holder comes into possession thereof, except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit.

Section 6.9

Collection of Assessments.

The Sub Board or the Managing Agent, at the request of the Sub Board, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner, which remains unpaid for more than thirty (30) days from the due date for payment thereof. Any assessment not paid within ten (10) days after its due date shall accrue interest charges in the amount of fifteen percent (15%) of the overdue assessment, in addition, a late fee of Five Dollars (\$5.00) per day will be assessed, plus attorney fees equal to fifteen percent (15%) of the total due and payable shall be assessed. In addition, Unit Owners shall pay, and failure to do so will also constitute a lien for any court fees assessed in the collection process.

Section 6.10

Statements of Unpaid Assessments.

The Sub Board shall promptly provide any Unit Owner, contract purchaser or proposed mortgagee so requesting the same in writing, with a written statement

of all unpaid assessments for Common Expenses due from such Unit Owner. The Sub Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

ARTICLE 7

COMPLIANCE AND DEFAULT

Section 7.1

Relief.

Each Unit Owner shall be governed by and shall comply with, all of the terms of the Master and Sub-Planned Declarations, these By-Laws, the Rules and Regulations of the Master and Sub-Planned Association and the Act, as any of the same may be amended from time to time. In addition to the remedies provided in the Act and the Master and Sub-Planned Declarations, a default by a Unit Owner shall entitle the Sub-Planned Association, acting through its Sub Board or through the Managing Agent, to the following relief:

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

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

7.1.3 No Waiver of Rights. The failure of the incorporated Sub-Planned Association, the Sub Board or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Sub-Planned Community Declaration, these By-Laws, the Rules and Regulations or the Act shall not constitute a waiver of the right of the incorporated Sub-Planned Association, the Sub Board or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Corporation, the Sub Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Sub-Planned Community Declaration, these By-Laws, the Rules and Regulations or the Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to

constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Sub-Planned Community Declaration, these By-Laws, the Rules and Regulations or the Act or at law or in equity.

7.1.4 Abating and Enjoining Violation of Unit Owners. The violation of any Rules and Regulations adopted by the Sub Board, the breach of any By-Law contained herein, or the breach of any provision of the Sub-Planned Community Declaration or the Act shall give the Sub Board the right, in addition to any other rights:

- A. To enter the Unit in which, or as to which, such violation or breach exists and summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof and the Sub Board shall not thereby be deemed guilty in any manner of trespass; or
- B. To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.
- C. To fine the Unit Owner for any amount stated in the Rules and Regulations as a fine.

ARTICLE 8

ASSOCIATION RECORDS

Section 8.1 **Association Records.** The Sub-Planned Association shall maintain financial records sufficiently detailed to enable the Sub-Planned Association to comply with Section 5407 (relating to resale of Units). All financial and other records shall be made reasonably available for examination by any Unit Owner and his authorized agents.

ARTICLE 9

ASSOCIATION AS TRUSTEE

Section 9.1 **Association as Trustee.** With respect to a third person dealing with the incorporated Sub-Planned Association in the Sub-Planned Association's capacity as a trustee, the existence of trust powers and their proper exercise by the Sub-Planned Association may be assumed without inquiry. A third person is not bound to inquire whether the Sub-Planned Association has power to act as trustee or is properly exercising trust powers and a third person, without actual knowledge that the Sub-Planned Association is exceeding or improperly

exercising its powers, is fully protected in dealing with the Sub-Planned Association as if it possessed and properly exercised the powers it purports to exercise. A third person is not bound to assure the proper application of trust assets paid or delivered to the Sub-Planned Association in its capacity as trustee.

ARTICLE 10 **AMENDMENTS**

Section 10.1 Amendments to By-Laws.

These By-Laws may be modified or amended only by vote of Unit Owners entitled to cast a majority of the votes in the incorporated Sub-Planned Association, except as otherwise expressly set forth herein or in the Act; provided, however, that until the date on which Declarant-appointed Sub Board members voluntarily resign or are required to resign pursuant to Article XV of the Sub-Planned Declaration, Section 4.3 and Section 4.4 of the By-Laws and this Section may not be amended without the consent in writing of the Declarant. Additionally, if any amendment is necessary in the judgment of the Sub Board to cure any ambiguity or to correct or supplement any provision of these By-Laws that is defective, missing or inconsistent with any other provision hereof or with the Act or the Sub-Planned Community Declaration or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to Sub-Planned Development projects, then at any time and from time to time the Sub Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Property, upon receipt by the Sub Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

Notwithstanding the above, these By-Laws may not be amended if the amendment shall in any way amend, alter or change any of the provisions of the Master Declaration. To that end, before any amendment may be adopted it must be submitted to the Master Executive Board to determine if such amendment will amend, alter or change any of the provisions of the Master Declaration. The interpretation of whether the proposed amendment of this Sub-Planned Declaration shall amend, alter or change any provision of the Master Declaration shall be the exclusive decision of the Master Executive Board whose decision shall be final.

Section 10.2 Approval of Mortgagees.

These By-Laws contain provisions concerning various rights and interests of record holders of mortgages on Units. Such provisions in these By-Laws are to be construed as covenants for the protection of such holders of which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of these By-Laws impairing or affecting such rights, priorities, remedies or interests of such a holder shall be adopted without the prior written consent of such holders who have registered an address with the Secretary.

Section 10.3 Amendments to the Declaration.

Any two (2) officers or Sub Board members of the corporation may prepare, execute, certify and record amendments to the Sub-Planned Community Declaration on behalf of the Sub-Planned Association.

Section 10.4 HUD/VA Rights.

HUD/VA has the right to veto amendments while there is a special Declarant.

ARTICLE 11
MISCELLANEOUS

Section 11.1 Notices. All notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt, postage prepaid, or otherwise as the Act may permit if:

- a. to a Unit Owner, at the single address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Owner, or
- b. to the incorporated Sub-Planned Association, the Sub Board, or the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section.

If a Unit is owned by more than one person, each such person who so designates a single address in writing to the Secretary, shall be entitled to receive all notices hereunder.

Section 11.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision thereof.

Section 11.3 Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine and neutral genders and the use of the singular shall be deemed to include the plural and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, we, being all the Initial Directors/Officers of The Honors Crossing Homeowners Association, Inc., a Sub-Planned Community Development, have hereunto set our hands and seals this 13th day of May, 2016.

WITNESS:

Catherine Reiss

By: *Amran*
President

By: *W. H. H. H. H.*
Vice President

By: *Christopher E. Gault*
Secretary/Treasurer

Commonwealth of Pennsylvania

:
:
SS

County of Centre

:

On this, the 13th day of May, 2016, before me, the undersigned officer, personally appeared Christopher E. Gault and Christopher E. Gault who acknowledged themselves to be the Initial Directors/Officers of The Honors Crossing Homeowners Association, Inc., and that they as such Initial Directors/Officers have signed said By-Laws for the purposes therein contained by signing the name of The Honors Crossing Homeowners Association, Inc., by themselves as the Initial Directors/Officers.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Alicia N. Cornall
Notary Public
My commission expires: July 27, 2016

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