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AMENDED AND RESTATED DECLARATION OF AMBERLEIGH A PLANNED COMMUNITY

Pursuant to the provisions of the Pennsylvania Uniform Planned Community Act, 68 Pa. C.S. §5101 *et. seq.*, as amended

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ARTICLE I SUBMISSION; DEFINED TERMS

- Section 1.1 <u>Declarant; Property; County; Name</u>. Amberleigh, LP ("Declarant"), a Pennsylvania limited partnership, owner in fee simple of the Real Estate described in Exhibit "1" attached hereto and in Declarant's deed recorded in the Office of the Recorder of Deeds for Centre County, Pennsylvania in Record Book 1744, Page 864, located in the Townships of Spring and Benner, Centre County, Pennsylvania, submitted such Real Estate, including all easements, rights and appurtenances thereunto belonging and the improvements erected or to be erected thereon (collectively, the "Property") to the easements, covenants and restrictions of the Declaration of Amberleigh, a Planned Community, by recording the same on February 17, 2006 in the Office fo the Recorder of Deeds for Centre County, Pennsylvania and thereby created Amberleigh, a Planned Community in accordance with the provisions of the Pennsylvania Uniform Planned Community Act, 68 Pa. C.S. §5101 *et seq.* (the "Act"). The Declarant, as owner of all the Property, hereby amends and restates the Declaration of Amberleigh, a Planned Community, in its entirety.
- Section 1.2 <u>Easements</u>. Included among the easements, rights and appurtenances referred to in Section 1.1 above are the following recorded or expected to be recorded easements, and the Real Estate is hereby submitted to the Act:
 - a. SUBJECT TO rights granted to Highway Occupancy Permit and Right-of-Way Agreement attached thereto recorded in Record Book 1473, Page 400 in the Office of the Centre County Recorder of Deeds.
 - b. SUBJECT TO a right of way 12 feet wide leading northwest from Benner Township Road 342 as set forth in Record Book 485, Page 511 recorded in the Office of the Centre County Recorder of Deeds.
 - c. SUBJECT TO sanitary sewer easement agreements with Spring-Benner-Walker Joint Authority as set forth in Record Book 1482, Pages 1095 and 1100, and in Record Book 1724, Page 963, recorded in the Office of the Centre County Recorder of Deeds.
 - d. SUBJECT TO Stormwater Management Easements recorded in record book 1483, Pages 31, 35, and 78 in the Office of the Centre County Recorder of Deeds.
 - e. SUBJECT TO a Drainage Easement and Temporary Drainage Easement recorded in Record Book 1483, Pages 59 and 55 respectively in the Office of the Centre County Recorder of Deeds.
 - f. SUBJECT TO a Waterline Easement recorded in Record Book 1483, Page 51 in the Office of the Centre County Recorder of Deeds.

- g. SUBJECT TO a Right-of-Way with J& D Partnership for extension of a water line to the Property recorded in Record Book 1483, Page 63 in the Office of the Centre County Recorder of Deeds.
- h. SUBJECT TO a Right-of-Way Waterline Agreement recorded in record book 1483, Page 71 in the Office of the Centre County Recorder of Deeds.
- i. SUBJECT TO a Right-of-Way with J& D Partnership for extension of a water line to the Property recorded in Record Book 1483, Page 63 in the Office of the Centre County Recorder of Deeds.
- j. SUBJECT TO a Declaration of Temporary cul-de-sac recorded in Record Book 1483, Page 83 in the Office of the Centre County Recorder of Deeds.
- k. SUBJECT TO a Declaration of Stormwater Easement recorded in record book 1484, Page 280 in the Office of the Centre County Recorder of Deeds.
- 1. SUBJECT TO a Storm Water Easement Agreement with the Centre County Industrial Development corporation recorded in Record Book 1750, Page 834 in the Office of the Centre County Recorder of Deeds.
- m. SUBJECT TO a Construction Easement Agreement recorded in record book 1750, Page 889 in the Office of the Centre County Recorder of Deeds.
- n. SUBJECT TO an Agreement Regarding Construction Easement and Cul-De-Sac recorded in Record Book 1744, Page 873 in the Office of the Centre County Recorder of Deeds.
- o. SUBJECT TO a Termination of Restrictive/Protective Covenants, Reservations and Easements for Victorian Village Subdivision, Benner and Spring Townships, Centre County; Adoption of Amendment Thereto as Independent Declaration; and Assignment of Developer Rights recorded in Record Book 1744, Page 884 in the Office of the Centre County Recorder of Deeds.
- p. SUBJECT TO a Declaration of Utility Easements for Amberleigh Residential Community Phases 1 and 2 recorded in the Office of the Recorder of Deeds for Centre County in Book 1904, Page 1050, a Declaration of Drainage Easements and Maintenance Plan for Amberleigh Residential Community Phases 1 and 2 recorded in the Office of the Recorder of Deeds for Centre County in Book 1904, Page 1071, a Declaration of Storm Water Management Easement and Maintenance Plan for Amberleigh Residential Community Phases 1 and 2 recorded in the Office of the Recorder of Deeds for Centre County in Book 1904, Page 1060, a Declaration of Sanitary Sewer Easements for Amberleigh Residential Community Phases 1 and 2 recorded in the Office of the Recorder of Deeds for Centre County in Book 1904, Page 1066, and a Declaration of Temporary Cul-De-Sacs and Easements for Amberleigh Residential Community Phases 1 and 2 recorded in the Office of the Recorder of Deeds for Centre

County in Book 1904, Page 1056, all providing easements and rights of way as more particularly described therein and shown in the Subdivision Plan and Plat;

- q. SUBJECT TO rights-of-way and deeds of dedication granted or to be granted by the Declarant to Spring or Benner Townships, as the case may be, to be recorded in the Office of the Centre County Recorder of Deeds in connection with the Declarant's dedication of the streets and roads within the Community to such Townships as shown in the Subdivision Plan.
- r. TOGETHER WITH AND SUBJECT TO easements and restrictions benefitting and burdening the Property, and portions thereof, as shown in the Subdivision Plan and the Plat.

Section 1.3 <u>Defined Terms</u>. Capitalized terms not otherwise defined herein or in the Plats and Plans shall have the meanings specified or used in the Act. The following terms are used or defined in general terms in the Act and shall have specific meanings herein as follows:

- a. "Association" means the home owners association of the Community and shall be known as the "Amberleigh Home Owners Association."
- b. "Builder" means a person or entity among whose principal businesses is constructing single family residences and who acquires legal or equitable title to any Unit with the intention of erecting a singe family residence thereon and then selling such residence, together with its interest in the Unit, to its customer, or who is engaged by the owner of a Unit to erect a single family residence on his or her Unit, provided, however that the term "Builder" shall only refer to the person or entity that erects the first single family residence on the Unit. "Builder" shall include, without limitation, Berks Construction Co., Inc..
- c. "Bylaws" means the bylaws regulating the affairs of the Association, as they may be amended from time to time.
- d. "Common Elements" means all portions of the Community other than the Units as more particularly described in Article III, plus all Controlled Facilities and other portions of the Community and facilities serving the Community identified as Common Elements in Article III, but excluding street rights-of-way, streets, sanitary sewer lines, and water lines when and if dedicated to the municipalities and municipal authorities, as the case may be. "Limited Common Elements" shall mean portions of the Common Elements allocated to fewer than all the Units, if any.
- e. "Common Expenses" means all expenses incurred to maintain, repair, reconstruct, and operate the Common Elements and the Association and to provide services required of the Association in this Declaration. "General Common Expenses" means Common Expenses other than Limited Common Expenses. "Limited Common Expenses" means expenses incurred to maintain, repair, and reconstruct Limited Common Elements.

- f. "Community" means Amberleigh, a Planned Community described in Section 1.1 above and created by this Declaration.
- g. "Controlled Facility and Controlled Facilities" mean real estate within the Community, whether or not part of a Unit, that is not owned by the Association, or structures thereon or portions thereof, which are maintained, improved, repaired, replaced, regulated, managed, insured or controlled by the Association.
- h. "Convertible Real Estate" means that portion of the Property designated as such and bounded as shown in the Plat, so long as Declarant continues to have the right under the Act and hereunder to create and add Units to the Community.
- i. "Declarant" means Amberleigh, LP set forth in Section 1.1 above and all successors to any Special Declarant Rights, as defined and provided in the Act.
- j. "Declaration" means this document, as the same may be amended from time to time.
- k. "Dwelling" means a single family dwelling unit constructed or to be constructed on a Unit.
 - 1. "Executive Board" means the Executive Board of the Association.
- m. "First Priority 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, or similar institutional investor or lender, and (iv) any other mortgagee approved by the Executive Board. A holder, insurer, or guarantor of a First Priority Mortgage and all successors and assigns of any of the above, which may include, but is not limited to the Federal National Mortgage Association the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, and the Veteran's Administration shall be referred to as First Priority Mortgagees."
- n. "Future Phase" and "Future Phases" means the portions of the Property not included in Phases 1 or 2 of the Subdivision Plan.
 - o. "Lot" means a lot as laid out and shown in the Subdivision Plan.
- p. "Open Space" means portions of the Property designated as such on the Plat and includes Lots 242 and 244 as shown in the Subdivision Plan and Plat.
- q. "Plat" and "Plats and Plans" means the Amended Plat of the Community recorded with this Amended and Restated Declaration in the Office of the Recorder of Deeds for Centre County, Pennsylvania, a reduced copy of which is attached hereto in Exhibit "2" and made a part hereof, as the same may be amended from time to time.

From time to time the Plat and Exhibits "1," "2" and "3" hereof shall be amended to reflect the addition of Units as Convertible Real Estate is added to the Community and the removal of portions of the Property as Withdrawable Real Estate is withdrawn.

- r. "Property" means the Property described in Section 1.1 above.
- s. "Rules and Regulations" means the rules and regulations as promulgated by the Executive Board from time to time with respect to use of the Common Elements.
- t. "Single Family Detached Home" means a residential structure erected on a Single Family Unit and that is not connected to any other Dwelling.
- u. "Storm Water Management Facilities" means all the land areas and improvements within and adjacent to the Property devoted to the purpose of detaining, retaining, directing, or controlling the volume, rate, or direction of storm water flow, including but not limited to swales, detention basins, diversion terraces, drainage easements, dissipation devices, infiltration structures, retaining walls, inlets, headwalls, sedimentation basins, seepage pits and drenches, and storm sewers.
- v. "Structure" means any man-made object having an ascertainable stationary location on or in land or water, whether or not affixed to the land, including, but not limited to, buildings, fences, tennis courts, swimming pools, pavilions, tents, decks, gazebos, garages, storage buildings or sheds, signs, abutments, ornamental projections, exterior fixtures, lights, or poles.
- w. "Subdivision Plan" means the Subdivision Plan recorded for the Community in the Office of the Recorder of Deeds for Centre County, Pennsylvania in Book 76, Pages 14-22, as the same may be amended with the addition of Future Phases.
- x. "Townhouse" means a residential structure erected upon a Unit and that shares one or more walls with another residential structure erected upon an adjoining Unit.
- y. "Townhouse Amenities" means those maintenance and repair services to Limited Common Elements appurtenant to the Townhouse Units as described in paragraph (c) of Section 2.3.
- z. "Township" and "Townships" mean the Township of Benner and the Township of Spring, Centre County, Pennsylvania and within which the Community or applicable portions thereof are located.
- aa. "Unit" means a Lot within the Community as described and shown in the Plat and shown as a "Lot" therein and in the Subdivision Plan, but excluding any Lot that is Open Space or a Common Element. When used in this Declaration, "Lot" shall also mean "Unit," except when referring to Lots that are designated as Open Space or as Common Elements. The Community shall include additional Units as and when

Convertible Real Estate is added to the Community. "Townhouse Unit" means a Unit upon which a Townhouse has been or may be built. "Single Family Unit" means a Unit upon which a Single Family Detached Home has been or may be built

- bb. "Unit Owner" and "Owner" shall mean the fee simple title owner of a Unit
- cc. "Withdrawable Real Estate" means so much of the Convertible Real Estate within which Units or Common Areas have not been created and added to the Community as Convertible Real Estate and which is withdrawn from the Community within the time during which the Declarant may do so.

ARTICLE II COMMON EXPENSE ALLOCATION; VOTES IN ASSOCIATION; UNIT IDENTIFICATION AND BOUNDARIES; MAINTENANCE RESPONSIBILITIES; SUBDIVISION OF UNITS

Section 2.1 Common Expense Allocation; Votes.

(a) Except for Limited Common Expenses assessed against fewer than all the Units as provided hereinafter and notwithstanding Section 5314(c)(2) of the Act, General Common Expenses shall be allocated among the Units by shares (it being understood that no Common Expenses shall be allocated to any Lot that is a Common Element) at the time of each assessment. Such shares shall be determined in the following manner: First, the total assessment shall be divided by the sum of (a) the total number of Townhouse Units in the Community multiplied by two, and (b) the number of Single Family Units in the Community multiplied by three, and the result shall be a "Share." Then, each Unit Owner shall be obligated to pay the number of Shares allocated to his or her Unit, with two Shares being allocated to each Townhouse Unit and three Shares being allocated to each Single Family Unit. Except as otherwise provided in this Declaration, Limited Common Expenses shall be allocated among the Units to which the related Limited Common Elements are appurtenant in the same manner, with each Single Family Unit being assessed three Shares and each Townhouse Units being assessed two Shares of Limited Common Expenses, unless all such Units are of like-kind, in which event the assessments will be in equal shares. Each Single Family Unit Owner shall be entitled to three votes in the affairs of the Association and each Townhouse Unit Owner shall be entitled to two votes in the affairs of the Association. Each Unit's percentage of all votes in the affairs of the Association from time to time, therefore, shall be the percentage equivalent of a fraction, the numerator of which is two with respect to Townhouse Units and three with respect to Single Family Units, and the denominator of which shall be the sum of (c) the total number of Townhouse Units multiplied by two, and (d) the total number of Single Family Units multiplied by three. The identifying number for each Unit, the number of votes appurtenant to such Unit in the affairs of the Association, and each Unit's share of General Common Expense liability, expressed as a percentage, is set forth in Exhibit "3" hereof, as such Exhibit "3" may be amended from time to time to reflect the addition of Units from Convertible Real Estate or the withdrawal of Units within Withdrawable Real Estate. As Units are added within the Convertible Real

Estate, or as Units are withdrawn within Withdrawable Real Estate, each Unit's percentage share of Common Expenses, and each Unit's relative voting strength, will proportionately increase or decrease, as the case may be.

- (b) Except for Limited Common Expenses to be assessed otherwise as provided in this Declaration, the costs to the Association of providing the Townhouse Amenities, as described in paragraph (c) of section 2.3 hereinafter, shall be assessed as Limited Common Expenses, in equal shares, against all (and only) the Townhouse Units that are improved with Townhouses.
- Section 2.2 <u>Unit Boundaries</u>. The title lines or boundaries of each Unit are shown on the Plat and the Subdivision Plan, each such Unit being a residential building lot upon which either a Single Family Detached Home or a Townhouse may be built.

Section 2.3. Maintenance Responsibilities.

- (a) Owners of Single Family Units are responsible for maintaining and repairing Limited Common Elements appurtenant solely to their Units, if any, and for maintaining and repairing their Units and all structures and improvements erected within the boundaries of the Unit, including but not limited to sidewalks, if any, but excluding subsurface Storm Water Management Facilities thereon, if any. In addition, Owners of Single Family Units shall be responsible for maintaining the surface of all storm water easement areas, utility easement areas, sign and decorative fencing easement areas, and other easement areas within the borders of their Units, providing mowing and shrubbery trimming as needed, and they are responsible for repairing and maintaining (including but not limited to providing snow and ice removal and lawn maintenance) sidewalks and unpaved areas between their Units and streets within the Community. If any such Unit Owner fails to perform any maintenance or repair required of such Unit Owner, then the Association shall have the right, but not the obligation, to perform such maintenance or repair and assess the costs thereof, plus ten percent, against such Unit Owner as a Limited Common Expense payable on demand.
- (b) Except for the Townhouse Amenities for which the Association shall provide maintenance and repairs, Owners of Townhouse Units are responsible for maintaining and repairing other Limited Common Elements appurtenant solely to their Units, if any, and for maintaining and repairing their Units and all structures and improvements erected within the boundaries of their Units, including but not limited to sidewalks. In addition, Owners of Townhouse Units are responsible for repairing and maintaining (including but not limited to providing snow and ice removal) sidewalks between their Units and streets within the Community. If any such Unit Owner fails to perform any maintenance or repair required of such Unit Owner, then the Association shall have the right, but not the obligation, to perform such maintenance or repair and assess the costs thereof, plus ten percent, against such Unit Owner as a Limited Common Expense payable on demand.
- (c) For Townhouse Units only, the Association shall: (i) provide lawn mowing (with the Unit Owner providing all other lawn maintenance, including mulching, shrubbery and tree trimming, and the like), (ii) repair and maintenance of and to roof surfaces (i.e. shingles),

downspouts, gutters, soffit, facie, siding, and masonry surfaces of Townhouses erected thereon, but excluding maintenance and repair of windows and doors which shall be maintained by the Townhouse Unit Owner and excluding painting must be provided by the Townhouse Unit Owner. All the foregoing are referred to in this Declaration as the Townhouse Amenities and as such shall be Controlled Facilities, and notwithstanding Section 5314(c)(2) of the Act the costs of providing such maintenance and repair shall be assessed in equal shares against all (but only) the Townhouse Units that are improved with Townhouses as Limited Common Expenses, excepting, however, the costs that are incurred to repair damage caused directly by the Owner of a Townhouse Unit, or the occupant thereof, or such Owner's or occupant's family members, guests, invitees, or licensees, which costs (plus an administrative charge of 10%) shall be assessed against such Townhouse Unit as a Limited Common Expense payable on demand. The need for maintenance or repair included among the Townhouse Amenities shall be determined by the Executive Board, in its discretion.

(d) After completion or conveyance thereof by the Declarant to the Association, the Association shall be responsible for otherwise maintaining and repairing the Common Elements, except to the extent the responsibility is expressly assigned to one or more Unit Owners hereunder.

Section 2.4 Other Lawn Maintenance. If the Executive Board determines that Owners of Single Family Units generally are not adequately maintaining the lawns on their Units, it may propose to all the Unit Owners that this Declaration be amended in the manner provided in section 5219 of the Act to designate all the lawns on Single Family Units as Controlled Facilities to be maintained as Common Elements and with the expenses of maintenance being Limited Common Expenses to be assessed against the Single Family Units in equal shares. To be effective, any such amendment shall require sixty-seven (67%) percent of (i) all the votes eligible to be case by the Single Family Unit Owners at a meeting duly called for such purpose.

Section 2.5 Township Rights to Enforce Maintenance. If the Association fails to maintain the Common Elements in good order and repair, the Township may serve written notice upon the Association setting forth the manner in which the Association has failed to maintain such Common Elements, which notice shall include a demand that such deficiencies of maintenance be corrected within thirty (30) days. If the deficiencies are not corrected within such thirty-day period, the Township, in order to prevent the Common Elements from becoming a public nuisance and to preserve the taxable values of the Property, may, but shall have no obligation to, enter upon the real estate upon which such Common Elements are located and maintain the same in such manner as is required by law or ordinance. Such maintenance by the Township shall not constitute a taking of the Common Elements, any Lot, or any other real estate, nor shall it vest in the public any rights to use the same. The cost of such maintenance by the Township shall be assessed against the Units in the manner provided for in Article XI and shall become a lien on the Units.

Section 2.6 <u>Relocation of Lot Boundaries; Subdivision</u>. Relocation of boundaries between Units shall be permitted in accordance with section 5214 of the Act, but only if approved, in advance, by the Executive Board and by the appropriate municipal governing body

or bodies regarding administration of the requisite Subdivision and Land Development Ordinance(s) then in effect. No Unit may be subdivided by any Unit Owner other than the Declarant. The Declarant hereby reserves the right to subdivide a Unit into two or more Units, Common Elements, or a combination thereof, or to combine two or more Units into fewer Units or to create Common Elements, provided such subdivision or combination complies with all applicable laws relating thereto, and provided further that the total number of Units shall not be increased by subdivision and conversion of Convertible Real Estate beyond the maximum number of Units that may be created upon the conversion of all Convertible Real Estate. If any Units are subdivided into more than one Unit, or two or more Units are combined, each resulting Unit will be one Unit for purposes of allocating votes in the Association and allocating Common Expenses, and the subdivided Unit (or any Unit added to another Unit) shall cease to be a Unit for such purposes. If boundaries are relocated, the Unit Owners desiring to do so shall apply to the Executive Board, and if approved, the Executive Board shall prepare, execute, and record an appropriate amendment to this Declaration as required in Section 5214 of the Act, including the Plat. Such amendment shall be executed by the Owner or Owners of the affected Units. The Executive Board may impose a charge upon the Unit Owner or Owners applying to relocate boundaries between Units sufficient to cover the costs incurred or to be incurred to review the application, to amend the Declaration and Plat, and to record such amendment.

Section 2.7 <u>Alterations of Townhouse Units</u>. Subject to any additional requirement of law and to restrictions set forth in this Declaration, the Bylaws or the Rules and Regulations, a Townhouse Unit Owner:

- a. May not make improvements or alterations to the Townhouse constructed thereon that impair the structural integrity or lessen the support of such Townhouse or any Townhouse with which it shares a party wall;
 - b. May not remove party walls:
- c. May not make any alteration that will adversely affect either the fire retardant or sound absorbent quality of the building materials of the Townhouse constructed upon his Unit or violate any applicable law, ordinance, governmental rule, regulation, or order;
- d. Must expeditiously complete all permissible alterations and perform such alterations in a manner that does not interfere, other than in an incidental way as determined by the Executive Board, with the peaceful enjoyment of an adjoining Townhouse Unit by its Owner;
- e. May not install, remove, reconstruct or repair any electrical lines, telephone lines, cable television lines, signal transmission lines, or electrical outlet boxes or terminal devices, or any items of heating or air conditioning equipment, or any ventilation or exhaust duct or related equipment, that is located within a party wall until after application has been made to and written approval has been received from the Executive Board.

ARTICLE III COMMON ELEMENTS

Section 3.1 Common Elements.

- (a) The Declarant reserves the right to designate, and hereby does designate, certain portions of the Community to be Common Elements as shown in the Plat or otherwise described as such in this Declaration. Such Common Elements include Storm Water Management Facilities within the Community that are not dedicated to the Townships or otherwise which the Association must maintain (including Storm Water Management Facilities upon Lot 244 or otherwise within any Open Space), Storm Water Management Facilities within Convertible Real Estate serving the Community, which shall be Controlled Facilities until such Convertible Real Estate becomes part of the Community, recreational areas and facilities and walkways within Open Space, sidewalks along Open Space and other sidewalks that are not upon any Unit (subject to the Unit Owners' obligation to maintain sidewalks and unpaved areas between their Units and streets in the Community, which shall be considered Limited Common Elements appurtenant to such Unit), the sidewalk along Amberleigh Lane between Benner Pike and Unit 221 (such sidewalks being a Controlled Facility), Storm Water Management Facilities upon any Unit (provided that Owners of Single Family Units shall be obligated to maintain the surface area thereof and provide routine cleaning of inlets, outlets and drainage facilities), signs identifying the Community and decorative fencing (which shall be Controlled Facilities to the extent not erected within Open Space), and all other Controlled Facilities. The Declarant reserves the right to designate as Common Elements (which may be Controlled Facilities as applicable) streets and street rights or way within the Community if not accepted for dedication by the Townships, and sanitary sewer lines, potable water mains, and related facilities if not accepted for dedication by the applicable municipality, authority, or service provider. Common Elements will not include street rights-of-way and streets, sanitary sewer lines and facilities, and public water mains and facilities if they are accepted for dedication by the municipalities, authorities, or other applicable entities and the transferee assumes responsibility for maintenance, repair and replacement. If streets (together with street rights of way), sanitary sewer lines and facilities, or public water mains and facilities are not accepted for dedication, and the same will become Common Elements (and Controlled Facilities, as applicable) and maintenance thereof will be borne by the Association, with the costs of such maintenance being included among the General Common Expenses assessed against all the Unit Owners in the shares set forth above. Storm Water Management Facilities and other improvements constituting Common Elements must be constructed by the Declarant, and after completion thereof the obligations for maintenance and repair shall automatically pass to the Association. Street lights within the Community that are either owned by the Association or that the Association is required to maintain shall be Common Elements, or Controlled Facilities, as the case may be. The costs of maintaining and operating such street lights shall also be included among the General Common Expenses.
- (b) The Declarant reserves the right to designate, and hereby does designate, certain portions of the Community to be Limited Common Elements. In addition to Limited Common Elements appurtenant to a single Unit as provided elsewhere in this Declaration, the following shall be Limited Common Elements (and Controlled Facilities) collectively

appurtenant to the Townhouse Units to the extent necessary for the Association to perform its maintenance obligations relating to the Townhouse Amenities as provided in paragraph (c) of Section 2.3: lawn areas of Townhouse Units, roof surfaces, downspouts, gutters, soffit, facie, siding, masonry surfaces, and other exterior surfaces of Townhouses erected on Townhouse Units.

- (c) The Association shall maintain and repair all Common Elements, including Limited Common Elements, with the costs thereof being Common Expenses or Limited Common Expenses, as the case may be, excepting sidewalks located upon a Unit and except for sidewalks and unpaved areas between a Unit and a street (which shall be maintained and repaired by the Unit owner at such Unit owner's expense) and except for the surface of easement areas upon Single Family Units for storm water, utilities, community identification signs and decorative fencing, and the like within the boundaries of a Single Family Unit (with respect to which the Unit Owner shall provide mowing, shrubbery trimming, and routine cleaning of inlets, outlets, and similar drainage facilities). All Unit owners are advised that if the Association fails to maintain Storm Water Management Facilities that are its responsibility, or if the Association otherwise fails to maintain other Common Elements, including Controlled Facilities, the Townships within which such portions of the Community are located will have the right, but not the duty, to make necessary repairs at the expense of the Association and/or Unit owners.
- (d) The Association shall arrange for the provision of routine trash and refuse pick-up for all the Units in the Community that have been improved with Townhouses or Single Family Detached Homes, with the costs thereof being assessed as a Limited Common Expense against all such Units, excluding, however, such Units that are owned by the Declarant or a Builder and are not occupied. All Unit Owners and the occupants of all Units shall comply with such Rules and Regulations as the Association may from time to time adopt regarding such trash and refuse pick-up and the terms of service established by the providers of such service.

Section 3.2 Conveyance; Completion Bonds. Common Elements in the nature of Open Space or other land not included within a Unit will be owned by the Declarant until conveyed to the Association. Streets and street rights-of-way, as well as potable water mains and facilities and sanitary sewer mains and facilities will only become Common Elements if they are not accepted for dedication by such townships or service providers and will be owned by the Declarant until dedicated, or if not accepted for dedication, until conveyed to the Association. On or before the later of the date the last Unit (including Units that may be created within any Convertible Real Estate) is conveyed to a Unit Owner other than the Declarant or the date of expiration of the Declarant's right to convert Convertible Real Estate as provided in Article VI, the Common Elements in the nature of Open Space or other land (including rights-or-way for streets that are not accepted for dedication by the Townships) will (and are required to) be conveyed by the Declarant to the Association by Deed of Special Warranty or other means of conveyance for no consideration; provided, however, that the Association thereupon shall be obligated to assume the Declarant's obligation to maintain all such Common Elements and the completed improvements therein. After the Declarant has completed installation or construction of Controlled Facilities, the Association automatically and without further action shall be obligated to assume responsibility for repair and maintenance thereof. The Declarant will (and is required to) complete construction or installation of the Controlled Facilities and any other improvements identified as or that may become Common Elements on or before the later of the date that the last Unit (including Units that may be created within any Convertible Real Estate) is conveyed to a Unit Owner other than the Declarant or the date of expiration of the Declarant's right to convert Convertible Real Estate as provided in Article VI. Until conveyance of the Common Elements in the nature of Open Space or land to the Association, the Declarant shall be solely responsible for real estate taxes assessed against or allocable to such Common Elements and for all other expenses in connection therewith and in connection with Controlled Facilities until construction or installation thereof has been completed. Thereafter, the Association shall assume responsibility for maintenance and repair, and the costs thereof will increase the budget of the Association. Any increase in the Association's budget will increase Common Expenses and consequently the Unit Owners' allocable shares thereof. The Declarant's obligation to complete and/or convey the Common Elements to the Association shall be binding upon the Declarant and to any successor in interest of the Declarant whether or not such successor in interest succeeds to any special declarant rights. No improvements or facilities constituting Common Elements or that may become Common Elements will be conveyed to or become the responsibility of the Association until completed unless a third-party guarantee, bond, escrow or letter of credit assuring completion has been provided by the Declarant for the benefit of the Association, in addition to the Declarant's guarantee of completion, and the Declarant's guarantee and such third-party guarantee, bond, escrow or letter of credit does not expire until completion of such improvements or facilities. As to any improvements and facilities the Declarant will complete prior to conveyance to the Association, the Declarant does not intend to provide to the Association any third party guarantee, bond, escrow, letter of credit or similar mechanism to assure completion thereof. Only the Declarant's guarantee and obligation set forth herein, and any improvements bond or letter of credit in favor of and required by the municipalities within which the Community is located will be provided to assure that such improvements will be completed. As to any uncompleted improvement or facility that may become a Common Element, the same will be deemed completed upon the recording of a certificate executed by an independent registered surveyor, architect or professional engineer stating that the same has been substantially completed in accordance with the descriptions set forth in the Declaration, the Plat, and the public offering statement so as to permit use thereof for its intended use. Completed improvements or facilities will be deemed to be completed upon approval of the municipality within which they are located. The foregoing obligations of the Declarant shall be binding upon the Declarant and any successor in interest. The foregoing notwithstanding, Limited Common Elements the maintenance of which is in the nature of Townhouse Amenities will be completed as Townhouses are constructed upon Townhouse Units. All streets, sanitary sewer and potable water mains and facilities and other Common Elements within the Community must be built.

ARTICLE IV EASEMENTS

Section 4.1 <u>Additional Easements</u>. In addition to and in supplementation of any easements provided for by the Act, and those contemplated or existing as described in Section 1.2, the following easements are hereby created:

- a. <u>Signs, Decorative Fencing.</u> Declarant reserves the right to place signs and other advertisements within the Open Space in such manner, of such size, and in such locations as Declarant deems appropriate. The Declarant also reserves for itself, its assigns and the Association, an easement to maintain signs identifying the Community and decorative fencing within the Open Space and upon certain Units as shown in the Plat (including Units 33, 34, 40, and 221), and an easement of access over and across such Open Space and such Units for purposes of erecting, replacing, repairing and maintaining such signs and decorative fencing. The Declarant also reserves for the benefit of each Builder a similar right to place signs and other advertisements within the Open Space in such manner, of such size, and in such locations as may be approved by the Declarant, together with a right of access thereto in favor of each such Builder for the purpose of erecting, removing, and maintaining such signs and advertisements, provided that each such Builder obtains Declarant's prior written consent for all such signs and advertisements and their sizes and placement.
- b. <u>Utility Easements</u>. The Units and Common Elements shall be, and hereby are, made subject to easements in favor of 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, and the Declarant hereby reserves the right, from time to time, to grant easements or require that the Association grant easements for such purposes in such places and under such terms as the Declarant shall determine. Such easements shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electric wires, conduits and equipment and ducts and vents over, under, through, along and on the Units, Open Space, or other areas of the Community. The foregoing easements shall include a right of access, a right to cut or trim trees and shrubbery, to grade the soil, or to take any other similar action reasonably necessary to provide economical and safe installation and maintenance and to maintain reasonable standards of health, safety, and appearance. Notwithstanding the foregoing provisions of this Section 4.1.b, unless shown in the Plat or the Subdivision Plan, or unless approved in writing by the Unit Owner or Unit Owners affected thereby, any such easement through a Unit shall be located so as not to materially interfere with the use or occupancy of the Unit by its occupants.
- c. <u>Declarant's Easement to Correct Drainage</u>. Declarant reserves an easement on, over and under the Open Space and all Units, as well as any other area of the Community, for the purpose of constructing and modifying the Storm Water Management Facilities thereon, and the Declarant reserves for itself and the Association, an easement on, over, and under the Open Space, all Units, and any other area of the Community for the purpose of maintaining, repairing, and replacing Storm Water Management Facilities and for the purpose of correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. The easement created by this Section 4.1.c 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.

- d. <u>Right to Dedicate</u>. The Declarant reserves the right to dedicate and convey all streets within the Community and any necessary rights-of-way to municipalities within which the Community is located. The Declarant also reserves the right to dedicate and convey to the municipalities or service providers for the area in which the Community is located sanitary sewer and water lines and facilities and Storm Water Management Facilities.
- Easement for Use and Passage, Storm Water. Each Unit shall benefit from easements for Storm Water Management Facilities and other easements shown in the Subdivision Plan or Plat, and the Units upon which such Storm Water Management Facilities and other easements are situated shall be burdened thereby. Subject to Rules and Regulations from time to time adopted by the Executive Board, each Unit Owner and each person lawfully residing on the Property, together with their guests, is hereby granted a non-exclusive perpetual right and easement of access to use and enjoy, in common with others, the Open Space, subject to compliance with rules and regulations adopted from time to time by the Association. Furthermore, all Unit Owners and their family members, guests, invitees, and licensees, shall have a right and easement to use sidewalks upon any Unit and along the streets within the Community for pedestrian traffic in the manner in which public sidewalks are customarily used and they, the Declarant, and each Builder authorized by the Declarant or the Executive Board, together with the Declarant's and Builder's employees, contractors, and representatives shall have a right to use all streets and the areas shown in the Subdivision Plan that are to be improved with streets for ingress and egress and generally in a manner similar to public streets, subject, however, to the Declarant's right to dedicate (or to require that the Association dedicate) all such streets to the municipalities within which the Community is located (and upon acceptance of such dedication the foregoing easement for use of streets shall automatically be extinguished), and provided that the Unit Owners, the Declarant and each Builder shall promptly repair any damage to such streets caused by them, their contractors, employees or representatives in the course of their use prior to any such dedication, and provided further that the Unit Owners, the Declarant, and each Builder in their use of such streets shall not unreasonably interfere with others' use thereof.
- f. Easement for Access for Maintenance and Repair. The Common Elements, including Open Space, Controlled Facilities and Storm Water Management Facilities, are hereby made subject to an easement in favor of the Declarant and the Association, and their agents, employees, and independent contractors for constructing, inspecting, maintaining, repairing and replacing the Common Elements. Furthermore, the Declarant and the Association shall have and enjoy an easement of access, for them and their agents, employees, and contractors, over and across all the Units for the purposes of constructing, inspecting, maintaining, repairing and replacing Common Elements situated upon or accessible from a Unit, including the Townhouse Amenities, storm water pipes, inlets, and other facilities, to the extent the Unit Owner is not obligated to maintain such facilities under the terms of this Declaration or fails to fulfill his maintenance obligation.

- g. <u>Easement for Construction</u>. The Declarant hereby reserves for itself, its contractors, employees, and representatives, and for each Builder to whom it grants consent, non-exclusive easements over and across the Open Space, the Units, and other areas of the Community:
 - (i) For the purpose of carrying out any obligation it may have or assume with respect to curing any defects in workmanship or materials in improvements constructed or required to be repaired by them, provided that any access over, across or upon portions of the Common Elements and Units not requiring the curing of defects or repairs shall be limited to those areas where access is necessary in order to cure defects and make repairs to portions of the Common Elements or to Units where such work is to be performed, and provided further that the Declarant, or Builder, as the case may be, shall repair all damage caused and restore surfaces disturbed in the course of performing such work;
 - (ii) For the purpose of storing building supplies and materials and equipment used or expected to be used by them in erecting or installing improvements within the Community, including, but not limited to, Structures upon Units, together with a free and uninterrupted right of access thereto, and for any purpose reasonably related to the construction, installation, or repair of any improvement (including without limitation Structures upon Units) constructed or installed by them or with respect to which they have a repair or maintenance obligation, provided that no such storage shall be permitted by a Builder in areas that will interfere with the Declarant's construction or installation of improvements required by the Subdivision Plan or any approval or permit relating thereto, that no such storage shall be permitted upon any Unit not owned by the Declarant or Builder without the owner's prior consent, and provided that the Declarant, or Builder, as the case may be, shall repair all damage caused and restore surfaces disturbed in using any areas of the Community for storage;
 - (iii) For the purpose of changing and correcting the drainage of surface water from or onto Units, Open Space, or other areas of the Community in order to maintain reasonable standards of health, safety, and appearance, provided that (A) all of the foregoing shall be in compliance with the Subdivision Plan, approvals relating thereto, and all applicable laws, regulations and ordinances, (B) changes to land surfaces or Storm Water Management Facilities for such purposes shall not have a material adverse effect on any Unit, Open Space, or other portion of the Property, (C) the foregoing right shall specifically include the right to cut. trim and remove trees and shrubbery and to change grading, (D) the Declarant or Builder, as the case may be, shall restore adjoining areas within the Community adversely affected by any change to or correction of the drainage characteristics of another area of the Community to its original condition as nearly as practicable, (E) the Declarant or Builder, as the case may be, shall give reasonable advance notice of its intention to take any such action to all Unit Owners who may be adversely affected and to the Association, unless in the reasonable opinion of the Declarant or Builder, an emergency exists which precludes such notice, (F)

neither the Declarant nor any Builder shall have any obligation to perform any work or to take any action regarding drainage of surface water within the Community except as may be required in connection with the Subdivision Plan, any approval relating thereto, this Declaration, or under any law, regulation, or ordinance by which they may be bound;

- (iv) For purposes of conducting marketing, sales, and related activities in connection with the sale of Units or residences constructed or to be constructed thereon, provided that no entry shall be permitted upon a Unit not owned by the Declarant or Builder, as the case may be, without the owner's consent;
- (v) For any purpose deemed by them necessary to comply with the provisions of the Act, any law, ordinance, or regulation, or with any order of a governmental agency having regulatory jurisdiction over the Property or the Community; and
- (vi) For purposes of constructing, installing, repairing, modifying, and replacing streets and sidewalks, for purposes of excavating, filling, and coordinating the height, grade, slope, and contour of the Property, including adding or removing soil, provided that all the foregoing shall be in compliance with the Subdivision Plan, all approvals and permits relating thereto, provided that any such construction, installation, modification or replacement shall not have a material adverse effect upon any Unit or any Common Element, and provided further that the Declarant or Builder, as the case may be, shall restore Common Elements and Units adversely affected thereby as nearly as practicable to its original condition.
- h. <u>Support.</u> Each Unit Owner shall be the beneficiary of a covenant by each neighboring Unit Owner and the Association prohibiting any action by such neighboring Unit Owner from taking action on or with respect to his Unit and by the Association from taking action or with respect to the Common Elements that would endanger the stability or safety of his Unit.
- i. Easements in Favor of Withdrawable Real Estate. If any of the Withdrawable Real Estate is withdrawn from the Community by the Declarant, the Declarant shall have the right, and hereby reserves, easements for storm water drainage, utility easements, and access easements over and across the Open Space and all other portions of the Community, and easements of use of sanitary sewer, storm water drainage, and potable water distribution facilities within the Community all benefitting the Withdrawable Real Estate and as may be necessary in order to develop the Withdrawable Real Estate separately from the Community. The Declarant does not anticipate that its reservation of such easements benefitting Withdrawable Real Estate will materially increase the budget of the Association or adversely affect the Community, it being observed, however, that such Withdrawable Real Estate will not contribute toward the Common Expenses and thus will not bear its share of the costs of maintaining the

Common Elements, including the facilities utilized by the Withdrawable Real Estate within such easements.

- j. <u>Easements with respect to Townhouse Units and Certain Single Family</u> Units.
 - (i) Each Townhouse Unit shall be subject to an easement of passage over and across the rear-most five feet of its rear lawn as shown in the Plat to permit Townhouse Unit Owners within the same block of Townhouse Units and maintenance persons to obtain access to their rear lawns and to the rear of the Townhouse erected thereon with lawn mowers and other maintenance equipment, provided that whoever utilizes (or engages another who utilizes) any such easement shall be responsible for repairing all damage caused by such person upon any Townhouse Unit other than his own, and provided that use of such easements shall be limited to the hours between one hour after sunrise and one hour before sunset unless otherwise agreed to by the owner of the servient Townhouse Unit.
 - (ii) Additionally, as shown in the Plat there shall be an easement five feet in width along the side boundary of each end Townhouse Unit (being a Townhouse Unit upon which a Townhouse is constructed that has only one party wall) in favor of each other Townhouse Unit that is part of the same block of Townhouse Units for purposes of access to the rear of each such Townhouse Unit by the Unit Owners thereof and such Unit Owner's contractors to facilitate maintenance and repair of his or her Townhouse Unit and the Townhouse erected thereon, provided that whoever utilizes (or engages another who utilizes) any such easement shall be responsible for repairing all damage caused by such person upon any Townhouse Unit other than his own, and provided that use of such easements shall be limited to the hours between one hour after sunrise and one hour before sunset unless otherwise agreed to by the owner of the servient Townhouse Unit. For purpose of this Section 4.1.j, a "block of Units" shall mean those Townhouse Units upon which adjoined Townhouses are constructed.
 - (iii) Each Single Family Unit upon which there is indicated to be a 5' access easement in the Plat shall be subject to an easement over such area in favor of the Unit bordering such 5' access easement area for the purpose of facilitating maintenance to the Structures erected thereon and as to which there is less than ten feet separating such Structure from the border of the Single Family Unit, provided that whoever utilizes (or engages another who utilizes) any such easement shall be responsible for repairing all damage caused by such person upon the Single Family Unit subject to such easement, and provided that use of such easements shall be limited to the hours between one hour after sunrise and one hour before sunset unless otherwise agreed to by the owner of the servient Single Family Unit.
 - (iv) and subject to Section 2.7 above, each Townhouse Unit shall be

subject to an easement within party walls benefitting the adjoining Townhouse Unit for the sole purpose of permitting installation, maintenance, repair, and replacement of electric, telephone, natural gas, cable television, water, and sewer lines, and computer and Internet cabling, and heating and air conditioning ducts, within such party wall and serving only the Townhouse Unit benefitting from such easement, provided that all such installation, maintenance, repairing, and replacement shall be performed during the hours of 8:00AM and 5:00PM, unless otherwise agreed by the Owner of the servient Townhouse Unit, and in a way that minimizes noise and disturbance of the occupants of the Townhouse erected upon the servient Townhouse Unit.

Section 4.2 Further Rights of Declarant, Association. In addition to any other rights and powers that the Association or Declarant may have pursuant to this Declaration, the Bylaws, the Rules and Regulations and the Act, the Declarant and the Association shall have the right to grant permits, licenses, and easements over the Open Space and other areas of the Community for utilities and other purposes reasonably necessary or useful for the proper maintenance or operation of the Community.

Section 4.3 Right to Enter Property. The Declarant hereby reserves the right to enter onto the Open Space, all Units, and other areas of the Community after conveyance thereof for the purpose of maintaining, repairing, replacing, constructing, altering or reconstructing any and all improvements and plantings required to be made as a condition of approval of the Subdivision Plan by the applicable approving governmental bodies or as may be required in order for any improvements which have been offered or are intended to be offered for dedication in accordance with the Subdivision Plan to be accepted for dedication by the governmental body to which dedication was or is to be offered.

Section 4.4 <u>Models</u>. Notwithstanding any restriction that might otherwise apply in this Declaration, and in addition to all other rights granted to the Declarant in the Act, all of which are expressly preserved, the Declarant hereby reserves the right to maintain offices and models in the Community in connection with the sale, rental, or management of Units, and it reserves the right to permit Builders similarly to maintain offices and models to be used in connection with their (and during the period of their) sale of Townhouses or Single Family Detached Homes within the Community.

ARTICLE V AMENDMENT OF DECLARATION

Section 5.1 <u>Amendment Generally</u>. This Declaration may be amended only in accordance with the procedures specified in Section 5219 of the Act, the other Sections of the Act referred to in Section 5219 and the express provisions of this Declaration. The foregoing notwithstanding, no amendment of this Declaration may be made that removes, revokes, or modifies any right or privilege of (a) the Declarant without its written consent or the consent of any assignee or successor to such right or privilege, or (b) the Township without its written consent.

Section 5.2 Rights of Certain Mortgagees. Subject to the limitations imposed by Section 5221 of the Act and except as permitted hereinafter, no amendment of this Declaration may be made without the prior written approval of all First Priority Mortgagees if and to the extent that such approval is required by the Act. Without limiting the foregoing, this Declaration may not be materially amended without the approval of at least fifty-one (51%) percent of the First Priority Mortgagees (based upon one vote for each mortgage held); however, any amendment made pursuant to Section 5219(f) of the Act will not be considered material. In addition, any published requirement of the Federal National Mortgage Association, or its successors (collectively "FNMA") or of the Federal Home Loan Mortgage Corporation, or its successors (collectively "FHLMC") with respect to approval of amendments to the Declaration by holders of mortgages on Units shall be complied with if, at the time such amendment is submitted for approval, one or more mortgages on Units is held by whichever of FNMA or FHLMC imposes such requirement and the Executive Board has been notified in writing that a mortgage is held by the entity imposing such requirement and in accordance with Article XII. Furthermore, the Executive Board may amend this Declaration as permitted in Section 5219 of the Act in order to conform this Declaration to any such published requirements.

ARTICLE VI CONVERTIBLE REAL ESTATE

Section 6.1 <u>Reservation</u>. Declarant hereby explicitly reserves an option, until the seventh (7th) anniversary of the recording of this Declaration, to convert all or any portion of the Convertible Real Estate to Units or Common Elements or any combination thereof from time to time in compliance with Section 5211 of the Act without the consent of any Unit Owner or holder of a mortgage on any Unit. This option to convert may be terminated prior to such anniversary only upon the filing of an amendment to this Declaration by the Declarant. Declarant expressly reserves the right to convert any or all portions of the Convertible Real Estate at any time, at different times, in any order, without limitation and without any requirement that any other real estate be converted, added or withdrawn; provided, however, that the Convertible Real Estate shall not exceed the total area described as such on Exhibit "2" attached hereto and in the Plat. There are no other limitations on this option to convert Convertible Real Estate.

Section 6.2 <u>Assurances</u>. If all the Convertible Real Estate is converted, the Units therein will be located within the areas shown on the Plat as Convertible Real Estate, as such Convertible Real Estate may be configured from time to time. At such time, if any, that all the Convertible Real Estate is converted, the maximum number of Units in the Community, exclusive of Common Elements or Open Space Lots, but including the Units identified in Exhibit "3" attached hereto, shall be 275. All restrictions in this Declaration affecting use of Units shall apply to Units created within the Convertible Real Estate and all such Units shall be restricted exclusively to residential use. Except as expressly set forth otherwise in this Article VI, no assurances are given (i) as to the locations of buildings or other improvements that may be made within Convertible Real Estate, (ii) as to the architectural style, quality of construction, size, or construction materials of Structures within Convertible Real Estate or as to their compatibility with other Structures and Units in the Community, (iii) as to the improvements and limited common elements that may be made upon or within Convertible Real Estate, (iv) as to the locations of any buildings or other improvements that may be made within Convertible Real

Estate, (v) regarding whether limited common elements created within convertible Real Estate will be of the same general types or sizes as those within other parts of the Community, (vi) as to whether the proportion of limited common elements to Units created within Convertible Real Estate will be equal, proportionate to, or different from the proportion existing within other portions of the Community, or (vii) the applicability of assurances given regarding any Convertible Real Estate that is withdrawn as Withdrawable Real Estate. The reallocation of Common Expense liability as a result of the creation of additional Units from the Convertible Real Estate shall be computed in the manner set forth in Section 2.1 above. Moreover, Section 2.1 will establish the voting rights of Units created from Convertible Real Estate. As a result of the addition of Units resulting from the inclusion of Convertible Real Estate in the Community, the relative voting strength of each Unit will decrease in the same proportion as the decrease in such Unit's percentage liability for Common Expenses. Common Elements within the Convertible Real Estate will be of the same kind as described in Articles II and III of this Declaration, which, when created as Common Elements, shall be maintained by the Association in the same manner as other Common Elements. Limited Common Elements of any kind may be created within the Convertible Real Estate appurtenant to Units created from the Convertible Real Estate.

ARTICLE VII OPTION TO WITHDRAW REAL ESTATE

Section 7.1 Withdrawable Real Estate. Declarant hereby explicitly reserves an option, until the seventh (7th) anniversary of the recording of this Declaration, to withdraw Withdrawable Real Estate from the Community from time to time in compliance with Section 5212 of the Act, without the consent of any Unit Owner or holder of a mortgage on any Unit. This option to withdraw may be terminated prior to such anniversary only upon the filing of an amendment to this Declaration by the Declarant. Declarant expressly reserves the right to withdraw any or all the Withdrawable Real Estate at any time, at different times, in any order, without limitation and without any requirement that any other real estate be withdrawn, added or converted, except as set forth in Section 5212 of the Act; provided, however, that the total Withdrawable Real Estate shall not exceed the Convertible Real Estate as shown in the Plat. There are no other limitations on this option to withdraw the Withdrawable Real Estate. This Declaration shall not apply to any Withdrawable Real Estate that is withdrawn and there shall be no reallocation of Common Expense liability and no change in voting rights appurtenant to any Unit resulting from withdrawal of any Withdrawable Real Estate. If any Withdrawable Real Estate is withdrawn, there will be fewer than the maximum number of Units that may be created by the conversion of all the Convertible Real Estate, and as a consequence thereof there will be no reduction in a Unit's share of Common Expense due to the addition of Units that would otherwise have contributed toward the Common Expenses.

ARTICLE VIII ARCHITECTURAL CONTROL AND DESIGN, USE RESTRICTIONS AND OTHER OBLIGATIONS

Section 8.1 <u>Architectural Control and Design Criteria, Use and Other Restrictions</u>. All Units shall be subject to, and all Unit Owners shall be bound by, the following:

- a. All Units shall be restricted and limited to the extent provided in the applicable Zoning Ordinance or Zoning Ordinances affecting the Community, subject, however, to variances granted thereto.
- b. Unit Owners and occupants and their respective family members, and guests, shall have the right to use and enjoy the Open Space in common with others, provided they comply with the provision of this Declaration and with Rules and Regulations adopted by the Executive Board relating thereto. There shall be no obstruction of the Open Space nor shall anything be stored in or upon the Open Space without the prior written consent of the Declarant or the Executive Board, except as may specifically be authorized in this Declaration, and except by the Association, its employees and independent contractors in performing its obligations or exercising its rights under this Declaration.
- c. No benches, chairs, or other personal property belonging to the owner or occupant of a Unit (other than the Association) shall be left within any Open Space.
- d. All Unit Owners and their residents and guests shall comply with the Rules and Regulations from time to time adopted by the Executive Board and not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Common Elements.
- e. No chain-link fences, barbed wire fences, or fences composed of visible metal or plastic wire may be erected on any Unit. In addition, no fencing or other barrier may be constructed or installed in or upon any Unit except behind the rear wall of the principal dwelling located thereon. No fences of any kind may be erected or installed upon any Townhouse Unit except for privacy fences not exceeding six (6') feet in height erected along the boundary of the Unit, and not extending farther than sixteen (16') feet from the back exterior wall of the Townhouse erected thereon. Split-rail, vinyl, wrought iron, powder-coated steel, and painted wooden board fences are permitted (i) in the rear portions of Single Family Units provided they do not exceed five feet (5') in height.
- f. No outside laundry facilities for washing or drying laundry (including but not limited to poles or clothes lines) shall be permitted on any Unit except in the back yard behind the home constructed on the Unit.
- g. No vans, trucks, or other vehicles longer than twenty (20) feet or in excess of 6,800 lbs. gross vehicle weight, and no tractor trailer cabs, or trailers of any type shall be permitted to be parked or kept upon any Unit (except wholly within a garage) or upon streets bordering any Unit, except for service vehicles making deliveries to the Unit and then only during the time such deliveries are being made. The foregoing, however, shall not be construed to prevent the placement or parking of construction vehicles and equipment need for and during construction of structures upon a Unit.



h. No boats, snow mobiles, motorcycles, all terrain vehicles, campers, motor

homes, trailers, recreational vehicles, or inoperable or unlicensed vehicles may be stored or parked upon any Unit or upon any street within the Community, except wholly within a garage, and except for temporary parking for periods not twenty-four hours.

- i. No swimming pools of any kind may be erected, installed or maintained on any Townhouse Unit. No above-ground swimming pools are permitted to be erected, installed, or maintained on any Single Family Unit. Subject to paragraph (p) hereinafter, in-ground swimming pools may be permitted on Single Family Units.
- j. No billboards or advertising signs of any character may be erected, placed, permitted or maintained on any Unit or improvement thereon, except for a "For Rent" or "For Sale" sign, which shall not exceed one sign per Unit, and which shall expressly refer only to the premises on which such sign is displayed. Permitted "For Rent" or "For Sale" signs may not exceed six square feet in size per side and may not exceed one sign per Unit. Excluded from this restriction shall be the signs identifying the Community and signs maintained by the Declarant and any Builder, with Declarant's prior written consent.
- Units may not be used in whole or in part for the storage of rubbish of k. any kind, nor for the storage of any property or thing that will cause such Unit to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor may any substance, thing or material be kept or used, nor anything done, upon any Unit that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding Units (excluded from this restriction, however, are construction activities of the Declarant or any Builder, and their respective employees and contractors). No rubbish, trash, garbage, scrap metal, waste, new or used lumber or wood (except lumber or wood to be used in constructing a permitted structure on a Unit and firewood to be used in fireplaces in dwellings erected on Units, provided such firewood is stacked no higher than five feet) shall be placed or permitted on any Unit except wholly indoors; provided, however, ususal household trash and rubbish may be kept in closed sanitary containers at curb side for collection purposes only on the day such trash and rubbish is to be collected. No garbage or trash containers may be located in the front or side lawn area of a Unit for more than a twenty-four (24) hour period. This section shall not apply to the storage of building materials and the temporary presence of waste building materials on a Unit during construction of the Single Family Home or Townhouse thereon by a Builder, provide that such waste shall promptly be removed upon completion of construction.
- l. Dwellings and Units may be used for single-family residential purposes only and no business or commercial enterprise may be commences, maintained, or operated in any Dwelling or on any Unit; provided, however, that the Declarant or Builder shall be permitted to maintain sales offices in any Dwelling and to maintain models as provided in Section 4.4 and to maintain speculative inventory on any Unit. No improvements or Structures other than a Dwelling, patios, permitted fences and walls, permitted decks, permitted swimming pools, customary outbuildings, garage, or carport may be erected, placed, or maintained on any Unit. Without limiting the foregoing, sheds

may not be erected, placed or maintained on any Townhouse Unit. Only one sheds may be erected, placed, or maintained upon any Single Family Lot and then only if the shed is not larger than ten (10') feet in width and sixteen (16') feet in depth. All permitted sheds must be of the same materials and the exterior surfaces must be of the same colors as the Single Family Detached Home constructed on the Unit. All building materials incorporated into a Dwelling or other structure on a Unit, including but not limited to roof shingles, shutters, siding, masonry, gutters, downspouts and other trim must be replaced or otherwise repaired and maintained when needed with materials of similar type, quality and color and shall be in harmony and in keeping with other Dwellings within the Community. The provisions of this paragraph are in addition to and not in limitation of the provisions of paragraph (p) hereinafter.

- m. No animals, insects, birds or fowl may be kept or maintained on any Unit except for dogs, cats and pet birds: (i) not to exceed three (3) of any kind including any offspring of such animals while under six (6) months of age, (ii) which are pets for the pleasure and use of the occupants, and (iii) which are not kept for any commercial use or purpose. Moreover, all birds shall be confined in cages and all animals shall be kept and maintained in compliance with all applicable laws and ordinances.
- n. No radio towers, television antennas or similar structures shall be erected, placed, permitted or maintained on any Unit except as permitted in this paragraph. A Unit Owner may install and maintain satellite dishes or other facilities upon his/her Unit for the receipt of radio or television broadcasts, subject to compliance with the following requirements: (i) The satellite dish or other facilities must be of the smallest size reasonably commercially obtainable that will provide radio or television reception; (ii) the satellite dish or other facilities may not be located in front of the plane created by the front of the dwelling constructed on the Unit; (iii) if possible, the satellite dish or other facilities may not be visible from the street in front of the dwelling constructed on the Unit; and (iv) without limiting the preceding requirements, the location of such installations must be as unobtrusive as possible, provided reception is of adequate quality in such location. In the event these provisions contradict any rulings or regulations of the Federal Communications Commission or any other agency having jurisdiction in effect, then the current rulings or regulations of the FCC or other applicable agency shall prevail.
- o. No dwelling or structure upon any Unit shall be occupied in any manner while in the course of construction, nor at any time prior to its being fully completed, nor shall any residence, when completed, be in any manner occupied until made to comply with the approved plans and all covenants, conditions, reservations and restrictions herein set forth. All construction shall be completed within a reasonable time from the commencement of construction. No temporary house, temporary dwelling, temporary garage, trailer home or other temporary structure shall be placed or erected upon any Unit.
- p. All building plans for any building or structure to be erected upon any Unit, the proposed location of any building or Structure upon any Unit, any change after approval thereof, and any remodeling (including but not limited to exterior painting, reroofing, replacement of doors, windows, shutters, and the like), reconstruction, alteration

or addition to any building, driveway or other Structure upon any Unit, shall require the approval in writing of the Declarant, its successors or assigns. Before beginning the construction of any driveway, building or other structure whatsoever, or remodeling, reconstruction or alteration of any driveway or Structure upon any Unit, the person or persons desiring to erect, construct or modify the same shall submit to the Declarant, or its successors or assigns, for approval two (2) complete sets of driveway plans showing the location, course and width of same, and two (2) complete sets of building plans and specifications (including details of the nature, kind, shape, height, materials, floor plans, exterior colors, scheme, location, front and rear facings, elevations, and statement of the approximate cost thereof, as well as grading plans). No remodeling or Structure of any kind, the plans and specifications of which have not received the written approval of the Declarant, its successors or assigns, and which does not comply fully with such approved plans and specifications shall be erected, constructed, placed or maintained upon any Unit. Approval of such plans and specifications shall be evidenced by written endorsement of Declarant, its successors or assigns, on such plans and specifications. No changes or deviations in or from such plans and specifications as approved shall be made without the prior written consent of Declarant, its successors or assigns, who shall not be responsible for any structural defects in such plans or specifications or in any building or Structure erected according to such plans and specifications. Plans and specifications may be rejected for purely aesthetic reasons. At any time, the Declarant may assign its rights and obligations under this paragraph (p), with respect to any part or all of the Community, to the Executive Board.

- q. Dwellings on Units shall have the following minimum completed living spaces:
 - (i) For ranch style houses nine hundred (900) square feet;
 - (ii) For one and one-half story style houses one thousand one hundred fifty (1,100) square feet of living space on the first floor;
 - (iii) For two-story style houses one thousand two hundred (1,200) square feet.
 - (iv) For Townhouses one thousand (1,000) square feet.
- r. Swales and the surface area of other Storm Water Management Facilities located upon a Single Family Unit shall be maintained by the Unit owner. Single Family Unit owners shall also provide routine surface maintenance to areas upon their Units that are burdened by sanitary sewer, utility, and other easements.
- s. Nothing may be placed, planted, constructed or installed upon any Unit within any sanitary sewer, utility, or storm water easement area. Moreover, no storm water swales, channels, basins or ponds upon any Unit may be altered, and no shrubbery, trees, plantings, or structures shall be permitted within clear sight triangles, as shown in the Subdivision Plan, unless they are in compliance with all restrictions relating thereto.

- t. It is the responsibility of each Unit Owner to prevent the occurrence or continuation of any unclean, unhealthy, unsightly, or unkempt condition on his or her Unit. All Units shall be kept neat and orderly and free of rubbish, trash and junk of every kind at all times. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property. Notwithstanding the above, the disassembly and assembly of motor vehicles to perform repair work shall be permitted upon a Unit provided such activities are not conducted on a regular or frequent basis, and are either conducted entirely within an enclosed garage or, if conducted outside, are begun and completed within twelve hours.
- u. All landscaping of or on the Units shall be designed and constructed in keeping with the residential character of the Community and the design of the Dwelling constructed on the Unit. All landscaping shall be maintained and pruned regularly to provide an aesthetically acceptable environment. All Single Family Units shall be mowed and kept free and clear of all weeds at all times by the Owners thereof. No hedge shall be permitted to be planted or maintained upon Townhouse Units other than along the rear boundary thereof. Unit Owners shall keep all flower and vegetable gardens free from unsightly weeds, and they shall remove dead crops, and maintain such gardens in such a way as to prevent soil erosion. In no event may vegetable gardens be closer to the street than the rear line of the Dwelling constructed on the Unit.
- v. Decks permitted to be constructed shall be subject to the following restrictions: (i) railings shall be constructed of pre-finished white vinyl or other similar permitted synthetic material that is pre-finished in white, (ii) they shall not extend farther than eight (8') feet from the rear exterior wall of the Dwelling, and (iii) privacy railing or incorporated fencing, if included, may not exceed six (6') feet in height and must be constructed of pre-finished white vinyl or other similar permitted synthetic material that is pre-finished in white.
- w. No offensive or noxious activity may be carried on upon any Unit, nor shall anything be done on a Unit which may be or may become an annoyance or nuisance to the Community. Construction activities of the Declarant and Builders shall not be considered offensive or noxious. Otherwise, the Executive Board shall have the right to determine whether and when anything done on a Unit is offensive or a nuisance.
 - x. Above ground pumps, water, gas or other storage tanks are prohibited.
- y. The breach of any covenant or restriction herein contained, or the continuance of any such breach, may be enjoined or remedied by appropriate proceedings initiated by Declarant, its successors and assigns, the Association, or by the owner of any Unit in the Community. No delay or omission on the part of Declarant, its successors and assigns, the Association, or the owners of Units in exercising any right, power or remedy herein provided in the event of any breach shall be construed as a waiver thereof or acquiescence therein, and no right of action shall accrue nor shall any action be brought

or maintained by anyone whatsoever against Declarant, its successors or assigns, or on account of the failure to bring any action on account of any breach of these covenants, conditions, reservations and restrictions, or for imposing any covenants, conditions, reservations or restrictions which may be unenforceable. No Unit Owner may initiate legal or equitable proceedings to enforce any provision of this Declaration unless and until such Unit Owner has notified the Association, the offending Unit Owner, and the Declarant (until such time as the Declarant owns no Units) in writing of the alleged breach and given the offender at least thirty days to effect a cure, and, furthermore, if the Association notifies such Unit Owner in writing that it will pursue enforcement or pursue another remedy, then such Unit Owner shall thereupon discontinue or refrain from commencing any such legal or equitable proceeding.

Section 8.2. <u>No Liability</u>. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations, and to preserve the appearance, integrity, and value of the Property only, and approval of any request does not guarantee or otherwise ensure the physical or structural integrity of any building, wall, fence, swimming pool, roof,

exterior light, or any other Structure or improvement of any kind. Neither the Executive Board nor the Association shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Executive Board nor the Association, nor any committee, or member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Unit.

Section 8.3. <u>Common Elements Use Restrictions</u>. Neither the Association nor any Unit Owner shall erect any permanent or temporary Structure (other than signs and decorative fencing expressly authorized under the terms of this Declaration), or dump grass clippings, leaves, trash or other debris, petroleum products, fertilizers or other potentially hazardous or toxic substances on any Open Space, or block or obstruct any Storm Water Management Facility. Unit Owners may not mow, prune, clip or otherwise affect any plantings on any Open Space or any area of the Community other than on their own Units.

Section 8.4. <u>Variance</u>. The Declarant and the Executive Board reserves the right to grant a variance to any of the use restrictions and standards set forth in Section 8.1, provided that the restriction as to which a variance is granted complies with all applicable ordinances, laws, and regulations, and provided further that no variance shall be effective unless approved by the Declaration or Executive Board, as the case may be, in writing and recorded in the Office of the Recorder of Deeds for the county in which the Community is located. The foregoing notwithstanding, during the period that the Declarant owns any Unit, no variance to the restrictions and standards set forth in Section 8.1 without its prior written consent.

Section 8.5. <u>Enforcement</u>. The Declarant, so long as it owns any portion of the Community, any Unit Owner, and the Association each may enforce the obligations or restrictions contained in this Article VIII at law or in equity to compel compliance or to prevent the violation or abate the violation or breach thereof In addition to any other remedy they may have, if the Declarant or Association consults an attorney or commences an action in any court to

compel compliance with the restrictions set forth in this Article VIII by a Unit Owner or to seek damages on account of any violation thereof, the offending Unit Owner shall reimburse the Declarant or, as the case may be, the Association for all attorneys fees and ligation costs incurred by it in doing so within ten days after its written demand. Pending payment by the Unit Owner, such attorneys fees and litigation costs shall constitute a limited common expense allocated to and assessed against the Unit of such Unit Owner.

Section 8.6 New Construction. As provided in section 8.1.p. above, no construction of the initial improvements upon any Unit may be commenced until plans and specifications have been approved, in writing, by the Declarant, or the Executive Board, as the case may be. If the Declarant has approved (or provided for the review and approval of) any Structure to be built upon any Unit under the terms of any contract or agreement, the terms of such contract or agreement shall control and shall constitute approval under section 8.1.p. Moreover, and notwithstanding any contrary provision of Article V, no provision of this Article VIII may be amended without approval of and joinder into such amendment by the Declarant (or successor in interest to the Declarant).

Section 8.7 <u>Survival</u>. If any one or more of the covenants or restrictions set forth in this Article VIII are declared for any reason by a court of competent jurisdiction to be null and void or unenforceable, such judgment or decree shall not in any manner affect, modify, change, or nullify any of the other covenants or restrictions, all of which shall continue in full force and effect.

ARTICLE IX MORTGAGES

Section 9.1 <u>Mortgages</u>. Whether or not they expressly so state, all Mortgages of any Unit or the Common Elements shall be deemed to provide, generally, that they are subject to the terms and conditions of the Act and this Declaration.

ARTICLE X THE EXECUTIVE BOARD; INSURANCE

Section 10.1 <u>Additional Powers</u>. In addition to the powers set forth in the Act and elsewhere in this Declaration, the Executive Board shall have the following powers:

- a. To appoint committees of the Executive Board and to delegate to such committees the Executive Board's authority to carry out certain duties of the Executive Board, subject to the approval and control of the Executive Board.
- b. To engage the services of a manager or managing agent, which may be any person, limited liability company, corporation or other entity, upon such terms and compensation as the Executive Board deems fit, and to remove such manager or managing agent at any time, provided any agreement with such manager or managing agent shall extend for not more than one year and must be terminable by either party

without cause and without payment of a termination fee upon ninety days prior written notice.

- c. To engage the services of any persons (including but not limited to attorneys and accountants) deemed necessary by the Executive Board at such compensation as it deems reasonable, in the operation, repair, maintenance and management of the Common Elements or the Association, or in connection with any duty, responsibility or right of the Executive Board and to remove any such person at any time.
- d. To pay any amount necessary to discharge any mechanics' liens or other encumbrances against the Property or any part thereof that may in the opinion of the executive Board constitute a lien against the Common Elements.
 - e. To expend funds for the maintenance and repair of the Common Elements.
- f. In the event of any condemnation of the Common Elements or any portion thereof, to represent the Association in any proceedings, negotiations, settlements, or agreements with the condemning authority.
- g. To borrow money on the credit of the association and, as security for such borrowing, to assign the Association's rights to receive future income (including assessments) or, pursuant to section 5318 of the Act, encumber or convey the Common Elements, or any portion thereof.
- h. To grant permits, licenses and easements over the Common Elements subject to the limitations set forth in section 5302(a)(9) of the Act.

Section 10.2 <u>Resolution of Disputes</u>. In the event any dispute or disagreement between any Unit Owners relating to the Property, or any questions of interpretation or application of this Declaration, the Plat, the Bylaws, or the Rules and Regulations, the determination thereof by the Executive Board shall be final and binding on each and all such Unit Owners. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief or order to assist it in carrying out its responsibilities under this section. All costs of obtaining such a judgment shall be borne by the disputants, or in the absence of disputants, by the Association as a Common Expense.

Section 10.3 <u>Insurance</u>. The Executive Board shall cause the Association to obtain (if and to the extent available) and pay for all insurances required under section 5312 of the Act.

ARTICLE XI BUDGETS; COMMON EXPENSES; ASSESSMENTS AND ENFORCEMENT

Section 11.1 <u>Annual Assessments; Periodic Payments</u>. The Association shall have the power and authority, as provided in the Act, to (a) make assessments against all Units

(consistently with their allocable Shares) to pay the General Common Expenses, (b) against Units to which Limited Common Elements are appurtenant, if any, to pay Limited Common Expenses, and (c) against Units for services, such as trash removal, the costs of which are to be assessed against such Units to pay for such services. All regular Common Expense assessments made in order to meet the requirements of the Association's annual budget shall be adopted and assessed on an annual basis payable by the Unit Owners in regular monthly or quarter-annual installments, in advance on the first day of each month or quarter year (i.e. April 1, July 1, October 1, January 1) as the Executive Board may determine. In addition, special assessments may be made by the Association and shall be due and payable by the Unit owners (or with respect to special assessments for Limited Common Expenses, shall be due and payable by the Unit Owners to whose Units the applicable Limited Common Elements are appurtenant) in one or more periodic installments, in advance, on the first day of the applicable period, as determined by the Executive Board. Insurance costs of the Association shall be assessed as part of the Common Expenses. The Executive Board may include in Common Expenses (including Limited Common Expenses as applicable) charges for taxes upon and costs incurred for proper maintenance, operation, repair, or replacements of the Common Elements, including, without limitation, lawn care, landscaping, Storm Water Management Facilities repair and cleaning, walkways maintenance, lighting maintenance and repair, recreational facilities maintenance, provision of Townhouse Amenities, provision of refuse and trash pick-up, and the like.

Section 11.2 <u>Subordination of Certain Charges</u>. Any fees, charges, late charges, fines and interest which may be levied by the Executive Board pursuant to Sections 5302(a) (11) and (12) of the Act, shall be subordinate to the lien of all First Priority Mortgages on a Unit.

Section 11.3 <u>Reserves</u>. The Association may establish reserve accounts to be funded through periodic assessments over a reasonable period of time and thereafter may maintain adequate reserves for maintenance, repair and replacements of the Common Elements that are anticipated to require maintenance, repair or replacement on a periodic basis and to cover deductible amounts in property insurance policies. Extraordinary expenditures not originally included in the annual budget that may be incurred in any year may be charged first against such reserves. In addition, the Executive Board shall have the right to segregate all or any portion of the reserves for any specific replacement or contingency upon such conditions as the Executive Board deems appropriate.

At the closing for the initial transfer of title from the Declarant to the non-Declarant purchaser or each Unit, the Association shall collect from such purchasers an amount equal to two hundred (\$200) dollars, which monies shall be deposited into an initial working capital fund under the control of the Association. No Unit Owner is entitled to a refund of these monies by the Association upon subsequent conveyance of his Unit or otherwise. Such payments do not constitute advance payments of regular assessments. The foregoing notwithstanding, a Builder who acquires a Unit from the Declarant, with the Declarant's consent, may either make such \$200 contribution to the Association at such closing, or it may defer making such contribution until it constructs a home on the acquired Unit and conveys the Unit and home to its customer, and then require its customer to make such \$200 contribution at its closing instead of the Builder.

Section 11.4 <u>Accounting</u>. Within one hundred eighty (180) days after the end of each fiscal year of the Association, being the calendar year unless changed, commencing after the end of the year 2006, the Executive Board shall supply to all Unit Owners a balance sheet and a statement or revenues and expenses of the Association for the preceding year, including an accounting of the Common Expenses actually incurred and paid together with a tabulation of the amounts collected pursuant to the annual budget or assessments and showing the excess or deficit of income over expenditures plus reserves.

Section 11.5 <u>Acceleration</u>. If a Unit Owner is in default in the payment of the assessed charges or installments thereof for sixty days or more, the Executive Board may, in addition to all other remedies in the Act or this Declaration, accelerate all other charges and installments of assessments to become due for the next twelve months on the basis of the budget for the calendar year in which such default occurs and assuming the same budget for the following year; provided, however, a foreclosing mortgagee shall be entitled to automatic subordination of such sums in excess of the amounts given priority in lien or payment over mortgage liens in the Act.

Section 11.6 <u>Collection Charges</u>. Any delinquent Unit Owner shall also be obligated to pay all expenses of the Executive Board, including reasonable attorneys' fees, incurred in the collection of any delinquent assessments by legal proceedings or otherwise, and any amounts paid by the Association for taxes or on account of superior liens or otherwise to protect its lien, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessments and shall be collectible as such.

ARTICLE XII RIGHTS OF CERTAIN MORTGAGEES AND OTHER REQUIRED CONSENTS

Section 12.1 <u>Reports and Notices</u>. Upon the specific written request of a holder of a First Priority Mortgage or its servicer to the Executive Board, the mortgagee shall be entitled to receive some or all of the following as designated in the request:

- a. Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Executive Board to the Owner of the Unit covered by the mortgage;
- b. Any audited or unaudited financial statements of the Association which are prepared for the Association and distributed to the Unit Owners;
- c. Copies of notices of meetings of the Unit Owners and the right to designate a representative to attend such meetings;
- d. Notice of the decision of the Unit Owners to make any material amendment to this Declaration;
- e. Notice of substantial damage to or destruction of any part of the Common Elements (the repair of which would cost in excess of \$10,000);

- f. Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Common Elements;
- g. Notice of any default by the owner of the Unit which is subject to the mortgage, where such default is not cured by the Unit Owner within thirty (30) days after the giving of notice by the Association to the Unit Owner of the existence of the default;
- h. The right to examine the books and records of the Executive Board at any reasonable time; or
- i. Notice of any decision by the Executive Board to terminate professional management and assume self-management of the Property.

The request of a mortgagee or its 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.

Section 12.2 Further Consents. If any mortgage or deed of trust upon a Unit is held by the Federal National Mortgage Association ("FNMA") or the Federal Home Loan Mortgage Corporation ("FHLMC") or if any Unit is encumbered by a mortgage or deed of trust insured or guaranteed by the Federal Housing Administration ("FHA"), the Veterans Administration ("VA", or the Department of Housing and Urban Development ("HUD"), and any action proposed by the Association or the Unit Owners requires the approval pursuant to the then applicable regulations of FNMA, FHLMC, FHA, VA, or HUD of a specified percentage of Unit Owners, the holders of a specified percentage of such mortgages, or of such organizations, then such action shall not be taken until such requirement has been met and, further, no action proposed by the Association or the Unit Owners shall be taken or be valid unless the Declarant (during any period that the Declarant has the right to appoint members of the Executive Board), has consented to such action. The foregoing actions include, but are not limited to, the following:

- a. Abandon, partition, alienate, release, hypothecate, dedicate, subdivide, encumber, sell or transfer any interest in any of the non-Limited Common Elements, provided, however, the granting of rights-of-way, easements, and the like for public utilities or other purposes consistent with the use of the Common Elements, and the Association's or Declarant's decommissioning or dedication to a governmental body of any Common Element shall not be subject to such approval or consent requirements of this paragraph.
 - b. Abandon or terminate this Declaration.

Furthermore, neither the Executive Board nor the Association may abandon, release, subdivide, encumber, sell or transfer any interest in Common Elements that the Township has the

right under this Declaration to maintain in the event of the Association's failure to do so without the Township's written consent; provided, however, that the granting of rights-of-way, easements, and the like for public utilities or other purposes consistent with the use of the Common Elements, and the Association's or Declarant's decommissioning, dedication, or sale of any Common Element which, under the terms of any agreement with the Township or other municipal body, is permitted, shall not be subject to the approval or consent requirements of this paragraph.

ARTICLE XIII DECLARANT'S RIGHTS

Section 13.1. Control.

- a. Until the 60th day after conveyance of twenty-five (25%) percent of the total number of 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, provided, however, that Declarant may not unilaterally remove any members of the Executive Board elected by Unit Owners other than Declarant.
- b. Not later than 60 days after conveyance of twenty-five (25%) percent of the total number of Units which may be created to Unit Owners other than Declarant, at least one member and not less than twenty-five (25%) percent of the members of the Executive Board shall be elected by Unit Owners other than Declarant, and not later than 60 days after conveyance of fifty (50%) percent of the Units which may be created to Unit Owners other than Declarant, not less than thirty-three (33%) percent of the members of the Executive Board shall be elected by Unit Owners other than the Declarant.
- c. Not later than the earlier of (i) seven years after the date of the first conveyance of a Unit to a person other than the Declarant, (ii) 60 days after seventy-five (75%) percent of the total number of Units which may be created to Unit Owners other than Declarant, or (iii) two years after the Declarant has ceased to offer Units for sale in the ordinary course of business or after the Declarant has last exercised any development right to add new units was last exercised, all members of the Executive Board shall resign, and the Unit Owners (including Declarant to the extent of Units owned by Declarant) shall elect an Executive Board, a majority of the members of which shall be Unit Owners.

Section 13.2 <u>Assignment</u>. Any or all the special rights and obligations of the Declarant set forth in this Declaration, the Bylaws, or the Act may be transferred to other persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, in in the Bylaws, or in the Act, as applicable, and provided further, that no such transfer shall be effective unless it is in a written instrument signed by the Declarant and recorded in the Office of the Recorder of Deeds for the county in which the Community is located.

ARTICLE XIV DUTIES OF OFFICERS AND MEMBERS OF THE EXECUTIVE BOARD; LIMITATION OF LIABILITY

Section 14.1 Standard of Conduct.

- a. 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.
- b. 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 and upon suppliers of the Association and upon communities in which the Community is located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described above.
- c. 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 14.2 <u>Good Faith Reliance</u>. In performing his duties, an officer or Executive Board member 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:
 - a. One or more other officers or employees of the Association whom the officer or Executive Board member reasonably believes to be reliable and competent in the matters presented.
 - b. Counsel, public accountants or other persons as to matters which the officer or Executive Board member reasonably believes to be within the professional or expert competence of such person.
 - c. 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 Executive Board member reasonably believes to merit confidence.

An officer or Executive Board member 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 14.3 <u>Limited Liability</u>. 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 14.3 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 14.4 <u>Indemnification</u>. 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 attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged 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) 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 14.4 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 or officer in defending a civil or criminal action, suit 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 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 14.5 <u>D & O Insurance</u>. The Executive Board may obtain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth in Section 14.4 above, if and to the extent available at reasonable cost.

ARTICLE XV GENERAL PROVISIONS

- Section 15.1 <u>Enforcement</u>. The obligations and rights set forth herein shall run with the land and shall inure to the benefit of and be enforceable by the Association, the Unit Owners, and their respective personal representatives, heirs, successors, and assigns.
- Section 15.2 <u>Severability</u>. The invalidity of any provision of this Declaration as determined by a court of competent jurisdiction shall not affect any other of the provisions, all of which shall remain in full force and effect.
- Section 15.3 <u>Compliance</u>. Each Unit Owner and occupant of any Unit shall comply with all the provisions of this Declaration, the Bylaws, and the rules and regulations of the Association.
- Section 15.4 <u>Limitation of Association Liability</u>. The Association shall not be liable for any failure of any services required to be obtained or performed by the Association or paid for out of assessments, or for injury or damage to persons or property caused by weather, Acts of God, any circumstance or happening beyond the reasonable control of the Association, or the flow or presence of any water from or upon the Common Elements, or any pipe, conduit, or other Storm Water Management Facilities. Moreover, the Association shall not be liable to any Unit Owner for loss or damage, by theft or otherwise of articles left upon the Common Elements, nor shall any diminution or abetment of assessments be claimed, allowed, or permitted for inconvenience or discomfort arising from the making of repairs or improvements to Common Elements, or any failure to make such repairs or improvements, nor form any action taken by the Association to cause compliance with the provisions of this Declaration, any law or ordinance, or any order or directive or any governmental entity or agency.

Section 15.5 <u>Prior Declaration Superseded</u>. This Amended and Restated Declaration of Amberleigh amends and supersedes in its entirety the Declaration of Amberleigh recorded February 17, 2006 in Book 1925, Page 251 in the Office of the Recorder of Deeds for Centre County, Pennsylvania.

presents by its general partner on this	day of November, 2006.
A B	MBERLEIGH, LP y: Dana/Glass Properties, Inc., its sole general partner By: Michael S. Glass, President

IN WITNESS WHEREOF, Amberleigh, LP has caused its name to be signed to these

COMMONWEALTH OF PENNSYLVANIA

: SS.

COUNTY OF LANCASTER

On this, the Sth day of November, 2006, before me, a Notary Public, personally appeared Michael S. Glass, known to me (or satisfactorily proven) and who acknowledged himself to be the president of Dana/Glass Properties, Inc., the sole general partner of Amberleigh, LP, and as such president, and being authorized so to do, signed the foregoing Declaration in the name of the general partner, for Amberleigh, LP and acknowledged the foregoing to be its act and deed and desired the same to be recorded as such.

Witness my hand and notarial seal this 15 day of November, 2006.

Notary Public

My Commission Expires

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal Donna Paul Linton, Notary Public City Of Lancaster, Lancaster County My Commission Expires July 30, 2008

Member, Pennsylvania Association Of Notaries

EXHIBIT 1 SUBMITTED REAL ESTATE

EXHIBIT "1"

Lands of Amberleigh, LP

BEGINNING at a point on the proposed right of way line on the easterly side of Valentine Hill Road; said point being a property corner of Amberleigh, LP and on the property line of now or formerly Paul A. and Audrey Hartle; thence along following courses and distances to wit:

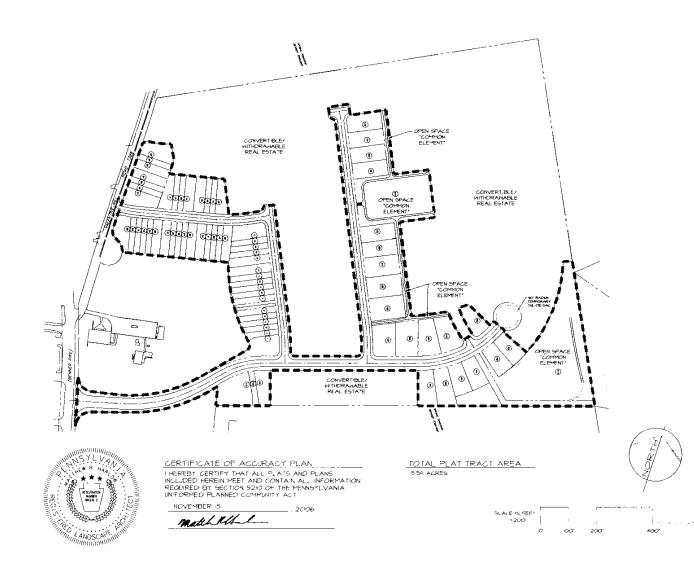
- (1) Thence along the lands now or formerly of Paul A. and Audrey Hartle, North 62 degrees, 45 minutes, 58 seconds East, a distance of 1368.70 feet to a point;
- (2) Thence along the lands now or formerly of Paul A. and Audrey Hartle and Penn Eagle Industrial Park, South 27 degrees 21 minutes 02 seconds East, a distance of 1311.62 feet to a point;
- (3) Thence by lands now or formerly of Centre County Industrial Development, Corporation South 71 degrees 39 minutes 28 seconds West, a distance of 1346.54 feet to a point;
- (4) Thence along the lands now or formerly of Kristin J. Confer, North 13 degrees 02 minutes 55 seconds West, a distance of 67.86 feet to a point on the southern right-of-way line of Amberleigh Lane, being a proposed street as shown on the Final Subdivision Plan of Amberleigh Residential Community, Phases 1 and 2, intended to be recorded;
- (5) Thence along said southerly right-of-way line of Amberleigh Lane, South 41 degrees 48 minutes 42 seconds West, a distance of 44.76 feet to a point;
- (6) Thence continuing along said southerly right-of-way line of Amberleigh Lane, on a curve to the right having a radius of 530.00 feet, an arc length of 281.71 feet with a chord bearing of South 57 degrees 02 minutes 20 seconds West a distance of 278.41 feet to a point;
- (7) Thence continuing along said southerly right-of-way line of Amberleigh Lane, South 72 degrees 15 minutes 58 seconds West, a distance of 142.38 feet to a point;
- (8) Thence continuing along said southerly right-of-way line of Amberleigh Lane, on a curve to the left having a radius of 55.00 feet, an arc length of 82.66 feet with a chord bearing of South 29 degrees 12 minutes 32 seconds West and chord distance of 75.10 feet to a point on the eastern right of way line of Benner Pike (State Route 0150);
- (9) Thence along said right of way line of Benner Pike (State Route 0150), on a curve to the left having a radius of 3849.93 feet, an arc length of 178.94 feet with a chord bearing of North 15 degrees 10 minutes 48 seconds West and a chord distance of 178.92 feet to a point;
- (10) Thence along the northerly right-of-way line of Amberleigh Lane, on a curve to the left having a radius of 55.00 feet, an arc length of 82.12 feet with a chord bearing of South 59 degrees 17 minutes 11 seconds East and a chord distance of 74.70 feet to a point;
- (11) Thence continuing along said northerly right-of-way line of Amberleigh Lane, North 77 degrees 56 minutes 20 seconds East, a distance of 93.73 feet to a point;
- (12) Thence continuing along said northerly right-of-way line of Amberleigh Lane, on a curve to the left having a radius of 470.00 feet, an arc length of 296.35 feet with a chord bearing of North 59 degrees 52 minutes 31 seconds East and a chord distance of 291.47 feet to a point;
- (13) Thence continuing along said northerly right-of-way line of Amberleigh Lane, North 41 degrees 48 minutes 42 seconds East, a distance of 199.29 feet to a point;
- (14) Thence along lands now or formerly of Larry E. and Vicki L. Jodon, on a curve to the left having a radius of 19.00 feet, an arc length of 29.85 feet with a chord bearing of North 03 degrees 11 minutes 18 seconds West and a chord distance of 26.87 feet to a point;

- (15) Thence continuing along lands now or formerly of Larry E. and Vicki L. Jodon, North 48 degrees 11 minutes 18 seconds West, a distance of 8.41 feet to a point;
- (16) Thence continuing along lands now or formerly of Larry E. and Vicki L. Jodon, on a curve to the right having a radius of 530.00 feet, an arc length of 288.98 feet with a chord bearing of North 32 degrees 34 minutes 05 seconds West and chord distance of 285.42 feet to a point;
- (17) Thence continuing along lands now or formerly of Larry E. and Vicki L. Jodon, South 76 degrees 57 minutes 05 seconds West, a distance of 375.90 feet to a point on the easterly right-of-way of the proposed cul-de-sac along Valentine Hill Road;
- (18) Thence along the easterly right-of-way of Valentine Hill Road on a curve to the left having a radius of 50.00 feet, an arc length of 54.04 feet with a chord bearing of North 44 degrees 00 minutes 45 seconds West and chord distance of 51.45 feet to a point;
- (19) Thence continuing along the easterly right-of-way of Valentine Hill Road on a curve to the right having a radius of 30.00 feet, an arc length of 39.23 feet with a chord bearing of North 37 degrees 31 minutes 02 seconds West and chord distance of 36.49 feet to a point;
- (20) Thence continuing along the easterly right-of-way of Valentine Hill Road on a curve to the right having a radius of 4324.26 feet, an arc length of 53.24 feet with a chord bearing of North 00 degrees 17 minutes 51 seconds East and chord distance of 53.24 feet to a point;
- (21) Thence continuing along the easterly right-of-way of Valentine Hill Road North 00 degrees 39 minutes 00 seconds East, a distance of 243.81feet to a point;
- (22) Thence continuing along the easterly right-of-way of Valentine Hill Road on a curve to the left having a radius of 3899.37 feet, an arc length of 123.13 feet with a chord bearing of North 00 degrees 15 minutes 16 seconds West and chord distance of 123.13 feet to a point;
- (23) Thence continuing along the easterly right-of-way of Valentine Hill Road North 01 degrees 09 minutes 33 seconds West, a distance of 66.91 feet to a point and a place of **BEGINNING**.

Containing: 38.7163 Acres

FAMSWord\Project Foklers\SC145 Glass\SC145-001 Amberleigh\Final Plan\Declaration Exhibit 1 Legal Description.doc

EXHIBIT 2	
PLAT	





LINE AND SYMBOL LEGEND

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	ROAD CUE
STRUCTURE	PROFERM
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PROPOSED

PROPERTY PIN SET



AMENDED AND RESTATED PLAT

OVERALL PARCEL

OVEKALL MAKCEL

FOR

AMBERLEICH SPLANED COMMITY

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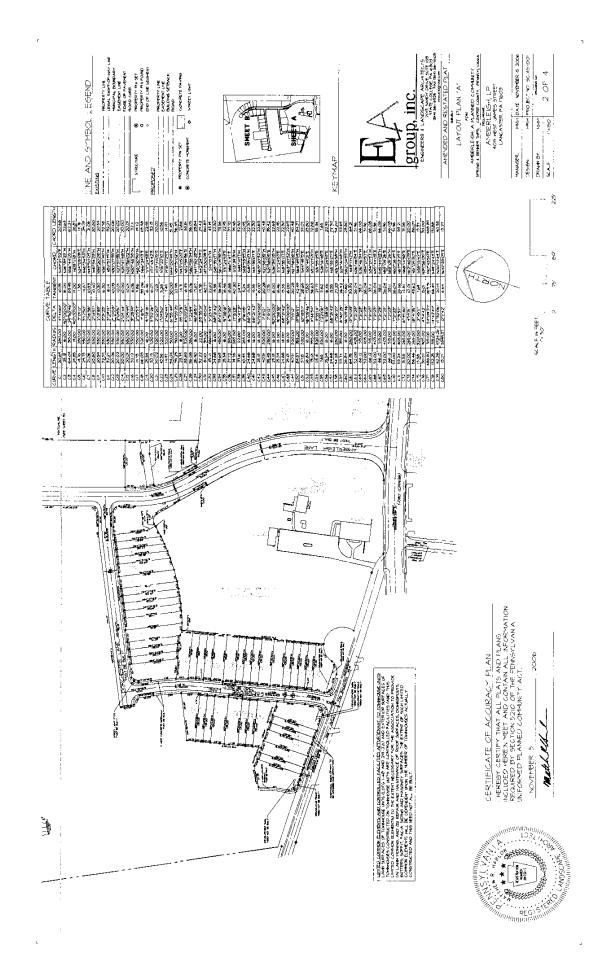
AMBERLEICH LP

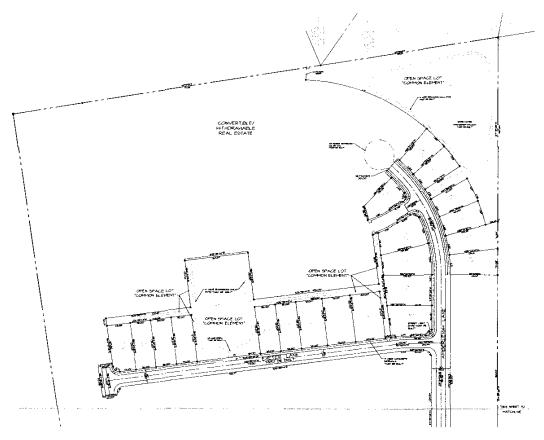
AMBERLEICH LP

AMBERLEICH STREET

LANCASTER FA 11603

MANAGER:	MRH	DATE HOVEMBER 5, 2006
DESIGN:	MRH	PROJECT NO SG145+001
DRAWN BY	QHM	(Minute) NO
SCALE:	11-200	: OF 4







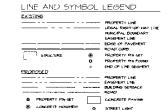
CERTIFICATE OF ACCURACY PLAN

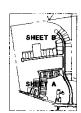
I HEREBY CERTIFY THAT ALL SLATS AND PLANS INCLIDED SEREIN MEET AND CONTAIN ALL INFORMATION REQUIRED BY SECTION 5210 OF THE PENNSYLVANIA UNFORMED SLANIED COMMUNITY ACT.

NOVEMBER 5

match Rld-l-

____. 2006





KEYMAP



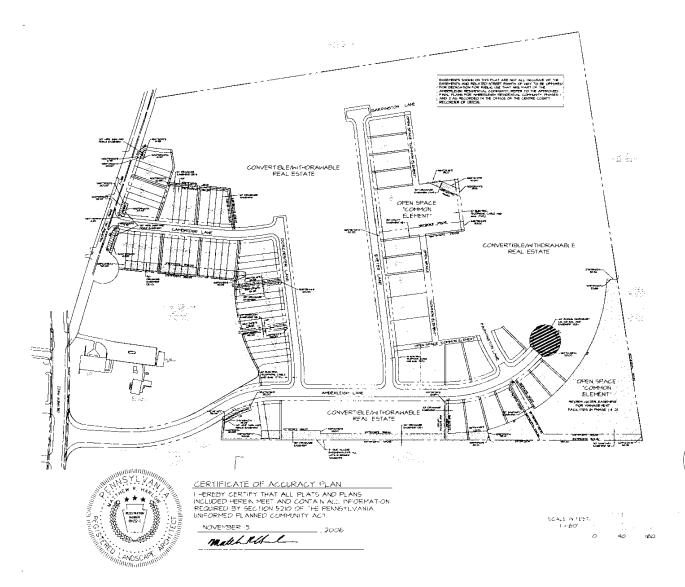
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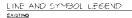
AMBER BIRK A PLANNED CONTAINITY
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AMBER BIRK BIRKET
LANGASTER, PA 17803

			MANAGER	MRH D	ATE: NOVEMBER 15, 2000
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51	1501	225	SCALE	1"=150"	3 OF 4



SCALE IN FEET:





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EASEMENT LEGEND

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(CONVEYANCE FACILITIES)
SIGNI HAITER MANAGEMENT EASEMENT
DETERTIONED REMOVE FACILITIES)
JIS ITY EASEMENT

JILLITY BAMENENT
(MORRE BOTH SANTARY SEHER AND STORM SEHER
ARE LOCATED WITHIN A COMMIND BAGGINENT)
SANTARY SEHER EASEMENT

TE-PORARY CILLIDE-SAC EASEMENT

ACCESS EASEMENT

DEVELOPMENT SIGN AND DECORATIVE FENCE EASEMENT

EASEMENT CURVE TABLE





NSINEERS I LANDSCAPE ARCHITECTS 2015 SANDT DRIVE, SATE 1015 STATE COLLEGE PA 18803 (8H) 8H-9228 FAX (8H) 86-9903 H-H-18000000000

AMENDED AND RESTATED PLAT

AMBERLEICH A PLANED COMMITTY
STORE SENSE DES COMMITTY
AMBERLEICH LP
AMBERLEICH AMBERT



EXHIBIT 3
UNIT IDENTIFYING NUMBERS, SHARE OF COMMON EXPENSES, VOTES IN ASSOCIATION

UNIT NUMBERS	<u>TYPE</u>	SHARE OF GENERAL COMMON EXPENSES	VOTES IN ASSOCIATION
l through 48	Townhouse	1.235%	2
219 through 221	Townhouse	1.235%	2
128 through 140	Single Family	1.852%	3
162, and 192 through 197	Single Family	1.852%	3

Lots 242 and 244 are Common Elements

Townhouse Units upon which townhouses are built will pay an equal share of the Limited Common Expenses incurred to provide the Townhouse Amenities.



COPY

AMENDMENT TO AMENDED AND RESTATED DECLARATION OF AMBERLEIGH A PLANNED COMMUNITY

Made this the Landay of December, 2006, by Amberleigh, LP ("Declarant"), a Pennsylvania limited partnership.

WHEREAS, Declarant is the owner in fee simple of real property described in its deed therefor, which is recorded in the Office of the Recorder of Deeds for Centre County, Pennsylvania in Record Book 1744, Page 864 (the "Property"); and

WHEREAS, the Declarant submitted such Property to the easements, covenants and restrictions of the Declaration of Amberleigh, a Planned Community, by recording the same on February 17, 2006 in the Office fo the Recorder of Deeds for Centre County, Pennsylvania and thereby created Amberleigh, a Planned Community in accordance with the provisions of the Pennsylvania Uniform Planned Community Act, 68 Pa. C.S. §5101 et seq. (the "Act"); and

WHEREAS, the Declarant amended and restated the originally recorded Declaration in its entirety by recording the Amended and Restated Declaration of Amberleigh, a Planned Community on December 18, 2006 in the Office of the Recorder of Deeds for Centre County, Pennsylvania, in Record Book 1978-0658; and

WHERBAS, the Declarate now wishes to amend the Amended and Restated Declaration of Amberleigh;

NOW, THEREFORE, the Declarant hereby amends Section 11.3 of the Amended and Restated Declaration of Amberleigh, a Planned Community, to read in full as follows:

"Section 11.3 <u>Reserves</u>. The Association may establish reserve accounts to be funded through periodic assessments over a reasonable period of time and thereafter may maintain adequate reserves for maintenance, repair and replacements of the Common Elements that are anticipated to require maintenance, repair or replacement on a periodic basis and to cover deductible amounts in property insurance policies. Extraordinary expenditures not originally included in the annual budget that may be incurred in any year may be charged first against such reserves. In addition, the Executive Board shall have the right to segregate all or any portion of the reserves for any specific replacement or contingency upon such conditions as the Executive Board deems appropriate.

At the closing for the initial transfer of title from the Declarant to the non-Declarant purchaser or each Unit, the Association shall collect from such purchasers an amount equal to three hundred fifty (\$350) dollars, which monles shall be deposited into an initial working capital fund under the control of the Association. No Unit Owner is entitled to a refund of these monies by the Association upon subsequent conveyance of his Unit or otherwise. Such payments do not constitute advance payments of regular assessments. The foregoing notwithstanding, a Builder who acquires a Unit from the Declarant, with the Declarant's consent, may either make such \$350 contribution to the Association at such closing, or it may defer making such contribution until it constructs a home on the acquired Unit and conveys the Unit and home to its customer, and then require its customer to make such \$350 contribution at its closing instead of the Builder."

The Amended and Restated Declaration of Amberleigh, a Planned Community, as hereby amended, shall continue in full force and effect.

IN WITNESS WHEREOF, Amberleigh, LP has caused its name to be signed to these presents by its general partner on this _______day of December, 2006.

AMBERLEIGH, LP

By: Dans/Glas Properties, Inc., its sole general partner

By:

Michael S. Glass, President

STATE OF CALIFORNIA : SS.

On this, the 2/5+ day of December 2006, before me, a Notary Public, Veneza personally appeared Michael S. Glass, known to me (or satisfactorily proven) and who acknowledged himself to be the president of Dana/Glass Properties, Inc., the sole general partner of Amberleigh, LP, and as such president, and being authorized so to do, signed the foregoing amendment in the name of the general partner, for Amberleigh, LP and acknowledged the foregoing to be its act and deed and desired the same to be recorded as such.

Witness my hand and notarial seal this 2/5t day of December, 2006.

VANESSA CAMPILLO
Commasion # 1440097
Notary Public - California
Son Diago County
Nay Convin Expliss Sep 18, 2007

Vanusa Campilla Notary Public

My Commission Expires: Sept. 18, 2007

AMENDMENT TO AMENDED AND RESTATED DECLARATION OF AMBERLEIGH A PLANNED COMMUNITY

Made this the <u>17</u> day of August, 2007, by Amberleigh, LP ("Declarant"), a Pennsylvania limited partnership.

WHEREAS, Declarant is the owner in fee simple of real property described in its deed therefor, which is recorded in the Office of the Recorder of Deeds for Centre County, Pennsylvania in Record Book 1744, Page 864 (the "Property"); and

WHEREAS, the Declarant submitted such Property to the easements, covenants and restrictions of the Declaration of Amberleigh, a Planned Community, by recording the same on February 17, 2006 in the Office fo the Recorder of Deeds for Centre County, Pennsylvania and thereby created Amberleigh, a Planned Community in accordance with the provisions of the Pennsylvania Uniform Planned Community Act, 68 Pa. C.S. §5101 et seq. (the "Act"); and

WHEREAS, the Declarant amended and restated the originally recorded Declaration in its entirety by recording the Amended and Restated Declaration of Amberleigh, a Planned Community on December 18, 2006 in the Office of the Recorder of Deeds for Centre County, Pennsylvania, in Record Book 1978-0658; and

WHEREAS, the Declarant further amended the Amended and Restated Declaration of Amberleigh, a Planned Community on December 28, 2006 in the Office of the Recorder of Deeds for Centre County, Pennsylvania, in Record Book 1979-0242; and

WHEREAS, the Declarant now wishes to amend the Amended and Restated Declaration of Amberleigh;

NOW, THEREFORE, the Declarant hereby amends Section 8(h) of the Amended and Restated Declaration of Amberleigh, a Planned Community, to read in full as follows:

- Section 8.1 <u>Architectural Control and Design Criteria, Use and Other Restrictions.</u> All Units shall be subject to, and all Unit Owners shall be bound by, the following:
 - h. No boats, snow mobiles, motorcycles, all terrain vehicles, campers, motor homes, trailers, recreational vehicles, or inoperable or unlicenced vehicles may be stored or parked upon any Unit or upon any street within the Community, except wholly within a garage, and except for temporary parking for periods not to exceed forty-eight hours.

The Amended and Restated Declaration of Amberleigh, a Planned Community, as hereby amended, shall continue in full force and effect.

IN WITNESS WHEREOF, the Declarant, Amberleigh, LP, has caused its name to be signed to these presents by its general partner on this _/__ day of August, 2007.

	AMBERLEIGH, LP
By:	ma/Glass Properties, Inc., its sole general partner Michael S. Glass, President
STATE OF PENNSYLVANIA	: : SS.
COUNTY OF Lancaster	. 55.
who acknowledged himself to be the p general partner of Amberleigh, LP, and signed the foregoing amendment in the	of August, 2007, before me, a Notary S. Glass, known to me (or satisfactorily proven) and president of Dana/Glass Properties, Inc., the sole d as such president, and being authorized so to do, e name of the general partner, for Amberleigh, LP its act and deed and desired the same to be
August, 2007.	notarial seal this 17 day of Mai B Jul Notary Public
	My Commission Expires: July 6,2011
	NOTARIAL SEAL SHARI B TELL NOTORY PUBLIC LANCASTER CITY, LANCASTER COUNTY My Commission Expires Jul 6, 2011

IN WITNESS WHEREOF, the Amberleigh Home Owners Association hereby approves and consents to this Amendment to the Amended and Restated Declaration of Amberleigh, a Planned Community, and has caused its name to be signed here by its president on this <u>17</u> day of August, 2007.

AMBERLEIGH HOME OWNERS ASSOCIATION

By: Michael S. Glass, President
STATE OF PENNSYLVANIA :
COUNTY OF Lan Caster : ss.
On this, the 17 day of 2007, before me, a Notary Public, personally appeared Michael S. Glass, known to me (or satisfactorily proven) and who acknowledged himself to be the president of the Amberleigh Home Owners Association, and as such president, and being authorized so to do, signed the foregoing consent in the name of the Amberleigh Home Owners Association and acknowledged the foregoing to be its act and deed and desired the same to be recorded as such.
August Witness my hand and notarial seal this 17 day of, 2007. Shair Bull Notary Public
My Commission Expires: July 4, 2011
NOTARIAL SEAL SHARI B TELL NOTORY Public LANCASTER CITY, LANCASTER COUNTY My Commission Expires Jul 6, 2011

BYLAWS OF AMBERLEIGH HOME OWNERS ASSOCIATION

ARTICLE 1 Introductory Provisions

- 1.1 <u>Applicability</u>. These Bylaws provide for the governance of the Association pursuant to the requirements of Section 5306 of the Pennsylvania Uniform Planned Community Act, 68 P.S. § 5101, *et seq.*, as amended (the "Act"), with respect to the Planned Community created by recordation of the Declaration among the records of the Centre County Recorder of Deeds on February 17, 2006 in Record Book 1925, Page 0251, which thereafter was amended and superseded by the Amended and Restated Declaration of Amberleigh, a Planned Community on December 18, 2006 in the Office of the Centre County Recorder of Deeds in Record Book 1978, Page 658, as thereafter further amended (the "Declaration") along with an accompanying plat.
- 1.2 <u>Definitions</u>. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration to which these Bylaws pertain or, if not defined therein, the meanings specified or used for such terms in the Act.
- 1.3 <u>Compliance</u>. Pursuant to the provisions of the Act, every Unit Owner and all Persons entitled to occupy a Unit shall comply with these Bylaws.
- 1.4 Office. The office of the Community, the 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.
- 1.5 <u>Incorporation of Statutory Law.</u> Except as expressly provided herein, in the Declaration, or in the Act, the Association shall be governed by the provisions of the Non-profit Corporation Law of 1988 of the Commonwealth of Pennsylvania, 15 Pa. C.S. §5101 *et seq.*, as it may be amended from time to time (the "Corporation Law"). The "Board of Directors" described therein shall be referred to herein and in the Declaration as the "Executive Board."

ARTICLE 2 The Association

- 2.1 <u>Composition</u>. The Association has been organized as a Non-Profit Corporation under the laws of the Commonwealth of Pennsylvania. The Association shall consist of all of the Unit Owners acting as a group and through the Executive Board in accordance with the Act, the Declaration and these Bylaws. The Association shall have the responsibility of administering the Community, establishing the means and methods of collecting assessments and charges, arranging for the management of the Community and performing all the other acts that may be required or permitted to be performed by the Association pursuant to the Act and the Declaration. The foregoing responsibilities shall be performed by the Executive Board or Managing Agent as more particularly set forth in these Bylaws.
- 2.2 <u>Annual Meetings</u>. The annual meetings of the Association shall be held on the first Monday of April of each year unless such date 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 3.3 of these Bylaws (subject to Article

XIII of the Declaration and Section 2.4 of these Bylaws) and such other business as may properly come before the meeting may be transacted.

2.3 <u>Place of Meetings</u>. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Executive Board.

2.4 Special Meetings.

- 2.4.1 The President shall call a special meeting of the 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 percent of the votes in the Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within forty-five 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 5.8 below, such meeting shall be held within fifteen 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.
- Owners other than the Declarant, a special meeting of the Association shall be held at which twenty-five percent (25%), but not fewer than one, of the members of the Executive Board designated by the Declarant shall resign (such members to be selected by the Declarant), and the Unit Owners, excluding the Declarant as a Unit Owner, shall thereupon elect successor members of the Executive Board to act in the place and stead of each member resigning. Within sixty days after conveyance of fifty percent (50%) of the Units to Owners other than the Declarant, if at least thirty-three percent (33%) of the members of the Executive Board were not elected by Unit Owners other than the Declarant, another special meeting of the Association shall be held and members of the Executive Board shall resign (to be designated by the Declarant) so that remaining members appointed by the Declarant constitute no more than 67% of the total members of the Executive Board, and the Unit Owners, excluding the Declarant as a Unit Owner, shall thereupon elect successor members of the Executive Board to act in the place and stead of the resigning members. Such successor members, in each instance, shall serve until the annual meeting of the Association following the meeting at which they were elected.
- 2.4.3 Within the earlier of (i) seven years after the date of the first conveyance of a Unit to a person other than the Declarant, or (ii) sixty days after conveyance of seventy-five percent (75%) of the Units to Owners other than the Declarant, or (iii) two years after the Declarant has ceased to offer Units for sale in the ordinary course of business or last exercised its right to add new Units to the Community, all the members of the Executive Board shall resign and the Unit Owners, including the Declarant with respect to Units owned by the Declarant, shall thereupon elect a new Executive Board, not fewer than a majority of whom must be Unit Owners (or authorized representatives of Unit Owners that are not natural persons). Of the elected members, one-third (or the percentage closest to one-third) receiving the highest numbers of votes shall serve until the third annual meeting of the Association following the date of the election, and the remaining members shall serve until the first annual meeting of the Association following the date of the election, and the remaining members shall serve until the first annual meeting of the Association following the date of the election.
- 2.4.4 Notwithstanding the foregoing, if any meeting required pursuant to Sections 2.4.2 and 2.4.3 above could be held on the date an annual meeting of the Association is scheduled, then such meeting(s) shall be held concurrently with such annual meeting.

Bylaws -2-

- 2.5 <u>Notice of Meetings</u>. The Secretary shall give to each Unit Owner a notice of each annual or regularly-scheduled meeting of the Association at least ten but not more than sixty days, prior to such meeting, stating the time, place and purpose thereof, including, without limitation, any proposed budget or assessment changes, the general nature of any proposed amendment to the Bylaws or 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 and Section 8.1 of these Bylaws shall be considered service of notice.
- 2.6 <u>Adjournment of Meetings</u>. If at any meeting of the 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 hours after the time for which the original meeting was called.
- 2.7 Voting. Each Owner of a Townhouse Unit (as defined in the Declaration) shall be entitled to two votes and each Owner of Single Family Unit (as defined in the Declaration) shall be entitled to three votes for each Unit owned at all meetings of the Association. Such votes may not be separated among multiple owners of a Unit. If the owner of a Unit is a corporation, limited liability company, or partnership, the natural person who shall be entitled to cast the votes for such Unit shall be the natural person named by such entity pursuant to its governing documents and certified as such to the Association. If the owner of a Unit is a trust, the trustee or trustees shall be deemed to be the owner for voting purposes. Where the ownership of a Unit is in more than one Person, the Person who shall be entitled to cast all the votes 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 votes 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 only in accordance with their unanimous agreement pursuant to Section 5310(a) of the Act. There shall be deemed to be unanimous 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 other Owners of the Unit. Such certificate shall be valid until revoked by a 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 Declaration or these Bylaws, such approval or disapproval shall be made only by the natural person who would be entitled to cast the votes of such Unit at any meeting of the Association. Except with respect to election of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, the Owners of twenty percent or more of the aggregate Votes in the Association 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 the Association. In all elections for Executive Board members, each Unit Owner shall be entitled to cast for each vacancy to be filled at such election one vote for each Unit owned. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected and, if Executive Board members are being elected to unequal terms, the candidates receiving the highest number of votes shall be elected to the longest terms. Except as set forth in Section 2.4.2, if the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled. No votes allocated to a Unit owned by the Association may be cast. There shall be no cumulative or class voting.
- 2.8 Proxies. Votes 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 only 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 by the Person presiding over the meeting of written notice of revocation from the grantor(s) 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.

Bylaws -3-

- 2.9 <u>Quorum.</u> Except as set forth below, the presence in person or by proxy of Unit Owners holding twenty percent or more of the aggregate votes of all Unit Owners shall constitute a quorum at all meetings of the Association.
- 2.10 <u>Conduct of Meetings.</u> The President (or in the President's absence, one of the vice-presidents) shall preside over all meetings of the Association, and the Secretary 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 Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws or the Act. All votes shall be tallied by tellers appointed by the President.

ARTICLE 3 Executive Board

- 3.1 <u>Number and Qualification.</u> The affairs of the Association shall be governed by an Executive Board. The Executive Board shall be composed of not fewer than three, nor more than nine, members, as determined by the Executive Board, all of whom shall be natural persons, Unit Owners, designees of Unit Owners who are not natural persons, or designees of the Declarant. The foregoing notwithstanding, until and at the date of the special meeting at which all members of the Executive Board are to be elected by the Unit Owners in accordance with Section 2.4.3, the Executive Board shall be composed of three members.
- 3.2 <u>Delegation of Powers; Managing Agent.</u> The Executive Board may employ for the Community a "Managing Agent" at a compensation established by the Executive Board. The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, where a Managing Agent does not have the power to act under the Act, the Declaration or these Bylaws, such duties shall be performed as advisory to the Executive Board. The Executive Board may delegate to the Managing Agent all of the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers:
 - 3.2.1 to adopt the annual budget and any amendment thereto or to assess any Common
 - 3.2.2 to adopt, repeal or amend Rules and Regulations;
 - 3.2.3 to designate signatories on Association bank accounts;
 - 3.2.4 to borrow money on behalf of the Association;
 - 3.2.5 to acquire and mortgage Units;
 - 3.2.6 to designate Reserved Common Elements;
 - 3.2.7 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 days' written notice and without cause on no more than ninety days' written notice. The term of any such contract may not exceed one year.

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Expenses;

3.3 Election and Term of Office.

- 3.3.1 At the annual meeting of the Association, subject to Article XIII of the Declaration and Section 2.4 of these Bylaws, the election of members of the Executive Board shall be held. The term of office of any Executive Board member to be elected (except as set forth in Sections 2.4.2 and 2.4.3 and 3.5 hereof) shall be fixed at three years. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal, or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.
- 3.3.2 Persons qualified to be members of the Executive Board may be nominated for election only as follows:
 - 1. Any Unit Owner may submit to the Secretary at least thirty days before the meeting at which the election is to be held a nominating petition signed by five or more Unit Owners, together with a statement that the person nominated is willing to serve on the Executive 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
 - 2. Nominations may be submitted from the floor at the meeting at which the election is held for each vacancy on the Executive Board for which no more than one person has been nominated by petition.
- 3.4 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 Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Unit Owners entitled to cast a majority of all votes in the Association and a successor may then and there by elected to fill the vacancy thus created. Any Unit Owner proposing removal of a 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 days' notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit. The Declarant shall have the right to remove and replace any or all members appointed by the Declarant at any time and from time to time until the required resignation date specified in Section 13.1 of the Declaration.
- 3.5 <u>Vacancies</u>. Except as set forth in Section 3.4 above with respect to members appointed by the Declarant, vacancies in the Executive Board caused by any reason other than the removal of a member by a vote of Unit Owners shall be filled by a vote of a majority of the remaining members at a special meeting of the Executive 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 Executive 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 Association at which such seat is to be filled upon expiration of the term of his predecessor. In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term.
- 3.6 <u>Organization Meeting.</u> The first meeting of the Executive Board following each annual meeting of the Association shall be held within ten 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 Executive Board shall have been elected, and no notice shall be necessary to the newly elected members of the Executive Board in order legally to constitute such meeting, if a majority of the Executive Board members shall be present at such meeting.

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- 3.7 <u>Regular Meetings.</u> Regular meetings of the Executive 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 six months during each fiscal year. Notice of regular meetings of the Executive Board shall be given to each member, by mail or facsimile, at least three business days prior to the day named for such meeting.
- 3.8 <u>Special Meetings.</u> Special meetings of the Executive Board may be called by the President on at least three business days' notice to each member, given by mail or facsimile, which notice shall state the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two members of the Executive Board.
- 3.9 <u>Waiver of Notice</u>. Any member may at any time, in writing, waive notice of any meeting of the Executive Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Executive 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 Executive Board, no notice shall be required and any business may be transacted at such meeting.
- 3.8 Quorum of the Executive Board. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At 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 Executive 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.
- 3.9 <u>Compensation.</u> No member of the Executive Board shall receive any compensation from the Association for acting as such, but may be reimbursed for any expenses incurred in the performance of his duties.
- 3.10 <u>Conduct of Meetings</u>. The President, or in his absence any vice-president, shall preside over all meetings of the Executive Board and the Secretary shall keep a minute book of the Executive Board meetings, recording therein all resolutions adopted by the Executive 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 meetings of the Executive Board if and to the extent not in conflict with the Declaration, these Bylaws or the Act.
- 3.11 <u>Action Without Meeting</u>. Any action by the Executive Board required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive 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 Executive Board.
- 3.12 <u>Validity of Contracts with Interested Executive Board Members</u>. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive 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:

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- 3.12.1 The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in the minutes thereof, and the Executive 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 Executive Board member or members; or
- 3.12.2 The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.
- 3.13 <u>Inclusion of Interested Board Members in the Quorum</u>. Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.12 hereof.

ARTICLE 4 Officers

- 4.1 <u>Designation</u>. The principal officers of the Association shall be the President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint a vice president, an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary. The President and vice president, if the office is created, shall be members of the Executive Board. Any other officers may, but need not, be Unit Owners or members of the Executive Board. An officer other than the President may hold more than one office.
- 4.2 <u>Election of Officers</u>. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Board and shall hold office at the pleasure of the Executive Board.
- 4.3 <u>Removal of Officers</u>. Upon the affirmative vote of a majority of all members of the Executive Board, any officer may be removed, either with or without cause, and a successor may be elected at any meeting of the Executive Board called for such purpose.
- 4.4 <u>President</u>. The President shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Executive Board and have all of the general powers and duties which are incident to the office of president of a corporation organized under the laws 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 discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall cease holding such office at such time as the President ceases to be a member of the Executive Board.
- 4.5 <u>Vice President</u>. Upon the creation of the office of 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 Executive Board shall appoint some other member of the Executive Board to act in the place of the President, on an interim basis. The vice president shall also perform such other duties as shall from time to time be delegated or assigned to the vice president by the Executive Board or by the President. The vice president shall cease holding such office at such time as the vice president ceases to be a member of the Executive Board.
- 4.6 <u>Secretary</u>. The Secretary shall keep the minutes of all meetings of the Association and of the Executive Board, have charge of such books and papers as the Executive Board may direct, maintain a register setting forth the place to which all notices to Unit Owners and holders of mortgages on any Units

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hereunder shall be delivered and, in general, perform all the duties incident to the office of secretary of a corporation organized under the laws 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 Association pursuant to Sections 5315(h), 5407(a) and 5407(b) of the Act and Sections 5.6 and 5.11 below.

- 4.7 <u>Treasurer</u>. The Treasurer shall have the responsibility for the safekeeping of 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 required financial data and be responsible for the deposit of all monies in the name of the Executive Board, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Executive Board and, in general, perform all the duties incident to the office of treasurer of a corporation organized under the laws of Pennsylvania.
- 4.8 <u>Execution of Documents</u>. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of \$500 shall be executed by any two officers of the Association. All such instruments for expenditures or obligations of \$500 or less may be executed by any one officer of the Association.
- 4.9 <u>Compensation of Officers</u>. No officer who is also a member of the Executive Board shall receive any compensation from the Association for acting as such officer, but may be reimbursed for any out-of-pocket expenses incurred in performing such officer's duties; provided, however, the Secretary and Treasurer may be compensated for their services if the Executive Board determines such compensation to be appropriate.

ARTICLE 5 Common Expenses; Budgets

5.1 <u>Fiscal Year</u>. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board; provided, however, that the first fiscal year shall begin upon recordation of the Declaration.

5.2 Preparation and Approval of Budget.

- 5.2.1 On or before the first day of November of each year (or sixty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Executive Board 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, including Limited Common Expenses, by the Act, the Declaration, these Bylaws or a resolution of the Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Common Elements and the Association. Such budget may include such reasonable amounts as the Executive Board considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements.
- 5.2.2 On or before the next succeeding fifth day of November (or fifty-five days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall make the budget available for inspection at the 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 Owner's assessments for Common

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Expenses and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 5.8 below.

- 5.2.3 Within thirty days after creation of Units in any Convertible Real Estate or the expiration of any right of the Declarant to withdraw Withdrawable Real Estate, the Executive Board shall revise the budge to reflect changes in the Common Expenses resulting from such conversion or expiration of rights to withdraw Withdrawable Real Estate and to reflect the proportionate liability of all Units for Common Expenses for the remainder of the fiscal year in which such events occur. The amount of assessments attributable to each Unit thereafter shall be the amount specified in the adjusted budget until a new budget has been adopted by the executive Board.
- 5.2.4 The Executive 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.

5.3 Assessment and Payment of Common Expenses.

- Common Expenses. Assessments shall be made annually, but paid in period installments, either monthly or quarter-annually as the Executive Board may determine from time to time. The Executive Board shall calculate the periodic assessments for Common Expenses against each Unit by multiplying (a) the total amount of the estimated funds required for the operation of the Property and the Association and to discharge its obligations under the Declaration as set forth in the budget adopted by the Executive Board for the fiscal year in question, after deducting any income expected to be received from sources other than Common Expense assessments, by (b) the Share of Common Expenses allocated to such Unit with respect to general Common Expenses and Limited Common Expenses, and dividing the resultant product by (c) the number of months of calendar quarter years in such fiscal year. Such assessments shall be deemed to have been adopted and assessed on an annual basis payable in monthly or quarterly installments, shall be due and payable on the first day of each month or calendar quarter, as applicable, (January 1, April 1, July 1, October 1) and shall be a lien against each Unit Owner's Unit as provided in the Act and the Declaration. Within one hundred eighty days after the end of each fiscal year, the Executive 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 general Common Expenses and Limited Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves, together with any other financial reports required by the Act. Any net shortage with regard to general Common Expenses or Limited Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Unit Owners in accordance with their shares thereof and shall be payable in one or more monthly or quarter-annual assessments, as the Executive Board may determine.
- 5.3.2 <u>Reserves</u>. The Executive Board may 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 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 Owner's assessments, the Executive Board may at any time levy further assessments for Common Expense which shall be assessed against the Unit Owners either according to their respective shares of the Common Expenses, and shall be payable in one or more quarter annual assessments as the Executive Board may determine.
- 5.4 <u>Further Assessments</u>. The Executive Board shall serve notice on all Unit Owners of any further assessments pursuant to Sections 5.3.1 or 5.3.2 or otherwise as permitted or required by the Act, the Declaration and these Bylaws by a statement in writing giving the amount and reasons therefor, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly

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or quarterly assessment which is due more than ten 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 5.3.1 and 5.3.2.

- 5.5 <u>Initial Budget</u>. At or prior to the time assessment of Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive 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 5.3 above.
- 5.6 Delivery of Approved Budget and Notice of Capital Expenditure; Effect of Failure to Prepare or Adopt Budget. The Executive Board shall deliver to all Unit Owners copies of each budget approved by the Executive Board and notice of any capital expenditure approved by the Executive Board promptly after each such approval. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay such Unit Owner's 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 or adjusted budget shall have been adopted.
- 5.7 <u>Accounts; Audits.</u> All sums collected by the Executive 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 Association shall be kept in accordance with good and accepted accounting practices, and the same shall be compiled, reviewed, or audited at least once each year by an independent accountant retained by the Executive Board.
- 5.8 <u>Rejection of Budget</u>. Anything herein to the contrary notwithstanding, the Association, by majority vote of all votes in the Association, may reject any budget or capital expenditure approved by the Executive Board, within thirty days after approval by the Executive Board at a special meeting properly called for such purpose.
- 5.9 Payment of Common Expenses. Each Unit Owner shall pay the Common Expenses assessed by the Executive Board pursuant to the provisions of this Article 5. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the 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 purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefor; 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 ten days following a written request therefor to the Executive Board or Managing Agent and such purchaser shall not be liable for, nor shall the Unit conveyed be 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) 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.

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- 5.10 <u>Collection of Assessments</u>. The Executive Board or the Managing Agent, at the request of the Executive Board, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty days from the due date for payment thereof. Any assessment not paid within five days after its due date shall accrue a late charge in the amount of five percent of the overdue assessment in addition to interest at the rate of fifteen percent per annum or such other rate as may be determined by the Executive Board.
- 5.11 <u>Statement of Common Expenses</u>. The Executive 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, including Limited Common Expenses, due from such Unit Owner. The Executive 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 6 Compliance and Default

- 6.1 <u>Relief.</u> Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Declaration, these Bylaws, the Rules and Regulations and the Act, as any of the same may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, a default by a Unit Owner shall entitle the Association, acting through its Executive Board or through the Managing Agent, to the following relief:
- 6.1.1 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 Executive Board. Such liability shall include any increase in casualty insurance premiums occasioned by improper use, misuse, or occupancy of any Unit or Common Elements. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.
- 6.1.2 <u>Costs and Attorney's Fees</u>. In any proceeding arising out of any alleged default by a Unit Owner of these Bylaws or of the Declaration, the Association shall be entitled to recover the costs of such proceeding and such reasonable attorney's fees as may be determined by the court.
- 6.1.3 No Waiver of Rights. The failure of the Association, the Executive Board or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Rules and Regulations or the Act shall not constitute a waiver of the right of the Association, the Executive Board or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Executive Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, the Rules and Regulations or the Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Declaration, these Bylaws, the Rules and Regulations or the Act or at law or in equity.
- 6.1.4 <u>Abating and Enjoining Violations by Unit Owners</u>. The violation of any of the Rules and Regulations adopted by the Executive Board, the breach of any Bylaw contained herein or the breach of any provision of the Declaration or the Act shall give the Executive Board the right, in addition to any other rights to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

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ARTICLE 7 Amendments

- Amendments to Bylaws. These Bylaws may be modified or amended only by vote of Unit Owners entitled to cast a majority of the votes in the Association, except as otherwise expressly set forth herein or in the Act; provided, however, that until the date on which all Declarant-appointed Board members voluntarily resign or are required to resign pursuant to Article XIII of the Declaration, (i) Section 2.4, (ii) Section 3.1, and (iii) this Section 7.1 may not be amended without the consent in writing of the Declarant, and further, these Bylaws may not be modified or amended prior to the date on which all Declarant-appointed Board members voluntarily resign or are required to resign pursuant to Article XI of the Declaration if, at the time of such amendment or modification, any Unit is encumbered by a mortgage in favor of or insured by the Veteran's Administration ("VA"), the Federal Housing Administration ("VHA"), or through a similar program administered by the Department of Housing and Urban Development ("HUD") if so required under regulations relating thereto.
- 7.2 Approval of Mortgagees. These Bylaws contain provisions concerning various rights and interests of record holders of mortgages on Units. Such provisions in these Bylaws are to be construed as covenants for the protection of such holders on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of these Bylaws 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.
- 7.3 FNMA, FHLMA, FHA, VA Amendments. If any amendment to these Bylaws is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision that is defective, missing or inconsistent with any other provision, or with the Act or the Declaration, or if such amendment is necessary to conform to the then current requirements of any agency or entity that has established national or regional standards with respect to loans secured by mortgages or deeds of trust on units in community projects, including but not limit to the Federal National Mortgage Association, the Federal Home Loan Mortgage Association, the Federal Housing Administration or the Veteran's Administration, the Executive Board may, at any time and from time to time, effect such amendments without the approval of the Unit Owners or the holders of any liens on all or any part of the Community, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of the Act.
- 7.4 <u>Amendments to the Declaration</u>. Any two officers or Executive Board members of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

ARTICLE 8 Miscellaneous

8.1 Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt, postage prepaid (or otherwise as the Act may permit), (i) if 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 (ii) if to the Association, the Executive Board or to 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.

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- 8.2 <u>Captions</u>. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.
- 8.3 <u>Gender</u>. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

ADOPTED THE 28th DAY OF December, 2006

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