

## EXHIBIT A

**DECLARATION OF CONDOMINIUM OF  
THE RESERVE AT HERSHEY MEADOWS, A CONDOMINIUM  
BEING LOTS K & M OF PHASE 6 OF  
THE MEADOWS OF HANOVER, A PLANNED COMMUNITY**

THIS DECLARATION of Condominium for the Reserve at Hershey Meadows, a Condominium, being Lots K and M of Phase 6 of the Meadows of Hanover, a Planned Community (hereinafter the "Declaration"), located in South Hanover Township, Dauphin County, Pennsylvania, and commonly known and referred to as "The Reserve at Hershey Meadows," is made and adopted this ~~14th~~<sup>15th</sup> day of ~~April~~<sup>April</sup>, 2004 by the Terraces at Hanover Limited Partnership, a Pennsylvania limited partnership. (hereinafter the "Declarant").

WHEREAS, Lots K and M of Phase 6 are being developed as a single family condominium community, consisting of a mixture of townhomes and flats, and it will be constructed on that certain real property depicted in the Boundary Plan for Lots K and M of Phase 6 (the "Plan") prepared for the Declarant, by Herbert, Rowland & Grubic, Inc., and dated April 15, 2004, attached hereto and incorporated herein as Exhibit "A" to this Declaration; and

WHEREAS, the land upon which Lots K and M of Phase 6 are being developed is being developed as a flexible condominium; and

WHEREAS, Phase 6 is part of a planned community known as the Meadows of Hanover, a Planned Community, which is being developed in accordance with a certain Development Agreement between the Meadows of Hanover Development, Inc. and South Hanover Township (the "Township") dated September 12, 2000 and attached hereto and incorporated herein as Exhibit "B" to this Master Declaration (the "Development Agreement"); and

WHEREAS, Phase 6 is intended to be developed by the Declarant in accordance with the Development Agreement; and

WHEREAS, the Declarant intends to submit Lots K and M of Phase 6 to the Provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S.A., Section 3101, et seq. (the "Act"); and

WHEREAS, the Declarant intends to improve Lots K and M of Phase 6 by constructing certain Common Elements, including, but not limited to, parking lots, driveways, entrances, walkways, landscaping and drainage facilities; and

WHEREAS, the Declarant also intends to improve Lots K and M of Phase 6 by constructing townhouse style and apartment style condominium units intended to be used exclusively as single family homes; and

WHEREAS, the Declarant intends to reserve the power to convert the Convertible Real Estate, being Lots I, O, Q, B, D, E, J, L, N, P, A, C, F, G, and H of Phase 6 as described in Exhibit "C" to this Declaration, or portions of it, and to submit the converted portion or portions to this Declaration from time-to-time by the recording of amendments to this Declaration; and

WHEREAS, the Declarant also intends to reserve to itself all Special Declarant Rights in the manner permitted by the Act; and

WHEREAS, all of the improvements, including all Units, now or hereafter constructed on the Convertible Real Estate shall be, and shall remain, subject to the terms, conditions, easements, covenants and restrictions stated in this Declaration without regard for whether they are recited in any deed issued by the Declarant; and

WHEREAS, the Declarant has or will incorporate a Pennsylvania nonprofit corporation, bearing the name of the Reserve at Hershey Meadows Condominium Association (hereinafter the "Association"), which is intended to administer, manage and operate the common elements and the common use facilities which will be constructed or erected on Phase 6; and

WHEREAS, the Association is intended to be organized as a Pennsylvania Non-Profit Corporation under and subject to 15 Pa. C.S.A. Section 5101 et seq. (the "NPC"); and

WHEREAS, the Association will be administered and operated as a sub-association of that certain master association known as the Meadows of Hanover Master Association, Inc., subject to the Master Governing Documents; and

WHEREAS, the Declarant has determined that it will be beneficial to the Owners, and will facilitate the administration, management and operation of Lots K and M of Phase 6 and the Association, if Lots \_\_\_ of Phase 6 are submitted to the Act and this Declaration; and

WHEREAS, upon the recording hereof, the provisions of this Declaration are intended to, and shall apply as covenants, easements and restrictions running with the title to Lots K and M of Phase 6 and all improvements now or hereafter constructed on Lots K and M of Phase 6 until such time, if ever, as this Declaration shall be terminated in the manner stated herein;

NOW THEREFORE Declarant for itself and its successors and assigns does hereby declare that Lots K and M of Phase 6 and the Association are hereby submitted to, and shall be governed by this Declaration as follows:

**ARTICLE I**  
**SUBMISSION OF THE PROPERTY**

The Declarant hereby submits the Property to the covenants, restrictions and easements set forth in this Declaration, and to the Pennsylvania Uniform Condominium Act, 68 Pa. C.S.A., Subsection 3101 et seq., and any amendments now or hereafter adopted thereto (hereinafter the "Act"). By the recording of this Declaration the Declarant also ratifies the submission of the Property and the Association to the Master Declaration of Covenants, Easements and Restrictions of the Meadows of Hanover, A Flexible Planned Community recorded in the Office of the Recorder of Deeds of Dauphin County, Pennsylvania, at Book 5202, Page 425 et seq., and to the Meadows of Hanover Master Association, Inc. Master Bylaws as now or hereafter amended or supplemented. All those who become an owner of a Unit now or hereafter erected on the Property, by their acceptance of the deed to the Unit, shall be deemed to have irrevocably ratified and reaffirmed the submission of the Property to the covenants, restrictions and easements set forth in this Declaration, the Bylaws, the Rules and Regulations, the Act and the Master Governing Documents, without regard for whether the deed contains any reference to this Declaration, the Bylaws, the Rules and Regulations, the Act or the Master Governing Documents.

**ARTICLE II**  
**DEFINITIONS**

1. **USE OF DEFINED TERMS.** Capitalized terms used in this Declaration will have the meanings specified herein unless otherwise defined under applicable law.
2. **DEFINED TERMS.** The following terms will have the specific meanings assigned herein as follows:
  - a. "Annual Assessment" will mean and refer to the annual assessment to be levied by the Board against the Units, and which is payable by each of the Owners in twelve (12) monthly installments, in accordance with the Common Expense Liability allocated to each Unit.
  - b. "Assessments" will mean and refer collectively to all sums of money levied by the Board as assessments against a Unit, and to all other sums of money which may become due to the Association upon a Unit under the terms and conditions of this Declaration, the Bylaws, the Rules and Regulations and/or Section 3315 of the Act.
  - c. "Association" will mean and refer to the Reserve at Hershey Meadow Condominium Association, being a Pennsylvania nonprofit, non-stock, membership corporation organized under the Pennsylvania Non Profit Corporation Law, 15 Pa. C.S.A., Section 5101 et seq., (the "NPC").
  - d. "Association Books and Records" will mean and refer only to the Declaration, Bylaws, Rules and Regulations and Articles of Incorporation of the

Association, including all amendments or supplements to them, all resolutions and budgets adopted by the Board, financial books and records of account, a membership register containing the names and addresses of the members of the Association the minutes of the annual meetings of the Owners.

e. "Board" and/or "Executive Board" will mean and refer to the board consisting of natural individuals who are elected or appointed in the manner stated in this Declaration and the Bylaws to administer, manage and operate the Property, and to conduct the administration, management and business affairs of the Association.

f. "Building" shall mean and refer to the buildings on the Property which contain Units.

g. "Bylaws" will mean and refer to that certain document entitled "The Bylaws of the Reserve at Hershey Meadows Condominium Association" under which the Association, operates as a nonprofit corporate entity, and conducts its administrative, business and organizational affairs, including all amendments now or hereafter adopted thereto.

h. "Capital Improvement Fee" will mean and refer to a fee which may be levied and assessed by against a Unit which is being assigned, conveyed, sold or otherwise transferred to a new Owner. The Capital Improvement Fee is payable by the person, partnership, corporation, trust or entity accepting, taking or receiving the title to a Unit in an amount to be established by the Board through the adoption of Rules and Regulations.

i. "Common Elements" will mean and refer to the Common Facilities and the Controlled Facilities, all those portions of the Property designated on the Plan as Common Elements, and all improvements now or hereafter erected thereon.

j. "Common Expense Liability" will mean and refer to the liability and obligation allocated to each Unit under the provisions of this Declaration to pay Common Expenses.

k. "Common Facilities" will mean and refer to all real property now or hereafter administered, managed or operated by the Association, to include by way of example, but not by way of limitation, all physical improvements now or hereafter constructed, placed or erected by the Association on the Common Elements, including, but not limited to, roadways, curbs, fencing, lights, parking lots, sidewalks, landscaping and recreational facilities. The Common Facilities shall also include such tools, equipment, machines, cars, trucks, landscaping equipment, telephones, computers, printers, copiers, desks, tables, chairs, office supplies and any other similar equipment, machines or furniture, if any, now or hereafter held or leased by the Association for use by its Board, officers, agents, servants, employees and/or contractors in the administration, maintenance, management or operation of the Association or the Property.

l. "Common Expenses" will mean and refer to all those certain expenses paid and/or to be paid, or financial liabilities incurred or intended to be incurred, by the Association to administer, maintain, operate, repair, restore and replace the Common Elements, together with any allocations to reserves. Common Expenses will also include all of the costs, fees and expenses incurred for the administration, management and operation of the Association.

m. "Condominium" will mean and refer collectively to the Common Elements, the Limited Common Elements and the Units.

n. "Controlled Facilities" will mean and refer to any real estate within the Property, whether or not it is part of a Unit, that is not a Common Facility, but which is maintained, improved, repaired, replaced, regulated, managed, insured or controlled by the Association.

o. "Declarant Control Period" will mean and refer to the period of not more than seven (7) years running from the date of the recording of this Declaration during which the Declarant shall possess the power to exercise Special Declarant Rights; and

p. "Declaration" will mean and refer to this Declaration of Condominium of the Reserve at Hershey Meadows, a Condominium, and to all amendments or supplements which may be adopted hereto.

q. "General Common Expenses" will mean and refer to all Common Expenses of the Association as detailed and described herein, other than Limited Common Expenses or any other expense which is not assessed against all of the Owners.

r. "Governing Documents" will mean and refer collectively to the Declaration, Bylaws and Rules and Regulations, including any amendments of the Governing Documents now or hereafter adopted.

s. "Improvement" will mean and refer to any addition, development, building, structure made on or to the Property.

t. "Lease" will mean and refer to any contract, lease, license, assignment or other agreement, arrangement or understanding which creates or gives rise to a relationship between an Owner and any Occupant in regard to a Unit in the nature of a landlord and tenant relationship, or by which, or under which, the Occupant makes any payment, or grants any consideration or benefit to the Owner for the right, privilege or license to occupy, use or enjoy a Unit.

u. "Limited Common Elements" will mean and refer to those parts or portions of the Common Elements, if any, which may be located immediately adjacent to a Unit as shown on the Plan, and which are intended or designated for the exclusive use

of an Owner or Owners, as well as any part or portion of the Common Elements which by nature of the manner of the way it is now used, or may hereafter be used, is enjoyed or used by one or a few of the Units, but less than all of the Units.

v. "Limited Common Expense" will mean and refer to any Common Expense incurred by the Association in relationship to the administration, maintenance, repair, replacement or restoration of the Limited Common Elements, and to those Common Expenses which benefit less than all of the Units.

w. "Manager" will mean and refer to such professional manager or management company, if any, as may be hired or employed by the Association to provide community management services, advice and guidance to the Board and the Association, and to assist the Board with the administration, management and operation of the Property and the Association.

x. "Master Association" will mean and refer to the Meadows of Hanover Master Association, Inc., being a Pennsylvania nonprofit, non-stock, membership corporation organized under the NPC.

y. "Master Board" will mean and refer to the Board of Directors of the Master Association.

z. "Master Bylaws" will mean and refer to the Meadows of Hanover Association, Inc. Master Bylaws, and to all amendments or supplements which may now or hereafter be adopted thereto.

aa. "Master Declaration" will mean and refer to the Master Declaration of Covenants, Easements and Restrictions of the Meadows of Hanover, a Flexible Planned Community recorded in the Office of the Recorder of Deeds of Dauphin County, Pennsylvania, at Book 5262, Page 425, et seq., and to all amendments or supplements which may now or hereafter be adopted thereto.

bb. "Master Governing Documents" will mean and refer collectively to the Master Declaration, the Master Bylaws and the Master Association Rules and Regulations, including any amendments or supplements to the Master Governing Documents which may now or hereafter be adopted.

cc. "Master Rules" and/or "Master Association Rules and Regulations" will mean and refer to those certain rules and regulations which may from time-to-time be adopted, amended, enforced, revised, supplemented, published and/or withdrawn by the Master Board for the purposes of regulating the administration, management and operation of the Association, and the administration, management, maintenance, repair, replacement and use of the Property in the same manner permitted by the Master Governing Documents. The Master Rules shall also be deemed to include any architectural, landscaping or similar specifications or guidelines adopted by the Master Board.

dd. "Members" shall mean and refer to the Owner, or Owners of record of any Unit. The word "Member" may be used interchangeably with the term "Owner."

ee. "Notice" will mean and refer to the any written notice given or transmitted to the Association, any Owner, and/or Occupant in accordance with the Governing Documents.

ff. "NPC" will mean and refer to the Pennsylvania Non Profit Corporation Law, 15 Pa. C.S.A., Subsection 5101 et seq., and any amendments now or hereafter adopted thereto.

gg. "Occupant" is an all-inclusive term which will mean and refer to any person, or persons, other than an Owner, who may occupy or use a Unit as a single-family residence with the Owner's authorization, consent or leave, including, but not limited to, family members, tenants, licensees and invitees, and their agents, servants and employees, all of whom shall be deemed to have agreed to be bound by, and to comply with, the Governing Documents by their acceptance of a lease for a Unit and/or by their occupancy, use or enjoyment of a Unit, and/or by their enjoyment of the use and benefits of the Property.

hh. "Owner" and/or "Unit Owner" will mean and refer to the owner of record of a Unit, whether one or more persons, a partnership, corporation or other legal entity, which holds the title to any Unit. Owners are also members of the Association. Owners are referred to in the Bylaws as "Members." A person, partnership, corporation, trust, estate or any other legal entity holding only a security interest in a Unit without regard for whether by mortgage or other security instrument is not an Owner or Member. Without regard for whether the Declarant holds title to a Unit, the Declarant shall not be deemed to be an "Owner" for purposes of applying or interpreting any provision of the Governing Documents regarding the payment of Assessments or any other sum of money to the Association.

ii. "Percentage Interest" will mean and refer to the liability for Common Expenses allocated to each Unit.

jj. "Plan" will mean and refer collectively to all those plans of the Reserve at Hershey Meadows, a Condominium which have been recorded in the Office of the Recorder of Deeds of Dauphin County.

kk. "Property" will mean and refer collectively to all of the Common Elements, Limited Common Elements and the Units which collectively comprise the Property, and which will comprise the Property as the Convertible Real Estate is submitted to this Declaration.

ll. "Rules" and/or "Rules and Regulations" will mean and refer to all those certain rules and regulations which may from time-to-time be adopted, amended, enforced, revised, supplemented, published and/or withdrawn by the Board for the purposes of regulating the administration, management and operation of the Association, and the administration, management, maintenance, repair, replacement and use of the Property in the manner permitted by the Governing Documents. The Rules shall also be deemed to include any architectural, landscaping or similar specifications or guidelines adopted by the Board.

mm. "Special Declarant Rights" will mean and refer to those certain rights created in favor of the Declarant in the Act, this Declaration and/or the Bylaws.

nn. "Township" will mean and refer to that certain municipality known and identified as South Hanover Township, Dauphin County, Pennsylvania.

oo. "Unit" will mean and refer to each of those certain residential condominiums which the Declarant intends to construct on the Property, each of which is intended to be continuously used exclusively as a single family residence.

pp. "Vote" will mean and refer to the one vote allocated to each Unit which is intended to be cast by the Owner of the Unit in accordance with the relevant provisions of the Governing Documents.

### **ARTICLE III** **DESCRIPTION OF THE PROPERTY**

The land and buildings which have been submitted to the UCA and which are the subject of this Declaration, and which comprise the Property, are as follows:

a. "Land" shall mean that certain tract or parcel of real property situated in South Hanover Township, Dauphin County, Pennsylvania, and more particularly described in the legal description which is attached hereto, and incorporated herein as Exhibit "D," and all amendments thereto which may submit any part or portion of the Convertible Real Estate to this Declaration, together with such easements, rights and appurtenances, known, or of record, belonging thereto, and subject to such easements, covenants and restrictions as are set forth in this Declaration.

b. "Buildings" shall mean those two (2) buildings as shown on the Plats and Plans. The Buildings contain the eighteen (18) residential condominium Units.

c. "Property" shall mean all of the property submitted to the UCA and this Declaration, which shall be deemed to be comprised of the Land and the Building, together with all of the Units, the Common Elements and Limited Common Elements, and all other improvements now or hereafter erected or constructed in, upon, or beneath the Land, as may now or hereafter be constructed thereon, and as same may be



more fully described in the Declaration Plan, and any amendments now or hereafter filed thereto.

**ARTICLE IV**  
**NAME AND ADMINISTRATION OF THE PROPERTY**

1. NAME OF THE PROPERTY. The Property shall be known and commonly referred to as "The Reserve at Hershey Meadows."

2. ADMINISTRATION OF THE PROPERTY. Except as may be specifically vested in the Owners in this Declaration, or in the Bylaws or the Act, the power to carry out all of the administrative, business, financial and management affairs and business of the Association, including the management of the Property, is hereby vested exclusively in the Board. The members of the Board shall stand in a fiduciary relationship to the Association. The Board members shall perform their duties 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.

3. POWERS OF THE EXECUTIVE BOARD. In carrying out the administrative, business, financial and management affairs of the Association, the Board shall have full authority and discretion to exercise all those powers not vested in the Owners in the Governing Documents. The Board shall exercise all of the powers vested in the Association under 68 Pa. C.S.A. Section 3302 of the UCA including by way of example, but not by way of limitation, the following:

- a. to levy Assessments; and
- b. to levy Capital Improvement Fees subject to the limitations stated in the Act; and
- c. adopt, amend and enforce Rules and Regulations for the use and enjoyment of the Property, and levy and enforce fines against the Owners for the violation thereof; and
- d. adopt and amend budgets for revenues, expenditures and reserves, and collect any assessment which may be levied under this Declaration and the Master Governing Documents; and
- e. open and maintain accounts with such banks and/or financial institution as the Board may deem appropriate to the financial needs and circumstances of the Association, save that in selecting all accounts in which Association funds are held as reserve or contingency funds for future major repairs, replacements and expenses, the Board shall exercise only that degree of judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the

permanent disposition of their own funds, considering the probable income to be derived therefrom, as well as the probably safety of their capital; and

f. institute, defend, intervene in and/or-compromise litigation including, but not limited to, filing suits at law and/or equity, as the Board may deem appropriate, to enforce or compel an Owner's compliance with the Governing Documents and/or enjoin breaches or prospective breaches thereof by any Owner or Occupant; and

g. enter into contracts and agreements, and grant easements, leases and licenses, subject to the limitations stated in the Act and the Declaration; and

h. impose charges, including late fees and interest, for the late payment of any assessment which may become due under the Governing Documents; and

i. assign the Association's right to future income, including the right to receive assessment payments made on account of Common Expense or Special Assessments; and

j. all other powers necessary and proper for the governance and operation of the Association; and

k. administer, manage and operate the Association and the Property in a manner which complies with the Governing Documents and the Master Governing Documents; and

l. administer, manage and operate the Association and the Property in a manner with the Master Governing Documents; and

m. all powers vested in the Board in the Bylaws, and not otherwise specifically vested in the Owners.

#### **ARTICLE V** **DECLARATION PLAN**

1. DECLARATION PLAN. The Property, as shown on the Plats and Plan of The Reserve at Hershey Meadows (the "Declaration Plan"), consists of the Units, the Common Elements, the Limited Common Elements and all Improvements now or hereafter appurtenant thereto. The Declaration Plan consists of a depiction of the Property entitled the "Boundary Plan." The Boundary Plan depicts the location of the Buildings, Units, Common Elements, Limited Common Elements and the other Improvements constructed thereon. The Boundary Plan, which was prepared by Herbert, Rowland & Grubic, Inc., Engineers, is dated April 15, 2004, and it is recorded in the Office of the Recorder of Deeds of Dauphin County, Pennsylvania at Book 5505, Page 394-395

2. AMENDMENT OF DECLARATION PLAN. The Declaration Plan may be amended by the Declarant at any time during the Declarant Control Period by the recording of an Amended Declaration Plan. After the Declarant Control Period the Declaration Plan may be amended in the same manner provided for the amendment of this Declaration in Article XXIX below. During the Declarant Control Period the Declarant must amend the Declaration Plan when submitting any part or portion of the Convertible Real Estate to this Declaration.

#### **ARTICLE VI UNIT DESIGNATION**

1. THE UNIT DESIGNATION. Each of the eighteen (18) residential condominium Units comprising the Condominium is identified on the Declaration Plan by a specific number (the "Unit Designation"); a list of the Unit Designations, together with Percentage Interests, appears in Exhibit "E" to this Declaration. During the Declarant Control Period the Declarant shall possess the power to amend this Declaration from time-to-time, and incident to amending this Declaration to change Unit Designation and Percentage Interests.

#### **ARTICLE VII UNIT BOUNDARIES**

1. GENERAL DESCRIPTION OF UNITS. Each Unit consists of that portion, or those portions, of the Building constituting the area or areas within the title lines of the Unit, as the said title lines are shown on the Declaration Plan and described herein.

2. PERIMETRICAL BOUNDARIES OF UNITS. For purposes of defining the perimetrical boundaries of the Unit, the area within the title lines of each Unit shall be that portion of each Unit situated within the main exterior walls of a Building, including the Basement and the fire walls separating the Units. Those portions of any chutes, flues, ducts, wires, conduits, bearing walls and columns which support a Building, or which carry utility services to more than one Unit, except for laterals carrying utility service to one Unit, shall be Common Elements.

a. The boundaries of each townhouse type Unit are more specifically described as follows:

(1) Upper Boundary: the underside surface of the roof decking above each Unit; and

(2) Lower Boundary: the horizontal face of the bottom surface of the basement or lowest concrete floor slab of each Unit; and

(3) Vertical Boundaries: the interior surface of the exterior veneer siding or walls or each Unit, and to the center line of the party walls which separate the Units from each other.

b. The boundaries of each apartment type Unit are more particularly described as follows:

(1) First Floor Units.

(A) Upper and Lower (Horizontal) Boundaries. The upper and lower boundaries of the first floor Units shall be the following boundaries extended to an intersection with the vertical boundaries.

(i) Upper Boundary: a horizontal plane formed by the Unit-side surface of the ceiling of a first floor Unit.

(ii) Lower Boundary: a horizontal plane formed by the top surface of the unfinished concrete floor slab of a first floor Unit.

(B) Vertical Boundaries. The vertical boundaries of a first floor Unit shall be the vertical planes, extended to intersections with each other and with the upper and lower boundaries, of the Unit-side surface of the exterior walls which do not separate the Unit from any other Unit, of the Unit-side surface of the party walls which separate the Unit from any other Unit, and of the Unit-side surface of the stairwell wall, where the Unit adjoins the common stair corridor.

(2) Second Floor Units.

(A) Upper and Lower (Horizontal) Boundaries. The upper and lower boundaries of the second floor Units shall be the following boundaries extended to an intersection with the vertical boundaries:

(i) Upper Boundary: a horizontal plane formed by the Unit-side surface of the ceiling of a second floor Unit.

(ii) Lower Boundary: a horizontal plane formed by the Unit-side surface of the subflooring of a second floor Unit.

(B) Vertical Boundaries. The vertical boundaries of a second floor Unit shall be the vertical planes, extended to intersections with each other and with the upper and lower boundaries, of the Unit-side surface of the exterior walls which do not separate the Unit from any other Unit, of the Unit-side surface of the party walls which separate the Unit from any other Unit, and of the Unit-side surface of the stairwell wall, where the Unit adjoins the common stair corridor.

3. IMPROVEMENTS WITHIN THE BOUNDARIES OF THE UNITS.

Each Unit shall be deemed to include within the boundaries of the Unit all improvements used or enjoyed by the Owner.

a. All of the following, if wholly or partially located within the aforesaid shall be regarded as part of the Unit:

(i) All walls, drywall, floors, ceilings, partitions, dividers, studs, furring, doors, door frames, door hardware, all moldings, trim, mullions, windows, window frames, sills and casings, together with all window glass, interior and exterior steps and stoops, as well as concrete pads located outside of entry doors to the Units; and

(ii) All kitchen equipment, appliances and fixtures, including by way of example, but not by way of limitation, ovens, refrigerators, freezers, sinks, ranges, cabinets, dishwashers, stove hoods, exhaust fans and waste disposal units; and

(iii) All bathrooms, lavatory and plumbing fixtures and equipment including, by way of example, not by way of limitation, sinks, tubs, showers, toilets, bidets, vanities, cabinets, exhaust fans, mirrors, curtain rods, tile, lighting fixtures and medicine cabinets; and

(iv) All electrical and lighting fixtures including, by way of example, but not by way of limitation, the following: outlets, switches, lamps, bulbs, outlet boxes, switch boxes, junction boxes, meters, telephone lines and outlets, cable TV outlets, circuit breakers and circuit breaker panels; and

(v) All clothes washers, clothes dryers, hot water boilers, fireplaces, heating, ventilating and air conditioning equipment, including, but not limited to, compressors, fans, refrigerant, coolant fluids and gases, thermostats, thermocouples, control equipment, and all chimneys, stacks, vents and/or pipes or conduits transmitting or conveying heat or air conditioning to, and through, the Unit, or venting exhaust, smoke or fumes from a unit; save that any air conditioning, heat pump or any other heating, ventilating or air conditioning equipment or component which serves a Unit, but which is located on the Common Elements, shall be deemed to be, and shall be, part of the Unit; and

(vi) All floor and wall coverings, including by way of example, but not by way of limitation, the following: trim, molding and wood work, wainscoting, paneling, carpeting, carpet pads, rugs, tiling, wall paper and paint; and

(vii) All piping, valves, ducts, wiring, cables, conduits and laterals of any kind or type, serving, transmitting, carrying or conveying utility or other services to or from a Unit to or from a main service line, even if the piping, valves, ducts, wiring, cables and/or laterals are located outside of the perimetrical boundaries of the Unit.

**ARTICLE VIII**  
**COMMON ELEMENTS AND LIMITED COMMON ELEMENTS**

1. **DESCRIPTION OF COMMON ELEMENTS.** The Common Elements consist of all portions of the Property other than those portions of the Property which, pursuant to Article VII above, are designated as part of a Unit or appurtenant to a Unit, including, by way of example, but not by way of limitation, the following:
- a. The Property; and
  - b. All structures and improvements which are a part of a Building, but which are not part of a Unit; and
  - c. The yards, parking areas (including all parking spaces), driveways, roadways, sidewalks, walkways, streetlights, retaining walls, fences and lawns, and all landscaping and improvements now or hereafter erected on the Common Elements; and
  - d. All portions of the Property, and all improvements now or hereafter erected thereon, used exclusively for the management, operation or maintenance of the Common Elements; and
  - e. All spaces and portions of a Building which may be devoted to the use of persons, agents, servants, employees or contractors, employed in connection with the administration, management or operation of the Property or the Association; and
  - f. All installations of, and systems for, serving, transmitting or otherwise conveying central services and utilities such as electricity, water and sewer, but expressly and specifically excluding: all heating and air conditioning equipment which serves only one Unit; all other equipment, improvements and utility service lines, conduits, pipes, laterals etc., located within or made a part of a Unit as described in Article VII, Section 2. a; and all other equipment, improvements and utility service lines, conduits, pipes, laterals etc. which serves only one Unit; and
  - g. All other apparatus and installations existing or maintained for the common use of the Unit Owners; and
  - h. All other elements of the Property necessary or convenient to its existence, management, operation, maintenance and safety and normally in common use; and
  - i. All air space above the surface of the Property, excluding the air space enclosed by any Unit, and any soil and other subterranean elements below the surface of the Land.

2. DESCRIPTION OF LIMITED COMMON ELEMENTS. Except for improvements which are within the boundaries of the Units, the Limited Common Elements are those portions of the Common Elements described in Sections 3202(2) and (4) of the Act as being Limited Common Elements, as well as any deck, patio, balcony or terrace which may be located on the Common Elements, but which serves less than all of the Units. The Limited Common Elements shall also include any other portion of the Common Elements, including any improvement on the Common Elements, which may serve one or more of the Units, but less than all of the Units.

#### ARTICLE IX ENCROACHMENTS

1. EASEMENT FOR ENCROACHMENTS. To the extent that any Unit or Common Element encroaches on any other Unit or Common Element, a valid easement for the encroachment shall be deemed to exist. The existence of an easement in the manner aforesaid does not relieve a Unit Owner of any liability the Owner may bear, if any, to the Association or any other Unit Owner or Owners in case of the Unit Owners' willful misconduct in the use of the easement.

a. If any portion of the Common Elements shall encroach upon any Unit, or if any Unit shall encroach upon any other portion of the Common Elements, as a result of settling or shifting of a Building, or as a result of any cause other than the willful misconduct, purposeful or negligent act or omission of the Owner of the encroaching Unit, or of the Board in the case of encroachments by the Common Elements, an easement appurtenant to the encroaching Unit or Common Element, or any improvement upon the Common Element for the encroachment thereof and for the maintenance thereof shall exist for so long as the encroachment shall exist.

b. In the event that a Building, any part of a Building, the Common Elements, or any improvements erected thereon, or therein, is partially or totally destroyed and is then rebuilt, encroachments or parts of the common Elements or improvements thereon upon any Unit which do not substantially interfere with the use and enjoyment of said Unit, or encroachments of any Unit upon any portion of the common Elements which do not substantially interfere with the use and enjoyment of the Common Elements or any improvements located thereon due to such rebuilding, shall be deemed permitted and valid easements appurtenant to the encroaching Units or Common Elements or any improvements located thereon for such encroachments and an easement for the maintenance thereof shall exist so long as the encroachments shall exist.

c. The easements created under this Article IX shall run with the Land and shall enure to the benefit of, and be binding upon, the Association, each Unit Owner, the Board, and each mortgagee, Occupant, or other person now or hereafter possessing any interest in any Unit and/or the Common Elements.

**ARTICLE X**  
**PERCENTAGE INTERESTS AND VOTES**

1. CALCULATION OF PERCENTAGE INTEREST. The Percentage Interest and Common Expense Liability allocated to each Unit shall be expressed as a percentage. The Percentage Interest shall be calculated based upon a fraction in which the numerator is the number one (1), and denominator is the total number of Units subject to this Declaration. If the Declarant adds new Units by recording an amendment or supplement to this Declaration, then the Percentage Interest shall be calculated based upon a fraction in which the numerator is the number one (1), and the denominator is the new total number of Units subject to this Declaration. The General Common Expenses shall be levied by the Board against the Units in accordance with the Percentage Interest allocated to the Units. The Percentage Interests assigned to the Units in phase I of the Condominium appear in Exhibit "E" to this Declaration. The Declarant, acting on its own, may change and amend the Percentage Interests assigned to the Units from time-to-time during the Declarant Control Period by recording amendments or supplements to this Declaration.

2. ONE VOTE. Without regard for the Percentage Interest and Common Element Liability assigned to each Unit in Article X, Section 1 above, each Unit shall be assigned one (1) vote to be exercised in accordance with the applicable provisions of the Act and the applicable provisions of the Bylaws.

**ARTICLE XI**  
**ALTERATION OF COMMON ELEMENTS**

1. ALTERATION FO THE PERCENTAGE INTEREST AND COMMON ELEMENT LIABILITY. Except as may be changed by the Declarant by amending this Declaration during the Declarant Control Period, the Percentage Interest and Common Element Liability assigned to each Unit by Article X of this Declaration may not be altered or changed except upon the adoption of an amendment to this Declaration in accordance with the applicable provisions of the Act.

**ARTICLE XII**  
**COMMON EXPENSES AND ASSESSMENTS**

1. COMMON EXPENSES. The following are hereby declared to be Common Expenses of the Association:

a. All expenses of administration, management and operation of the business and affairs of the Association; and

b. All expenses of administration, management, operation, maintenance, repair and replacement of all portion of the Common Elements, including



such amounts as the Board, in its discretion, deems appropriate to establish reserves for future major replacements and repairs of the Common Elements; and

c. All expenses of obtaining and maintaining municipal utility services, if any, in connection with the operation, maintenance, repair or replacement of the Common Elements; and

d. Premiums on policies of insurance required to be maintained pursuant to this Declaration or the Act; and

e. Fees or compensation due to any manager, agent, servant, employee, or contractor retained by the Board in accordance with the terms, conditions and provisions of this Declaration; and

f. All amounts deemed appropriate by the Board, including, but not limited to, the following: working capital, general operating reserves, reserves for contingencies, and to reassess any uncollectible delinquencies in the payment of assessments of Common Expenses; and

g. Any other expense declared by the Board to be a Common Expense, or which may be determined to be a Common Expense upon application of the Act, this Declaration, or the Rules and Regulations of the Association; and

h. Such expenses, if any, as may be agreed upon as being Common Expenses by vote of sixty-seven (67%) of the Unit Owners; and

i. All such assessments as may be levied by the Master Association; and

j. All such sums as may be due to the Master Association from the Association under the provisions of the Master Governing Documents.

2. LEVYING OF ASSESSMENTS AND LIEN FOR ASSESSMENTS. All those Common Expense and Special assessments, as well as capital improvement fees, which may be levied by the Association hereunder shall be levied by the Board, and shall be due and payable by the Unit Owners in accordance with the applicable provisions of this Declaration, and any Rules and Regulations which may be adopted by the Board. All assessments levied by the Board, together with all fees, fines, costs, interest, and expenses, including costs of collection and attorney's fees, shall be a lien upon the Unit against which they are levied, and the personal obligation of the Unit Owner, from the time they are levied until the time they are paid in full to the Association.

a. No Assessments, including, but not limited to, Common Expense and Special Assessments, may be levied against any Unit owned by the Declarant until such time as title to the Unit is conveyed or transferred to an Owner other than the Declarant.

b. Assessments, including, but not limited to Common Expense and Special Assessments, may be levied against a Unit after such time as title to the Unit is conveyed or transferred to an Owner other than the Declarant. The Assessments shall be levied prospectively from the date of the conveyance or transfer of the title to the Unit, and not retroactively to the period of time during which title to the Unit was held by the Declarant.

3. PREPARATION OF BUDGET. At least thirty (30) days prior to the expiration of each Fiscal Year of the Association the Board shall prepare and approve the annual budget for the Association. Except for Units owned by the Declarant, each Unit shall be assessed a share of the Common Expenses stated in the annual budget as an Annual Assessment, and the share of the Common Expenses levied against each Unit shall be determined by multiplying the Common Expenses by each Unit's assigned Percentage Interest. The Annual Assessment levied against Units with decks may be levied in an amount higher than the Annual Assessment against Units without decks for the purpose of funding reserves to replace the decks. The Annual Assessment shall be deemed to have been levied on a monthly basis, and not on an annual basis. The failure by the Board to adopt, or timely adopt, an annual budget shall not dissolve or terminate the Association, nor shall it be, or be deemed to be, a termination of the Board's power to adopt, amend and issue or reissue the Association's annual budget. The Board's power to adopt, amend and issue or reissue the annual budget shall continue until such time as the Association is terminated pursuant to Section 3220 of the Act.

a. The Board shall promptly give all Owners copies of each budget approved by the Board, and notice of capital expenditures approved by the Board promptly after either such approval. The Owners may reject any budget or capital expenditure approved by the Board within thirty (30) days after approval by the Board by vote of sixty-seven (67%) percent of the votes in the Association.

4. FAILURE TO FIX ANNUAL ASSESSMENT. If the Board shall fail to fix a new Annual Assessment for the upcoming fiscal year of the Association before the expiration of any fiscal year, then the Owners shall continue to pay monthly installments of the Annual Assessment in the same sums they were paying for the preceding fiscal year until such time as the Board shall levy a new Annual Assessment. The failure of the Board to levy a new Annual Assessment shall not be, nor shall it be deemed to be, a waiver of the Board's power and duty to thereafter levy a new Annual Assessment at such time as the Board may deem appropriate.

5. SPECIAL ASSESSMENTS. In addition to the Annual Assessment, the Board has the power and discretion to levy Special Assessments at any time during the fiscal year for any purpose permitted by this Declaration or the Act. Special Assessments levied against every Unit shall be determined by multiplying the total amount of the Special Assessment by the Common Expense Liability percentage assigned to each Unit.

6. PAYMENT OF SPECIAL ASSESSMENTS. Special Assessments shall be payable by the Owners in such amount and manner as the Board may deem appropriate.

7. OWNERS' OBLIGATION TO PAY ASSESSMENTS, FEES, FINES AND CHARGES. Upon the recording hereof as to all existing Unit Owners, and thereafter by acceptance of a Deed to a Unit, each Owner covenants and agrees to make prompt and full payment of all Assessments, expenses, charges, fees and/or fines which may be levied under the Governing Documents, together with all interest, costs of collection and attorney's fees incurred by the Association in collecting Assessments, expenses, charges, fees and/or fines due from the Owner.

8. PAYMENT OF ASSESSMENTS. Each Owner shall pay the Annual Assessment levied against his or her Unit on a monthly basis, on the first day of each month.

9. COMMON EXPENSES BENEFITTING LESS THAN ALL UNITS. Any Common Expense incurred by the Association for services, expenses, maintenance, repair, or replacement of any portion of the Property, the Common Elements, Limited Common Elements or Units which benefits fewer than all of the Units shall be levied by the Board as an Assessment exclusively against the Unit, or Units benefited thereby.

10. COMMON EXPENSES CAUSED BY NEGLIGENCE. If any Common Expense incurred by the Association for any repair, restoration, or replacement of the Property, the Common Elements, Limited Common Elements or Units arises from, or is caused by, the negligence or misconduct of any Owner, or the Owner's Occupants, family members, guests, servants or employees, or arises from the failure of an Owner to maintain his or her Unit in accordance with this Declaration, then the Board may levy the Common Expense as an Assessment exclusively against the Owner's Unit.

11. EFFECT OF NON-PAYMENT OF ASSESSMENTS AND REMEDIES OF THE ASSOCIATION. All Assessments levied by the Board, together with any other fee, fine charge and/or cost of collection, including attorney's fees, assessed or levied by the Board which is not paid by the Unit Owner within thirty (30) days after the due date established by the Board, shall be deemed delinquent. Upon a delinquency, the Association shall have the power to collect the delinquent Assessment, fee, fine, charge, cost or expense, including costs of collection and attorney's fees, from the Unit Owner.

a. The Association may utilize any collection procedure or remedy provided in the Act, this Declaration, the Rules and Regulations, and/or any applicable law, concurrently or consecutively, as the Board may deem appropriate to collect any delinquent Assessment, fee, fine, charge, cost or expense.

12. COSTS OF COLLECTION AND ENFORCEMENT. All costs, fees and expenses incurred by the Association to collect any unpaid Assessment, or any other sum due from an Owner to the Association, including, but not limited to, all court costs and

attorney fees, late fees, interest and/or fines, or to enforce an Owner's compliance with the terms, conditions, provisions, obligations or duties of the Owner under the Governing Documents, the Act or prevailing law applicable to the Owner, are recoverable by the Association from the Owner, are a lien on the Owner's unit, and are enforceable by the Association against the Owner in the same manner as unpaid Assessment.

13. INTEREST. Delinquent Assessment, expenses, fees, fines and/or costs of maintenance, repair or replacement recoverable from an Owner, together with costs of collection and attorney's fees, shall bear interest at the rate of fifteen (15%) percent per annum, or such other maximum interest rate as may be established by the Act, until paid in full. Except as may be limited or prohibited by the Federal Bankruptcy Code, the terms and conditions of this Article XII, Section 13, establishing the interest rate due upon delinquent Assessments, expenses, fees, and/or costs of maintenance, repair or replacement recoverable under the Governing Documents shall remain in full force and effect, and shall survive the entry of judgment for the Association, such that the rate shall continue at the rate of fifteen (15%) percent per annum, or such other maximum interest rate as may be established by the Act, on the amount of the judgment until full payment of the amount of the judgment is received by the Association. An Owner's payment of delinquent Assessments, expenses, fees, and/or costs of maintenance, repair or replacement recoverable under the Governing Documents, or a judgment for such sums, may not be deemed to have been received until credited to the Association's account.

14. DELINQUENCY NOTICES. Upon any Owner's account becoming delinquent, the Association will provide written notice of the delinquency to the Owner in accordance with the relevant provisions of the Bylaws and Rules and Regulations.

15. POWER TO COLLECT THROUGH SUIT. The Association may bring an action at law to collect any delinquent Assessments, liened Assessments, fees, fines, charges, interest, expenses and/or costs of collection, including reasonable attorney's fees from the Owner. The Association may also enforce or foreclose the lien against the Unit. In the event of a suit to foreclose the lien against the Unit, the Association may proceed to foreclosure in the same manner as provided for an action of mortgage foreclosure.

16. DELINQUENT ASSESSMENT COLLECTION PROCEDURES. Upon the Owner's failure to make prompt and full payment of Assessments, liened Assessments, fees, fines, charges, interest, expenses, costs of collection and/or attorney's fees, the Association may proceed with one or more of the following collection methods, at the same time, or consecutively, as the Board may elect:

a. Declare the entire balance of any Annual, Special or other Assessment payable in installments immediately due and payable in full; and/or

b. Charge a monthly late fee in an amount to be set by the Board sufficient to cover the costs incurred, or anticipated, by the Association for maintaining the open account and communicating or corresponding with the Owner about the delinquent Assessments, including bookkeeping costs, postage, copying, etc.; and/or

c. Upon written notice to the Owner, suspend the right of the Owner to cast a vote in Association elections and matters, to hold or continue to hold appointive or elective office on the Board and/or any Committee, and/or to use the Association's recreational facilities until the sums due are paid in full; and/or

d. Commence and maintain a lawsuit, which said suit shall not be deemed to waive the lien procedure provided hereinafter; and/or

e. File a Claim of Lien in the manner stated below; and/or

f. File petitions to reassess any judgment obtained against an owner for delinquent Assessments, or any other sum of money recoverable from an owner under the Governing Documents or the Act, to include in the amount of the judgment all continuing delinquent Assessments, liened Assessments, expenses, fees, fines and/or costs of maintenance, repair or replacement which may become due from the owner to the Association under the Governing Documents subsequent to the date of the entry of judgment, and prior to the date of the filing of the petition to reassess. The following shall also be included in the petition to reassess: interest, attorneys fees and costs incurred by the Association to discover the owner's assets and to attempt to collect the judgment, as well as costs, fees and expenses incurred by the Association to negotiate, document, administer, provide bookkeeping services, and if determined by the Board to be needed, costs of enforcement of any settlement agreement which may be reached between the owner and the Association. The Association's power to file petitions to reassess may not be exhausted, nor may it be limited by any practice or course of action engaged in by the Association.

g. The foregoing is not, nor shall it be deemed to be an exclusive list of collection procedure which may be followed by the Association; to the contrary, the Association may pursue any remedies now or hereafter made available to it under the Act or prevailing law, and/or pursuant to the adoption of Rules and Regulations regarding the collection of delinquent Assessments.

17. ENFORCEMENT BY CLAIM OF LIEN. Each Owner, by acceptance of the deed to a Unit, covenants and agrees that there is hereby created in favor of the Association a power to record a Claim of Lien with the Prothonotary and/or Recorder of Deeds of Dauphin County, as the Board may elect, to secure payment to the Association of any and all delinquent Assessments, fees, fines, charges, costs of collection and attorneys fees due or recoverable from an Owner under this Declaration, including interest thereon, and all costs incurred by the Association in connection with the recording or filing of the Claim of Lien, including filing fees and attorneys fees to prepare the Claim of Lien. The filing or recording of a Claim of Lien by the Association shall not be deemed to be a taking; but rather the filing of a Claim of Lien shall be deemed to effect notice of the amount due to the Association under the statutory lien already created in favor of the Association pursuant to Section 3315 of the UCA and upon the recording of this Declaration. Claims of Lien filed against a unit in accordance with the procedures

established in the Governing Documents shall be disclosed in any certificate issued for the Unit pursuant to Section 3407 of the UCA.

18. REMEDIES CUMULATIVE. All of the foregoing remedies in favor of the Association shall be deemed to be cumulative, and nothing set forth hereinabove shall prevent the Association from proceeding with one or more of its remedies consecutively or concurrently, as the Board may direct.

### **ARTICLE XIII** **EASEMENTS**

The Property shall be subject to the following easements:

1. USE AND ENJOYMENT OF COMMON ELEMENTS. Every Unit Owner shall have a non-exclusive right and an easement for the quiet use and enjoyment of the Common Elements and all improvements erected thereon, except as may be limited by the adoption of Rules and Regulations by the Board, and the provisions hereof, which easement shall be appurtenant to, and shall pass with, the title to every Unit without the necessity of a recitation thereof in the Deed of Conveyance of a Unit.

2. USE AND ENJOYMENT OF LIMITED COMMON ELEMENTS. Every Unit Owner shall have a non-exclusive right and an easement for the quiet use and enjoyment of the Limited Common Elements appurtenant to the Owner's Unit, except as may be limited by the adoption of Rules and Regulations by the Board, and the provisions hereof, which easement shall be appurtenant to, and shall pass with, the title to every Unit without the necessity of a recitation thereof in the Deed of Conveyance of a Unit. The right and easement provided to an Owner for the use and enjoyment of the Limited Common Elements appurtenant to the Owner's Unit shall not be exclusive as to the Association, nor as to the Association's agents, servants, employees, contractors and Manager, all of whom shall have the right and privilege to enter upon the Limited Common Elements from time-to-time to perform such duties, functions, inspections or services, and to exercise such powers, as may be required or permitted under the provisions of the Governing Documents or the Act.

3. UTILITY EASEMENTS. The Units and Common Elements shall be, and hereby are made, subject to an easement in favor of utility companies, the Declarant and the Association for such utility services as are desirable or necessary to adequately serve the Property, the Association and the needs of the Unit Owners, including by way of example, but not by way of limitation, the right to install, lay, maintain, repair, relocate and/or replace any utility lines, pipes, conduits, wires, antennas, pumps, junction boxes or other equipment over, under, through, along, in, or on the Property, the Common Elements, Limited Common Elements and Units. Provided however, that any such easement through any Unit shall not be enlarged or extended after the Declarant Control Period without the written consent of the Unit Owner beyond the scope of the easement on the date said Unit was first conveyed to a Unit Owner.

4. UTILITY EASEMENTS OVER COMMON ELEMENTS. The Board shall have the power to grant or enlarge easements over the Common Elements and/or Limited Common Elements in favor of utility service providers, including federal, state, township, or municipal authorities, agencies, or corporations, in a manner consistent with the provisions hereof, in connection with installing, supplying, metering, furnishing, or otherwise providing, operating, maintaining, repairing, or replacing utility or other services.

5. EASEMENT TO INSPECT AND REPAIR. The Units shall be subject to, an easement in favor of the Declarant during the Declarant Control Period, the Board, the Board members, and the Association's officers, agents, servants, employees, contractors and Manager upon written notice to the Unit Owner, for entrance to, through, in or on any Unit to inspect, maintain, repair, or replace the Common Elements and/or Limited Common Elements, as well as to make repairs to a Unit or Units if such repairs have not been made by the Unit Owner, or are necessary on an emergency basis to prevent any condition in or on the Unit to harm the health, safety, and/or welfare of Owners and Occupants, and/or to preserve the value and appearance of the Property, the Common Elements or Limited Common Elements, and/or to abate any violation of the Declaration and/or Rules and Regulations which represents a significant threat to the health, safety and welfare of the Owners and Occupants and/or a threat of significant damage to the value or appearance of the Property, the Common Elements or Limited Common Elements, which has not been cured by a Unit Owner after reasonable written notice and an opportunity to cure.

6. EASEMENT FOR SUPPORT. To the extent necessary, each Unit possesses an easement for structural support over every other Unit situated in a Building and over the Common Elements and Limited Common Elements.

7. EASEMENT OVER WALLS AND DOORS. Each Unit possesses an easement to enter and encroach upon the walls and doors bounding the Unit to install, use, maintain, repair, remove, and replace electrical, plumbing, heating and air conditioning pipes, lines, conduits, fixtures or devices and to place nails, screws and other fastening devices in, into and upon said walls, provided that no such use, maintenance, repair, removal or replacement, not any nail, screw or other fastening device shall in any manner encroach upon, or structurally damage, weaken or impair any portion of the Common Elements or Limited Common Elements, including walls and doors, nor encroach upon any other Unit.

8. ASSOCIATION EASEMENT. The Association by and through its officers, Manager, agents, servants, employees and independent contractors shall have and shall enjoy an easement, with or without Notice, on, over, under and through the Common Elements, the Limited Common Elements, but Buildings and the Units for all purposes related to the performance of its administrative, management and operation duties under the provisions of the Governing Documents.

9. MASTER ASSOCIATION EASEMENT. The Master Association by and through its officers, Manager, agents, servants, employees and independent contractors

shall have and shall enjoy an easement, with or without Notice, on, over, under and through the Common Elements, the Lots and the exteriors of the Units for all purposes related to the performance of its administrative, management and operation duties under any of the provisions of the Master Association's Governing Documents.

10. DECLARANT'S EASEMENT. The Declarant by and through its representatives, officers, agents, servants, employees and independent contractors shall have and shall enjoy an easement, with or without Notice, on, over, under and through the Common Elements, the Limited Common Elements, the Buildings and the Units for all purposes related to the construction, installation, maintenance, movement, repair, replacement, storage of improvements of all types and kinds anywhere on the Property, in accordance with the provisions of Section 3218 of the UCA.

11. TOWNSHIP EASEMENT. South Hanover Township, by and through its duly authorized agents, servants, employees and contractors, including, but not limited to, fire, police, emergency and code enforcement officers, shall possess an easement on and over the Property for all lawful purposes.

12. REPAIR OF DAMAGES FROM EXERCISING EASEMENTS. In the event the Association and/or any Owner or Occupant damages any Unit and/or the Common Elements or Limited Common Elements in exercising any easement granted herein, then it shall be the obligation of the Association, or the Owner if the damages were done, permitted, or condoned by the Owner or the Owner's Occupant in exercising an easement, to promptly repair all damages, and to restore the disturbed or damaged portions of the Common Elements, Limited Common Elements and/or Unit, as applicable, to the condition in which it existed prior to being damaged.

13. EASEMENTS RUN WITH LAND. All easements and rights described in this Article XIII are easements appurtenant to, and running with the title to the Land, the Units, the Limited Common Elements and the Common Elements, and all the said easements and rights shall be in full force and effect for the duration of this Declaration, as the same may be amended from time-to-time, and at all times shall enure to the benefit of, and be binding upon, the Association, the Board, each Unit Owner, and all purchasers, mortgagees, Occupants, lessees, licensees, or any other person possessing any interest in the Common Elements, Limited Common Elements and/or any Unit.

#### **ARTICLE XIV** **ARCHITECTURAL CONTROL**

1. NO ARCHITECTURAL CHANGES WITHOUT APPROVAL. In order to preserve the harmonious and attractive appearance of the Property, and provide for efficient development of the Property, no change, modification, repair, renovation, reconstruction, improvement or addition shall be undertaken to any weight bearing member of a Unit, nor to any exterior portion of a Unit, nor to any of the Common Elements or Limited Common Elements, nor to any Building, during the Declarant control Period except in accordance with Plans and Specifications which have first been



submitted by the Owner to, and approved in writing by, the Declarant. The Declarant shall not be required to obtain any architectural approval before or after performing any work, or erecting or installing any improvement of any kind, on, to or in any portion of the Property, the Common Elements, Limited Common Elements, Buildings or Units.

a. Subsequent to the Declarant Control Period, and in a continuing effort to preserve the harmonious and attractive appearance of the Property, no change, modification, repair, renovation, reconstruction, improvement or addition shall be undertaken to any weight bearing member of a Unit, nor to any exterior portion of a Unit, nor to any of the Common Elements or Limited Common Elements, nor to any Building, by any Owner, nor by any Owner's agent, servant, employee or contractor except in accordance with Plans and Specifications which have first been submitted by the Owner to, and approved in writing by, the Board in accordance with this Declaration and any applicable Rules and Regulations of the Association. Neither the Board, nor the Association, shall be required to obtain any architectural approval before or after performing any work required by this Declaration or the Act on, to or in any portion of the Property, the Common Elements, Limited Common Elements, Buildings or Units. Neither the Board, nor the Association, shall be required to obtain any architectural approval before making or erecting any improvements on, to or in any portion of the Property.

2. CHANGES TO UNITS. The Unit Owners shall not bear any obligation to obtain any architectural approval under the provisions of this Declaration if the proposed improvements are to be made only to the non-structural portions of the interior of a Unit, or if the improvements are permitted to be made by the Owner under one of the Rules and Regulations.

3. ARCHITECTURAL CONTROL COMMITTEE. During the Declarant Control Period the Declarant shall have the power to review, approve and deny architectural applications upon such grounds as the Declarant may deem appropriate. After the Declarant Control Period the Board shall have the power to serve as, or to appoint, as the Board may deem appropriate, an Architectural Control Committee. If appointed by the Board, then the Architectural Control Committee (the "Committee" for purposes of this Article) shall be composed of not more than three (3) members, appointed by the Board who shall serve in accordance with the relevant provisions of the Bylaws.

4. RULES AND REGULATIONS. The Board shall have the power to adopt, amend and/or withdraw from time-to-time, as the Board may deem appropriate, such Architectural Rules and Regulations as are not in conflict with the provisions of this Declaration.

5. REVIEW BY COMMITTEE. The function of the Committee shall be to review plans and specifications submitted by an Owner applicant, to apply the guidelines, policies, specifications, use restrictions, rules and regulations established in this Declaration, the Rules and Regulations and these Bylaws, and to make a written

recommendation to the Board to approve, approve subject to conditions or deny the application. If the Committee recommends approval of an application subject to conditions, then the Committee may propose conditions for the Board to consider.

6. ARCHITECTURAL COMMITTEE GENERAL FUNCTIONS. In addition to such other functions as may be established by the Board for the Committee, if appointed, the Committee shall function in three (3) broad areas:

First, to maintain, regulate and preserve consistent and harmonious external design, appearance and location of the Units and the Common Elements, and all improvements thereon, in such a manner as will preserve and enhance the value and appearance of the Property and the Owners' and Occupants' health, safety and welfare; and

Second, to maintain a harmonious and aesthetically pleasing relationship between the Property and the improvements, including the locally prevailing vegetation, topography and improvements; and

Third, to monitor compliance of the Owners with all applicable architectural control provision of the Declaration and such Architectural Rules and Regulations as the Board may adopt, and any Architectural Control applications approved by the Board pursuant to the Declaration.

7. SUBMISSION OF ARCHITECTURAL APPLICATIONS. The Committee shall receive, consider and review written applications by the Owners to make improvements, changes, alterations, additions, or repairs ( the "Proposed Improvements") to the Units and Common Elements.

8. CONTENTS OF ARCHITECTURAL APPLICATIONS. All applications submitted to the Committee shall be composed of a written application in a form approved or authorized by the Board. All applications shall be accompanied by such other documents, including by way of example, but not by way of limitation, specifications, diagrams, plans and certifications as the Board and/or Committee may request to evaluate the application, or as may be required by the Rules.

a. Before issuing a decision on any application for architectural approval, the Board and/or Committee may require an applicant to provide the Board or Committee, without cost, fee or expense to the Association, the Board or Committee with such plans and specifications as the Board and/or Committee may deem necessary, including by way of example, but not by way of limitation, floor, framing and roof plans, site plans, drainage plans, elevation drawings and specifications for the materials to be used, as well as samples of the exterior materials and colors the applicant proposes to use. Neither the Board nor the Committee shall have any obligation to act upon any application until all plans, specification and samples requested have been provided by the applicant. The time for the Board to make a decision upon an application for architectural approval, and for the Committee to make a recommendation to the Board,

shall not begin to run until the applicant provides the Board with all of the plans, specifications and samples requested by the Board.

9. ARCHITECTURAL CONTROL COMMITTEE

RECOMMENDATIONS. Upon review of a complete application, the Committee shall make a written recommendation to the Board advising the Board as to whether the application is in accord with the standards set forth in this Declaration and any Rules and Regulations adopted by the Board. The Committee shall issue to the Board and the applicant Owner a written recommendation suggesting approval, approval subject to conditions or denial of the application. The Committee must issue a written recommendation to the Board within thirty (30) days of receipt of a complete application; the failure of the Committee to issue a written recommendation within thirty (30) days of the receipt of a complete application shall be deemed a denial of the application.

10. COMMITTEE RECOMMENATION IS NOT EXECUTIVE BOARD

APPROVAL. A recommendation of approval by the Committee of any application is not an approval of the application, and no work shall be started, nor materials delivered, until such time as a written approval, if any, is issued and signed by the Association's President, or in the absence of the President, the Secretary.

11. EXECUTIVE BOARD REVIEW OF APPLICATION AND

COMMITTEE RECOMMENDATION. The Board shall review and act upon an application, and if appointed the Committee's recommendation, within thirty (30) days of its receipt of the application or the Committee's written recommendation and the complete application; and the failure of the Board to issue a written decision within thirty (30) days of receipt of an application and written recommendation from the Committee shall be deemed to be a denial of the application.

a. Without regard for the Committee's recommendation of approval, the Board may approve or deny any application, save that no application shall be unreasonably denied.

b. The Board may, as it deems necessary, hold a hearing on an application before making a decision on an application. The time period for the Board to act upon an application shall be extended until the hearing is completed. The Board shall have thirty (30) days after the hearing to issue a decision on the application.

c. If a hearing is held, then the Owner, and any Owner with an interest in the application, shall be given written notice of the hearing and an opportunity to be heard at the hearing.

d. The Board may impose such conditions, restrictions, or requirements upon the Proposed Improvements as it deems appropriate incident to granting an approval.

e. The denial of an application by the Board shall not bar the applicant from revising and resubmitting the application to the Committee.

12. APPEAL TO THE EXECUTIVE BOARD. Any applicant aggrieved by the decision of the Board in issuing a denial of an application, or an approval subject to conditions, shall have a right of appeal directly to the Board in accordance with such due process procedures as may be established in the Bylaws and/or the Rules and Regulations.

13. ARBITRATION. If the Board denies an appeal submitted by an Owner in accordance with paragraph 12, then the Owner's sole right of appeal shall be to submit the application to arbitration, or binding arbitration if approved by vote of the Board, in accordance with the procedures established in the Bylaws and the Rules and Regulations.

14. CONDITIONS OF ARCHITECTURAL APPROVAL. The following conditions shall be deemed to be part of all applications approved by the Board and any arbitrator or panel of arbitrators, and to have been irrevocably accepted and consented to by every owner who may submit an application for architectural approval, without regard for whether such conditions are stated in the approval issued: (i) the Owner must obtain and pay for all building and use and occupancy permits required under prevailing federal, state, local or municipal statutes, laws, codes or ordinances, before any materials are delivered to the site, and before starting the Proposed Improvements; (ii) the Owner and the Owner's contractors and suppliers must fully comply with all applicable laws, regulations, and ordinances, including safety rules and regulations; (iii) the issuance of an approval by the Board shall not be deemed to be a certification of the safety, habitability, use or value of the Proposed Improvements; (iv) the Owner must pay all costs, fees and expenses for the construction of the Proposed Improvements; (v) the Owner, or the Owner's general contractor if applicable, must maintain workman's compensation and general liability insurance in an adequate amount throughout the course of the construction and completion of the Proposed Improvements; (vi) the Proposed Improvements must be completed in strict compliance with the approved plans and specifications; (vii) no hazardous substances may be used, installed, transferred, stored, treated, or held upon the Unit or Common Elements during the course of constructing the Proposed Improvements; (viii) and up on completion of the Proposed Improvements, all disturbed portions of the Common Elements and Unit, if any, must be promptly returned by the Owner to the condition, function and appearance in which they existed prior to the start of work, except for those changes approved by the Board, at the sole cost and expense of the Owner.

15. NO CHANGES TO COMMON ELEMENTS. No Owner may perform any work, or erect any Improvements, which will touch upon, effect, or enclose any portion of the Common Elements or Limited Common Elements except upon the receipt of such approval as may be required under the provision of the Governing Documents.

16. OWNER APPLICANT'S INDEMNIFICATIONS. By the acceptance of the Deed to a Unit, the Owner hereby covenants and agrees to indemnify, defend and

hold the members of the Board, and if appointed, the members of the Committee, harmless from any liability, claim, damage, cost or expense arising from the Board's and/or the Committee's performance of their review and approval functions. Each Owner, by acceptance of the Deed to a Unit, hereby further agrees to indemnify, defend and hold the Association, the Board, the Committee, all Association officers, directors, agents, servants, employees, and contractors, as well as the Owners, harmless, from every charge, cost, expense, fee, fine, invoice, claim, damage, demand, award and/or judgment, including interest and delay damages, asserted or awarded against them, together with all costs and expenses of defense thereof, including attorneys fees, incurred by the applicant Owner, or arising from, involving, or touching upon the Proposed Improvements.

17. VARIANCES. The Board is vested with the discretion to authorize a variance from an Owner's obligation to comply with any architectural control limitation, specification or guideline stated in this Declaration, the Bylaws and/or the Rules and Regulations where the Board determines that circumstance such as Acts of God, changes in prevailing law, changing topography, condemnation by a public agency or municipality, hardship caused by a change in the Common Elements or Limited Common Elements, aesthetic or environmental considerations require the granting of such a variance.

a. No such variance may be authorized by the Board where a change in the topography, hardship due to a change in the Common Elements or Limited Common Elements, or aesthetic or environmental considerations result from unauthorized architectural work or changes made by an Owner to the Owner's Unit, the Common Elements and/or the Limited Common Elements.

b. The Board is also vested with the power to grant variances to Owners, and to Owners for the benefit of the Occupants of the Owner's Unit, so that a handicapped Owner, or a handicapped Occupant of an Owner's Unit, can make reasonable modifications to the Common Elements, Limited Common Elements and/or Unit so as to be able to use, enjoy and have access to the Unit.

c. As a condition of granting any variance, the Board may require that the Owner who receives the variance must return the Common Elements, Limited Common Elements and/or exterior of the Owner's Unit to the condition, function and appearance which they existed before the variance was granted when the Owner sells or moves out of the Unit, or when the handicapped Owner or Occupant sells or moves out of the Unit.

#### **ARTICLE XV** **CONTINUING OBLIGATION, ENFORCEMENT AND NON-WAIVER**

1. OWNERS' CONTINUING OBLIGATION TO PAY ASSESSMENTS, FEES, FINES AND CHARGES. Every Owner's liability for payment of all Assessments, fees, fines, interest, costs, expenses, attorneys' fees or charges levied or assessed against a Unit and/or Owner under the Governing Documents, together with the

Owner's duties and obligations to comply with, and to require and affirmatively obtain their Occupant's full compliance with all obligations due under the Governing Documents shall continue, and shall not be abated or canceled, either partially or in their entirety, due to any interruption, or impairment of the Owner's, Occupants, or their family's, invitee's, licensee's, tenant's or guest's, occupancy of a Unit. No Owner may withhold and put into escrow any Assessments, fees, fines, interest, costs, expenses, attorneys' fees or charges due to the Association. No Owner may set off any sum or sums due from the Association to the Owner, or asserted to be due by the Owner from the Association, against any Assessments, fees, fines, interest, costs, expenses, attorneys' fees or charges and/or costs of collection due to the Association, or other obligations due from an Owner to the Association under Governing Documents, will or may be abated or canceled, either partially, or in their entirety, due to the rendering of insufficient services, or the interruption of services intended to be rendered to, or for the benefit of, the Owner or Occupant or their family, invitee, licensee, tenant or guest, by the Association under the provisions of the Governing Documents. No Owner may fail or refuse to pay, nor may any Owner withhold or escrow, any Assessments, fees, fines, interest, costs, expenses, attorneys' fees or charges due to the Association on the basis of any claim or demand the Owner may allege or assert as against the Declarant. All costs, fees and expenses incurred by the Association including, but not limited to, all court costs and attorney fees, late fees, interest and/or fines, or to enforce an Owner's compliance with any of the terms, conditions, provisions, obligations or duties of the Owner under the Governing Documents, the Act, prevailing law or the Master Governing Documents applicable to the Owner, are recoverable by the Association from the Owner, are a lien on the Owner's Unit, and are enforceable by the Association against the Owner in the same manner as an unpaid Assessment.

2. NON-WAIVER. The failure of the Association, if any, to enforce, or promptly enforce, any of the covenants, easements, and restrictions stated herein, or any other term, condition, provisions or rule contained in the Governing Documents, or the Master Governing Documents shall not bar or limit the power of the Association subsequently to demand and enforce strict performance in accordance with the covenants, easements, and restrictions stated in the Declaration and any term, condition, provision or rule contained in the Governing Documents, or the Master Governing Documents.

3. WAIVER BY OWNERS. In acknowledgement of the Association's need to preserve a continuous flow of income from the receipt of Assessments, fees, fines, charges, expenses, interest and costs from the Owners, the Owners hereby specifically and irrevocably waive in favor of the Association, in any suit by the Association for the payment of delinquent Assessments, fees, fines, charges, expenses, interest, costs, attorney's fees or charges, and/or for enforcement of the Governing Documents and/or Master Governing Documents, all defenses or counterclaims arising from claims the Association has interrupted or impaired a right of occupancy, failed to render required services, or has rendered insufficient required services. The foregoing waiver shall not be deemed to be a waiver of an Owner's right to bring an independent legal action arising from claims of interruption or impairment of a right of occupancy, or the rendering of insufficient services, or the interruption of services. However, the Owners specifically

and irrevocably agree, upon the recording hereof and/or by their acceptance of a Deed, that they shall not seek to merge such collateral litigation with any litigation or suit brought by, or for, the Association for collection of delinquent Assessments, fees, fines, penalties, charges, interest, costs, attorney's fees, or charges, or enforcement of the Governing Documents.

**ARTICLE XVI**  
**MAINTENANCE OF COMMON ELEMENTS**

1. **COMMON ELEMENT MAINTENANCE BY ASSOCIATION.** The Common Elements shall be maintained, repaired and replaced by Association in accordance with Section 3307(a) of the Act. The Board shall have the exclusive power and duty to maintain, repair, replace, modify, remove, alter, improve, change or make additions to the Common Elements or any portion thereof, and to keep them in good order and repair, and except as may be stated in this Declaration and/or the Act, all costs thereof shall be a Common Expense. Unit Owners shall not have any power or authority to perform any maintenance, repair, replacement, modification, removal, alteration, nor to make any improvement, change, or addition to any Common Elements or any portion thereof, except as may be permitted by the Board incident to granting written architectural approval under the provisions of Declaration Article XIV hereof regarding Architectural Control.

2. **ASSOCIATION'S MAINTENANCE DUTY.** The Association may maintain, repair and replace only those portions of the Units which contribute directly to the support of the Common Elements. All costs, fees and expenses incurred by the Association shall be levied against the Units benefited in accordance with Articles XII, Section 9, hereof.

3. **ASSOCIATION REPAIRS AND REPLACEMENTS OF LIMITED COMMON ELEMENTS.** Structural repairs and/or replacements of Limited Common Elements, other than repairs and/or replacements which arise from deferred maintenance or negligence by an Owner, shall be performed by the Association, and the costs thereof shall be levied against the Units benefited in accordance with Article XII, Section 9, hereof.

a. Structural repairs and/or replacements of decks, balconies and patios, which become necessary because an Owner defers or fails to perform, or fails to timely perform, ordinary maintenance and/or repairs on a Limited Common Element, or which arise from Owner negligence or misuse of a Limited Common Element, shall be performed by the Owner, at the Owner's sole cost and expense, upon the Owner's application for and receipt of architectural approval pursuant to Article XIV.

**ARTICLE XVII**  
**MAINTENANCE OF UNIT BY OWNER**

1. **MAINTENANCE AND REPAIR OF UNITS.** Each Unit Owner shall have the sole and exclusive duty and responsibility to maintain, repair and replace his, her or their Unit in accordance with Section 3307(a) of the Act. Each Owner shall maintain, repair and replace at his, her or their cost and sole expense all those portions of the Unit, described in Article VII, Section 2, above, except to the extent that any portion of a Unit is damaged or destroyed, and compensation for said damage or destruction is obtained pursuant to policies of insurance maintained by the Board, in which case the Board shall have the obligation to repair and replace the Unit, subject to the applicable provisions of Section 3312(g) of the UCA and Article XXII hereof.

2. **OWNER MAINTENANCE, REPAIR AND REPLACEMENT OF LIMITED COMMON ELEMENTS.** All ordinary maintenance and/or repairs, including, but not limited to, sweeping, washing, staining and preserving of the Limited Common Elements appurtenant to a Unit, including, but not limited to, any deck, balcony, and/or patio appurtenant to a Unit, and the steps, landings and/or stoops providing access to the deck, balcony and patio, shall be performed by the Owner of the Unit to which the Limited Common Element is appurtenant, and all of the costs, fees and expenses thereof shall be paid solely by the Owner of the Unit. The Board shall determine what care, tasks and work represent ordinary maintenance and/or repair of Limited Common Elements. The Board may exercise its powers in regard to the adoption of Rules and Regulations to provide notice to the Unit Owners of what care, tasks and work must be performed by the Unit Owner as ordinary maintenance and/or repair of the Limited Common Elements.

**ARTICLE XVIII**  
**ASSOCIATION MAINTENANCE OF UNITS**

1. **MAINTENANCE AND REPAIR OF UNITS BY ASSOCIATION.** IN the event that any Owner fails or neglects to promptly maintain or repair his, her or their Unit, any portion of the Unit, or the Limited Common Elements appurtenant to a Unit, after being given written notice by the Board to do so, then upon ten (10) days written notice to the Owner, the Declarant during the Declarant Control Period, and/or the Association, by and through its or their agents, servants, employees and contractors, may enter upon the Owners' Unit to conduct all necessary maintenance or repair upon the Unit, and portion of the Unit, and/or the Limited Common Elements appurtenant to the Unit. All of the costs, fees and expenses to perform the maintenance or repairs shall be levied, assessed and enforced against the Unit and Owner in accordance with Article XII, Section 9 or 10 of this declaration, as may be determined by the Board. The Association shall be deemed to have an easement on, over, under, through and upon the Owner's Unit for the purposes of conducting the maintenance and repairs upon the Unit.

a. The Association may, without notice to the Owner, immediately perform emergency maintenance or repairs upon a Unit, any portion of the Unit, or the



Limited Common Elements appurtenant to a Unit, if the Board determines that the maintenance or repairs are necessary to remove or remedy any condition of the Unit which represents a significant threat of harm, to health, safety, or welfare to the Owners, the Owner of the Unit, the Property and/or the Unit. All of the costs, fees and expenses incurred to perform the emergency maintenance or repairs shall be assessed, levied, and enforced against the Unit and Owner in accordance with Article XII, Section 9 or 10 of this Declaration, as may be determined by the Board. The Association shall be deemed to have an easement on, over, under, through and upon the Owner's Unit for the purposes of conducting the emergency maintenance and repairs upon the Unit.

#### **ARTICLE XIX** **USE RESTRICTIONS**

1. **PURPOSES OF USE RESTRICTIONS.** The Property, including the Units, are made subject to the Use Restrictions stated in this Article XIX in order to preserve the Owner's and Occupants health, safety and welfare, to facilitate the Board's administration and management of the property, and to preserve the value and uniform appearance of the Property, including the Units.
2. **RULES AND REGULATIONS.** The Declarant during the Declarant Control Period, and thereafter the Board, shall have the power from time-to-time, by majority vote, to adopt, amend, withdraw, enforce and publish Rules and Regulations regarding the use, enjoyment, maintenance, repair, replacement and improvement of the Property, the use and enjoyment of the Property and the administration, management and operation of the Association which are not in conflict with the Governing Documents.
3. **NO NUISANCES.** No nuisance, as reasonably determined by the Declarant during the Declarant Control Period, and thereafter by the Board, shall be permitted to exist or operate in or on the Property.
4. **OWNER'S BREACH OR VIOLATION OF USE RESTRICTIONS.** In the event that an Owner commits, condones, furthers, permits or supports a breach or violation of these Use Restrictions, and/or in the event that any Owner does not secure prompt and full compliance of the Owner's family members, guests or invitees with these Use Restrictions and/or the provisions of the Association's Governing Documents, then the Owner will be obligated to pay all fines, expenses, fees and costs levied, and to perform all remedies, or make replacements, and for the cost of collection and enforcement, including reasonable attorney's fees, incurred by the Association.
5. **OCCUPANT'S BREACH OR VIOLATION OF USE RESTRICTIONS.** In the event an Occupant of an Owner's Unit commits, condones, furthers, permits or supports a breach or violation of these Use Restrictions, and/or in the event that any Owner does not secure prompt and full compliance of the Occupant of their Unit with these Use Restrictions and/or the Provisions of the Association's Governing Documents, then the Owner will be obligated to pay all fines, expenses, fees and costs levied, and to

perform all remedies, or make replacements, and for the cost of collection and enforcement, including reasonable attorney's fees, incurred by the Association.

6. USE RESTRICTIONS. The Units, Owners, and Occupants of the Units, are made subject to the following use restrictions:

a. The Property, and each Unit, shall be used for residential purposes only, and each Unit shall be used as a single family residence for occupancy by not more unrelated persons, or such number of persons as may be permitted under prevailing state, federal or municipal statute, regulation or ordinance, save that no Unit shall be sold, conveyed, maintained, operated, or used as a time-share condominium.

b. Any Unit may be leased, subject to the Owner's full compliance with the provisions of Article XX below. However, no Owner may lease less than the entire Unit, and no Unit may be leased without a written Lease Agreement, which Lease Agreement shall be for a term of not less than twelve (12) months. Owners of Units subject to leases are and shall remain bound to perform all of the agreements, covenants, and obligations of an Owner under the terms and conditions of this Declaration throughout the term of the Lease. The Occupants of a Unit under Lease shall also be subject to the terms and conditions of the Governing Documents; but Occupants shall not have any right, power, license or privilege to cast a vote on any matter coming before the Owners for a vote.

c. No use or practice shall be done, condoned or permitted by an Owner in any Unit, nor shall anything be kept, used, maintained or stored in any Unit which:

(i) is determined by the Declarant during the Declarant Control Period, and thereafter by the Board to be a nuisance or a source of undue annoyance to the Owners or Occupants of other Units, or which interferes with their peaceful possession and proper use of this Property in accordance with the rights, privileges and easements stated in the Governing Documents; or

(ii) will materially increase the rate of insurance on the Property beyond that to be anticipated from the conduct of otherwise permitted uses under the provisions of the Governing Documents, or result in the cancellation of any insurance policy or policies maintained by the Association; or

(iii) will jeopardize the health, safety, and/or welfare of the Owners and/or Occupants, or the soundness, safety, appearance or value of the Property or any Unit, or impair any easement or hereditament granted under the provisions of the Governing Documents.

d. No Unit may be combined with any other Unit, nor may any Unit be divided, without the prior written consent of the Declarant during the Declarant

Control Period, and thereafter by the Board, to be secured in accordance with Declaration Article XIV regarding Architectural Control.

e. Except for the Declarant during the Declarant Control Period, and except as may be specifically permitted by applicable statutory law, no Unit Owner may erect, permit or condone the erection of any other sign, decoration of flag, banner, bunting or notice in, or on, their Unit or which is visible from outside of the Unit, except as may be permitted under the Rules and Regulations, without the prior written consent of the Board.

f. No Unit Owner or Occupant of a Unit may obstruct the Common Elements in any way.

g. Except for the Declarant during the Declarant Control Period, no Unit Owner may store anything in or on the Common Elements without the prior written permission of the Board.

h. Except for the Declarant during the Declarant Control Period, the Common Elements and Limited Common Elements shall be used solely for the purpose for which are intended, and for the enjoyment of the Owners and Occupants of the Units; and the Owners' and Occupants' use of the Common Elements and/or Limited Common Elements shall be subject to the power of the Board to regulate their use of the Common Elements and/or Limited Common Elements through the adoption and amendment of such rules and regulations, as the Board may deem appropriate.

i. The Owners and/or Occupants of each Unit will maintain the Unit and the Limited Common Elements appurtenant to the Unit in a clean and sanitary condition, and so as to avoid any risk to the health, safety, and/or welfare of the Owners and Occupants, and any impairment of the appearance or value of the Property, and to prevent any breach or violation of the Governing Documents.

j. Except for the Declarant during the Declarant Control Period, no Unit Owner or Occupant may place or dispose of any debris, garbage, trash or rubbish anywhere on the Property other than in or on such parts of the Common Elements and/or Limited Common Elements as may from time-to-time be designated by the Board, through the adoption of rules and regulations.

k. Except as may be used by the Declarant during the Declarant Control Period incident to the construction of Units or improvements on the Property, no Owner or Occupant of a Unit shall use, store, transfer, treat, hold, or otherwise maintain any hazardous substance in, or on, the Property, the Common Elements or Limited Common Elements, and in the event any Unit Owner or Occupant shall use, store, treat, transfer, hold, or otherwise use or be in the possession of a hazardous substance in or on the Property, the Common Elements or Limited Common Elements, then the Owner and/or Occupant shall be deemed to have agreed to indemnify and hold the Association harmless from all costs, fees, fines, interest, if any, levied or awarded against the

Association, together with the Association's attorney's fees, which may arise from identifying, treating, and/or removing any hazardous substance from the Property, the Common Elements or Limited Common Elements.

l. No Unit, nor any part of the Condominium, shall be used, occupied or kept in any manner which would violate any applicable law, statute, regulations, or ordinance of any governmental body.

m. Except as may be conducted by, for or on behalf of the Declarant during the Declarant Control Period incident to the construction of Units or other improvements, and the sale of Units, and except as may be permitted under prevailing local zoning or land use ordinances, no business, industry, trade, or commercial enterprise of any kind shall be commenced, erected, maintained, operated or conducted out of any Unit.

n. No exterior improvement or changes, including but not limited to, shades, awnings, canopies, shutters, exterior window guards, ventilators, fans, air conditioners, electrical, exhaust or condensation lines, flag poles, or like devices shall be placed, mounted, erected, or used in or about the windows or exterior of any Unit, nor upon the Common Elements, except those permitted by the Rules and Regulations, and those, if any, which are approved in advance by the Declarant during the Declarant Control Period, and thereafter by the Board, upon the Owner's receipt of approval in accordance with Article XIV hereof regarding Architectural Control.

o. No drying or airing of any clothing, bedding, or other personal property or articles of any Owner or Occupant shall be permitted on the Common Elements or Limited Common Elements.

p. No Owner or Occupant shall supervise, direct, or attempt to supervise, direct or otherwise assert control over the Association's agents, servants, contractors or employees, nor request that they perform any function or service for, or on behalf of, the Owner or Occupant personally during the course of performing work for the Association.

q. Except as may be operated by or for the Declarant during the Declarant Control Period, no Owner or Occupant shall make, consent to, permit or condone the actions of any person or persons, nor to operate or use any machines or appliances, accessories or equipment, which makes or emits any disturbing or loud noises anywhere in, or on, a Unit, the Common Elements or Limited Common Elements.

r. Except as may be done by or for the Declarant during the Declarant Control Period incident to the construction or sale of Units or other Improvements, no Owner or Occupant shall make or permit anything to be done anywhere in, or on, a Unit, the Common Elements, or the Limited Common Elements which does, or will, violate any applicable regulation, ordinance or code pertaining to noise control or disturbances, or which will interfere with any other Owner's and/or

Occupant's peaceful use and enjoyment of the other Units and/or the Common Elements and/or the Limited Common Elements.

s. Except for not more than a total of two (2) common household pets, such as cats, dogs or birds, no animals, livestock, reptiles, fowl or poultry of any kind may be raised, bred or kept in any Unit, nor upon the Common Elements or Limited Common Elements. No runs, cages, enclosures or houses for pets may be erected, placed or maintained on the Common Elements or Limited Common Elements, excepting however, a fenced area may be erected to the extent allowed by the Bylaws and the Rules and Regulations adopted by the Board from time to time. No pet may be walked outside of a Unit except on a leash held by a person capable of controlling the pet. If a pet defecates upon the Common Elements or Limited Common Elements, then the excrement must be immediately picked up and removed.

t. No Owner or Occupant, nor their agents, servants, employees, or contractors, is permitted on, or in, any portion of the Property not intended for normal use by Unit Owners and/or Occupants or areas from which Owners and Occupants are barred, as such areas may from time-to-time be designated by the Declarant during the Declarant Control Period, and thereafter by the Board, including, but not limited to, roofs, berms and storm water control systems equipment spaces.

u. Nothing shall be shaken, thrown, or discarded by any Owner or Occupant from the Units or the Common Elements, including, but not limited to, windows, decks, patios and stoops.

v. No Owner or Occupant shall use, permit the use of, bring into, store, treat, transfer, or maintain in any Unit, nor in or upon the Condominium, any inflammable, combustible, corrosive, or explosive materials, fluid, chemical or substance, except for such small quantities, if any, as may be appropriate for normal household use.

w. Except as may be operated by or for the Declarant during the Declarant Control Period, no commercial or other non-passenger vehicles of any type, and no unlicensed motor vehicle of any type, shall be permitted to remain overnight on the Property. For purposes hereof, a commercial vehicle shall include by way of example, but not by way of limitation, such trucks, trailers, pick-up trucks with a *manufacturer's load bearing capacity in excess of one-half (1/2) ton, service vehicles, trailer trucks, moving vans and vans or mini-vans intended for commercial use.*

x. Vehicles shall be deemed to be commercial if they bear or contain lettering, signs, or other forms of advertising, and/or are intended primarily for non-passenger use, or are for hire for passenger or commercial use, and/or bear "truck" or "commercial" or other non-passenger license plates. Commercial vehicles shall not include automobiles, passenger vans or mini-vans used purely for the personal passenger use of the Owner or Occupant of a Unit. Commercial vehicles shall not include any vehicle operated by or for the Declarant.

y. Except as may be operated and/or parked by or for the Declarant during the Declarant Control Period, no trailers, boats, mobile homes, motor homes, campers, motorcycles, or recreational vehicles shall be parked overnight, stored or left unattended on the Property.

z. Except for vehicles operated by or for the Declarant during the Declarant Control Period, no repair or maintenance of any vehicle is permitted on the Property, with the except of such emergency repairs as may be necessary to get a vehicle moving; by way of example, but not by way of limitation, such emergency repairs include jumping batteries and changing tires.

aa. No vehicle shall be parked on the Common Elements in such a manner as to impede or prevent ready access to any entrance to a Unit or the parking areas and access driveways by another person or vehicle.

bb. Except for vehicles operated by or for the Declarant during the Declarant Control Period, parking regulations, speed limits, and any other parking or traffic control signs posted on the Property, or any other parking or traffic regulations which may be promulgated or adopted by the Board or Master Board, now or in the future, shall be strictly obeyed by all Owners and Occupants.

cc. No Owner may voluntarily convey or transfer title to their Unit except upon first securing the issuance by the Association of the notice required under Sections 3407 of the Act.

dd. No Owner may erect any antenna on the Property, except as may be permitted by prevailing law.

7. RULES AND SPECIFICATIONS. The Board possesses the power under Article IV, Section 3 hereof, to enforce these Use Restrictions, and the provisions, covenants and restrictions stated in the Declaration and Bylaws generally, through the adoption, amendment, withdrawal and enforcement of such Rules and Regulations as the Board may, in its discretion, from time-to-time deem appropriate. The Board also has the power to adopt, review, revise and amend specifications, standards and color palettes governing the maintenance, repair, replacement and improvement of those portions of the Units which are not maintained, repaired or replaced by the Association, and those portions of the Limited for which the Owners bear any maintenance, repair or replacement obligations. The Owners may amend or withdraw any Rule or Regulation adopted by the Board at any time by vote of sixty-seven (67%) percent of the Owners at any general or special meeting of the Owners, provided that the proposed amendment or withdrawal of the Rule and Regulation is set forth on the Notice and agenda for the meeting.

8. EXCEPTIONS. Subject to receipt of a written request from an Owner or Occupant, the Declarant during the Declarant Control Period, and thereafter the Board, may issue temporary permits, in writing, excepting an Owner or Occupant from the obligation to comply with one or more of the foregoing use restrictions, of the Master

Association's Rules and Regulations. The Owner or Occupant must demonstrate to the Declarant during the Declarant Control Period, and thereafter to the Board, that there is good cause for the requested exception, and that the Owner and/or Occupant is in good standing and otherwise in full compliance with the Governing Documents. Any exception granted shall automatically terminate when the need for the exception no longer exists. Exceptions may not be assigned, conveyed or otherwise transferred without the prior written consent of the Declarant during the Declarant Control Period, and thereafter the Board. It is intended that exceptions will be granted primarily for purposes of permitting ill, injured or handicapped Owners or Occupants to obtain, or more readily obtain, access to a Unit.

## **ARTICLE XX** **LEASING**

1. **LEASES AND LEASE ADDENDUM.** Each Owner who wishes to lease a Unit must use a written lease agreement, and must attach an addendum to the lease or sublease in a form and content approved by the Board, or prepared by the Board through the adoption of a Lease Rule and Regulation, requiring the Owner's Tenant to fully and promptly comply with the Governing Documents. For purposes of application and interpretation of this Article XX, the terms "Tenant" and/or "Occupant" shall refer to any person, persons, or entity, other than an Owner and the Owner's family members, who may occupy or reside in a Unit for rent or other consideration.

2. **LEASE TERMS.** Leases for Units and any renewal or extension term thereof, shall be for a term of not less than twelve (12) months. Owners may not lease less than an entire Unit. No Unit may be subleased. The maximum number of persons who may lease a Unit shall be not greater than the number of unrelated persons permitted by any applicable, federal, state or local statute, regulation or ordinance. A Unit may only be leased for occupancy as a single family residence.

3. **TENANT COMPLIANCE WITH GOVERNING DOCUMENTS.** Every Tenant and Occupant of a Unit, including all members of the Tenant's or Occupant's family, and their guests and invitees, must comply with all of the provisions of the Governing Documents, and the Master Governing Documents, throughout the term of the lease and/or occupancy of a Unit. The Owner of each Unit leased shall bear the exclusive obligation and duty to require and obtain a Tenant's or Occupant's prompt and full compliance with the Governing Documents and/or Master Governing Documents. Should a Tenant or Occupant of a Unit commit, condone, further, permit or support a breach or violation of the Governing Documents, then upon notice to the Owner and the Occupant, the Board may levy such fines, impose penalties, and levy all expenses, fees, and costs of cures, remedies or replacements against the Owner, and all fines, penalties, expenses, fees, and costs, as well as costs of collection and enforcement thereof, including reasonable attorney's fees, shall be and remain until paid, a lien on the Owner's Unit, collectible in the same manner as an Assessment.

4. OWNER'S DELIVERY OF GOVERNING DOCUMENTS. Each Unit Owner shall provide their Tenant with a full and complete copy of the then current Governing Documents of the Association and the Master Association Governing Documents at the same time that the Owner and the Tenant sign a lease.

5. PAYMENT OF ASSESSMENTS, FEES, FINES, AND CHARGES. The Owner of a Unit remains responsible to continue to make timely payment of all Assessments, interest, fees, fines, expenses, costs and charges due under the Governing Documents throughout the term of the lease.

6. LEASING RULES AND REGULATIONS. The Board shall have the power and authority to adopt, amend and withdraw, as the Board may from time-to-time deem necessary, such Leasing Rules and Regulations as the Board may deem necessary and appropriate to the circumstances of the Property.

**ARTICLE XXI**  
**LIEN OF FIRST MORTGAGES**

1. PRIORITY OF FIRST MORTGAGES, TAXES AND GOVERNMENTAL ASSESSMENTS. The lien of a bona fide first mortgage upon a Unit, and a lien for real estate taxes and other governmental Assessments or charges against a Unit, shall have a priority over the Association's lien for Assessments, delinquent Assessments, fees, fines, charges and costs of collection, including attorney's fees, in the manner permitted by Section 3315 of the UCA. The Association's lien of Assessments, delinquent Assessments, fees, fines, charges, expenses and costs of a collection thereof, including attorney's fees, shall be a priority lien over all other liens upon a Unit.

2. MORTGAGE REQUIREMENTS. Any mortgage which is a lien upon a Unit, and the obligations secured thereby, shall be deemed to state that the mortgage and the rights and obligations of the parties thereto are, and shall remain subject to, the terms and conditions of the UCA and the Governing Documents. In addition, the mortgage shall be deemed to contain language whereby the mortgagee acknowledges and agrees that the mortgagee shall have no right to:

a. participate in the adjustment of losses with insurers under policies maintained by the Board pursuant to Article XXII hereof; and

b. receive or apply the proceeds of said insurance to the reduction of the mortgage debt or otherwise, except in the event and to the extent of a distribution to the Unit Owners; and

c. accelerate the mortgage debt or be entitled to exercise any of the mortgage remedies by virtue of waste, or alleged waste or other conditions occurring anywhere on the Property other than within the Unit upon which the particular mortgage is a lien.



3. NOTICE OF MORTGAGES TO EXECUTIVE BOARD. Unit Owner shall bear the sole obligation to notify the Association of the mortgagee's name, address and principal amount of the first mortgage on the Owner's Unit. If the Owner provides the Association with the mortgagee's name, address and principal amount of the first mortgage on the Owner's Unit, then the Association's Secretary shall give notice of the mortgagee's name, address and principal amount of the first mortgage to the Association's insurance carrier, so the mortgagee may be named as an additional insured on the Association's insurance policies. Mortgagees shall be entitled, upon directing a written request to the Association's Secretary, to a written statement of any delinquent Assessments, fees, fines, costs, expenses, interest or other sums owed by an Owner, and of any other defaults by the Unit Owner, and copies of any said notices given to a mortgagee shall also be sent to the Unit Owner at the same time they are forwarded to the Mortgagee.

## **ARTICLE XXII** **INSURANCE**

1. INSURANCE TO BE MAINTAINED BY ASSOCIATION. The Association shall obtain, and maintain in full force and effect, at all times during the existence of the Association, the insurance required under Subsection 3312 of the UCA, and any amendments which may hereinafter be adopted thereto.

2. PROPERTY INSURANCE. Property Insurance on the Common Elements and Units, exclusive of improvements and betterments installed and/or maintained in Units by Owners or Occupants, insuring against all risks of direct physical loss commonly insured against, including fire and such other casualties, losses and risks as may be covered by a property insurance policy with endorsement for extended coverage, in an amount not less than eighty (80%) percent of the actual cash value of the insured property, and not in excess of the full replacement value of the Property covered, shall be maintained by the Association to the extent reasonably available. Any said policy may contain a deductible provision in an amount determined to be appropriate by the Board. Said property insurance shall contain a separate loss payable endorsement in favor of the holders of mortgages on Units to make the loss payable provisions in favor of said holders subject and subordinate to the loss payable provisions in favor of the Association.

a. Any loss covered by the property policy described above shall be adjusted with the Association, but the insurance proceeds from the loss shall be payable to the Association, or to an insurance trustee designated for that purpose by the Board, and not to any mortgagee or beneficiary under a deed of trust. By majority vote the Board may designate and appoint an insurance trustee at the time of the loss, or any time thereafter, to receive and hold the insurance proceeds in trust for the Association, the Unit Owners and lien holder as their interests may appear. The insurance trustee may be any person or entity deemed appropriate by the Board, including, but not limited to, one ore

more members of the Board, one or more of the Association's officers, or a committee of the Board and/or Unit Owners.

b. Except in the case of a decision by the Owners not to repair or replace the condominium in the manner discussed below, the insurance proceeds held by the Association or the insurance trustee, as applicable, shall be disbursed first for the repair or restoration of the damaged Common Elements and Units; Unit Owners and lien holders shall not be entitled to receive payment of any portion of the insurance proceeds unless there is a surplus of insurance proceeds after the Common Elements and Units have been completely repaired or restored, or the condominium is terminated.

c. In the event that an insurance trustee is appointed, then the Board may compensate the insurance trustee for services rendered and expenses incurred. The insurance trustee's duty shall be limited to making payment in accordance with the Board's written authorization; and the Board shall carry out and/or supervise all repair or restoration of the Property.

3. LIABILITY INSURANCE. The Association shall maintain comprehensive general liability insurance, including medical payments insurance, insuring the Association, the Unit Owners, and the Board and the Board Officers, and the Association's agents, servants, and employees against any liability to other persons or entities, Owners, Occupants and their agents, servants, employees, contractors, invitees, and guests, relating in any way to the ownership and/or user of the Property as described in Article III hereof, save that said insurance shall not insure any Owners against liability for injuries to persons or property occurring or arising solely within the Owner or Occupant's Unit. The limits of liability under any said policy shall be in amount determined to be appropriate to the circumstances and needs of the Association by the Board, save that limits of liability shall be not less than \$1,000,000.00 for any person injured or killed in a single occurrence, and of not less than \$1,000,000.00 for property damage resulting from each occurrence, subject to such deductible as the Board may determine to be appropriate.

4. INSURANCE UPON PERSONAL PROPERTY. The Board shall maintain insurance against casualty, or loss by damage, destruction or theft of any personal property held, leased or owned by the Association in such amounts and with such deductibles as the Board shall from time-to-time determine to be appropriate and consistent with the then current needs of the Association. The Association shall not obtain insurance against loss, damage, destruction or theft of the personal property of any Owner or Occupant.

5. DIRECTORS AND OFFICERS INSURANCE. The Association shall maintain policies of Directors and Officers liability insurance insuring the members of the Board, and the Association's officers, agents, servants, and employees against personal liability in connection with the performance of their official duties.

6. OTHER INSURANCE. The Association may carry any other insurance which the Board may deem appropriate and necessary to protect the Property, and/or the interests of the Association or the Unit Owners in the Property.

7. CLAIMS, DEDUCTIBLES AND EXCLUSIONS. In the event of any loss, injury or damage to the Common Elements, Limited Common Elements or any Unit, person or personal property, the Board shall have sole discretion to decide whether the claim shall be submitted as a claim to the Association's insurance carrier, but all claims in excess of any applicable deductible must be submitted to the applicable insurer. In the event any Owner or Occupant suffers any injury, loss or damage to their Unit, person or personal property which is not covered, or is only partially covered, by the Association's property, liability, personal property, Directors and Officers, or any other insurance due to the existence of a deductible provision, then the portion of the loss, damage, or injury not covered by reason of the application of the deductible shall not be subject to indemnification by the Association, but shall be the sole responsibility and obligation of the Owner or Occupant as applicable. The Owner or Occupant may submit the portion of the loss not covered because of the deductible to their own carrier, but the Owner or Occupant's carrier shall have no claim for contribution or subrogation against the Association. In the event any Owner or Occupant suffers injury, loss or damage to their Unit, person or personal property which is not covered, or is only partially covered, by the Association's property, liability, personal property, Directors and Officers, or any other insurance due to the existence of a coverage exclusion, then the portion of the loss, damage, or injury not covered by reason of the application of the exclusion shall not be subject to indemnification by the Association, but shall be the sole responsibility and obligation of the Owner or Occupant as applicable. The Owner or Occupant may submit the portion of the loss not covered due to the exclusion to their own carrier, but the Owner or Occupant's carrier shall have no claim for contribution or subrogation against the Association.

8. DEDUCTIBLES FOR COMMON ELEMENT DAMAGES. In the event that any portion of the Common Elements is damaged or destroyed, and the insurance proceeds do not fully cover the costs of repair or replacement of the damaged portions of the Common Elements borne by the Association, then the costs of repair or replacement in excess of the insurance proceeds, including costs not covered by reason of the application of a deductible, coverage exclusion or exhaustion of policy limits, shall be a Common Expense to be paid by all of the Owners in a pro-rata fashion, in accordance with the Percentage Interests assigned to their Units.

9. ADDITIONAL INSURANCE REQUIREMENTS. The insurance to be maintained by the Board under Sections 1 through 8 shall comply with the following requirements:

a. Each Unit Owner shall be an insured person under any policy with respect to liability arising out of their ownership of an undivided interest in the Common Elements and/or membership in the Association.

b. The insurer shall waive its right to subrogation under any policy against any Owner of a Unit, and the Owner's household.

c. No act or omission by any Owner, unless acting within the scope of Owner's authority on behalf of the Association, will void any policy or be a condition to recovery under any policy.

d. If, at the time of a loss under a policy, there is other insurance in the name of an Owner covering the same property covered by the policy, then the Association's policy is primary and not contributing with the Owner's insurance.

e. All insurance policies maintained by the Association shall be issued by a company licensed to do business in the Commonwealth of Pennsylvania, which company must hold a rating of "A+" or better, as rated by Moody's Insurance Reports or Standard and Poors, or by an equivalent rating bureau should Moody's Insurance Reports or Standard and Poors cease to be issued.

f. Exclusive authority to adjust losses under said policies shall be vested in the Board.

g. In no event shall coverage under said policies be brought into contribution with insurance purchased by individual Unit Owners.

10. REVIEW OF INSURANCE COVERAGE. The Board shall from time-to-time review the adequacy of the insurance coverage then carried under the policies maintained by the Association in accordance with this Article XXII, and make such changes to the policies, including by way of example, but not by way of limitation, increases or reductions in limits of liability, coverage or deductibles. The Board must provide notice of coverage changes, if any, to the Owners.

11. OWNER INSURANCE ON UNIT. The Owner of a Unit may obtain, and is encouraged to obtain, such additional insurance on the Owner's Unit and all of the contents of the Unit, including personal property and all betterments and improvements installed by the Owner, in such amounts and such types, as the Owner may deem appropriate. Any insurance policy issued to the Association shall not prevent a Unit Owner from obtaining insurance for Owner's own benefit; provided, however, that any policy maintained by an Owner shall:

a. contain waivers of subrogation by the insurer as to any claims against the Association and its members, officers, directors, any manager of the Association, the other Owners and Occupants, and their respective agents, servants, and employees; and

b. not decrease the amount of insurance proceeds which the Association, on behalf of the Owners, may realize under any insurance policy to be maintained by the Association in accordance with this Article XXII; and

c. not cover any portion of the Property other than a Unit unless a copy of the proposed individual policy or policies and any changes or amendments thereto are filed with the Board Secretary not less than ten (10) days prior to the effective date of such policies and amendments; and

d. not violate or conflict with the provisions of the Governing Documents.

**ARTICLE XXIII**  
**DAMAGES OR DESTRUCTION AND REPAIR**

1. **REPAIR AND REPLACEMENT.** Any portion of the Property damaged or destroyed shall be repaired or replaced promptly by the Association unless:

a. the condominium is terminated; or

b. repair or replacement would be illegal under state or local health or safety statute or ordinance; or

c. eighty (80%) percent of the Unit Owners, and every Owner of a Unit which will not be rebuilt, shall vote not to rebuild.

2. **EXCESS COST OF REPAIR.** Except as provided in Article XXII, Section 7, with respect to deductibles and coverage exclusions, the costs or repair or replacement of any portion of the Property damaged or destroyed in excess of insurance proceeds and reserves will be a Common Expense, to be levied and assessed against the Owners in a pro-rata fashion, in accordance with the Percentage Interest assigned to each Unit, or in accordance with the provisions of Section 3314(c) of the Act, as may be determined by the Board.

3. **INSURANCE PROCEEDS.** If the entire condominium is not repaired or replaced, then upon the vote required under Section 1(c) above, the insurance proceeds shall be handled as follows:

a. The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition and appearance compatible with the remainder of the Property; and

b. The insurance proceeds attributable to Units which are not rebuilt shall be distributed to the Owners of those Units; and

c. The remainder of the insurance proceeds, if any, shall be distributed to all Unit Owners in proportion to their assigned Percentage Interest.

4. AUTOMATIC REALLOCATION OF PERCENTAGE INTERESTS. If the Unit Owners vote not to rebuild any destroyed Unit, then the entire Percentage Interest, votes in the Association and Common Expense Liability formerly assigned to the Unit which will not be rebuild shall be automatically reallocated upon the vote not to rebuild, as if the Unit had been condemned, and the Association shall promptly prepare, execute and record an amendment to the Declaration reflecting the reallocation of Percentage Interests, Common Expense Liability, and votes, as may be appropriate.

**ARTICLE XXIV**  
**LIABILITY LANGUAGE IN AGREEMENTS AND SUITS**

1. LANGUAGE CONCERNING LIABILITY. Every Agreement, deed, lease, note, contract, easement or other instrument entered into or granted by the Board on behalf of the Association shall, to the maximum extent possible, and as may be consistent with the interests of the Association and the nature and conditions of the subject transaction, state that:

a. the individuals executing the same on behalf of the Association are acting only in representative capacities, as officers are agents for the Association, and that they shall not have any personal liability thereunder (except that an Owner executing a document on behalf of the Association shall continue to bear their obligation to pay expenses of the Association in accordance with this Declaration and the Common Expense Liability Percentage assigned to them); and/or

b. any claim by the other party or parties thereto must be asserted against the Association only, and not as against the individual Owners or members of the Board; and/or

c. any liability thereunder in respect to the subject thereof shall be borne by the Association only, in accordance with applicable provisions of the Act.

2. NOTICE OF SUITS AGAINST ASSOCIATION. Complaints, if any, brought against the Association or all of the Owners shall be directed to the Board; and the Board shall promptly give written notice thereof to the Owners, and the Association shall defend said cause of action. The Owners shall have no right to participate in the defense of such cause of action other than through the Board.

3. NOTICE OF SUITS AGAINST OWNERS. Complaints against one or more, but less than all of the Unit Owners or Units, alleging liabilities arising from the individual conduct of the defendant Owner, Owners or the Occupants of their Units, as distinguished from the conduct of the Owners as a group or class, or a condition for a particular Unit as distinguished from a condition generally affecting the Property, shall be directed to the Owner or Owners, and not to the Association or the Board, and the Owner or Owners shall promptly give written Notice thereof to the Board, and the said cause, or

causes of action, shall be defended by the Owner, or Owners, at the Owner's sole cost and expense.

**ARTICLE XXV**  
**DUE PROCESS PROCEDURES**

1. **DUE PROCESS PROCEDURES.** The Association has determined that the establishment of Due Process Procedures for the determination and remediation of violations of the Governing Documents, and to prevent breaches and violations of the Governing Documents, will preserve the health, safety, welfare, and security of the Owners, help to maintain the appearance and value of the Property, and provide an Owner accused of a violation of the Governing Documents with due process.
2. **OWNERS' OBLIGATIONS.** The Owner of a Unit shall be the sole person or entity responsible for the payment of Assessments, fees and charges, the payment of fines and sanctions, and prompt and full compliance with demands for cessation, abatement, cure or remediation of violations of the Governing Documents, without regard for whether the violation was committed by the Owner, the Owner's family member, guest, invitee, tenant, agent, servant, employee or independent contractor.
3. **COMPLAINING PARTY.** Any Owner, Officer, Board Member, member of a committee appointed by the Board, or the property manager may submit a complaint about a violation of the Governing Documents to the Board. All complaints must be in writing, and must be submitted in accordance with the procedures established in the Bylaws and the Rules and Regulations.
4. **EXECUTIVE BOARD REVIEW.** The Board shall review all complaints submitted in accordance with the procedures established in the Bylaws and the Rules and Regulations. However, in the event of a complaint with respect to any violation of the Governing Document which represents an immediate threat to the health, safety, welfare, and security of the Owners, or the appearance, or value of the Property, the Board may meet to review the Complaint at the Board's earliest convenience. The Board may request that a complaint be reviewed by legal counsel; but the Board shall make the final determination as to whether the acts complained of represent a violation of the Governing Documents.
5. **FINES AND SANCTIONS.** In the event that the Board makes a final determination that there has been, or is, a violation of the Governing Documents, then the Board may levy a fine against the Owner in an amount consistent with the nature and severity of the violation. Each day upon which a violation or breach continues may be deemed a fresh violation or breach, and subject to the imposition of additional or continuing fines, as the Board may levy or assess. In addition, the Board may impose such other sanctions as the Board deems necessary and appropriate, including the issuance of a cease and desist letter, and if necessary, a demand specifying action or work

to be done on or about a Unit, the Limited Common Elements and/or the Common Elements, as may be appropriate, to abate, cure or remedy the violation.

6. NOTICE OF VIOLATION. Upon a determination by the Board that a violation has been committed, the Board shall issue a Notice of Violation letter to the Owner.

7. CONTENTS OF NOTICE OF VIOLATION. Any Notice of Violation issued by the Board shall specifically identify the relevant provisions of the Governing Documents which have been found to have been violated, contain a statement of the essential facts giving rise to the violation, and as to any violation which is of a continuing nature, contain a directive to the Owner to cease and desist, and/or to require the Occupant of the Owner's Unit to cease and desist, from committing the violation. The Notice of Violation shall contain a description of the appeal procedures available to the Owner and any other information deemed appropriate by the Board.

8. FINES. Any fine levied by the Board may be a single fine for a single violation, and/or a continuing fine for a continuing violation. In the event of a continuing violation which represents a substantial threat to the health, safety, welfare and security of the Owners, or to the value of the Property, the Board may levy a continuing fine which goes into effect immediately upon the issuance of the Notice of Violation.

9. ADDITIONAL REMEDIES. In addition to the powers to resolve a matter informally, to levy a fine, issue a cease and desist letter, and/or Notice of Violation, the Board shall have the power, but not the obligation, upon Notice to the Owner, to suspend an Owner's right to vote and to serve upon the Board and/or any committee until the fine is paid or the violation is cured, and also to bring an action at law or in equity, or in both, against the Owner to collect any fines levied and/or costs of fees incurred, and to enforce the Owner's compliance with the Governing Documents. The Board shall also have the power to pursue all remedies available to it under this Article or prevailing law consecutively, or concurrently, as the Board may elect.

10. FEES AND COSTS OF ENFORCEMENT. All costs, charges, expenses and fees, including reasonable attorney's fees, incurred by the Association incident to determining the existence, nature or scope of a violation, collect fines, and/or to enforce compliance with the Governing Documents, including, but not limited to, those incurred, if any, to secure professional advice and guidance regarding the nature and extent of damages to the Property, and the work or action needed to remedy the violation and/or damages, as well as the costs of labor, materials, and any necessary oversight or guidance to temporarily or permanently abate, cure or remedy a violation, as well as all other charges, fees, or fines levied by the Association, shall be reimbursed to the Association by the Owner, and shall be a lien upon the Owner's Unit, and the personal obligation of the Unit Owner, collectible in the same manner as an unpaid Assessment.

11. APPEAL PROCEDURE. Any Owner against whom the Board has levied a fine, issued a cease and desist letter, and/or a Notice of Violation, shall have the right to

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file an appeal from such fine, letter or Notice to the Board, and to obtain a hearing on the violation, by filing a written Notice of Appeal with the Board within fifteen (15) days from the date of the Notice of Violation. The Notice of Appeal must be in writing, and it must be filed in accordance with the procedures established in the Bylaws and the Rules and Regulations.

12. APPEAL HEARING. An appeal hearing shall be scheduled by the Board's Secretary to be held within thirty (30) days after the Board's receipt of the Notice of Appeal, unless extended by direction of the Board upon Notice to all parties, or by agreement of the Board and the Owner filing the appeal. The Appeal may be heard by the Board, or by a Board Member appointed by the Board to act as a Hearing Officer for the Board. The parties to any appeal shall be the Association, as represented by the Board, and the Owner accused of the violation. The appeal shall be conducted in accordance with the procedures established in the Bylaws and the Rules and Regulations.

13. DECISIONS UPON APPEALS. After consideration of the evidence submitted and/or the Hearing Officer's report as applicable, and/or review of any transcript which may have been taken, the Board shall issue its decision in writing to the Owner. The Board's decision shall be issued within thirty (30) days after the conclusion of appeal hearing, subject to extension by the Board to permit additional evidence to be submitted to the Board, but the Board shall issue its decisions within thirty (30) days of the receipt of all evidence and/or the transcript. Decisions of the Board shall be by majority vote, and shall be final and binding.

14. ADVISORY OPINIONS. Any Owner may apply to the Board for the issuance of an Advisory Opinion regarding the interpretation or application of the Governing Documents. The Board may, but has no obligation to, respond to any request for the issuance of an Advisory Opinion. If the Board determines that issuance rendering the Advisory Opinion until the requesting Owner agrees to reimburse the Board for all attorneys fees incurred. Any Advisory Opinion issued, if any, shall be binding only as between the Association and the Owner to whom it is issued, unless otherwise stated by the Board within the Advisory Opinion. Advisory Opinions may be prepared by the Board, or the Association's legal counsel if so authorized by the Board, but any Opinion drafted by legal counsel must be approved by majority vote of the Board before being issued.

15. ARBITRATION BETWEEN OWNERS AND THE ASSOCIATION. In the event of a dispute between the Association and any Owner then at any time prior to the recovery of a judgment the dispute may be submitted to arbitration, including binding arbitration, if approved by majority vote of the Board, in accordance with such procedures as may be approved by the Board.

**ARTICLE XXVI**  
**CONTROL**

1. **CONFLICT BETWEEN GOVERNING DOCUMENTS.** In the event of a conflict, if any, between the provisions of the Declaration and the Bylaws, then the provisions of the Declaration shall control and prevail, except to the extent the provisions of the Declaration are inconsistent with the provisions of the UCA, in which event the provisions of the UCA shall control and prevail. In the event of a conflict between the provisions of the Declaration and the Rules and Regulations, then the provisions of the Declaration shall control over the inconsistent provisions, if any, of the Rules and Regulations.

a. The provisions of recorded amendments or supplements to this Declaration shall control and prevail over the contrary provisions of the Declaration as originally recorded, and prior recorded amendments and/or supplements, and the Bylaws, except that the UCA shall continue to control over all.

**ARTICLE XXVII**  
**LIMITED LIABILITY**

1. **ACTIONS AGAINST ASSOCIATION.** An Owner's and/or Occupant's action in tort against the Association, if any, may be filed, alleging a wrong done by the Association or by an officer, director, member, agent, employee, servant or contractor of the Association, or an action arising from an alleged breach of contract individually and severally, shall not be subject to suit, or be otherwise directly or indirectly held accountable for the acts of the Association, except to the extent that a judgment in excess of available insurance coverage limits, if any, may be recovered, shall be entered against the Association, in which case the judgment shall constitute a lien against the Owner's Unit for a pro-rata share of the amount of the judgment, including any interest thereon, in the manner addressed in Section 3311(b) of the UCA, based upon the Common Expense Liability percentage allocated to that Unit; but no other property of a Unit Owner shall be subject to claims of creditors of the Association.

2. **OWNER'S ACTION AGAINST ASSOCIATION.** A Unit Owner is not precluded from bringing an action in tort or breach of contract against the Association by reason of the Owner's status as either an Owner, or as a Member of the Board of the Association.

3. **LIMITED LIABILITY OF ASSOCIATION.** All Owners, by acceptance of a deed to their Unit, and all Tenants and Occupant of the Units by acceptance of a lease and in consideration of their enjoyment of the use of the Property, hereby covenant and agree that the liability of the Association and the Board for injuries or damages to the Units, persons, or property of the Owners, Tenants, or Occupants, if any, caused or resulting from negligent maintenance of the Common Elements or Units by the

Association, Board or its agents, employees, servants, or contractors shall be limited to an amount not in excess of the higher of:

a. The maximum limits of applicable property insurance coverage which the Association is required to maintain pursuant to Article XXII hereof; and/or

b. The maximum limits of liability coverage under any other applicable insurance policy which the Association is required to maintain pursuant to Article XXII hereof.

c. The foregoing limitations shall not bar any Owner or Occupant who may suffer any personal injury or property damage from pursuing a claim in excess of insurance coverage available to the Association with any other person, partnership, corporation or other entity which may also be liable to, or likable over to, the Owner or Occupant for any damages which may have been suffered.

d. Without regard for the foregoing, should any judgment be awarded against the Association in excess of insurance coverage available to the Association, and should the amount of the judgment be in excess of the available insurance coverage be found by a Court to be recoverable against the Association, then the amount of the judgment in excess of the insurance coverage shall be treated in accordance with the provisions of Section 3311(b) of the UCA regarding the liens of judgments.

4. INDEMNIFICATION OF EXECUTIVE BOARD MEMBERS, OFFICERS, AND COMMITTEE MEMBERS. Each Board Member and each Officer and Committee Member (and their heirs, executors and administrators) shall be indemnified by the Association against any and all liabilities, fines, penalties, and claims imposed upon or asserted against them, and against all expenses reasonably incurred by them, in connection with any claim or action, suit or proceeding (either civil or criminal) to which they may be made a party by reason of having been a Board Member, Officer or Committee Member of the Association, or of any other corporation which they served as a director or officer at the request of the Association (without regard for whether they then continue to serve as such a director or officer) except in relation to matters as to which they shall be adjudged in such action, suit or proceeding to be liable by reason of having been guilty of gross negligence or willful misconduct in the performance of their duty as a Board Member, Officer or Committee Member. However, in the event of a settlement, the indemnification herein shall apply only if the Association shall be advised by its legal counsel that, in counsel's opinion, such Board Member, Officer or Committee Member was not guilty of gross negligence or willful misconduct in the performance of their duty as such Board Member, Officer or Committee Member with respect to the matters covered by the pending claim, action, suit or proceeding. The foregoing right of indemnification shall not be exclusive of any other right to which the Board Member may be entitled as a matter of law or otherwise.

5. LIMITED LIABILITY OF OFFICERS, EXECUTIVE BOARD AND COMMITTEE MEMBERS. Without limiting the general indemnification provisions of

Section 1 above, the Board and its Members in their capacity as Members, Officer and Committee Members:

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

b. Shall not be liable to the Unit Owners as a result of the performance of their duties for any mistake of judgment or negligence, except for willful misconduct or gross negligence;

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

d. Shall not be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, licensees, invitees, or guests, for loss or damage caused by theft or of damage to personal property left by such Unit Owner or the Owner's tenants, employees, agents, licensees, invitees, or guests in a Unit, or in or on the Common Elements, except for willful misconduct or gross negligence;

e. Shall have no personal liability arising out of the use, misuse or condition of a Building, or which might in any other way be assessed against or imputed to them as a result of or by virtue of their performance of their duties, except for willful misconduct or gross negligence.

#### **ARTICLE XXVIII** **UNITS SUBJECT TO GOVERNING DOCUMENTS AND THE UCA**

1. **UNITS SUBJECT.** All of the Units, and all present and future Unit Owners, and all present and future Occupants and mortgagees of Units shall be, and shall remain at all times subject to, and shall comply with, all of the provisions of the Governing Documents and the UCA, including any amendments thereto which may from time-to-time be adopted.

2. **RATIFICATION.** An Owner's acceptance of a Deed or receipt of the conveyance of a Unit, an Occupant's acceptance of a lease or sublease and a Mortgagee's acceptance of a mortgage or deed of trust, shall constitute an acknowledgement and ratification by the Owner, Occupant and/or mortgagee of the Governing Documents and all covenants, restrictions and easements stated therein as though such covenants,

easements and restrictions had been recited and restated at length in each and every deed, conveyance, assignment, lease and mortgage.

**ARTICLE XXIX**  
**AMENDMENT**

1. **AMENDMENT BY OWNERS.** Except as otherwise provided in the UCA, this Declaration may be amended only by vote or written signed consent of the Owners of Units to which at least sixty-seven (67%) percent of the votes in the Association are allocated. Voting hereon shall be conducted in accordance with the applicable provisions of the Bylaws regarding Voting, including by proxy or mail-in ballot, if permitted by the Board. An Amendment shall not become effective until such time as it is recorded in the Office of the Dauphin County Recorder of Deeds.

2. **CORRECTIVE AMENDMENTS BY EXECUTIVE BOARD.** If any amendment to this Declaration is deemed necessary in the judgment of the Board to cure an ambiguity, or to correct or supplement any provision of this Declaration, including the plats and plans, that is defective, missing, or inconsistent with any other provision hereof, or with the UCA, or if an amendment is deemed necessary in the judgment of the Board to conform the provisions hereof to the requirements of any agency or entity that has established national or regional standards with respect to loans secured by mortgages or deeds of trust on Units and condominium projects, including by way of example, but not by way of limitation, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, then, at any time, and from time-to-time, the Board may, at its discretion, effect and adopt an appropriate corrective amendment without approval of the Owners or the holder of any liens or mortgages on all or any part of the Property upon receipt by the Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this Section. The Board shall publish notice of its adoption of any amendment adopted under this Section promptly upon the recording of the amendment.

**ARTICLE XXX**  
**INTERPRETATION**

1. **INTERPRETATION AND APPLICATION OF GOVERNING DOCUMENTS.** The provisions of this Declaration, and the Bylaws and Rules and Regulations of the Association shall be liberally construed and applied in order to *maintain and preserve the health, safety, and welfare of the Owners, and to preserve, protect and maintain the uniform appearance of the Property, and to preserve and maintain the value of the Property.*

a. If any proposed amendment to this Declaration shall touch upon, or involve, the Association's relationship with South Hanover Township, and/or any service rendered by, or through, South Hanover Township, then the Amendment shall also require the approval of the South Hanover Township Board of Commissioners before it shall be recorded in the Office of the Recorder of Deeds of Dauphin County.

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**ARTICLE XXXI**  
**SPECIAL PROVISIONS FOR DECLARANT**

1. **SPECIAL DECLARANT RIGHTS.** For the duration of the Declarant Control Period, being a period not longer than seven (7) years after the date of the recording of this Declaration, the Declarant reserves the power to exercise its Special Declarant Rights. The Declarant reserves the right to surrender or assign one or more, or all, of its Special Declarant Rights at any time prior to seven years from the date of the recording of this Declaration, as the Declarant may, in its sole discretion deem appropriate, by the recording by the Defendant of an amendment or supplement to this Declaration, and subject to obtaining the approval of the Master Association, which approval shall not be unreasonably withheld or delayed, before they become effective in the manner stated in Section 3303(c)(4) of the Act. Section 3314(a) of the Act shall apply to the Declarant. The Special Declarant Rights preserved in favor of the Declarant are to:

- a. Complete improvements indicated on plats and plans filed with this Declaration in the manner stated in Section 3209 of the Act; and
- b. Convert one or more of the Lots comprising the convertible Real Estate comprising the flexible condominium known as the Reserve at Hershey Meadows in the manner stated Section 3211 of the Act; and
- c. Convert a Unit, or an office suite or Lot, into two (2) or more Units, Phases, Common Elements or Common Facilities in the manner permitted by the Act; and
- d. Maintain offices, signs and models within the flexible planned community known as the Reserve at Hershey Meadows in the manner stated in Section 3217 of the Act; and
- e. Use, and permit its agents, servants, employees, contractors and staff, to exercise easements through the Common Elements, the Limited Common Elements and/or the Common Facilities, for the purposes of making improvements, including, but not limited to, improvements to the Convertible Real Estate, within the flexible planned community known as the Reserve at Hershey Meadows in the manner stated in Section 3218 of the Act; and
- f. Cause the flexible planned community known as the Reserve at Hershey Meadows to be merged or consolidated with another planned community in the manner stated in Section 3223 of the Act; and
- g. Make the Reserve at Hershey Meadows part of a larger community or group of planned communities in the manner stated in Section 3222 and 3223 of the Act; and

h. Make the Reserve at Hershey Meadows subject to a master association in the manner stated in Section 3222 of the Act; and

i. Appoint the officers of the Association and the members of the Board of Directors of the Association during the Declarant Control Period in the manner stated in this Declaration, the Bylaws and Section 3303 of the Act; and

j. Submit the Property, or portions of the Property, to easements, licenses and restrictions; and

k. By, through and together with its agents, servants, employees, contractors and consultants, to attend meetings of the Board of Directors; and

l. Such other powers, rights, easements and privileges as may have been created in favor of the Declarant in this Declaration, or which may hereafter be created in favor of the Declarant, through the recording of amendments and/or supplements to this Declaration.

2. CONVERTIBLE REAL ESTATE. The Declarant holds title to those certain parcels within Lots I, O, Q, B, D, E, J, L, N, P, A, C, F, G, and H of Phase 6 which are proposed for development as the Convertible Real Estate as described in the legal description attached hereto, and incorporated herein, as Exhibit "C," which said Parcel represents the Convertible Declaration, to convert all or any part of the Convertible Real Estate from time-to-time as Units, Limited Common Elements or Common Elements, or to sell, transfer, assign or convey all or any part of the convertible Real Estate, for development at any time prior to the termination of the Declarant Control Period. No assurances are provided as to the boundaries of the Convertible Real Estate, nor as to the manner or order in which it may be developed, converted or added, compatibility, location or appearance of improvements, Limited Common Elements or Buildings. The Declarant's said rights are subject to the covenant and restriction that as each part or portion of the Convertible Real Estate is converted, the part or portion shall be, and shall remain subject to this Declaration. Subject to the exercise of such conversion rights by the Declarant, the Property will contain up to 168 Units, all of which shall be residential Units subject to this Declaration. The Declarant shall have no obligation to pay Assessments for any part or portion of the convertible Real Estate until the part or portion of the Convertible Real Estate is converted and submitted to this Declaration by the recording of an Amendment to this Declaration. After a part or portion of the convertible Real Estate is submitted to this Declaration, the Declarant is not obligated to pay Assessments upon the units located within the converted part or portion of the Converted Real Estate.

3. POWER OF APPOINTMENT. During the Declarant Control Period the Board shall be comprised of members who shall be appointed by the Declarant in accordance with the provisions of the Bylaws. The Declarant shall lose the right to appoint any Board members seven years after the date of the recording of this Declaration.

**ARTICLE XXII**  
**GENERAL PROVISIONS**

1. **HEADINGS.** The headings preceding the Articles and Sections of this Declaration are provided only for the convenience of the readers hereof. The headings do not grant or create any obligation, right, covenant, condition, easement, restriction, privilege or duty.

2. **NOTICE.** Except as specifically set forth in the Governing Documents, any Notice to be given or transmitted by, and between, the Association, the Board and the Owners, unless otherwise provided herein, must be made in writing.

a. Notice to an Owner shall be deemed given when mailed by U.S.P.S. first class mail all postage prepaid, to the Owner at the last address for the Owner contained in the Association's records, or by overnight mail by a reputable overnight mail carrier with all postage and delivery charges prepaid, or transmitted to the Owner at the e-mail address provided to the Association by the Owner, or transmitted by facsimile mail to the Owner at a facsimile number provided to the Association by the Owner, or hand delivered to the Owner. Each Owner's address shall be deemed to be the Owner's House until such time as the Owner provides the Association's Secretary with written Notice of a new or alternate address for the Owner.

b. Notice to the Association shall be deemed given when mailed by U.S.P.S. first class mail, all postage prepaid, to the Association at the Association's mailing address, or by overnight mail by a reputable overnight mail carrier with all postage and delivery charges prepaid, or e-mailed to the Association's Secretary or Manager at any e-mail address which may be provided by the Association to the Owner, or transmitted by facsimile mail to the Association or Manager at a facsimile number provided to the Owner by the Association, or hand delivered to the Association's Secretary, or in the absence of the Secretary, the Association's Manager.

c. Notice by U.S.P.S. first class mail, with all postage prepaid, shall be deemed to have been received two (2) business days after the date upon which it is placed in the mail. Notice by overnight mail by a reputable overnight mail carrier with all postage and delivery charges prepaid shall be deemed to have been received twenty-four (24) hours after it is delivered to the carrier. Notice given by facsimile transmission or e-mail shall be deemed to have been received immediately upon transmission to a facsimile number or e-mail address provided by the recipient. Notice by hand delivery will be deemed received immediately upon completion of the hand delivery.

d. Whenever any written Notice is required to be given under the provisions of this Declaration, the Bylaws, the Act, the NPC or any statute now or hereafter made applicable to the Association, a waiver of receipt of the Notice, signed by the Owner or the Association's President or Secretary shall be deemed to be equivalent to the Owner's or Association's receipt of such Notice. Except as may be required by any



applicable statute, if any, neither the business to be transacted at a meeting, nor the purpose of a meeting, need be specified in the waiver of notice of the meeting.

e. If an Owner resides in his, her or their House, or if an Owner's House is occupied by an Occupant, and any Notice forwarded to the Owner by U.S.P.S. by first class mail, postage prepaid, is returned to the Association for any reason, then it may be served upon the Owner by hand delivery to any adult Occupant residing in the Owner's House, and/or by posting the Notice on the front door of the Owner's House; and

f. In the event that any Notice by the Association to any Owner transmitted by overnight carrier is returned because it was not claimed, picked up, retrieved or accepted for delivery, or if any Notice or process transmitted to the Association or any Owner or Occupant is refused or returned by the addressee, then the Notice or process may be transmitted by United States Mail, first class postage prepaid, and/or it may be served by hand delivery to the Owner or any adult Occupant residing in the Owner's House, and/or by posting the Notice or process to the front door of the Owner's House.

3. SEVERABILITY. Invalidation of any one or more of the covenants, restrictions or easements stated in this Declaration by judgment or order of court shall in no way affect the validity or enforceability of the remaining covenants, easements and restrictions hereof, all of which shall remain in full force and effect.

4. APPLICABLE LAW. This Declaration, the Bylaws and the Rules and Regulations must be interpreted and enforced in accordance with the statutes, laws, regulations and ordinances of the Commonwealth of Pennsylvania and all subdivisions and agencies thereof, without regard for the domicile or residence now or hereafter assumed by any Owner or Occupant. The Association, the Board, the Owners and Occupants shall be deemed to have irrevocably covenanted and agreed to be, and to remain at all times, subject to the original jurisdiction of the several Courts of Common Pleas and/or the minor courts of Dauphin County, of the Commonwealth of Pennsylvania, the Act and/or prevailing applicable law.

5. BINDING EFFECT. The provisions of this Declaration, the Bylaws and Rules and Regulations shall inure to the benefit of and bind the Property, the Association, the Board, and all Owners and Occupants, as well as all other persons, partnerships, corporations, mortgagees, encumbrance holders or entities assigns and personal representatives, as applicable.

6. ENFORCEMENT AND NOTICE. The Association, the Board, any Owner and/or Occupant may initiate a cause of action to enforce the Governing Documents. The Association may join in any enforcement action brought by an Owner. No Owner and/or Occupant may bring any action by, for, on behalf of, or against the Association, except upon first providing the Association with not less than sixty (60) days Notice of the nature and substance of the claims and causes of action the Owner and/or

Occupant intends to file, the names and addresses of all defendants, the relief and/or monetary damages the Owner and/or Occupant intends to demand, and the court in which the Owner and/or Occupant intends to file the action. Notice shall be deemed to have been given to the Association if the Owner and/or Occupant appends to the Notice a copy of the complaint the Owner and/or Occupant intends to file.

a. The Owner and/or Occupant who gave the Notice to the Association may not start any action or file any complaint or summons against the Association until sixty (60) days after the date the Notice is received from the Owner and/or Occupant by the Association.

b. The Association shall have the right, power and discretion to initiate due process procedures, and/or to take any other action available to it, to address and resolve the matters complained of by the Owner and/or Occupant during the notice period.

c. All costs, expenses and attorneys' fees incurred by the Association in any enforcement action brought against an Owner and/or Occupant, including but not limited to costs and fees to prepare and file a complaint or other pleading, petition, writ, motion, memorandum or brief with the court to conduct discovery, negotiate and document an amicable resolution or settlement, try a case and/or collect a judgment against an Owner and/or Occupant, shall be reimbursed to the Association by the Owner and/or Occupant.

7. NON-WAIVER. The failure, if any, of the Association, its Board, its Officer, any Owner or Owners, or its Manager to strictly enforce, or demand strict performance, in accordance with the terms, conditions and provisions of the Governing Documents shall not be deemed to be a waiver of the right thereafter to strictly enforce or to demand strict performance in accordance therewith.


8. PRONOUNS, SINGULARS, PLURALS AND CONNECTORS. All pronouns and any variations of pronouns used in the Governing Documents shall be deemed to refer to the feminine, masculine, neuter, singular and plural as may be necessary to make the Article or Section of the Governing Documents at issue applicable to the circumstances or matter in question. The failure of any pronoun to agree with the sex or number of persons at issue shall not, by itself, serve to defeat or in any way impair the applicability of any Article or Section of the Governing Documents. The phrase "and/or" shall be deemed to be a function word to indicate that the two words or expressions are intended to be taken together, or individually, as may be appropriate to the circumstances or choices which may prevail at the time the relevant provision of this Declaration becomes applicable.

9. RECORDING AND EFFECTIVE DATE. This Declaration shall be recorded in the Office of the Recorder of Deeds of Dauphin County promptly upon full execution hereof, and upon the recording hereof, this Declaration shall become effective for all purposes of the Association.

IN WITNESS WHEREOF, the Declarant has executed and caused this Declaration of Condominium of the Reserve at Hershey Meadows, a Condominium, being Lots K and M of Phase 6 of the Meadows of Hanover, a Planned Community, to be recorded in the Office of the Recorder of Deeds of Dauphin County, Pennsylvania.

TERRACES AT HANOVER LIMITED PARTNERSHIP

By:

  
Marc DeSouza, General Partner

21977  
RECEIVED

2009 MAY 18 10 31 52

RECORDERS OFFICE  
COUNTY OF DAUPHIN  
PENNSYLVANIA

ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA :

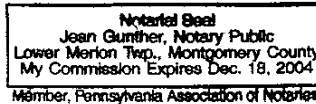
COUNTY OF MONTGOMERY :

On this 14<sup>th</sup> day of May, 2004, before me, the undersigned officer, personally appeared Marc DeSouza, a general partner of the Terraces at Hanover Limited Partnership, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within Declaration of Condominium of the Reserve at Hershey Meadows, and acknowledged that he executed the same for the purposes therein contained as such general partner.

In witness whereof, I have hereunto set by hand and official seal.

Jean Gunther  
NOTARY PUBLIC

My Commission Expires: Dec 18, 2004



I hereby CERTIFY that this document  
is recorded in the Recorder's Office  
of Dauphin County, Pennsylvania.

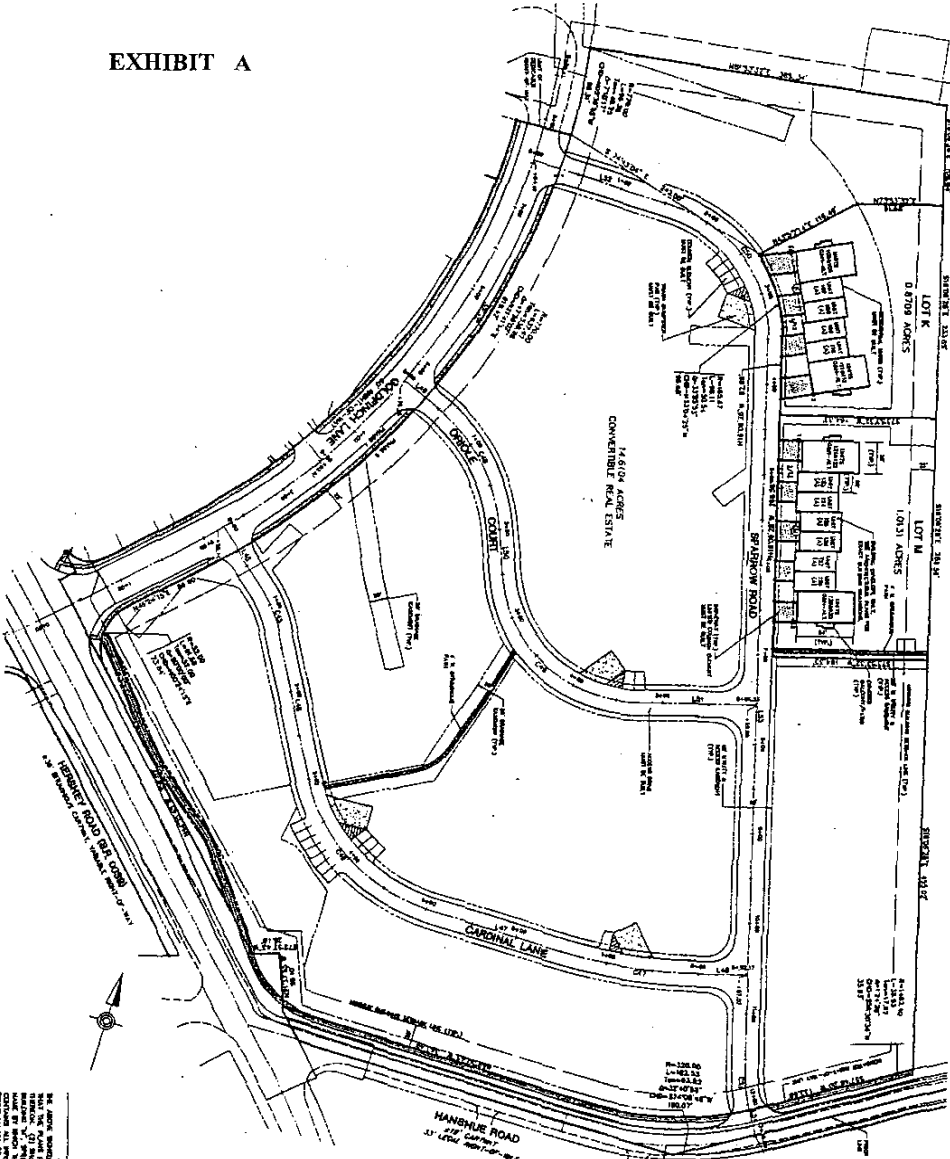


James M. Zugay, Esq.  
James M. Zugay, Esq.  
Recorder of Deeds

**LIST OF EXHIBITS**

- Exhibit A – Boundary Plan
- Exhibit B – Development Agreement
- Exhibit C – Convertible Real Estate Description
- Exhibit D – Legal Description
- Exhibit E – List of Unit Designations and Percentage Interests

EXHIBIT A



**BUILDING BASE LINE LOCATIONS**

LOT	AREA	ACRES	DATE
LOT K	8,000	8,000	1/1/71
LOT M	1,031	1,031	1/1/71
CONVERTIBLE REAL ESTATE	14,600	14,600	1/1/71

**BUILDING IDENTIFICATION**

NOTE: ALL UNITS MUST BE IDENTIFIED BY NUMBER.

**MAINTENANCE**

MAINTENANCE OF ALL UNITS MUST BE MAINTAINED BY THE OWNER.

**ROAD LINE TABLE**

ROAD	WIDTH	TYPE	DATE
HERSHEY BLVD	40	ASPH	1/1/71
CARDINAL LANE	20	ASPH	1/1/71
HANGSHUE ROAD	20	ASPH	1/1/71

**ROAD CENTER TABLE**

ROAD	WIDTH	TYPE	DATE
HERSHEY BLVD	40	ASPH	1/1/71
CARDINAL LANE	20	ASPH	1/1/71
HANGSHUE ROAD	20	ASPH	1/1/71

**DECLARATION OF INTEREST**

I, JAMES S. HANOVER, JR., do hereby certify that I am the owner of the above described property and that I have the right to convey the same.

**MEADOWS OF HANOVER DEVELOPMENT, INC.**  
 228 NORTH PRESIDENTIAL BLVD.  
 BALA CYNWYD, PA. 19004

**DECLARATION PLAN**  
 FOR  
 THE RESERVE  
 AT HERSHEY MEADOWS A CONDOMINIUM  
 IN HERSHEY TOWNSHIP, DAUPHIN COUNTY, PENNSYLVANIA

NO.	NAME	DATE	INITIALS	REMARKS
1	JAMES S. HANOVER, JR.	1/1/71	JSH	OWNER

**ENGINEERING & SURVEYING**  
 1717 N. 10TH ST.  
 HERSHEY, PA. 17033



EXHIBIT B

DEVELOPMENT AGREEMENT

This Agreement, dated as of September, 12, 2000, by and between Meadows of Hanover Development, Inc., a Pennsylvania corporation ("Meadows of Hanover") and the Board of Supervisors of South Hanover Township (the "Township").

WITNESSETH

WHEREAS, Meadows of Hanover, previously acquired a tract of land located in the Township of 221.96 acres (the "Property") and prepared and submitted a preliminary subdivision plan (the "Preliminary Plan") with 824 dwelling units and a sixteen (16) acre commercial development under the South Hanover Township Subdivision and Land Development Ordinance, dated March 7, 1994 (the "Subdivision Ordinance") and the South Hanover Township Zoning Ordinance, dated March 7, 1994 (the "Zoning Ordinance"); and

WHEREAS, Township was ordered by the Pennsylvania Supreme Court to approve the Preliminary Plan; and

WHEREAS, Meadows of Hanover also acquired a tract of land of approximately 25 acres located immediately adjacent to the Property, formerly owned by George Huber (the "Huber Tract"), a portion of which is to be dedicated to the Township as public recreation land; and

WHEREAS, Meadows of Hanover submitted final plans for Phase 1 and Phase 5 (the "Phase 1 and 5 Final Plans") to the Township, which Plans were approved by the Township on June 13, 2000, subject to certain conditions imposed by the Township; and



WHEREAS, Coordination of the development of the Meadows of Hanover Property and Huber Tract with the objectives and requirements of the Township would be facilitated by an agreement between Meadows of Hanover and the Township; and

WHEREAS, Meadows of Hanover and the Township have expressed their desire to enter into an agreement setting forth various matters related to development of the Property and the Huber Tract.

NOW THEREFORE, in consideration of the promises set forth herein, the parties hereto, each intending to be legally bound, do mutually represent, covenant and agree as follows:

1. Meadows of Hanover shall be permitted to develop the Property in Substantial Conformity (as such term is defined in Paragraphs 10 and 11) with the approved Preliminary Plan. The Township shall approve final plans that are submitted that satisfy the requirements of the final plan under the Subdivision Ordinance and Zoning Ordinance and the provisions of this Agreement. In addition, both parties agree that the approved Preliminary Plan shall be modified and the final plans shall reflect the modifications as follows:

- A. The total number of dwellings may be increased up to a total of eight hundred fifty-four (854), but in no event shall the total number of dwellings on the Property exceed eight hundred fifty-four (854).
- B. A portion of the Property located in Phase 6 of the Preliminary Plan and identified as a recreation area shall be developed in multi-family dwellings in a configuration to be submitted as a final plan and substantially in conformity with the Development Plan dated as of September 8, 2000, revised September 13, 2000 and attached hereto as Exhibit 1 (the "Development Plan"). The total number of dwelling units for the entire Property, including the multi-family dwellings in Phase 6 of the Preliminary Plan, but excluding any dwellings to be built on the Huber Tract south of Hanshue Road, shall not exceed eight hundred fifty-four (854) dwellings.

C. A portion of the Property, as depicted on the Development Plan, shall be combined with a portion of the Huber Tract to create a 15.1 acre tract of land (the "Public Recreation Tract") to be dedicated to the Township as public recreation land.

2. The portion of the Huber Tract located on the south side of Hanshue Road shall be developed in single family dwellings at densities permitted by the Zoning Ordinance as of the date of this Agreement. Meadows of Hanover shall submit a Preliminary Plan for said portion of the Huber Tract to be developed within twenty-four (24) months of the effective date of this Agreement, which Plan shall be subject to review and action by the Township under its current ordinances. Failure to submit the Plan within twenty-four (24) months, shall cause the Plan to be subject to those ordinances or amendments that may exist on the date that the Preliminary Plan is submitted. The current zoning of the southern portion of the Huber Tract intended to be developed is A (Agricultural), which permits single family dwellings on one (1) acre lots.

3. Meadows of Hanover development is proposed to be developed with eight hundred fifty-four (854) dwelling units in the following dwelling types:

Type of Dwelling	Number of Units
Single Family Detached	146
Garden Apartments	160
Terrace Apartments	424
Townhouses	124

Single family detached dwellings are individual dwellings located on individual lots. Garden Apartments are a two (2) or three (3) story multifamily dwelling containing one (1) story dwelling units, under one ownership. Terrace Apartments are individual dwelling units, of one or more stories, each having its own integral parking garage(s), located within a multi-story building. Townhouses are dwelling units used by one (1) family and having two (2) party walls in common with other buildings (except for end units which have one party wall).

4. The Meadows of Hanover development also contains a 16.5 acre Parcel G on the Preliminary Plan and two (2) small areas which are on the east side of Route 39 in the vicinity of the Hayshed Road intersection of Route 39 which are zoned as CN (Commercial) as shown on the Preliminary Plan. The CN zoned land may be developed for any and all uses permitted under the CN Zoning District. Any land development plans required will be submitted under the Subdivision and Zoning Ordinances and the approval will not be unreasonably withheld.

5. Meadows of Hanover shall be permitted to make minor adjustments in the mix of the various types of dwelling units, subject however, to no increase in the total number of dwelling units beyond eight hundred fifty-four (854). Minor adjustments permitted to be made without Township approval shall not exceed an increase of ten (10%) percent of the proposed dwelling types. The number and type of dwelling units shall be provided on the final plans for each phase submitted to the Township for approval.

In the event that Meadows of Hanover desire to adjust the mix of dwelling types beyond the ten (10%) percent increase of the original amount of the dwelling types set forth in this Agreement, such changes may only be permitted after the Township has reviewed the

proposed changes and has determined either that changes to the plans of improvements are not needed for such changes in the dwelling types, or that changes to improvements are needed and the revised plans have been submitted and are approved.

6. Meadows of Hanover shall create a property owner association under the Uniform Planned Community Act, which shall be responsible for ownership and maintenance of commonly owned facilities not dedicated to the Township or other governmental bodies. The organizational documents creating the property owner association, including covenants and restrictions, incorporation documents and by-laws will be provided to the Township. It is the intent of Meadows of Hanover to own and control the property owner association until such time as ownership and control is conveyed to the individual property owners pursuant to the property owner association organizational documents.

The commonly owned facilities are not intended to be dedicated to the Township, unless specifically identified and proposed for dedication in this Agreement or on any final plan submitted to the Township for approval. With respect to commonly owned facilities, the property owner association documents will provide that the Township may, after written notice to the property owner association that common areas are not maintained in a reasonable order and condition according to the Development Plan, after provision of a reasonable time to cure the deficiencies, and after a duly advertised public hearing, enter onto the common areas to maintain the same and to assess the costs against the property owners. Such process and procedure shall be substantially similar to the process in Section 705 of the Pennsylvania Municipalities Planning Code.

7. The Development Plan depicts the initial understanding of Meadows of Hanover and the Township with respect to facilities that are intended to be designed and dedicated to the public and facilities which are intended to remain private. Those initial determinations may be changed and any such change will be required to be provided on the Final Plan submitted to the Township for approval for the various phases. Provided however, that in no event shall the tract designated as the Public Recreation Tract be maintained as a private facility, it being the intent of the parties that the Public Recreation Tract will be dedicated to the Township.

Each Final Plan submitted shall designate any rights-of-way, facilities or improvements which are intended to be dedicated to the Township or its agencies or authorities, and shall provide the precise location of such dedication. Specific road or street rights-of-way intended to be dedicated to the public include:

- A. The road right-of-way contemplated to be dedicated to the Pennsylvania Department of Transportation is the additional right-of-way along Pennsylvania Route 39.
- B. Additional right-of-way to existing Township roads in width as shown on Development Plan or final plans will consist of Hayshed Road from Route 39 extending west to Robin Lane; Hayshed Road extending east from Route 39 to Gold Finch Lane; and Hanshue Road (along the north side only) from Route 39 east to the edge of the Property. Hayshed Road west of Robin Lane is not part of the Preliminary Plan or the Development Plan, and is not intended to be improved or developed. Meadows of Hanover will provide a sixty (60) foot right-of-way to the Township for the portion of Hayshed Road west of Robin Lane at a location and time to be determined by the Township. The Township shall be responsible for the cost of any improvement of that portion of Hayshed Road west of Robin Lane.

- C. New roads which are proposed to be developed and dedicated to the Township upon submission of the appropriate final plans include: portions of Meadow Lark Lane shown in Phase 1 or 5; Dove Court, Christian Drive and Quail Court in Phase 1; Blue Jay Way in Phase 5; and Meadow Lark Lane, Gold Finch Lane, Whip-Poor-Will Lane, Warbler Lane and Blackbird Lane to be shown on subsequent final plans.
- D. The connection to be constructed by Meadows of Hanover between the end of the temporary cul de sac of Christian Drive in Meadows of Hanover and Christian Drive in the adjoining Brinser subdivision (Greenbriar Meadows Phase III) is not required to be built or dedicated until such time as Christian Drive in the Brinser subdivision is constructed to the Property line, dedicated and accepted by the Township.

Meadows of Hanover shall dedicate to the Township or to the appropriate public utility or municipal authority those areas, easements or rights-of-way necessary for sanitary sewer lines (except for building laterals), pump stations, storm water drainage facilities, water lines to the appropriate water company, gas, electric and telephone rights-of-ways to the appropriate utilities. Such dedication shall be by deed of dedication pursuant to Paragraph 23.

8. The Public Recreation Tract shall consist of 15.1 acres, 13.2 acres of which are from the Huber Tract on the north side of Hanshue Road and 1.9 acres are from the area previously identified in the Preliminary Plan as Phase 6. Meadows of Hanover shall be responsible for preparing erosion and sedimentation and grading plans, installation of erosion and sedimentation controls, stripping the topsoil, grading the area for ball fields, replacing the topsoil, seeding and installing a stone or gravel parking area sufficient for one hundred (100) automobiles. The Township shall be responsible for any costs of tests or inspection on the Public Recreation Tract and any other costs of development of the Tract for recreation purposes, including, but not limited to, preparation of water quality management plans, design

of recreation facilities, costs of equipment and facilities, and any required permits or approvals.

Meadows of Hanover shall initiate the topsoil removal and grading of the Public Recreation Tract within twelve (12) months of the date of final plan approval of the first phase of terrace apartments and all approvals required for the Recreation Tract and shall complete all of its obligations with respect to the Public Recreation Tract within six (6) months of the initiation of the grading. Meadows of Hanover shall submit a final plan for the first phase of terrace apartments within one hundred and twenty (120) days of the effective date of this Agreement. Provided, however, that in the event that a plan is not submitted for the first phase of Terrace Apartments within one hundred and twenty (120) days, grading of the Public Recreation Tract shall be completed within twenty-four (24) months from the date of this Agreement. Upon completion of the grading, seeding, stabilization and parking area, Meadows of Hanover shall dedicate the Public Recreation Tract to the Township who shall accept the dedication at their next meeting upon certification from the Township Engineer that the grading, seeding, stabilization and parking area has been completed in accordance with accepted design and construction criteria. Except as provided in this Agreement, the Township shall not require any additional recreation land dedication or fees in lieu of dedication for Meadows of Hanover or the Huber Tract.

9. Recreation area R-3 will contain a building and other facilities to be used for recreation activities and facilities. That building may also be used as a management office for the property owners association, leasing and marketing of the community.

The private recreation facilities in the development may be made available for public use or membership, at the option of Meadows of Hanover.

Additional recreation areas to be dedicated to the Township at the time of approval of the applicable final plans include areas designated on the Preliminary Plan as R-2, R-5, R-6, R-7 and R-8. The Township is not obligated to accept such dedication. Recreation area designated R-3 is not intended to be dedicated to the Township and will be private recreation.

10. The concept of "Substantial Conformity" for purposes of this Agreement with respect to submission of final plans shall allow final plans to deviate from the approved Preliminary Plans without resubmission of the Preliminary Plans as amended by the Development Plan where the changes do not modify the fundamental design or layout of the street and improvement systems. Changes, other than those approved by this Agreement, that would require approval as a substantial modification include, but are not limited to: changes to the number of intersections or access points to Route 39; redesign of the sewage collection system to not utilize the Rt. 39 Interceptor or to eliminate the Pheasant Run pump station; relocation of the commercial phase from Parcel G in the approved Preliminary Plan; an increase in the number of dwelling units beyond eight hundred fifty-four (854); and any substantive design change which would cause the proposed improvements to not comply with applicable construction standards.

Changes to the Development Plans or final plans that would be in Substantial Conformity include but are not limited to: modification to the location of streets or drives within the Property that do not change access points to Route 39; relocation of sewer lines, laterals, pump stations and force mains within the property that do not modify the locations or



capacities of lines where the sewer lines connect to existing or proposed facilities located off-site; changes which do not adversely affect access to or maintenance of facilities; reallocation of dwelling unit types between parcels or phases subject, however, to paragraph 5 hereof.

11. The concept of "Substantial Conformity" for the purpose of this Agreement with respect to construction changes shall allow the construction of improvements to have minor deviations from approved final plans without submission of new final plans based upon sound engineering practice and construction techniques. Changes that would be major deviations and that would not be construed to be in Substantial Conformity include, but are not limited to: any modifications that would result in an improvements being installed in a manner that would violate the applicable construction standards; increases in the rate of stormwater flow at the boundaries of the Property.

*Changes that would be in Substantial Conformity and would not require submission of revised plans for approval include, but are not limited to: changes acceptable to the Township, or their designated engineer or inspector, that are in accordance with sound engineering practices and constructions techniques; substitution of facilities or materials of equal or better quality; minor relocation of streets, water, sewer, stormwater or other utilities or facilities, including horizontal or vertical locations, caused by physical conditions encountered during construction such as wet areas, rock and other such obstructions.*

The Township engineer shall be notified in a reasonable time, not less than three (3) business days, prior to changes which have to be reviewed to determine if such changes are in accordance with sound engineering and construction techniques. The Township Engineer shall

respond in a reasonable time, not to exceed two (2) business days, of acceptance or rejection of the proposed change.

12. Meadows of Hanover shall provide to the Township, within ninety (90) days of completion and acceptance of the improvements for each and every final plan of the development, an as-built drawing of all required improvements, including streets, sewer, water, stormwater and other utilities and facilities.

13. Meadows of Hanover shall be developed pursuant to the following schedule of dates for submissions of plans for various phases and dates for completion of improvements for phases:

Time Schedule
No more than 400 units constructed prior to 7/1/02.
No more than 600 units constructed prior to 7/1/04.
Balance of units will not be constructed prior to 7/1/06.
Commercial areas may be developed at any time for uses permitted under the 1994 Zoning Ordinance and Subdivision Ordinance. Application for final approval for the last phase must be filed prior to 7/1/15.

14. The above time schedule shall be extended automatically in the event that development cannot proceed because of bans or limits on sewer connections or delays in obtaining other approvals imposed as conditions of approval of final plans due to conditions or

requirements beyond the control of Meadows of Hanover. The extensions shall be for the length of the ban or delays.

Meadows of Hanover shall be permitted, from time to time, to modify all or portions of the above schedule by submission of the revised schedule, in writing, to the Township.

Meadows of Hanover shall submit annual updates of the time schedule as set forth herein.

Meadows of Hanover shall be required to submit plans which comply with the applicable Township Subdivision and Land Development Ordinance in effect for any portions of the Development Plan where the required improvements are not substantially completed by July 1, 2016, or where extensions have been automatically granted, by adding to the July 1, 2016 date, days equal to the extension as set forth in this Paragraph 14.

15. Meadows of Hanover shall be entitled to request the Township to grant modifications from the Final Plan requirements. A request for modification shall be submitted in writing, shall set forth the provisions which cause compliance to be unreasonable or to create an undue hardship, or which can be provided by alternative standards that provide equal or better results. The Township shall be required to respond to the request for modifications within forty-five (45) days of Meadows of Hanover's written submission and shall provide a written decision on the request for modification.

It is specifically agreed that the Township has waived the requirement for sidewalks to be five (5) feet in width in the Recreation Area, and has permitted sidewalks in the development to be four (4) feet in width.

It is specifically agreed that the requirements for monuments and markers be modified as follows:

- A. Perimeter monuments for the original tract shall be provided where required by the Subdivision Ordinance, except where the location is inaccessible because of natural features or topography, or where existing corners have an established monument, marker or other feature which should not be disturbed.
- B. Monuments shall be provided along proposed public streets at a rate of two monuments per 1,000 linear feet of public roadway.
- C. Markers shall be provided at all corners for single family lots.
- D. Markers shall be provided at the perimeter corners of groups of subdivided lots for the buildings containing multiple dwellings.
- E. Perimeter monuments, other than along the Route 39 right-of-way, shall be provided within sixty (60) days of the effective date of this Agreement.
- F. Monuments along public streets shall be placed prior to acceptance of public streets by the Township.
- G. Monuments along the Route 39 right-of-way shall be placed after the road improvements are completed and accepted.
- H. Markers shall be placed prior to occupancy or issuance of occupancy permits by the Township.

16. The developer agrees to submit applications and required traffic studies for Pennsylvania Department of Transportation Highway Occupancy and Traffic Signal Permits and agrees to install, when required by PennDot, all required intersection improvements and traffic lights, and to provide copies of such submissions to the Township. The Township agrees to maintain the traffic lights as required by PennDot.

17. The Parties agree to the following procedures, requirements and fees with respect to collection, transportation and treatment of sanitary sewerage:

- A. Meadows of Hanover agrees to pay any fees required to reserve sewage capacity for the treatment at the Derry Township Municipal Authority treatment plant, with timing of the payments to be determined by Meadows of Hanover. Meadows of Hanover further agrees to pay any surcharge that would be

incurred because of flows exceeding the authorized flow from Meadows of Hanover.

The sewage flows agreed to for purposes of reserving capacity are 275 gallons per day ("GPD") for single family and townhouses, 180 GPD for apartments, 10,000 GPD for the CN Zoned land and a peaking factor of 3.1. The sewage flows are subject to further review and modification for future phases based upon actual measured flows, as may be agreed upon, from time to time, between the Parties.

Sewage flows for purposes of design of sanitary sewage facilities shall be 350 GPD for single family and townhouses, 210 GPD for apartments, and 10,000 GPD for the CN Zoned land.

- B. Meadows of Hanover and/or occupants of the development agree to pay the following customary charges or fees:
1. Quarterly or monthly user charges.
  2. Connection or customer facility fees in effect at the time of Preliminary Plan submission for connection of the building to the building lateral and to the sewer line, as established pursuant to Act 203 of 1990.
- C. Tapping fees, including capacity, collection, special purpose and reimbursement components shall not be applicable to the Meadows of Hanover development.
- D. The Township agrees to not charge Meadows of Hanover for any cost which may be incurred as a result of existing infiltration and inflow problems in other portions of the South Hanover Authority sewage system (the "Sewage System").
- E. Meadows of Hanover agrees that all lateral connections to the main shall be made with a "T" connection at the point of connection between the lateral and the sewer main.
- F. Sewer lines may be permitted to be constructed with a minimum cover of four (4) feet.
- G. The parties hereto agree that the Pheasant Run pump station proposed in the Phase 1/Phase 5 Final Plan shall have the following general design features:
1. Constant speed, pumping arrangement with wet well-dry well configuration and controls.

2. Pre-cast concrete components, subject to approval by the Township Engineer of the precast concrete manufacturer, concrete specifications and quality control.
3. A minimum of four (4) hours of system storage (including pumping stations and collection sewers) based upon average daily design flows.
4. Fifteen foot wide paved access road at a maximum grade of 12%.
5. Graded site and building area of approximately 60' X 60' and designed to accommodate pump truck access, two vehicle parking spaces and laydown/storage areas as set forth in the concept sketch attached hereto as Exhibit 2.
6. Paved site area with landscaping.
7. Screening basket in lieu of a comminutor.
8. Piping allowance for emergency bypass pumping meeting Derry Township Municipal Authority specifications.
9. Concrete block construction with an architecturally compatible façade.
10. Diesel driven emergency generator with stand-alone two hundred seventy five (275) gallon tank.
11. Flow meter and recorder.
12. Equipment run time hour meters.
13. No remote supervisory control, uninterruptable power supply, spread spectrum radio or remote telemetry unit to be provided. I/O ports to be provided pursuant to Derry Township Municipal Authority guidelines to allow for future addition of SCADA hardware. Telephone dialer provided to activate on pump loss, pump failure, high water alarm, power loss and two spare contacts.
14. Interior environmental control.
15. Telephone service.
16. Public water supply.

17. Minor spare parts or other additional equipment will be provided as recommended by the pump station manufacturer.

H. Meadows of Hanover agrees to submit a Sewer Module for the overall project and, as part thereof, to do a study of the capacity of the Swatara Creek Pump Station which evaluates the current capacity, estimated flow from the Meadows of Hanover Development and a projection of the time of projected overload from the buildout of Meadows of Hanover. The study shall propose steps to expand the capacity and the estimated cost and shall be subject to review and approval by the Township Engineer as part of the Sewer Module approval procedure. In the event that the Township or its designee undertakes the construction to expand the Pump Station capacity, Meadows of Hanover shall pay its proportional share of such costs based upon actual flows, and such capacity paid for by Meadows of Hanover shall be for the exclusive use of Meadows of Hanover. In the event that Meadows of Hanover is required to undertake the construction to expand the Pump Station capacity, such capacity shall be for the exclusive use of Meadows of Hanover.

I. The Township agrees to charge and collect costs from other properties that utilize any sewage facilities constructed by Meadows of Hanover and to reimburse Meadows of Hanover for such costs from such fees charged pursuant to Act 203 of 1990, pursuant to an agreement to be entered into between the Township and Meadows of Hanover.

18. Roadway pavement construction for Township streets shall be as follows:

- A. 8" No. 2A Subbase Material.
- B. 4-1/2" Bituminous Concrete Base Course.
- C. 1-1/2" ID-2 Bituminous Wearing Course, SRL-M.

The location of pavement base drains for the Phase 1 and 5 Final Plans shall be determined by a third engineer, pursuant to Section 25 of this Agreement, who shall be selected within seven (7) days of the effective date of this Agreement. Areas requiring pavement base drains for other than the Phase 1 and 5 Final Plans shall be determined during the final plan approval process for each phase by the engineers for the parties or by the third engineer pursuant to Section 25 of this Agreement.

19. Meadows of Hanover shall design and install storm water collection and

detention facilities for a ten-year frequency design storm pursuant to standards in the Subdivision Ordinance. In addition, the minimum size of storm water lines shall be fifteen (15) inches.

20. Meadows of Hanover shall provide for completion of public improvements or a financial guarantee thereof pursuant to the provisions of Section 509 of the Pennsylvania Municipalities Planning Code. The amount of the financial security for each final plan shall be determined pursuant to said Section. The form of the financial security shall be a three party agreement between Meadows of Hanover, a bank of their selection and the Township, and shall be in a form acceptable to the Township Solicitor. The Parties may modify the form of the financial security only upon agreement of Meadows of Hanover and the Township.

21. The final plans approved for the various phases may contain additional notes or requirements, and such provisions shall be binding upon the Parties as if they were set forth herein. Any conditions imposed upon final plans by the Township shall be binding upon acceptance by Meadows of Hanover. Nothing contained herein shall prevent Meadows of Hanover from refusing to accept any such conditions.

22. The Township and Meadows of Hanover agree to provide mutual easements of access to public improvements for construction and/or maintenance. If, in the process of such construction or maintenance, the property of one Party is damaged by the other Party, the Party creating the damage shall be responsible for the costs of repair or replacement.

23. Any dedication contemplated by the Agreement shall be made by a Deed of Dedication describing the use, area, easement, right-of-way or facilities and conveying the same to the appropriate grantee.



Upon satisfactory completion and final inspection by the Township, delivery of the appropriate deeds of dedication, with any necessary maintenance agreements, the Township agrees to accept the dedicated areas, facilities, easements or rights-of-way within forty-five (45) days of delivery of deeds, and to operate and maintain such areas, facilities, easements or rights-of-ways.

24. Provided that the Swatara Creek Pump Station Study and proposals are acceptable to the Township and that adequate assurances for treatment plant capacity are provided in the appropriate Sewer Modules, the Township shall approve and forward Sewage Modules submitted by Meadows of Hanover to the Pennsylvania Department of Environmental Protection within sixty (60) days of submission.

25. In the event of a dispute between the engineers for Meadows of Hanover and the Township, both Parties agree to submit such dispute to a neutral third engineer, who shall be a registered professional engineer, for a decision. The engineers shall agree on the neutral third engineer within seven (7) days of when a dispute arises. In the event the engineers cannot agree on a third engineer, the President Judge of the Dauphin County Court of Common Pleas shall appoint such engineer, who shall not have been an engineer for either Party within the last five (5) years.

For any dispute referred to the third engineer, a written statement shall be submitted by the engineers for both Parties hereto within fourteen (14) days of the selection of the third engineer, and the decision shall be made by the third engineer within fourteen (14) days of the submission of both written statements. The reasonable and customary fees incurred by the third engineer shall be split equally between the Parties hereto.

26. The Parties agree to cooperate and take all action necessary to implement the provisions of this Agreement and the construction of improvements. Any documentation required from either Party, either to the other Party or to other governmental agencies, shall be provided in a timely manner.

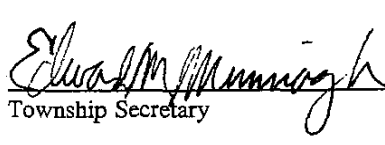
27. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

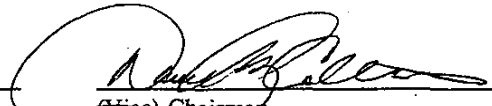
28. The parties hereto agree to settle and withdraw the Appeal pending before the Pennsylvania Commonwealth Court docketed at No. 5295 S 1994 Dauphin County.

29. The effective date of this Agreement shall be the date upon which this Agreement is approved by the Township Board of Supervisors and executed by appropriate officials of the Township.

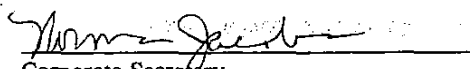
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first above written.

ATTEST: SOUTH HANOVER TOWNSHIP

  
Township Secretary

  
(Vice) Chairman  
Board of Supervisors

ATTEST: MEADOWS OF HANOVER DEVELOPMENT, INC.

  
Corporate Secretary  
L0223295


  
President

EXHIBIT C

SUGGESTED LEGAL DESCRIPTION  
FOR  
CONVERTIBLE REAL ESTATE

All that certain tract of land situate in South Hanover Township, Dauphin County, Pennsylvania, located on the east side of Hershey Road (S.R. 0039) and the north side of Hanshue Road (T-425), said tract being Convertible Real Estate as shown on the "Declaration Plat For The Reserve At Hershey Meadows, A Condominium" prepared by Herbert, Rowland and Grubic, Inc. dated April 15, 2004, more fully bounded and described as follows:

BEGINNING on the northern dedicated right-of-way line of Hanshue Road (T-425) and the eastern legal right-of-way line of Hershey Road (S.R. 0039); thence along the eastern legal right-of-way line of Hershey Road the following three courses and distances: (1) North 21 degrees 37 minutes 55 seconds West 59.10 feet;(2) South 72 degrees 52 minutes 43 seconds West 28.18 feet;(3) North 44 degrees 35 minutes 45 seconds West 356.02 feet to the eastern dedicated right-of-way line of Goldfinch Lane; thence along the eastern dedicated right-of-way line of Goldfinch Lane the following three (3) courses and distances; (1) by a curve to the right having a radius of 52.00 feet and an arc length of 81.68 feet, the chord of said curve bearing North 00 degrees 24 minutes 15 seconds East 73.54 feet; (2) North 45 degrees 24 minutes 15 seconds East 86.90 feet; (3) by a curve to the left having a radius of 770.00 feet and an arc length of 637.47 feet, the chord of said curve bearing North 21 degrees 41 minutes 14 seconds East 619.42 feet to the limit of dedicated right-of-way; thence by a curve to the left having a radius of 770.00 feet and an arc length of 96.38 feet, the chord of said curve bearing North 05 degrees 36 minutes 55 seconds West 96.31 feet to the dividing line between Lots 1 & 1B; thence North 81 degrees 53 minutes 32 seconds East 385.34 feet; to lands now or formerly Meadows of Hanover Development, Inc. thence South 16 degrees 06 minutes 28 seconds East 108.84 feet to Lot K; thence along Lot K South 73 degrees 53 minutes 32 seconds West 91.68 feet; thence along the same South 43 degrees 52 minutes 14 seconds West 116.49 feet to Sparrow Road; thence along Sparrow Road by a curve to the right having a radius of 165.67 feet and an arc length of 98.11 feet, the chord of said curve bearing South 33 degrees 04 minutes 25 seconds East 96.68 feet; thence along the same South 16 degrees 06 minutes 28 seconds East 268.56 feet; thence North 73 degrees 53 minutes 32 seconds East 164.33 feet to lands now or formerly Meadows of Hanover Development, Inc; thence South 16 degrees 06 minutes 28 seconds East 455.02 feet the northern dedicated right-of-way line of Hanshue Road (T-425); thence by a curve to the left having a radius of 1462.40 feet and an arc length of 35.93 feet, the chord of said curve bearing South 58 degrees 30 minutes 34 seconds West 35.93 feet; thence South 57 degrees 48 minutes 20 seconds West 133.68 feet; thence by a curve to the right having a radius of 320.00 feet and an arc length of 182.53 feet, the chord of said curve bearing South 74 degrees 08 minutes 48 seconds West 180.07 feet; thence North 89 degrees 30 minutes 45 seconds West 343.49 feet to the eastern legal right-of-way line of Hershey Road the place of BEGINNING.

Containing 14.6104 acres.

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**EXHIBIT D**

**SUGGESTED LEGAL DESCRIPTION  
FOR  
THE RESERVE AT HERSHEY MEADOWS  
LOT K  
LANDS ALONG SPARROW ROAD**

All that certain tract of land situate in South Hanover Township, Dauphin County, Pennsylvania, located on the east side of Sparrow Road, said tract being Lot K as shown on the "Declaration Plat For The Reserve At Hershey Meadows, A Condominium" prepared by Herbert, Rowland and Grubic, Inc. dated April 15, 2004, more fully bounded and described as follows:

BEGINNING at the southeastern corner of Lot K and lands now or formerly of Meadows of Hanover Development, Inc. said corner being North 16 degrees 06 minutes 28 seconds West 723.58 feet from the northern dedicated right-of-way line of Hanshue Road; THENCE along the northern line of Lot M as shown on the aforementioned plan South 73 degrees 53 minutes 32 seconds West 164.33 feet to Sparrow Road; thence along Sparrow Road the following two courses and distances; (1) North 16 degrees 06 minutes 28 seconds West 82.89; (2) by a curve to left having a radius of 165.67 feet and an arc length of 98.11 feet, the chord of said curve bearing North 33 degrees 04 minutes 25 seconds West 96.68 feet to the northern line of Lot K; thence along the northern line of Lot K North 43 degrees 52 minutes 14 seconds East 116.49 feet; thence along the same North 73 degrees 53 minutes 32 seconds East 91.68 feet to lands now or formerly of Meadows of Hanover Development, Inc.; thence South 16 degrees 06 minutes 28 seconds East 233.65 feet, being the place of BEGINNING.

Containing 0.8709 acres.

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**EXHIBIT D**

**SUGGESTED LEGAL DESCRIPTION  
FOR  
THE RESERVE AT HERSHEY MEADOWS  
LOT M  
LANDS ALONG SPARROW ROAD**

All that certain tract of land situate in South Hanover Township, Dauphin County, Pennsylvania, located on the east side of Sparrow Road, said tract being Lot M as shown on the "Declaration Plat For The Reserve At Hershey Meadows, A Condominium" prepared by Herbert, Rowland and Grubic, Inc. dated April 15, 2004, more fully bounded and described as follows:

BEGINNING at the southeastern corner of Lot M and lands now or formerly of Meadows of Hanover Development, Inc. said corner being North 16 degrees 06 minutes 28 seconds West 455.02 feet; from the northern dedicated right-of-way line of Hanshue Road; THENCE along the southern line of Lot M as shown on the aforementioned plan South 73 degrees 53 minutes 32 seconds West 164.33 feet to Sparrow Road; thence along Sparrow Road North 16 degrees 06 minutes 28 seconds West 268.56 to the southern line of Lot K; thence along the southern line of Lot K North 73 degrees 53 minutes 32 seconds East 164.33 feet to southeastern corner of Lot K and lands now or formerly of Meadows of Hanover Development, Inc.; thence South 16 degrees 06 minutes 28 seconds East 268.56 feet, being the place of BEGINNING.

Containing 1.0131 acres.

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**EXHIBIT "E"**

**The Reserve at Hershey Meadows Condominium Association  
Percentage of Interest Ownership**

UNIT	% OF OWNERSHIP
105	5.55
106	5.55
107	5.55
108	5.55
109	5.55
110	5.55
111	5.55
112	5.55
121	5.55
122	5.55
123	5.55
124	5.55
125	5.55
126	5.55
127	5.55
128	5.55
129	5.55
130	5.55





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RECORDERS OFFICE  
COUNTY OF DAUPHIN  
PENNSYLVANIA

FOR MAP  
SEE FILM CARD  
RECORD BOOK 5305 PAGE 285

Draw. Name: Y:\D\175\0175009\0009\Cadd Drawing Files\Project48\175009condph48\_03.dwg [Copyright 2004 HRG Inc.] MAY 05, 2004 TIME 1:12 PM MKOETLER

566 Dwg 5055

REVISION	DATE	BY

PROJ. MGR.	JSS
DESIGN	—
CADD	MK
CHECKED	JSS
SCALE	1/8" = 1'
DATE	04/15/04

SHEET NO.	
2	
DRAWING NO.	
2 OF 2	
PROJECT	0175.009