

DECLARATION OF CONDOMINIUM

FOR

WINDSOR AT GLEN MILLS

(A Condominium)

A RESIDENTIAL CONDOMINIUM COMMUNITY FOR OLDER PERSONS

CONCORD TOWNSHIP
DELAWARE COUNTY, PENNSYLVANIA

DECLARANT:

FOX VALLEY ASSOCIATES, L.P.
63 Chestnut Road
Paoli, PA 19301
610-647-2709

Folio # 13-00-0009-03

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CONCORD, PA

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DECLARATION OF CONDOMINIUM
FOR
"WINDSOR AT GLEN MILLS"
A CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM is made this 8th day of July, 2005, by FOX VALLEY ASSOCIATES, L.P., a Pennsylvania limited partnership, with a business address at 63 Chestnut Road, Paoli, PA 19301 (the "Declarant") for itself, its successors and assigns.

BACKGROUND

Declarant is the owner of the Real Estate (hereinafter defined) which is located entirely in Concord Township, Delaware County, Pennsylvania, which Declarant intends to develop as shown on the Plats and Plans (as hereinafter defined) as a residential condominium known as "Windsor at Glen Mills". Declarant is recording this Declaration to create a condominium with respect to the Real Estate and the improvements constructed and to be constructed thereon pursuant to the Pennsylvania Uniform Condominium Act, 68 Pa.C.S. §3101, et seq. (the "Act"), subject to all the terms and conditions hereof.

WITNESSETH:

NOW, THEREFORE, the Declarant hereby declares and covenants, for itself and its successors and assigns, that the Real Estate and all buildings and improvements now or hereafter constructed thereon are and shall be held, transferred, sold, conveyed, used and occupied under and subject to the covenants, restrictions, easements and conditions in this Declaration, all of which shall run with the Real Estate and each of the Units (hereinafter defined), and all buildings and other improvements now or hereafter constructed thereon, as follows:

ARTICLE I - DEFINITIONS; CONSTRUCTION AND INTERPRETATION

1.01 Act Definitions and Section References. Capitalized terms used herein that are defined in the Act shall have the meanings ascribed to them in the Act. Terms that are defined in the Act and that are also defined herein shall have the general meanings ascribed to them in the Act and, in addition, the specific meanings ascribed to them in this Declaration. References to numbered sections of the Act refer to the corresponding numbered sections of Subpart B of Title 68 of Purdon's Pennsylvania Statutes, or the corresponding section(s) of any successor statute or codification thereof.

1.02 Defined Terms. Supplementing the terms defined in the Act and elsewhere in this Declaration, the following terms, when used herein, shall have the meanings ascribed to them in this Section 1.02:

(a) "Act" - the Pennsylvania Uniform Condominium Act, 68 Pa C.S. 3101, et seq, as amended from time to time, or any successor statute governing condominiums in the Commonwealth of Pennsylvania.

(b) "Assessments" - amounts levied or assessed by the Association against the Units from time to time, pursuant to this Declaration and the Act, including (without limitation) Assessments for General Common Expenses and Limited Common Expenses, Special Assessments and amounts assessed as special allocation of Common Expenses pursuant to the Act. The term "Assessments" also includes amounts levied and assessed as fines, late charges, collection costs and attorney's fees pursuant to any of the Condominium Documents.

(c) "Association" - "Windsor at Glen Mills Condominium Association", which shall be an unincorporated association and shall be organized no later than the date on which the first Unit is transferred to a Unit Owner other than the Declarant.

(d) "Board" or "Executive Board" - the Executive Board of the Association to be elected or appointed pursuant to Section 3303 of the Act, this Declaration and the By-laws.

(e) "Building" - a building, now or hereafter constructed on the Real Estate, that contains Units. The Condominium is planned to consist of two (2) Buildings, designated on the Plats and Plans as Building A (containing up to 131 Units) and Building B (containing up to 49 Units), respectively.

(f) "By-laws" - the By-Laws of the Association as amended from time to time. The By-laws shall bind the Association and all Unit Owners whether or not they are recorded.

(g) "Common Elements" - the Common Elements of the Condominium, as defined in the Act, this Declaration and on the Plats and Plans.

(h) "Common Expense Liability" - means the liability appurtenant to each Unit to pay a share of the Common Expenses and Assessments that is allocated to such Unit under this Declaration and the Act.

(i) "Common Expenses" - General Common Expenses or Limited Common Expenses, as the context requires.

- (j) "Condominium" - the condominium created hereby.
- (k) "Condominium Documents" - this Declaration, the Plats and Plans, the By-laws and the Regulations (each as the same may be amended from time to time) or whichever of them apply to a particular circumstance, as the context requires.
- (l) "Convertible Real Estate" - that part of the Real Estate identified as "Convertible Real Estate" on the Plats and Plans, within which the Declarant reserves the right to create additional Units, Limited Common Elements, or any combination thereof, pursuant to Article IX hereof and the Act.
- (m) "Declarant" - the Declarant originally named herein and any successor to any Special Declarant Rights.
- (n) "Declarant Control Period" - the period of time beginning on date the first Unit is conveyed to a Unit Owner other than a Declarant and ending on the earliest of (i) seven (7) years after the date thereof, or (ii) one hundred eighty (180) days after the conveyance of seventy-five percent (75%) of the Units to Unit Owners other than a Declarant.
- (o) "Declaration" - this Declaration together with the Plats and Plans, as amended from time to time. The Plats and Plans are a part of this Declaration, and any reference to this Declaration shall be deemed to include reference to any applicable part of the Plats and Plans. Words such as "herein", "hereof" and "hereto" refer to this Declaration in its entirety unless the context otherwise clearly requires.
- (p) "Director" - a member of the Executive Board.
- (q) "Eligible Mortgage" - means a mortgage recorded as a first or second mortgage lien against a Unit that is held by an Eligible Mortgagee.
- (r) "Eligible Mortgagee" - means the Declarant, the Seller of a Unit, or a Bank, Savings and Loan Association, Savings Bank or other federally or state chartered financial institution (or any guarantor or insurer) of a first or second mortgage lien against a Unit that is a federally or state chartered financial institution or federal or state governmental agency or corporation [including, but not limited to, the Veterans Administration, the United States Department of Housing and Urban Development, the Federal National Mortgage Association and/or the Federal Home Loan Mortgage Corporation, or their successors]), who has given written notice to the Association by certified or registered mail, return receipt requested, of its name and address and the

address and description of the Unit against which it holds, insures or guarantees an Eligible Mortgage. If an Eligible Mortgage is assigned, the Association shall not be bound to recognize the assignee as an Eligible Mortgagee until the Association has received written notice of such assignment and of the name and address of the assignee.

(s) "General Common Expenses" - the actual and estimated expenses incurred from time to time for the general benefit of the Association and all Unit Owners, including but not limited to (i) general overhead, administrative and operating expenses of the Association, (ii) taxes or other governmental charges levied or assessed against the Association or its property under any federal, state, local or municipal tax law, regulation or ordinance, (iii) premiums for insurance and bonds carried by the Association, (iv) the costs of maintaining, managing, insuring and repairing the Common Elements, including (except as expressly provided in this Declaration) the Limited Common Elements, and making any necessary replacements thereto or thereof, (v) amounts set aside as operating and capital reserves, (vi) expenses of prosecuting or defending any litigation or other proceedings by, against or affecting the Association, the Unit Owners, the Real Estate or any of the Units which the Association may bring, defend or otherwise participate in pursuant to this Declaration, including (without limitation) the expenses of enforcing or attempting to enforce the Condominium Documents, (vii) the fees or other compensation payable to any manager or management company that may be engaged by the Association to assist the Association in managing, operating or administering the Association or the Common Elements, (viii) the compensation, benefits and other expense of employees of the Association, and (ix) all other expenses and liabilities incurred or that may be incurred by the Association in carrying out or performing its rights, duties and functions, other than those expenses that are incurred in connection with the maintenance, repair or replacement of Limited Common Elements and that are required to be separately accounted for and charged as Limited Common Expenses pursuant to this Declaration.

(t) "Limited Common Element" - a part of the Common Elements that is allocated for the use or benefit of one or more, but fewer than all, of the Units, pursuant to the Act or this Declaration.

(u) "Limited Common Expenses" - the expenses of maintaining, repairing, insuring and/or replacing any Limited Common Element but only to the extent that this Declaration expressly provides that such expenses will be segregated from General Common Expenses and charged as Limited Common Expenses.

(v) "Member" - a Unit Owner in his, her or its capacity as a member of the Association.

(w) "Percentage Interest" - the percentage undivided interest in Common Elements appurtenant to each Unit, which shall be the same percentage as the Common Expense Liability allocated to such Unit.

(x) "Person" - a natural person, corporation, limited liability company, partnership, trust or any other legal entity, existing by statute, contract or common law.

(y) "Plans"- the plans filed by the Declarant from time to time, identified on Exhibit "D", containing the information required by Section 3210 (c) of the Act, and describing the vertical and horizontal boundaries of the Buildings and the Units.

(z) "Plats" - the site plans depicting the Condominium and the development of the Real Estate, and the buildings and improvements constructed or proposed to be constructed thereon pursuant to Section 3210(b) of the Act, attached hereto as Exhibit "C" and made a part hereof, as the same may be amended from time to time.

(aa) "Real Estate" - the land described on Exhibit "A" attached hereto and on the Plats, together with all improvements now or hereafter constructed thereon, and all easements, rights and privileges appurtenant thereto.

(bb) "Regulations" - the rules, regulations and policies promulgated by the Association from time to time regulating the Unit Owners' use and enjoyment of the Common Elements and the Units.

(cc) "Special Declarant Rights" - has the meaning given to such term in the Act and includes any rights reserved by Declarant hereunder to (i) complete the improvements shown on the Plats and Plans, (ii) maintain offices, signs and models, (iii) use easements through the Common Elements for the purpose of making improvements within the Real Estate, (iv) convert a Unit into Common Elements, or into two (2) or more Units and Common Elements, or change the boundary lines between Units and/or between Units and Common Elements, (v) appoint and remove Directors and officers during the Declarant Control Period, (vi) create additional Units and/or Limited Common Elements within the Convertible Real Estate, and (vii) exercise any other rights of the Declarant constituting "Special Declarant Rights" under the Act, whether or not expressly designated as such in this Declaration.

(dd) "Supplemental Declaration" - a supplement or amendment to this Declaration recorded pursuant to Article IX by the Declarant for the purpose of exercising the Declarant's rights to create Units, Limited Common Elements or both within the Convertible Real Estate, or subdivide Units owned by the Declarant, or for

any other purpose in order for the Declarant to exercise any of the rights described in Sections 3210(e) and (f), Section 3211, Section 3209(c) or Section 3215 of the Act.

(ee) "Township" – Concord Township, Delaware County, Pennsylvania.

(ff) "Unit" - a separate dwelling unit constructed within a Building, as described on the Plats and/or Plans, together with the Percentage Interest in Common Elements, voting rights and Common Expense Liability appurtenant thereto. The term "Unit" does not refer to a Parking Space Unit (as defined in Article X hereof).

(gg) "Unit Owner" - the owner(s) of legal title to a Unit (including the Declarant with respect to Units that it owns) other than a Person holding such title solely as security for an obligation. All obligations of a "Unit Owner" hereunder with respect to a Unit, including the obligation to pay Common Expenses, are the joint and several obligations of all Persons who own that Unit, regardless of the manner in which they hold such title.

1.03 Number and Gender. Wherever any provision of this Declaration refers to the singular, it shall be deemed to include the plural whenever necessary or appropriate to give effect to such provision; and the use of any gender includes any other gender.

1.04 Construction. If there is a conflict or inconsistency between this Declaration and the By-laws, this Declaration shall control unless contrary to the Act. If there is a conflict or inconsistency between the Declaration or the By-laws, on the one hand, and the Regulations, the Declaration or the By-laws, as applicable, shall control unless contrary to the Act.

1.05 Computing Percentages. In determining whether the Declarant Control Period has expired, and in determining whether Unit Owners other than a Declarant are entitled to elect members of the Executive Board under any provision of the Condominium Documents, the percentage of the Units owned by the Declarant shall be calculated based on the number of Units owned by the Declarant and the number of Units the Declarant has reserved the right to build (including all Units that the Declarant reserves the right to create within the Convertible Real Estate).

ARTICLE II - SUBMISSION OF REAL ESTATE TO ACT;
UNIT BOUNDARIES; APPLICABILITY OF DECLARATION

2.01 Name and Location of Condominium. The Condominium shall be known as "Windsor at Glen Mills, a Condominium". The Condominium is located entirely within Concord Township, Delaware County, Pennsylvania.

2.02 Submission to Act; Applicability of Condominium Documents. The Declarant hereby creates a flexible condominium with respect to the Real Estate pursuant to the Act, subject to this Declaration. All present and future Unit Owners, and their respective tenants, subtenants, family members, guests, agents, servants, employees and any other Persons occupying or using any Unit or the Common Elements shall comply with and be bound by the Condominium Documents. Any mortgage encumbering a Unit recorded after the recording of this Declaration shall be under and subject to all the terms and conditions of this Declaration.

2.03 Easements, Etc. The Condominium is subject to those recorded easements and other matters of record set forth on Exhibit "B" attached hereto and made a part hereof, and to those other easements, notes, conditions and restrictions as are set forth herein, on the Plats and Plans, and on the approved and recorded subdivision or land development plans of the Real Estate.

ARTICLE III – THE UNITS

3.01 Number of Units. The Condominium shall initially consist of those 131 Units as designated on Exhibit "E" and shown on the Plans. In no event shall there be more than 180 Units (not including any Parking Units that the Declarant may create within the Convertible Real Estate, as hereinafter provided). The subdivision of Units or relocations of Unit boundaries shall not increase the number of Units above such maximum amount.

3.02 Unit Boundaries. Each Unit consists of the space within the following boundaries:

(a) Upper and Lower Horizontal Boundaries. The upper and lower boundaries of each Unit shall be the following, extended to an intersection with the lateral or parametrical boundaries:

(i) The upper boundary shall be the horizontal plane of the unfinished lower surface of the concrete plank or planks of the floor above or, if there is no floor above, the unfinished lower surface of the concrete planks forming the ceiling of that Unit, but shall not include such concrete plank or planks; and

(ii) The lower boundary shall be the horizontal plane or planes of the top of the surface of the unfinished concrete floor slab or plank(s) forming the floor of such Unit, but not including such concrete floor slab or planks.

(b) Lateral or Parametrical Boundaries. The lateral or parametrical boundaries shall be the lateral or parametrical planes, extended to intersections with each other, and with the upper and lower boundaries as described in Section 3.02(a) above, of (i) the perimeter walls which do not separate the Unit from any other Unit, and (ii) the party walls which separate the Unit from any other Unit(s), and (iii) the windows or doors that enclose such space and separate the interior space of the Unit from any adjoining Common Elements or any space outside of the Building (subject to the right of the Association to regulate the exterior of such doors and windows).

(c) Included Spaces. Each Unit shall include the items within the boundaries as described in Sections 3202(1) and (3) of the Act and shall have the benefit of the use of all Limited Common Elements described in Section 3202 of the Act, or designated on the Plans or herein as being allocated to such Unit.

3.03 Contents of Unit; Noncontiguous Parts of a Unit.

(a) Each Unit includes all spaces and improvements lying within the Unit boundaries described in Section 3.02 hereof and on the Plans, including (i) all walls, partitions and dividers wholly within the Unit boundary lines (but excluding any wires, ducts, cables, conduits or other Common Elements contained within such walls or partitions), (ii) all wall board, plaster board, paneling, wallpaper, paint, tile, carpeting, wood flooring and other materials constituting the finished surfaces of walls, floors or ceilings, (iii) all plumbing and plumbing fixtures, kitchen equipment, exhaust fans, lighting fixtures, outlets and wiring systems that are located wholly within the Unit boundaries to the extent that all or any of them serve only that Unit, (iv) all doors and passages located wholly within the Unit boundaries, and all windows and window glass, frames and assemblies located within the Unit Boundaries, (v) any heat pump, air-conditioning unit, hot water tank or similar appliance or equipment serving only that Unit even though it is located partly or entirely outside the boundaries of the Unit, and (vi) the spaces (and improvements within the spaces) containing all electrical switches and outlets, wiring, pipes, ducts, conduits, smoke detector or security systems and communications, telephone, television, computer and electrical receptacles and boxes serving that Unit exclusively, the surface of the foregoing being the boundaries of such Unit whether or not such spaces are contiguous.

(b) Unless specifically included by other provisions hereof, the following are excluded from each Unit: (i) the spaces and improvements lying outside

the Unit boundaries described in Section 3.02 hereof, (ii) all pipes, flues, ducts, wires, conduits and other facilities running through, along or within any interior wall or partition, for the purpose of furnishing utilities and other services to other Units and/or the Common Elements, and (iii) any foundations, structural supports, structural columns or any parts of systems, services or utilities serving multiple Units or other parts of the Real Estate.

3.04 Maintenance of Units. Except as otherwise expressly provided herein, each Unit Owner is solely responsible for the maintenance, repair or replacement of his Unit, the improvements within the Unit, and all contents thereof, whether real property, personal property or mixed including, but not limited to, all appliances, interior doors, partitions, interior walls, heating, air conditioning and ventilation equipment, hot water heater, lighting fixtures, floor coverings, wall coverings and plumbing and bathroom fixtures.

3.05 Identifying Numbers. The identifying numbers of the Units are as shown on the Plans.

3.06 Title; Conveyance of Unit. Ownership of the Units shall be in fee simple, together with that Unit's undivided Percentage Interest in Common Elements, and the interest in Limited Common Elements appurtenant to or otherwise allocated to such Unit. Except as otherwise provided by the Act, each Unit, together with its undivided interest in Common Elements, constitutes a separate parcel of real estate for all purposes. Conveyance of a Unit automatically includes the Percentage Interest in Common Elements, voting rights, Common Expense Liability and the right to any Limited Common Elements allocated to that Unit hereunder. Neither membership in the Association nor the Percentage Interest in Common Elements allocated to a Unit may be conveyed, encumbered, assigned or otherwise transferred in any manner except by conveyance of the Unit to which such rights are appurtenant. Any other transfer or attempted transfer thereof by a Unit Owner is void.

3.07 Separate Taxation. Once the first Unit has been conveyed to a Unit Owner other than a Declarant, each Unit (together with its interest in Common Elements, but excluding any interest in Common Elements located within Convertible Real Estate) shall be separately taxed and assessed.

3.08 Subdivision or Conversion of Units.

(a) The Declarant shall have the right to subdivide Units it owns or convert Units it owns into two or more Units, Common Elements or a combination of Units and Common Elements (provided that no Units resulting from the subdivision of Units owned by the Declarant may increase the maximum number of Units permitted by this Declaration). In the event of such subdivision or conversion, the Declarant shall, at

its expense, execute and record an amendment to this Declaration, including an amendment to the Plats and Plans, as necessary.

(b) A Unit Owner other than a Declarant may not subdivide Units or combine multiple Units into a single Unit.

3.09 Relocation of Boundaries Between Adjoining Units.

(a) The Declarant reserves the right to relocate boundaries between adjoining Units that it owns. If Declarant does so, the Declarant shall execute and record, at its expense, an amendment to this Declaration and an amendment to the Plats and Plans. Such relocation shall not require the consent of the Executive Board.

(b) A Unit Owner other than the Declarant may, with the approval of the Executive Board, relocate boundaries between adjoining Units that such Unit Owner owns. In that event, the Executive Board shall prepare and record any amendment to this Declaration and the Plats and Plans necessary to show the relocated boundaries and any reallocation of Common Expense Liability and Percentage Interest in Common Elements, provided that the Unit Owner making application for such relocation shall pay all costs and expenses, including reasonable attorney's fees, incurred by the Executive Board in connection with the preparation and recordation of such amendments.

3.10 Alteration of Units. Subject to the Act and the terms of this Declaration, a Unit Owner may alter such Unit Owner's Units provided that a Unit Owner other than a Declarant may not change the exterior appearance of a Unit or alter any partition between Units or between a Unit and Common Elements, or create any opening in any such partition, if such partition or any part thereof is a part of the Common Elements whether or not such acts impair the structural integrity or mechanical systems or lessen the support of any portion of the Condominium, without the prior written consent of the Executive Board.

ARTICLE IV - DESCRIPTION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

4.01 Common Elements. The Common Elements consist of all parts of the Real Estate and improvements thereon other than the Units and those improvements or facilities (if any) to be dedicated to the public, whether conveyed to or owned by any public or private utilities or other entities furnishing utility service to the Condominium. Portions of the Real Estate or Buildings designated as Convertible Real Estate shall not constitute Common Elements unless and until the Declarant exercises

its rights to create Common Elements or Limited Common Elements within such portion(s) of the Real Estate or Buildings.

4.02 Limited Common Elements. The following are Limited Common Elements in addition to those items designated as Limited Common Elements pursuant to the Act, assigned and allocated to the Units as provided below:

(a) If any flue, pipe, duct, wire, conduit, bearing wall, bearing column or other fixture lies partly within and partly outside the boundaries of a Unit, the part thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and the use of which is limited to that Unit; and any part thereof serving more than one Unit or a portion of the Common Elements is a Limited Common Element.

(b) Any balconies, railings, patios, exterior windows, doors leading from a Unit to the Common Elements and each exterior light fixture, electrical receptacle or other fixture designed to serve a single Unit (including any light fixture intended or designed to illuminate any exterior patio, porch, balcony, stoop or doorway) and located outside the boundaries of the Unit, are Limited Common Elements allocated exclusively to that Unit and their use is limited to that Unit.

(c) Parking spaces in the garage level of a Building that are allocated as Limited Common Elements to a particular Unit shall be allocated solely to and for the use and benefit of the Unit to which they are allocated, on the Plats and Plans or by a recorded assignment of such parking space as a Limited Common Element appurtenant to the particular Unit, subject to the other provisions of this Declaration relating to such parking spaces.

(d) Any storage space allocated to a Unit, as shown on the Plats and/or Plans, shall be a Limited Common Element allocated solely to that Unit.

Limited Common Elements of the type described in this Section 4.02 shall automatically be allocated as Limited Common Elements for the exclusive use and benefits of the Units they are designed and constructed to serve, or to which they are allocated as provided herein, without any further action or document required, whether or not such Limited Common Elements are so designated on the Plats and Plans.

4.03 Parking Spaces.

(a) Automobile parking spaces or stalls not located in the garage level of a Building are Common Elements available for the common use and enjoyment of all Unit Owners (and their family, guests and visitors), on a first-come-first-served basis; provided that the Association may adopt Regulations that: (i) restrict the use of some or all parking spaces for specific purposes such as parking for disabled or

handicapped persons, and/or (ii) restrict or limit the use thereof during specified periods of time or for maximum periods of time. During the Declarant Control Period, the Declarant shall have the right to designate parking spaces as solely for the use of the Declarant, its agents, personnel, contractors and subcontractors, in connection with the construction, sale, management and marketing of Units and other improvements within the Condominium.

(b) Automobile parking spaces located on the garage level of a Building shall be restricted to use by the Declarant (as long as it owns any Unit) and to those Unit Owners other than the Declarant to which such spaces are assigned as Limited Common Elements. The Declarant has the absolute right, without or without consideration, to assign parking spaces in the garage level of a Building as Limited Common Elements appurtenant to specific Units, provided that in no event shall any Unit be allocated more than one parking space unless that Unit is owned by the Declarant or an affiliate of the Declarant. Declarant shall make such assignment either in a written recorded assignment, in the deed conveying the Unit from the Declarant to the Unit Owner, or by recording an amendment to this Declaration or the Plats designating thereon the space to which such Unit is assigned. Any assignment of a parking space as a Limited Common Element shall be subject to the authority of the Executive Board to reallocate such Limited Common Element parking spaces as set forth below.

(c) The Executive Board shall have the authority to reallocate parking spaces assigned as Limited Common Elements between Units, by requiring a Unit Owner to exchange the parking space allocated to his or her Unit for another space in the garage level of the same Building that is either allocated to another Unit or that is a Common Element, and by allocating such substitute space as a Limited Common Element solely to such Unit. Such reallocation may only be done by the Executive Board to the extent reasonably necessary, as determined by the Executive Board in its discretion, to enable the Executive Board to make reasonable accommodations for any Owner or occupant of a Unit with a bona fide disability or handicap, or otherwise to comply with any obligation the Association may have to make reasonable accommodation for a person's special needs as provided in the federal Fair Housing Act or other applicable law. Each affected Unit Owner shall execute such assignments or other documents as the Executive Board may require in order to effect such reallocation of parking spaces. If a space designated as a handicapped space is allocated as a Limited Common Element to a Unit and that Unit ceases to be occupied by a handicapped or disabled person, the Executive Board may re-allocate that handicapped space to another Unit that is occupied by a disabled or handicapped person provided that the Unit from which it is allocated is allocated another non-handicapped space in the garage parking level of the same Building. Any re-allocation by the Executive Board pursuant to this provision shall be made either by an amendment to this Declaration or the Plats executed and recorded by the Executive

Board, or be a written document filed by the Executive Board in the office of the recorder of deeds, setting forth such re-allocation.

(d) As long as the Declarant owns any Units, all parking spaces not assigned or allocated to Units owned by Unit Owners other than the Declarant shall be deemed allocated solely to the Units owned by the Declarant.

(e) If and to the extent that any portion of the parking garage of a Building is designated as Convertible Real Estate on the Plats and Plans, the Declarant reserves the right to designate the parking spaces within such Convertible Real Estate either as Limited Common Elements appurtenant to specific Units (including Units owned by the Declarant), or as parking Units that may be separately owned and conveyed, as provided in Article X hereof.

(f) If a parking space is allocated to a Unit as a Limited Common Element, such parking space may be re-allocated and assigned by the Unit Owner of that Unit to another Unit (and thereupon become a Limited Common Element allocated solely to such other Unit) by a written assignment recorded in the office of the Recorder of Deeds in and for Delaware County, Pennsylvania from the Unit Owner of the Unit to which such parking space is allocated to the Unit Owner owning the Unit to which such parking space is to be re-allocated. Any such assignment may be with or without consideration. A copy of such assignment shall be delivered to the Executive Board. Notwithstanding the preceding, however, no reallocation or re-assignment of Limited Common Element Parking Spaces may result in more than one space being allocated as a Limited Common Element to a particular Unit

4.04 Use and Enjoyment of Common Elements. Subject to Regulations in effect time to time, the Common Elements (except the Limited Common Elements) shall be for the exclusive use, enjoyment and benefit of the Unit Owners, their tenants and members of their households and guests; provided, however, that the Association may suspend the right of any Unit Owner to use Common Elements such as recreational or community facilities if such Unit Owner is delinquent in the payment of Assessments or in material violation of the Condominium Documents. The Limited Common Elements shall be for the exclusive use and enjoyment of the Unit Owners owning the Unit(s) to which such Limited Common Elements are allocated hereunder. Without limiting any other rights the Unit Owners have to use and enjoy the Common Elements, the Unit Owners shall have the right (in common with other Unit Owners, the Declarant and their guests, contractors and others lawfully using the same) to use those Common Elements such as common corridors, elevators, stairways, walkways, lobbies and similar areas for unrestricted ingress, egress and regress to, from and between their Units and other portions of the Condominium subject, nevertheless, to reasonable Regulations that the Executive Board may adopt, and subject to the right of the Executive Board to temporarily suspend the use of certain Common Elements in

connection with the maintenance, repair or replacement thereof, or for the safety and welfare of residents of the Condominium.

4.05 Alteration of Common Elements. No Unit Owner (other than the Declarant) may alter the appearance or character of any Common Elements, or perform any construction or work on any Common Elements. Until the Declarant has completed all Units and Common Elements, the Declarant reserves the right to modify the appearance and structural character of the Common Elements from time to time, without the permission of the Executive Board.

4.06 Declarant's Rights and Obligations With Respect to Common Elements.

(a) Declarant reserves the right to construct all improvements planned or contemplated for construction within the Condominium, including, without limitation, the interior streets, parking areas, sidewalks, curbing, street lighting, storm water management facilities, paths and all other improvements shown on the Plats and Plans, and all Buildings and Units planned for construction as depicted either generally or specifically on the Plats and Plans or herein. Except for improvements identified on the Plats and Plans as "Must be Built", and except for improvements required as a condition of subdivision and land development approval by the Township or other governmental authorities, the Declarant shall have no obligation to construct such improvements.

(b) The Declarant guarantees the completion of the Common Elements shown on the Plats and designated as "must be built". The obligation of the Declarant to complete improvements required to be constructed shall be binding on the Declarant and any successor in interest of the Declarant therein, whether or not such successor in interest succeeds to any Special Declarant Rights.

(c) No provision hereof shall require the Declarant to construct or provide to the Association (i) any facilities or improvements not shown on the Plats and Plans; (ii) any improvements labeled "Need Not Be Built" on the Plats and Plans; or (iii) any improvements constructed or contemplated within the Convertible Real Estate, except for such improvements the Declarant agrees or becomes obligated to complete upon converting all or any part of the Convertible Real Estate, pursuant to this Declaration or under any Supplementary Declaration.

4.07 Maintenance, Repair and Replacement of Common Elements.

(a) Except as otherwise set forth herein, the Association shall be responsible for the maintenance, repair and replacement of the Common Elements, including the Limited Common Elements. The Association shall assume the obligation

for the maintenance, management, repair and insurance of each Common Element once it has been completed and shall thereupon be obligated to include in its budget (and, if necessary, amend the then-current budget and increase the then-current Common Expense Assessment) to pay the estimated costs of maintaining, repairing and insuring the same.

(b) Notwithstanding the provisions in Section 4.07(a) hereof, each Unit Owner shall be solely responsible for the cleaning, maintenance and ordinary repair of the following Limited Common Elements with respect to his Unit:

(i) decks, patios or balconies;

(ii) electrical and lighting fixtures that are Limited Common Elements allocated solely to that Unit;

(iii) To the extent not part of a Unit, all windows, sliding glass doors and exterior doors (including all hardware associated therewith) leading from the Unit to the Common Elements and/or any balcony or patio that is a Limited Common Element allocated to that Unit; and

(iv) Parking spaces and storage areas, if any, allocated as Limited Common Elements to a particular Unit shall be kept clean and free of debris at the sole cost and expense of the Owner of the Unit to which such areas are allocated.

Notwithstanding the preceding, to the extent that any maintenance or ordinary repair of the Limited Common Elements described above would require or may entail damage to or alteration of any Common Element, such repair and/or maintenance shall be undertaken only by or under the direction of the Executive Board.

4.08 Conveyance and Encumbrance by the Association. Except as hereinafter expressly provided, the Association shall not convey, mortgage, pledge or encumber the Common Elements without the approval of (i) Members entitled to cast at least eighty percent (80%) of the votes that all Members are entitled to cast, (ii) the Declarant, during the Declarant Control Period, and (iii) the required approval of Eligible Mortgagees, to the extent required pursuant to Article XII hereof.

4.09 Demolition. If any Common Element (other than a Building) is determined by the Executive Board to be obsolete or in such state of disrepair so that it is not economically feasible or desirable to repair or replace the same, the Executive Board may call a meeting for the purpose of determining whether such Common Element should be demolished, removed and/or replaced. The determination thereof shall be made by the vote of Unit Owners entitled to cast eighty percent (80%) of the

votes that all Unit Owners are entitled to cast, and two-thirds (2/3) of the Eligible Mortgagees. The costs of such demolition and/or replacement shall be assessed as a General Common Expense.

4.10 Disposition of Common Elements Upon Termination. If the Condominium is terminated, all Common Elements necessary for the common use, enjoyment and benefit of the Units shall either be conveyed to and held by the Unit Owners as tenants in common in proportion to their Percentage Interests, or conveyed to a governmental or quasi-governmental entity charged with the responsibility of the maintenance and repair thereof for the benefit of the Units, or a private non-profit organization established for the purpose of maintaining and managing similar facilities, and in either such case, any such conveyance shall be subject to the approval of the Township and the required vote of Eligible Mortgagees as hereinafter provided.

4.11 Warranty Against Structural Defects. Declarant will warrant the Common Elements constructed by it against "structural defects" as defined in Section 3411(a) of the Act for a period of two (2) years from the later of the date of completion of such Common Element or (i) as to any Common Element within Convertible Real Estate, from the time the first Unit therein is conveyed to a bona fide purchaser; or (ii) as to any other Common Element within any other portion of the Condominium, from the date the first Unit therein is conveyed to a bona fide purchaser. No action to enforce such warranty may be commenced later than six (6) years after the date the warranty begins.

To the maximum extent permitted by law, the Declarant shall not be liable for consequential or other damages as a result of any defect in the Common Elements, whether structural or otherwise, and the liability of the Declarant shall be limited to the repair or replacement of the defect. The Declarant shall have the right, in its reasonable discretion, to determine whether such defect shall be corrected by repair or replacement. The Declarant shall be provided with a reasonable number of opportunities to diagnose and repair any claimed defect.

THE STRUCTURAL WARRANTY PROVIDED UNDER THE ACT IS THE ONLY WARRANTY GIVEN WITH RESPECT TO THE COMMON ELEMENTS AND IS GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, OR ANY IMPLIED WARRANTY OF HABITABILITY.

4.12 Creation of Additional Common Elements and Limited Common Elements. Additional Common Elements and Limited Common Elements may be created by the Declarant pursuant to Article X of this Declaration and the Act.

ARTICLE V - ASSOCIATION; MEMBERSHIP; VOTING

5.01 The Association; Powers. The Association shall be an association of and among all Unit Owners and shall have all duties, rights, privileges, functions and responsibilities set forth in the Act and the Condominium Documents, including, without limitation all powers enumerated in Section 3302(a) of the Act, and the right and power to do all other things necessary or expedient in order to carry out all such powers, rights, privileges, duties and functions of the Association, and all powers incidental thereto.

5.02 Membership. Every Unit Owner is a Member of the Association. If two (2) or more Persons own a Unit, each of them is a Member of the Association, but regardless of the number of Unit Owners, each Unit shall be allocated only that number of votes as are specified herein. Membership in the Association is appurtenant to and cannot be severed from ownership of a Unit, and transfers automatically upon conveyance of title to a Unit, and by no other means. No Unit Owner may disclaim, decline, resign from or transfer membership in the Association (except by conveyance of his Unit).

5.03 Voting Rights of Unit Owners. There shall be one (1) vote in the Association allocated to each Unit now or hereafter created within the Condominium. The Declarant shall have one (1) vote for each Unit owned by the Declarant and each Unit that the Declarant reserves the right to construct within the Condominium. Notwithstanding the preceding, only Unit Owners in good standing shall be entitled to vote on any matter on which Unit Owners may be entitled to vote under the Condominium Documents or the Act. The term "in good standing" shall mean that the Unit Owner has fully paid all Assessments levied against him and against his Unit (including interest, collection costs, attorney's fees, fines and penalties) that are overdue at least five (5) days before the date of any meeting of Members.

5.04 Election of Board.

(a) Subject to the other provisions of this Declaration and the By-laws, the Board shall have the full power and authority to act on behalf of the Association, and except as otherwise expressly required by the Condominium Documents or the Act, actions and decisions of the Board need not be submitted to or approved by the Members.

(b) Subject to Section 5.04(c) below, during the Declarant Control Period all members of the Board and shall be appointed, and may be removed and replaced from time to time, by the Declarant, with or without an actual meeting,

without the necessity of obtaining resignations from Directors replaced or removed, and without prior notice to or approval of the other Unit Owners.

(c) Directors shall be appointed by the Unit Owners as follows:

(i) Within sixty (60) days after the conveyance of twenty-five percent (25%) of the Units to Unit Owners other than a Declarant, one (1) Director (or, if greater, twenty-five percent (25%) of the members of the Executive Board) shall be elected by Unit Owners other than the Declarant;

(ii) Within sixty (60) days after the conveyance of fifty percent (50%) of the Units to Unit Owners other than a Declarant, one (1) Director (or, if greater, thirty-three percent (33%) of the members of the Executive Board) shall be elected by Unit Owners other than the Declarant; and

(iii) On or before the end of the Declarant Control Period, all members of the Executive Board shall be elected by the Unit Owners and the Declarant-appointed members of the Executive Board shall resign.

Notwithstanding the preceding, while the Declarant owns any Units, the Declarant shall have the absolute right to appoint a representative of the Declarant as a non-voting *ex officio* member of the Executive Board with the same right to receive notice of, attend and participate in all meetings of the Executive Board as any regular member of the Executive Board, but without any right to vote on matters coming before the Executive Board.

(d) The Declarant reserves the right, in its sole and absolute discretion, to surrender voluntarily the right to appoint and remove Directors before the Declarant Control Period ends. The Declarant may, as a condition thereof, require that specified actions of the Association or the Board be approved by the Declarant before they become effective. Such actions shall be specified in an instrument executed and recorded by the Declarant. The Declarant may conditionally surrender the right to appoint and remove Directors, reserving the right to exercise such rights at a later time upon giving thirty (30) days prior written notice to the Association.

5.05 Number and Qualification of Directors.

(a) The Board shall consist of such number of Directors, not less than three (3), as may from time to time be determined as provided in the By-laws, but not more than nine (9). The initial number of Directors on the Board shall be three (3).

(b) In addition to such other qualifications as may be set forth from time to time in the By-Laws, Directors shall be natural persons of full legal age and (except for Directors appointed by the Declarant) shall be Unit Owners (or spouses of Unit Owners) in good standing.

5.06 Election of Officers. Officers of the Association shall consist of such officers and subordinate officers as may be specified in or provided for in the By-laws, and shall be elected by the Board in the manner specified in the By-Laws. During the Declarant Control Period, subject to any contrary provisions of the Act, the Declarant may appoint and remove all officers of the Association.

5.07 Voting by Ballot or Proxy. To the fullest extent permitted by the Act, the Unit Owners may vote on any matter on which Unit Owners are entitled to vote (including, but not limited to, electing Directors and approving amendments to the Condominium Documents) by proxy or by mail-in ballot, in the manner specified in or provided for in the By-laws.

5.08 Standard of Conduct.

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

(b) In discharging the duties of their respective positions, the Executive Board members shall be entitled to rely in good faith on information, opinions, reports or statements (including financial statements and other financial data) in each case prepared or presented by any of the following:

(i) One or more other officers or employees of the Association whom the officer or Executive Board member reasonably believes to be reliable and competent in the matters presented;

(ii) Counsel, public accountants or other persons as to matters which the officer or Executive Board member reasonably believes to be within the professional or expert competence of such person; and

(iii) A committee of the Executive Board upon which he does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the officer or Executive Board member reasonably believes to merit confidence.

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

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

5.09 Limited Liability. No member of the Executive Board or officer, in his capacity as such, shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless he has breached or failed to perform the duties of his office under the standards described above; provided, however, that the provisions of this Section 5.09 shall not apply to the responsibility or liability of a member of the Executive Board or officer pursuant to any criminal statute, or to the liability of a member of the Executive Board or officer for the payment of taxes pursuant to local, state or federal law.

5.10 Indemnification. To the extent permitted under Pennsylvania law, each member of the Executive Board, in his capacity as a member of the Executive Board, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being, or having been, a Member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he is a member of the Executive Board, officer or both at the time such expenses are incurred, except in such cases where such member of the Executive Board and/or officer is adjudged to be in breach of the standards of conduct described above; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he is then a member of the Executive Board) approves such settlement and reimbursement as being in the best interests of the Association; and provided further that, indemnification hereunder with respect to any criminal action or proceeding is permitted only if such Member of the Executive Board and/or officer had no reasonable cause to believe his conduct was unlawful. The indemnification by the Unit Owners set forth in this Section 5.10 shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Member of the Executive Board and/or officer may be entitled under the By-laws as a matter of law or agreement or by vote of the Unit Owners or otherwise.

5.11 Condominium Documents and Records. The Association shall keep on file current copies of this Declaration, the By-Laws and the Regulations as well

as its own books, records and financial statements, all of which shall be available for inspection by Unit Owners and Eligible Mortgagees during normal business hours upon reasonable advance notice. Any Unit Owner or Eligible Mortgagee may obtain copies thereof, subject to payment of the reasonable costs of duplicating the same.

ARTICLE VI - COVENANT FOR ASSESSMENTS; LIENS; COLLECTION

6.01 Assessments; Allocation of Common Expense Liability.

(a) The Common Expense Liability allocated to each Unit shall be the percentage equivalent of a fraction, the numerator of which is 1 and the denominator of which is the total number of Units. The initial Common Expense Liability of the Units subject to this Declaration as of the date of recording hereof are as set forth on Exhibit "E" attached hereto and made a part hereof. If additional Units are created (or Units are eliminated) pursuant to any right reserved herein or in the Act, the Common Expense Liability of all Units shall be redetermined and reallocated, effective as of the beginning of the calendar month immediately following the date on which such Units are created (or eliminated). Upon the creation of any additional Units, the Common Expense Liability of all Units shall be redetermined and re-allocated on the same basis.

(b) Each Unit Owner is obligated to pay all Assessments levied against his Unit. Assessments against a Unit are the joint and several personal obligations of the Unit Owners thereof at the time the Assessment (or any installment thereof) falls due.

(c) The obligation to pay Assessments is not be subject to deduction or set-off and may not otherwise be diminished, discharged, suspended or abated because of: (i) any claim which such Unit Owner(s) may have against the Association or the Declarant; (ii) the failure or purported failure of the Association to provide services required hereunder; (iii) the fact that the Unit has been demolished, destroyed or removed, in whole or in part, or is unoccupied or uninhabitable for any reason; or (iv) the failure or refusal of any other Unit Owners(s) to pay Assessments.

(d) The Unit Owners of a leased Unit remain personally liable for Assessments against the Unit. If a lease imposes the obligation to pay such Assessments or any part thereof on the tenant, the Association shall be a third party beneficiary of such covenant and shall have the right (but not the obligation) to enforce such obligation directly against the tenant, or against the tenant and the Unit Owner, jointly and severally.

6.02 Damages. Each Unit Owner shall reimburse and indemnify the Association upon demand for any losses, expenses, costs or damages incurred by the Association as a result of any damage to Common Elements caused by the act, omission or negligence of such Unit Owner or his tenants, agents, guests, family members, licensees, contractors or subcontractors. Such damages may be assessed and collected as a Special Assessment against such Unit Owner.

6.03 Time for Payment. The due date for payment of Assessments or installments thereof by each Unit Owner shall be determined by the Board, but shall not be more frequent than monthly. Unless otherwise determined by the Board, the Assessment for each fiscal year shall be due and payable in monthly installments, in advance, on the first day of each calendar month.

6.04 Non-Payment; Late Charges; Interest; Lien.

(a) Any Assessment (or installment thereof) that is not paid within ten (10) days after it is due shall be considered delinquent and shall be subject to a late charge as determined by the Executive Board from time to time. Interest on any Assessment (or installment thereof) not paid within thirty (30) days after it is due shall accrue from the due date at the rate of fifteen (15%) percent per annum (or such other rate, not to exceed the highest rate permitted by law, as the Board may from time to time determine). Interest at said rate shall continue to accrue until the delinquent amount is paid in full, both before and after any judgment is entered in favor of the Association, notwithstanding any otherwise applicable "legal rate of interest".

(b) Any costs of collection, including reasonable attorney's fees (whether incurred before trial, at trial or on appeal), incurred by the Association in collecting or attempting to collect delinquent Assessments may be assessed and collected in the same manner as any other Assessments hereunder against the delinquent Unit Owner and shall be secured by the Association's lien therefor.

(c) If any Assessment or installment or part thereof remains unpaid for more than forty-five (45) days after it is due, the Board may accelerate all future installments of such Assessments with respect to the delinquent Unit Owner (if Assessments are payable in installments). Notice of acceleration shall be given to the delinquent Unit Owner and shall be effective unless the delinquent Unit Owner pays the Association, within ten (10) days after the date of such notice, all delinquent Assessments or installments thereof, all interest thereon, and all accrued late charges and collection costs.

(d) **There shall be a lien in favor of the Association against each Unit for the full amount of all Assessments levied against such Unit from time to time, together with all late charges, interest and collection costs**

(including attorney's fees as provided herein) incurred or charged by the Association with respect to delinquent Assessments hereunder. Such lien shall have the priority and may be enforced in the manner provided for in the Act. The Association's lien on a Unit shall be subordinate to the lien of an Eligible Mortgage encumbering that Unit which was recorded before the Assessment (or delinquent installment thereof) was due. The recording of this Declaration constitutes notice and perfection of the Association's lien. The Association shall have the right to collect from a Unit Owner, and the Association's lien shall also secure, all amounts paid or expended by the Association in order to protect or preserve the Unit or the priority of the Association's claim or lien including, without limitation, amounts paid or incurred to discharge real estate taxes or other liens senior in priority to the Association's lien, and interest on said sums at the rate specified herein.

6.05 Other Remedies. Assessments and other amounts payable by any Unit Owner may also be recovered by a lawsuit brought by the Association against the Unit Owner and any other person personally obligated to pay the same. The Association shall have all other rights and remedies available at law or in equity.

6.06 Resale Certificates. Within ten (10) days after a written request by a Unit Owner, the Association shall furnish to the Unit Owner a certificate containing the information and copies of documents necessary to enable the Unit Owner to comply with Section 3407 of the Act. A purchaser of a Unit shall not be liable for any unpaid Assessment or fee greater than the amount set forth in the certificate prepared by the Association, except for Assessments and charges accruing or coming due after the date the Association prepared such information.

6.07 Initial Contributions by First Time Buyers and Resales.

(a) Each Unit Owner purchasing a Unit from the Declarant shall pay, at the time of conveyance, a one time initial contribution in the amount of Five Hundred Dollars (\$500.00) which is in addition to, and not in lieu of, the regular Assessments payable with respect to the year in which such conveyance takes place. Such payments shall be nonrefundable and will not be returned by the Association if the Unit Owner subsequently sells or conveys his Unit. Any funds paid pursuant to this Section 6.07 to the Declarant shall be paid over to the Association on or before the expiration of the Declarant Control Period.

(b) Any person purchasing a Unit from a Unit Owner other than a Declarant shall pay to the Association at the time of such purchase a one-time contribution in the amount of Five Hundred Dollars (\$500.00) (or such greater amount, not exceeding two (2) times the then current monthly installment of Common Expense

Assessments) as may be determined by the Executive Board, which contribution shall be in addition to the then current Common Expense Assessment allocable to such Unit.

(c) The contributions collected pursuant to this Section 6.07 may be used and allocated by the Executive Board to set up and/or fund operating, repair/replacement or capital improvement reserves, or to defray current Common Expenses, in such manner as the Executive Board shall determine.

6.08 Discretion of Board of Directors. In connection with the collection of delinquent Assessments, the Board shall have the power, in its discretion, to waive or compromise the obligation of an Unit Owner to pay interest, late charges and/or costs of collection, and to compromise or settle the obligation of one or more Unit Owners to pay delinquent Assessments or other sums payable by them hereunder, if the Board reasonably determines that it is in the best interests of the Association to do so based upon such factors as the Board deems relevant, including, without limitation, the likelihood of collecting the full amount due and the expense and delay associated therewith.

6.09 Basis and Computation of General Common Expense Assessments.

(a) Approximately sixty (60) days before the beginning of each fiscal year of the Association, the Board shall adopt a budget for such fiscal year setting forth estimated Common Expenses, segregating (but only to the extent required by this Declaration), General Common Expenses and Limited Common Expenses. The total Assessments on all Units for that fiscal year shall then be computed based on the total estimated Common Expenses set forth in such budget (in excess of any surplus from a prior year or years not allocated to or set aside as reserves by the Board). The Assessment for General Common Expenses against each Unit shall be determined by multiplying the total Assessment for General Common Expenses by the percentage Common Expense Liability allocated to such Unit. Any Assessment for segregated Limited Common Expenses shall be assessed against the Unit or Units to which the Limited Common Element(s) with respect to which such expenses are or will be incurred is allocated, equally among such Units. In determining Assessments for any year, the Board shall have the right to include in the Budget for such year a reasonable allowance for delinquent or uncollectible Assessments, as well as such allocations to reserves as the Board deems appropriate.

(b) Notwithstanding that certain Common Elements are allocated and designated as Limited Common Elements in this Declaration, the Plats and Plans, or by the Act, and notwithstanding the provisions of Section 3314(c) of the Act, the expenses incurred and to be incurred by the Association in connection with the maintenance, repair and replacement of Limited Common Elements shall be assessed

as General Common Expenses against all the Units (and need not be segregated in the budget of the Association), except only for Assessments for Limited Common Expenses associated with parking spaces, alarm systems and water and sewer service as set forth below.

(c) Each Unit to which a parking space is assigned as a Limited Common Element, and each Parking Space Unit created within Convertible Real Estate pursuant to this Declaration, shall be assessed a separate Limited Common Expense Assessment with respect to such space (a "Parking Space Assessment"). Each Parking Space Assessment shall be equal and shall be in addition to the then current General Common Expense Assessment. The initial Parking Space Assessment shall be determined based on a reasonable estimate of the cost of maintenance and repair of the parking garage in the Building in which the space is located, including reserves for future repairs and/or replacements. Once the initial Parking Space Assessment is made, it shall not be necessary for the Executive Board to segregate estimated expenses associated with the maintenance, upkeep, repair or replacement of parking spaces allocated as Limited Common Elements (but the Executive Board may do so, in its discretion). In the absence of such specific allocation, upon any increase in the General Common Expense Assessment, the Parking Space Assessments shall automatically increase by the same percentage (i.e., if the General Common Expense Assessment increases by five percent (5%), the Parking Space Assessment shall automatically increase by five percent (5%)).

(d) Unless all of the Units have security systems installed, the cost incurred by the Association in connection with the operation, maintenance, repair, replacing and/or monitoring the security systems serving the Units shall be charged to those Units receiving such service as a Limited Common Expense.

(e) The budget of the Association may be modified from time to time by the Board to reflect any material change in the Common Expenses incurred or expected to be incurred by the Association for such fiscal year, and the Board shall have the power to increase or decrease the Assessments for Common Expenses accordingly. Such increase or decrease will be effective not earlier than thirty (30) days after the date of the notice thereof been given to the Unit Owners.

(f) Within thirty (30) days after adoption of the budget for a fiscal year, the Board shall cause notice of the new Common Expense Assessment and a copy of the budget to be mailed to each Unit Owner. Such budget shall become effective as of the first day of the fiscal year to which such budget relates, without the necessity of obtaining the approval of the Members. The failure of the Board to adopt a Budget or to adopt a new Common Expense Assessment shall not excuse the Unit Owners from paying Assessments or installments thereof based upon the Budget and Assessment in effect for the preceding year. Once an Assessment has been made by

the Board, it shall automatically continue in force for the fiscal year for which it was initially adopted, and during each subsequent fiscal year, until the amount of Assessments is changed by the Board.

(g) Any budget of the Association or capital expenditure approved by the Board may be rejected only with the affirmative vote of sixty-six percent (66%) or more of the votes that all Unit Owners are entitled to cast. Such rejection shall take place within thirty (30) days after notice of approval of the budget or capital expenditures has been mailed to the Unit Owners. Upon rejection of any budget, the most recently approved budget and associated Common Expense Assessments shall continue in full force until the adoption of a new budget which is not rejected by the Unit Owners. After rejection of a budget, the Board may adopt, approve and give notice of an amended budget to the Unit Owners.

(h) Any surpluses resulting from Assessments for Limited Common Expenses or General Common Expenses in excess of the actual expenses incurred may be set aside by the Executive Board as reserves including, but not limited to, operating, reserves, repair or replacement reserves, and reserves for future capital expenses or improvements. Any such surplus applicable to Assessments for Limited Common Expenses shall be credited only to Assessments for Limited Common Expenses against the same Units which contributed to such surplus. Nothing herein shall prohibit the Board from appropriating any surplus attributable to Assessments for General Common Expenses to the making of any capital improvement, addition, repair or replacement of any of the Common Elements.

(i) To the extent not separately metered or sub-metered, once all Units are sold to Unit Owners other than the Declarant, the costs of public water and sanitary sewer service shall be included in Assessments for General Common Expenses. Until then, Units held by Unit Owners other than the Declarant may be charged a Limited Common Expense Assessment for such services.

6.10 Special Assessments. The Board shall have the power to levy special Assessments for such purpose or purposes as the Board from time to time deem necessary or appropriate, including, but not limited to, paying the costs of unanticipated maintenance, repairs or replacements of the Common Elements. Special Assessments benefiting all Unit Owners shall be levied equally on all Units, and shall be due and payable in a lump sum or in such installments as the Board shall determine.

6.11 Commencement of Assessments. The first Common Expense Assessment shall be made after conveyance of the first Unit by the Declarant at such time as the Executive Board shall determine. Each Unit in existence as of the date on which the first Common Expense Assessment is made shall be subject to Assessments automatically and shall be subject to Assessments at all times thereafter until the

Condominium is terminated as provided in the Act. A Unit shall be deemed to exist and subject to Common Expense Assessments after completion thereof and the issuance of a certificate of occupancy therefor. Any Units thereafter created shall be subject to Assessments beginning on the first day of the first full calendar month after recording of the Supplemental Declaration creating such additional Units. At the time of conveyance of a Unit by the Declarant, the purchaser thereof shall reimburse the Declarant for the prorated amount of the then-current Assessment applicable to that Unit. The Executive Board may levy Limited Common Expense Assessments of the type described in Subsections 6.09 (c), (d) and (i) prior to the commencement of Assessments for General Common Expenses under the first sentence of this Section.

6.12 Reserves for Replacement. The Association shall establish and maintain a reasonable reserve fund for the repair and replacement of improvements comprising the Common Elements and any Limited Common Elements it is obligated to repair or replace.

ARTICLE VII - INSURANCE; CONDEMNATION; TERMINATION

7.01 Property Casualty Insurance. Beginning no later than the first conveyance of a Unit to a Unit Owner other than a Declarant, the Association shall maintain, to the extent reasonably available, all of the following:

(a) "all risk" property and casualty insurance insuring the Common Elements and Units (exclusive of improvements and betterments installed in the Units, and exclusive of personal property and other contents therein) against all common risks of direct physical loss commonly insured against, covering the interests of the Association, the Board and the Unit Owners, as their interest may appear. The total amount of insurance shall be not less than one hundred percent (100%) of the replacement cost of the insured property (exclusive of land, excavations, foundations and other items normally excluded from such casualty policies), subject to such reasonable deductibles as the Board may determine; provided, however, that the total amount of insurance after application of any deductible shall not be less than eighty percent (80%) of the actual cash value of the insured property exclusive of land, excavations, foundations and other items normally excluded from property policies.

(b) Comprehensive general public liability insurance for liability for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements, including medical payments insurance, in an amount determined by the Board, but not less than \$1,000,000.00 for bodily injury or death arising from a single occurrence. .

(c) Notwithstanding any provision hereof or of the Act to the contrary, the expense of all insurance carried by the Association, including insurance

on the Units, shall be assessed as part of the Assessment for Common Expenses in accordance with the Unit's respective Common Expense Liability, and not in accordance with or in proportion to risk.

7.02 Other Insurance. The Association may carry any other insurance including, but not limited to, directors and officers liability insurance, fidelity bonds, and the like, as the Board may determine from time to time.

7.03 Policy Terms; Waiver of Claims.

(a) Property, casualty and liability insurance carried by the Association pursuant to Section 7.01 hereof shall contain any policy terms required by the Act. Each Unit Owner shall be an insured person under the Association's liability insurance with respect to liability arising out of his ownership of an undivided interest in the Common Elements or membership in the Association. Each policy shall provide that (i) the insurer waives its right of subrogation under the policy against any Unit Owner or member of the Unit Owner's household, (ii) no act or omission by a Unit Owner (unless acting within the scope of his authority on behalf of the Association) will void the policy or be a condition of recovery under the policy, and (iii) if at the time of a loss under a policy maintained by the Association there is other insurance in the name of Unit Owner covering the same property covered by the Association's policy, the Association's policy shall be primary insurance not contributing with the other insurance.

(b) Each Unit Owner, for himself and members of his or her household, hereby waives any claims the Unit Owner may have against the Association or against any other Unit Owner arising out of any damage to or destruction of his Unit, and any claims for personal injury or property damage, to the extent such damages are covered by insurance maintained by the Association hereunder.

7.04 Insurance Obligations of Unit Owners. Each Unit Owner shall be individually and solely responsible for maintaining (a) liability insurance with respect to his Unit, and (b) casualty insurance insuring the improvements and betterments in the Unit not covered by insurance maintained by the Association, and insuring the contents thereof and any personal property therein. The Association shall have no insurance responsibility with respect to any Unit or the contents thereof except as expressly provided herein.

7.05 Insurance Deductibles. In the event of the damage or destruction of a Unit, the amount of any deductible or co-insurance payment that applies under any insurance on such Unit carried by the Association shall be the responsibility of the Unit Owner.

7.06 Adjustment of Losses. Any losses covered by any casualty insurance policy maintained by the Association shall be adjusted solely by and with the approval of the Association and proceeds thereof shall be payable to the Association and not to any mortgagee or Unit Owner. The Board shall have full and exclusive power and authority to negotiate, adjust and compromise all claims for insurance coverages, and to execute and deliver releases therefor upon payment of the agreed settlement for such claims. The Association shall hold such proceeds in trust for the benefit of the Association, the Unit Owners and lien holders, as their interests may appear. Subject to Section 7.07 below, such proceeds shall be disbursed first for the repair or restoration of the damaged Common Elements and Units, and no Unit Owners or lien holders shall be entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Common Elements and Units have been completely repaired or restored, or the Condominium is terminated.

7.07 Use of Proceeds.

(a) Any part of the Common Elements for which the Association maintains property insurance which is damaged or destroyed shall be repaired or replaced promptly by the Association unless (i) the Condominium is terminated in the manner provided under the Act, (ii) repair or replacement would be illegal under any state or local health or safety statute, law, regulation or ordinance, or (iii) eighty percent (80%) of the Unit Owners (including every Unit Owner to whose Unit any Limited Common Element which will not be rebuilt is allocated) vote not to rebuild. The cost of the repair or replacement in excess of available insurance proceeds and reserves shall be a General Common Expense or, with respect to Limited Common Elements repaired or replaced, a Limited Common Expense.

(b) Any part of a Unit for which insurance is required to be maintained and which is damaged or destroyed shall be repaired or replaced promptly except in the case of events described in subsection (a)(i), (ii) or (iii) above and any cost of repair or replacement in excess of available insurance proceeds shall be borne by the Unit Owner. Any cost of repair or replacement in excess of available insurance proceeds shall be a General Common Expense.

(c) If the entire Condominium is not repaired or replaced, the insurance proceeds shall be distributed and disbursed pursuant to the requirements of the Act.

7.08 Other Insurance. The Association shall maintain any insurance coverages that may be required under applicable law or under applicable guidelines and regulations promulgated by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and/or their successors or assigns. The Board may increase insurance coverages and obtain additional insurance coverages not

specifically stated herein as the Board determines from time to time, in its discretion, the premiums for which shall be Common Expenses. Policies of insurance shall be deposited with and shall be maintained by the Board.

7.09 Condemnation. If all or any part of the Common Elements or Units are taken through condemnation or eminent domain proceedings, the proceeds of such condemnation shall be paid and applied as provided in Section 3107 of the Act. Any award attributable to a taking of all or a part of the Common Elements, including Limited Common Elements, shall be paid to the Association, as trustee for the benefit of the Unit Owners and their respective mortgagees, for distribution pursuant to Section 3107 of the Act.

7.10 Termination. Except for a termination resulting from the taking of all the Units by eminent domain, the Condominium may be terminated only by the agreement of Unit Owners of Units to which at least eighty percent (80%) of all votes in the Association are allocated, and the consent of Eligible Mortgagees as hereinafter provided. If the Condominium is terminated by the Unit Owners, and if the real estate comprising the Condominium is sold, the proceeds shall be distributed as provided in Section 3220 of the Act.

ARTICLE VIII - USE AND OCCUPANCY RESTRICTIONS

8.01 Subdivision of Units. Once a Unit has been conveyed by Declarant to a Unit Owner other than a Declarant, such Unit may not be further subdivided.

8.02 Residential Use. The Units shall be used exclusively for residential purposes, except that home occupations are permitted provided that the particular occupation and the manner in which it is conducted (i) is permitted by applicable local ordinances, (ii) is incidental to the primary residential use of the Unit, and (iii) does not and will not entail visitation by customers or clients or involve a material number of commercial deliveries. The Board may adopt Regulations further regulating and limiting home occupation use. Each Unit shall be used as a residence for a single family.

8.03 Appearance; Nuisances; Maintenance. Each Unit Owner shall keep his Unit in a clean, neat, sanitary and safe condition. Each Unit Owner shall refrain from any activity, including unreasonable noise or other disturbance that unreasonably interferes with the quiet and peaceful enjoyment of other Units and other Unit Owners or residents. The Board shall have the power to adopt and amend reasonable Regulations relating to the use and occupancy of the Units for purposes of promoting the residential character of the Condominium and prohibiting activities that impair or interfere with the quiet and peaceful enjoyment of the residents and/or threaten the health, safety and welfare of the residents.

8.04 Leasing. A Unit Owner may lease his Unit (but no less than his entire Unit) at any time and from time to time provided that the following conditions are satisfied (which shall not be applicable to leases entered into by the Declarant with respect to Units owned by the Declarant): (i) such lease is in writing and is for an initial term of at least six (6) months (provided that a shorter term is permitted in a lease with a person who has entered into a written agreement to purchase the Unit), (ii) a true copy thereof (and any subsequent amendments or modifications thereto) is delivered to the Association within ten (10) business days after it is signed by all parties thereto, and (iii) the lease shall expressly obligates the lessee(s) to comply with this Declaration and the Regulations (which shall be binding on the lessee whether or not the lease so states), and (iv) the tenants named in the lease and any other persons residing with such tenants at all times satisfy the requirements of Section 8A.02 hereof, and (v) the Unit Owner leasing such Unit delivers to the Association such documents as the Association may require to verify the identity and age of the tenants and occupants of such Unit. Whether or not so stated in any lease, all tenants and occupants of a Unit shall be bound by this Declaration and the Regulations, and the Association shall be entitled to enforce the provisions hereof and thereof against such persons directly, provided further that the Unit Owner leasing such Unit shall at all times be responsible to ensure that the tenants and occupants of his or her Unit comply with this Declaration and the Regulations. The Association shall be entitled to demand payment directly from the lessee of any Assessments, fines or other sums payable by the Unit Owner which are delinquent and the lessee shall pay such sums to the Association (not in excess of amounts due to the Unit Owner) and shall have the right to deduct sums so paid to the Association from amounts due the Unit Owner under the lease. The Association shall have the right to require that the Unit Owner take all necessary steps to terminate such lease and evict such tenant(s) within thirty (30) days after written notice from the Association as a result of violations by the lessee (or his family, guests or invitees) of this Declaration or the Regulations which continue or recur after written notice thereof is given by the Association to the Unit Owner or the lessee.

8.05 Signs. Except as permitted by this Declaration or by Regulations, no Unit Owner may permit any signs or plaques to be placed on the exterior of his Unit.

8.06 Displays; Outside Units. Except as otherwise permitted by Regulations, nothing shall be hung or displayed on or from the outside of the Units, or on or from the balconies, patios or decks, or out of or from the exterior windows or placed on the outside walls or outside surfaces of doors of any of the Buildings or Units. No awnings, canopies or shutters (except for those installed by Declarant or the Association) shall be affixed or placed upon the exterior walls or roofs of any part thereof, nor relocated or extended, without the prior approval of the Association.

8.07 Animals and Pets. No animals, livestock, fowl, or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Elements, except as hereinafter provided. Subject to Regulations adopted by the Executive Board from time to time, up to two (2) household pets such as domestic dogs and cats may be kept in a Unit at any time, provided that at no time may more than one (1) dog be kept in a Unit. The limitation on household pets in the preceding sentence shall not apply to customary and reasonable household pets such as fish, hamsters or guinea pigs that are kept in and contained by cages or aquaria provided that such pets otherwise do not create a nuisance or disturb other Unit Owners or residents. Regulations adopted by the Executive Board may prospectively exclude any kind of pet by type or category, including any not presently excluded hereby. Any pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days written notice from the Executive Board. No pets shall be permitted on or about the Common Elements unless restrained by the use of a leash, pet carrier or other suitable restraint. The Executive Board has the right to promulgate Regulations that govern where pets may be walked or exercised on the Real Estate and make any other reasonable Regulations relating to the keeping and exercise of pets. Any resident maintaining a pet shall register such pet in writing and provide such information as the Executive Board may require including, but not limited to, the name, breed and color of such pet. Any pets that are required by law to be licensed and/or vaccinated or inoculated against rabies or other diseases for which pets are customarily vaccinated shall be properly licensed and vaccinated and evidence thereof shall be provided to the Executive Board at any time upon request.

8.08 Personal Property on Common Elements. No benches, chairs, or other personal property shall be left on any part of the Common Elements without the prior consent of the Executive Board. Notwithstanding the preceding, reasonable patio-type furniture may be kept and maintained on the balconies or patios that are Limited Common Elements allocated to a particular Unit.

8.09 Electric Service. No Unit Owner shall overload the electric wiring in the Buildings, or operate any machines, appliances, accessories, or equipment in such manner as to cause, in the judgment of the Executive Board, an unreasonable disturbance to others, nor shall any Unit Owner connect any machine, appliance, accessory, or equipment to the heating system or plumbing system without the prior written consent of the Executive Board. Installation, removal, reconstruction, or repair of any electrical lighting and power circuits, or electrical outlet box, or terminal device included in such outlet box, or any item or heating or air conditioning equipment, any of which is located within an interior partition of a Unit, may be undertaken by the Unit Owner of such Unit only after application has been made to and written consent has been received from the Executive Board. Such consent shall be granted only if the work performed shall be of similar or superior quality to that present throughout the Building and shall be performed by qualified personnel. The cost of installation,

removal, reconstruction or repair whether undertaken by a Unit Owner, or by the Executive Board, (under the same procedures utilized for Common Elements), shall be borne by the Unit Owner of the Unit benefited thereby.

8.10 Balconies and Patios. No Unit Owner shall place or store anything on the patio or balcony appurtenant to his or her Unit, nor store any prohibited materials in a storage area appurtenant to his or her Unit in violation of any Regulation relating thereto promulgated by the Executive Board; nor shall any such Limited Common Element be decorated, painted, or otherwise altered, without prior written approval from the Executive Board which may be denied or conditioned in the discretion of the Executive Board. No gas, electric, charcoal or other grills or cooking devices may be used or operated on decks, porches or patios, nor shall any outdoor fireplace be used or operated thereon, except as may be expressly permitted by Regulations adopted by the Executive Board.

8.11 Regulations. Reasonable Regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Condominium, may be promulgated from time to time by the Executive Board, subject to the right of the Association to change such Regulations. After the Declarant Control Period, no Regulation shall be adopted by the Executive Board except by resolution of the Executive Board made at a meeting open to all Unit Owners following written notice to all Unit Owners, which notice shall have set forth the substance of the Regulation(s) proposed for adoption. Copies of the then current Regulations shall be furnished to all Unit Owners by the Executive Board promptly after adoption of such Regulations or any amendments thereto.

8.12 Vehicles.

(a) No unlicensed, unregistered or inoperable motor vehicle may be kept on or about the Real Estate (including any Limited Common Element Parking Space or Parking Space Unit) without the prior consent of the Executive Board.

(b) No recreational vehicles, campers, trailers, boats or boat trailers shall be kept, stored or parked on or about any of the parking spaces in the Condominium (including parking spaces allocated as Limited Common Elements and Parking Space Units) except as may be expressly permitted by Regulations adopted by the Executive Board.

(c) Each resident of the Condominium shall register any vehicle kept, parked or stored on the Condominium with the Executive Board, in writing, setting forth such information as the Executive Board may reasonably require including, but not limited to, the year, make, model, plate number and registered owner of such vehicle.

(d) All motor vehicles kept, stored or parked by any Unit Owner or resident in any of the parking spaces within the Condominium or otherwise on or about the Common Elements or anywhere in the Condominium shall be insured as required by law.

(e) The Executive Board shall have the power and authority, by the adoption of Regulations, to regulate the number of motor vehicles that may be kept or parked at the Condominium by any Unit Owner or resident of the Unit at any time, as well as the size of vehicles that may be kept, parked or stored in any parking space in the Condominium.

8.13 Improvements on Common Elements. No Unit Owner shall construct or cause to be constructed any improvements on or to any of the Common Elements, or alter or cause to be altered any Common Element, without the prior approval of the Executive Board, which approval may be granted or withheld by the Executive Board in its discretion, or approved subject to such conditions as the Executive Board may impose.

ARTICLE VIIIA – HOUSING FOR OLDER PERSONS

8A.01 Intent. It is the expressed intent of the Declarant that the Condominium and the Units shall constitute and provide "housing for older persons" within the meaning of the Fair Housing Amendments Act and specifically 42 U.S.C. §3607(b), and the regulations promulgated thereunder, and the corresponding and/or supplemental provisions of any applicable Pennsylvania law or any local ordinance, each as amended from time to time (collectively, the "Minimum Age Regulations"), and that the Condominium and Units are intended and operated for occupancy by persons 55 years of age or older.

8A.02 Age/Occupancy Restriction. Except as otherwise expressly permitted by this Declaration, a Unit in the Condominium may only be occupied by the following person(s):

(a) At least one person aged 55 years or older, as determined in accordance with the Minimum Age Regulations and as verified to the Executive Board in the manner hereinafter provided (a "Minimum Age Occupant");

(b) The spouse or live-in companion of a Minimum Age Occupant, and who resides in the Unit with the Minimum Age Occupant;

(c) Members of the family of a Minimum Age Occupant who are eighteen (18) years of age or older, and who reside in the Unit with the Minimum Age Occupant;

(d) A surviving husband or wife of a Minimum Age Occupant, regardless of age, who was residing at the Unit with the Minimum Age Occupant prior to his or her death;

(e) A Person who is not a member of the family or household of a Minimum Age Occupant but who occupies the Unit with a Minimum Age Occupant and whose services are necessary to provide reasonable accommodation to, or medical assistance for, a Minimum Age Occupant.

8A.03 Visitation and Temporary Occupancy. Nothing in this section shall prohibit the entertainment of or visitation by persons of any age, or temporary occupancy by persons of any age where such occupancy does not exceed more than ninety (90) days (in the aggregate) in any twelve (12) month period.

8A.04 Policies; Verification; Enforcement.

(a) The Executive Board shall have the power to adopt such regulations, procedures and policies as may be necessary in order to ensure that the Condominium is operated as housing for older persons of age 55 or older in compliance with the Fair Housing Act and the regulations thereunder, as the same may be amended from time to time.

(b) The Association shall periodically verify the occupancy of the Units and the age of the occupants thereof by surveys, census questionnaires or other means permitted by law. Each occupant of a Unit shall furnish to the Executive Board such information as the Executive Board may require in order to verify that at least one bona fide resident of the Unit is a Minimum Age Occupant, and shall provide such means of identification and age verification as the Executive Board may reasonably require including, but not limited to, a driver's license, birth certificate, passport, immigration card, military identification or other official form of identification approved by the Executive Board. Each Unit Owner and occupant shall, upon request, complete any questionnaire, census or other documentation periodically requested by the Executive Board in order to verify the names and ages of all occupants of the Units. If a Unit Owner or occupant fails to provide such documentation or fails to complete such surveys, affidavits or census requests, the Association may levy such fines against the Unit as the Executive Board may determine, from time to time, which fines shall be a lien upon such Unit and collectible in the manner provided for the collection of Assessments hereunder and under the Act. The levying and collection of such fines

shall be in addition to and not in lieu of any other remedies that may be available to the Association.

(c) If a Unit is occupied in violation of the restrictions in this Article VIII A, then in addition to having the right to levy and assess fines against the Owner or Owners of the Unit in question, the Association shall have the right to enforce this restriction by any appropriate action at law or in equity, including an action to evict persons occupying a Unit in violation of these restrictions, and the Unit Owner of the Unit with respect to which such violation occurred shall pay all costs and expenses including attorney's fees incurred by the Association in connection with the enforcement or attempted enforcement of such restrictions.

8A.05 Sales of Units.

(a) Except for Units conveyed by the Declarant, no Unit may be sold, leased or occupied in violation of the Minimum Age Regulations or the restrictions contained in this Article VIII A.

(b) Declarant reserves the right in its sole discretion to sell Units or lease Units for occupancy by persons who are not 55 years of age or older (but who are at least 18 years of age or more). If (and only if) the Agreement of Sale between the Declarant and a purchaser of a Unit expressly so provides, such Unit shall not be subject to the occupancy restrictions in Section VIII A.02 above as long as such Unit is owned and occupied by such Unit Owner. However, such Unit may not thereafter be sold, leased or occupied except in full compliance with the Minimum Age Regulations and the restrictions on occupancy set forth in this Article VIII A.

8A.06 Leasing. In addition to any other restrictions contained in this Declaration regarding the leasing of a Unit, any Unit Owner leasing a Unit shall obtain from the proposed tenants, prior to leasing the Unit, verification of the age(s) of the proposed occupant(s) under such lease in such form as the Executive Board may prescribe and shall deliver such verification to the Executive Board. Each lease shall conspicuously notify the proposed tenant(s) of the restrictions on occupancy of a Unit contained in this Article VIII A and the obligations of the tenant(s) to comply with the age verification policies and procedures adopted by the Executive Board from time to time. The Executive Board shall have the authority to promulgate Regulations setting forth specific provisions or requirements to be included in leases for Units.

ARTICLE IX - EASEMENTS

9.01 Statutory Easements. Declarant expressly reserves, and the Real Estate and the Condominium are expressly subject to, the easements provided for by Sections 3216 (easement for encroachments), 3217 (easement for use for sale purposes) and 3218 (easement to facilitate completion, conversion and expansion) of the Act, and the express easements set forth herein supplement such statutory easements and are not in lieu thereof.

9.02 Easement to Construct and to Dedicate Improvements. Declarant hereby reserves for itself, its successors and assigns, and the Association, the following easements, rights and privileges:

(a) All easements, whether general or specific, shown on the Plats and Plans, and in the recorded subdivision and/or land development plans relating to the development of the Real Estate;

(b) An easement for the construction, installation, repair, inspection, alteration and maintenance of surface and subsurface utilities and utility facilities including, without limitation, electrical, telephone, cable television, water, sewer and similar facilities to serve the Condominium and all Units the Declarant reserves the right to construct hereunder;

(c) The right to grant easements through, over, across and under the Common Elements to public or private entities furnishing electric, telephone, cable television, public water, sanitary sewer, storm sewer, natural gas or other utility services; and

(d) The right to dedicate or offer for dedication to the Township or other appropriate municipal or quasi-governmental entity (i) all roads (and related road rights-of-way) constructed within the Condominium pursuant to the Plan, (ii) all drainage easements and other easements necessary or appropriate to provide access to and from any Stormwater Management Facilities or other Common Elements, and (ii) any other facilities or easements required or that may hereafter be required to be dedicated or offered for dedication to the public.

9.03 General Utility Easements. The Units and Common Elements are subject to present and future easements granted in favor of the Declarant, appropriate utility and service companies, governmental agencies or authorities and the Association for such utility and service lines and equipment as may be necessary or desirable to serve the Units and/or Common Elements. These easements include, without limitation, the right of the Declarant, the utility or service company or applicable

governmental agency, and the Association, to construct, install, lay, maintain, repair, relocate and replace water mains, pipes, sprinklers, meters and related systems; gas mains, pipes, meters and related systems, sewer and drain lines, telephone wires and equipment, television and cable television equipment and facilities, electrical wires, conduits and equipment, and ducts and vents over, under, through, along, in and on the Units and Common Elements; together with the right (when accompanied by the Unit Owner or a representative of the Board) to enter into the Unit for the purpose of repair, maintenance, adjustment or any other related purpose authorized by law or applicable regulations including, without limitation thereto, termination of water and/or sewer service by the appropriate service company or agency.

9.04 Easement for Inspection and Abatement. The Declarant and the Association (and its Board, officers and agents) shall have the right and easement to have access to each Unit as may be necessary in order to inspect, maintain, repair or replace any Common Elements therein or accessible therefrom, or to inspect for or abate any violation of the Condominium Documents.

9.05 No Obstruction. No Unit Owner shall conduct any activities on or about his Unit or the Common Elements, or construct or place on his Unit or on any Common Elements any building, structure or obstruction which may interfere with or obstruct the Declarant's, the Association's or any other persons' right of use or enjoyment of the Common Elements or any of the easements affecting the Condominium or any part thereof.

9.06 Easement for Encroachments. If any part of the Common Elements now or hereafter encroaches on any Unit, or if any Unit or hereafter encroaches upon any Common Elements (other than as a result of the intentional or negligent act or omission of a Unit Owner other than the Declarant), a valid easement appurtenant for such encroachment shall exist.

ARTICLE X - SPECIAL DECLARANT RIGHTS

10.01 Reservation of Special Declarant Rights. Declarant hereby reserves for itself, and any successor Declarant, the following rights:

(a) The right to maintain and relocate, from time to time, one (1) or more (but not more than ten (10)) construction and/or sales offices (without limitation as to size or location);

(b) The right to maintain signs on Units owned by the Declarant and on the Common Elements advertising Units owned by the Declarant for sale or lease, and such other signs, including directional signs, as the Declarant may desire to

place on its Units or on the Common Elements in connection with the marketing and/or sale of Units and the construction of Units and other Improvements on the Condominium;

(c) The right to maintain, locate and relocate offices and models used in connection with the management of and sale or rental of Units owned by the Declarant on the Declarant's Units;

(d) The right to complete all Common Elements and Units planned or contemplated for construction within the Condominium;

(e) The right to relocate boundaries between Units owned by the Declarant, and the right to relocate the boundaries between Units and Common Elements, together with the right to prepare, execute and record such amendments to this Declaration and the Plats and Plans as may be necessary to show the altered boundaries, to the fullest extent permitted by the Act;

(f) The right to appoint, remove and replace officers and Directors of the Association during the Declarant Control Period, to the fullest extent permitted hereunder and by the Act;

(g) the right to create Units, Common Elements or both within the Convertible Real Estate; and

(h) The right to transfer, in the manner set forth in the Act, any or all of the Special Declarant Rights reserved unto the Declarant herein.

10.02 Declarant's Rights as to Convertible Real Estate.

(a) Declarant hereby reserves the right to create additional Units and Limited Common Elements (or both) within the Convertible Real Estate. Such right may be exercised at any time within seven (7) years after this Declaration is recorded, after which time said option shall lapse as to any part of the Convertible Real Estate with respect to which the Declarant has not, on or before that date, exercised its option hereunder. There are no limitations on the options reserved by the Declarant hereunder, except those created by or imposed by operation of law and those expressly set forth in this Declaration.

(b) If additional Units are created within the Convertible Real Estate, the voting power in the Association and the Common Expense Liability appurtenant to each Unit shall be reallocated pursuant to this Declaration. If additional Units are created within the Convertible Real Estate, the percentage interest in Common Elements, relative voting strength and Common Expense Liability allocated to

each Unit in the Condominium prior to such conversion will be decreased (but not increased). Voting shall be allocated on the basis of one (1) vote per Unit. Common Expense Liability shall be re-allocated in accordance with the formula set forth in Section 5.01(a) of this Declaration.

(c) The Declarant reserves the right to convert parts of the Convertible Real Estate at different times and in any order the Declarant may determine, and no assurances are made with regard to the order in which, or boundaries of, parts of the Convertible Real Estate that may be converted at any time. The conversion of all or any part of the Convertible Real Estate will not require the Declarant to convert all or any part of the remaining Convertible Real Estate.

(d) The maximum number of residential Units that may be created within the Convertible Real Estate is 49, and the maximum number of residential Units that may be created within the Condominium (including those created within the Convertible Real Estate) shall be one hundred eighty (180). All Units created within the Convertible Real Estate shall be restricted to residential use as provided herein, and shall be subject to the restrictions set forth in Article VIII A of this Declaration.

(e) Buildings or Units created within the Convertible Real Estate will be compatible in all material respects with existing Buildings or Units within the Condominium in terms of architectural style, quality of construction and principal materials employed, but the Declarant reserves the right to make such changes in the size, layout and price range of such additional Units as the Declarant deems advisable in its sole discretion and no other assurances are made with respect thereto.

(f) All restrictions in this Declaration affecting use, occupancy and alienation of the Units shall apply to Units created within the Convertible Real Estate, subject to such differentiations as the Declarant may deem appropriate based on the different character, style or type of Units created within the Convertible Real Estate, which differentiation the Declarant reserves the right to make in its sole and absolute discretion.

(g) No assurances are made with respect to other improvements or Limited Common Elements that may be made or created within the Convertible Real Estate. However, the Declarant intends that the type of improvements and Limited Common Elements that will be created within the Convertible Real Estate (if, as and when the same is converted) will be substantially similar to those made within the Condominium initially subject to this Declaration, including interior private streets, parking spaces, street lighting, sidewalks and the like. The buildings and other improvements that may be located within the Convertible Real Estate will be located at substantially the same locations as depicted on the Plats.

(h) No assurance is made that (i) the Limited Common Elements created within the Convertible Real Estate will be of the same general types, sizes or character as those located within other parts of the Condominium, or (ii) that the proportion of Limited Common Elements to Units created within the Convertible Real Estate will be approximately equal to the proportion existing within other parts of the Condominium.

(i) Notwithstanding anything herein to the contrary, if the Declarant exercises its option to create any Units within the Convertible Real Estate, the Declarant shall be obligated to construct all improvements required by the approved subdivision and land development plans, but nothing herein shall require the Declarant to create all Units and/or Limited Common Elements which the Declarant may create therein.

10.03 Parking Space Units. To the extent that all or any part of the parking garage beneath a Building is designated as Convertible Real Estate, the Declarant reserves the right to designate one or more parking spaces therein as Limited Common Elements appurtenant to particular Units (subject to the limitations contained elsewhere in this Declaration) and with respect to all other parking spaces not designated as Limited Common Elements, to create parking space units intended for separate ownership and conveyance ("Parking Space Units"). The creation of such Limited Common Element Parking Spaces and Parking Space Units may be accomplished and carried out pursuant to a Supplemental Declaration executed and recorded by the Declarant (which shall not require the consent or approval of the Executive Board or other Unit Owners) or, in the case of the Limited Common Element Parking Space, by an assignment thereof to a particular Unit in the deed by which such Unit is conveyed to a Unit Owner from the Declarant, or a separate recorded assignment. If created, Parking Space Units shall each be allocated one-tenth the voting power of a residential Unit. Such Parking Units will not be allocated any Common Expense Liability, but shall be subject to separate Parking Space Assessments as provided in Section 6.09 of this Declaration. All such parking spaces, whether designated Limited Common Elements or Parking Space Units, shall be restricted to use by residents of the Building beneath which such parking space is located, their guests or invitees, and shall otherwise be subject to Regulations adopted by the Executive Board from time to time.

10.04 Subdivision or Conversion of Units. The Declarant reserves the right to subdivide Units owned by the Declarant, or to convert Units owned by the Declarant into two or more Units, Common Elements or a combination of Units and Common Elements. Subdivision of Units owned by the Declarant may not result in the total number of Units in the Condominium (taking into account Units that the Declarant

reserves the right to construct within the Convertible Real Estate) to exceed one hundred eighty (180).

10.05 Models; Sales Offices, Etc. While Declarant owns any Units, Declarant shall be entitled to maintain one (1) or more model homes, sales offices and construction offices (including mobile offices) and to maintain on or about the Common Elements such construction offices, construction equipment, vehicles, lumber and building materials as are necessary from time to time in connection with the development of the Condominium and the construction of Units and Common Elements.

10.06 Changes in Style, Etc. Declarant reserves the right to change, from time to time, the style, models, configuration, elevation and other features of the Units that the Declarant reserves the right to build on the Condominium.

10.07 Execution of Supplemental Declarations. The Declarant shall have the right, without the consent, approval or joinder of the Association or the other Unit Owners, to make, execute and record supplemental declarations, and make such amendments to the Plats and Plans, as may be necessary in order to exercise any of the Special Declarant Rights reserved to the Declarant herein, to the fullest extent permitted by Section 3219 of the Act.

ARTICLE XI - PROVISIONS BENEFITTING TOWNSHIP

11.01 Township's Right to Enforce. The Township shall be a third party beneficiary of the provisions of this Declaration requiring the Association to maintain the Common Elements. The Township shall have the right (but not the obligation) to compel the maintenance of the Common Elements in the event that the Association fails to do so, provided that the Township shall give notice to the Association of such failure and provide the Association with a reasonable opportunity to cure such failure, and shall have all rights provided in the Township's ordinances. The cost of such maintenance and enforcement proceedings by the Township, together with interest, penalties, costs and attorney's fees, shall be assessed ratably against the Units that have a right of enjoyment of the Common Elements affected thereby, and shall become a lien on such Units from the time such lien may be filed by the Township. Where a lien is placed by the Township against Units because of the failure of the Declarant, the Association or any successor organization to maintain the Common Elements in reasonable order and condition as provided herein, the Township shall, upon conveyance of a Unit, or securing any home equity loan by any Unit Owner, release its lien as to the affected Unit upon payment of the amount due which was ratably

assessed to that Unit, based upon the applicable Common Expense liability allocated to that Unit.

ARTICLE XII - PROVISIONS BENEFITTING ELIGIBLE MORTGAGEES

12.01 Notice of Certain Events and Actions. Each Eligible Mortgagee shall have the right to timely written notice from the Association of:

(a) Any condemnation or casualty loss that affects either a material part of the Condominium or the Unit secured by a mortgage held by such Eligible Mortgagee;

(b) Any delinquency of more than sixty (60) days and the payment of assessments or charges owed by the Unit Owner of a Unit on which it holds an Eligible Mortgage;

(c) A lapse, cancellation or material modification of any insurance policy maintained by the Association; and

(d) A proposed action that requires the consent of Eligible Mortgagees or a specified percentage thereof pursuant to these By-laws or the Declaration.

12.02 Financial Statements. Any Eligible Mortgagee who submits a written request to receive annual financial statements of the Association shall have the right to receive copies of such annual financial statements from the Association. An Eligible Mortgagee shall have the right to audit the financial statements of the Association, upon reasonable prior notice, at its expense.

12.03 Approval of Amendments by Eligible Mortgagees.

(a) Material amendments to the Articles of Incorporation of the Association, the Declaration or these By-laws shall require the approval (or deemed approval) of Eligible Mortgagees representing at least fifty-one percent (51%) of the votes allocated to Units that are subject to Eligible Mortgages.

(b) For purposes of Section 12.03(a) above, a "material amendment" shall mean an amendment to the Declaration or By-laws that would (i) change the manner in which votes are allocated among the Units;(ii) change the priority of liens for assessments;(iii) change the responsibility for maintenance and repairs;(iv) reallocate interests in Common Elements or the rights to their use except as otherwise

expressly provided herein; (v) a change in the description of Unit boundaries that affects the Unit upon which such Eligible Mortgagee holds a mortgage; (vi) converting Units into Common Elements, or vice versa (except for rights reserved to the Declarant with respect to the Convertible Real Estate); (vii) expand or contract the Condominium or add to or withdraw Real Estate to or from the Condominium; (viii) change the requirements for insurance maintained by the Association; (ix) impose any additional restrictions on leasing of Units; (x) impose any additional restrictions on a Unit Owner's right to sell, transfer or encumber his or her Unit; (xi) change any provision expressly benefiting Eligible Mortgagees.

12.04 Eligible Mortgagee's Approval of Certain Decisions. The following decisions of the Board of Directors and/or the Unit Owners shall be subject to the approval of Eligible Mortgagees representing at least fifty-one percent (51%) of the votes allocated to Units that are subject to Eligible Mortgages:

(a) A decision by the Association to establish self-management if professional management was previously required by the Condominium Documents or Eligible Mortgagees;

(b) A decision to restore or repair the Units or the Common Elements after damage or partial condemnation in a manner other than that specified in the Condominium Documents;

(c) A decision by the Executive Board to increase Common Expense Assessments to an amount that would increase the previous Common Expense Assessment by more than twenty-five percent (25%), or a decision by the Executive Board to reduce reserves for maintenance, repair and replacement of Common Elements; and

(d) A decision to terminate the legal status of the Condominium after substantial destruction or condemnation occurs.

A decision to terminate the Condominium for reasons other than substantial destruction or condemnation, which shall require the approval of Eligible Mortgagees representing at least sixty-seven percent (67%) of the votes allocated to Units subject to Eligible Mortgages.

12.05 Deemed Approval. Any Eligible Mortgagee to whom notice of any proposed amendment of the Condominium Documents or decision as described in Sections 12.03 and 12.04 above shall be deemed to have approved such amendment or action if notice thereof has been given to the Eligible Mortgagee at the address set forth in the last notice received from the Eligible Mortgagee, by certified or registered mail, return receipt requested, and such Eligible Mortgagee fails to respond within thirty (30) days after its receipt of such notice as indicated on the return receipt.

12.06 Limitation on Approval Rights. Nothing herein shall be construed to create any right of approval or disapproval on the part of Eligible Mortgagees as a condition of Declarant's exercise of any Special Declarant Rights expressly reserved by the Declarant in the Declaration including, but not limited to, the right to withdraw all or any part of the Withdrawable Real Estate and to create Units and/or Common Elements within the Convertible Real Estate, all of which rights may be exercised by the Declarant without giving notice to or receiving the approval of Eligible Mortgagees.

ARTICLE XIII - COMPLIANCE AND ENFORCEMENT

13.01 Compliance and Breach. The Board shall have the authority to exercise any and all remedies provided in this Declaration, or as otherwise may be provided by law, to enforce compliance with or remedy any violation of this Declaration, including the right to bring a suit at law or in equity to compel compliance with this Declaration, to restrain or abate any violation of this Declaration, or to recover damages for such violation. The Association shall be entitled to recover the reasonable costs of enforcement, including attorney's fees, from any Unit Owner or other person violating this Declaration or the Regulations. For purposes hereof, violation of any Regulations or By-laws adopted by the Association shall be considered a violation of this Declaration.

13.02 Enforcement by Unit Owners; Procedures.

(a) The Association shall have the right and authority to enforce the covenants in this Declaration relating to the payment of Assessments by Unit Owners.

(b) If the Board (or the architectural review committee, as the case may be), approves the construction, alteration or modification of any structure or improvement hereunder, such decision shall be final, binding and conclusive on all Unit Owners, and no Unit Owner shall have the right to bring any action at law or in equity to contest such approval or to compel the removal, modification or alteration of any structure or improvement built, made or altered in accordance with the terms of such approval.

(c) No Unit Owner shall have the right to bring any action at law or in equity to enforce any of the other terms, covenants, restrictions or provisions of this Declaration, or of the By-Laws or the Regulations, unless such Unit Owner shall have first complied with the procedures in Section 13.03 hereof, provided that this provision shall not preclude a Unit Owner from commencing an action if necessary in

order to toll any statute of limitations pending compliance with the procedures set forth in Section 13.03 hereof.

13.03 Grievance Procedure.

(a) If any Unit Owner alleges that one or more other Unit Owners or occupants of any Unit has violated or is violating the Condominium Documents, before commencing any action or suit relating thereto such Unit Owner shall first give written notice thereof to the Board and the affected Unit Owner(s) specifying with reasonable particularity the name and address of the alleged violator and the nature of the activities constituting a violation of the Condominium Documents. Notwithstanding the preceding, nothing herein shall be deemed to preclude a Unit Owner from commencing an action (e.g., by the filing of a Writ of Summons) prior to compliance with the grievance procedures set forth herein if reasonably necessary in order to toll any applicable statute of limitations.

(b) Within forty-five (45) days after the receipt of such notice, the Board, or a Committee of the Board, shall hold a hearing with respect to such complaint. Notice of the time, date and place of such hearing shall be given to the complainant and the person or persons against whom such complaint is made. Within fifteen (15) days after the date of such hearing, the Board or a Committee thereof, as the case may be, shall render a decision as to whether or not the actions complained of constituted a violation of the Condominium Documents and, if a violation has been determined to exist, a determination of what, if any, relief or remedies the Board deems appropriate under the circumstances. The Board shall have the authority from time to time to promulgate Regulations relating to the procedure to be followed in cases where an Unit Owner complains of the acts or omissions of other Unit Owners or occupants, and to govern procedures that shall apply at any hearing or hearings. If deemed necessary by the Board, any hearing with respect to an alleged violation of the Condominium Documents may be continued from time to time until the Board of Directors has obtained all information and/or testimony necessary in order to render its decision.

(c) In all hearings before the Board or any Committee thereof, all parties are entitled to be represented by legal counsel of their choice. The Board or an applicable committee of the Board shall determine all matters of procedure with respect to hearings before the Board under this Section 13.03, and shall not be bound by the formal rules of evidence.

(d) In connection with any suit at law or in equity by one or more Unit Owners against one or more other Unit Owner(s) or occupants of any Unit alleging any violation hereof, the Association shall have right to intervene in such proceedings if deemed to be in the best interests of the Association, including without limitation any

proceeding calling into question the validity, enforceability or interpretation of any covenants, restrictions or provisions of the Condominium Documents.

13.04 Remedies Cumulative; No Waiver. All rights and remedies provided for herein, or as otherwise may be available at law or in equity, shall be cumulative and may be pursued individually, together, at one time or from time to time, as the Board of the Association deems appropriate in its sole discretion. No delay or forbearance in the enforcement of any provisions of this Declaration shall be construed as or constitute a waiver of the right to do so. Neither the Association nor any Unit Owner shall be deemed to have waived any right of enforcement or any breach or default of the provisions of this Declaration on the part of any Unit Owner or occupant unless such waiver shall be in writing, and then only to the extent expressly set forth in such writing.

13.05 Costs and Attorney's Fees. In any action at law or in equity by the Association to enforce the Condominium Documents, the Association shall have the right to recover all costs and expenses and including reasonable attorney's fees (before trial, at trial and on appeal) incurred by it in enforcing or attempting to enforce the Condominium Documents, and such amounts may be assessed against the Unit Owner and shall constitute a lien on his Unit as provided herein.

ARTICLE XIV - MISCELLANEOUS

14.01 Assignment of Declarant's Rights and Obligations. Each Declarant shall have the right, in its sole discretion, to assign its rights, privileges and obligations hereunder to a successor by a written instrument executed by the Declarant and such successor, in compliance with the Act.

14.02 Amendment - Generally. Subject to the other provisions of this Declaration and the Act, this Declaration may be amended in the following manner:

(a) Any amendment to this Declaration may be proposed by the Declarant, the Board or by Unit Owners entitled to cast at least twenty percent (20%) of the votes which all Unit Owners are entitled to cast. The manner of proposing any amendments to this Declaration and giving notice to Unit Owners, shall be as set forth in the By-laws.

(b) Except as otherwise provided herein or in the Act, the Declaration may be amended only with the affirmative vote or agreement of Unit Owners entitled to cast sixty-seven percent (67%) or more of the votes that all Unit Owners are entitled to cast.

(c) To the extent required by Article XII hereof, such proposed amendment shall be submitted to and approved (which shall include deemed approval) by the required number of Eligible Mortgagees.

(d) No amendment to this Declaration shall make any change that would in any way alter, modify or affect any of the rights, easements or privileges of the Declarant, including Special Declarant Rights, without the consent of the Declarant.

(e) No amendment to this Declaration which would in any way alter, modify or affect any of the rights, easements or powers granted to the Township (including, without limitation, Article XI of this Declaration) may be made except by an instrument approved in writing by the governing body of the Township or joined or executed by the governing body of the Township.

(f) Each amendment to the Declaration shall be recorded and is effective upon recording.

(g) No Person may bring any action challenging any amendment to this Declaration more than one (1) year after the amendment is recorded.

14.03 Amendments by Declarant or Association. The Declarant or the Association, as the case may be, may amend this Declaration without the approval of the Unit Owners, and make any corresponding amendment or correction to the Plats and Plans, for any reason for which such amendments are permitted without approval of the Unit Owners by the Act including, without limitation, any Supplemental Declarations that may be prepared and recorded by the Declarant in connection with the exercise of any Special Declarant Rights hereunder.

14.04 Corrective Amendments. If any amendment to the Declaration is necessary in the judgment of the Association to cure any ambiguity, to correct or supplement any provision of this Declaration that is defective, missing or inconsistent with any other provision of this Declaration or with the Act, or to conform to the requirements of any agency or entity that has established national or regional standards with respect to loans secured by mortgages on units in condominium projects, then the Association may, from time to time, effect appropriate corrective amendments without the approval of the Unit Owners or the Eligible Mortgagees provided that the Association receives an opinion from independent legal counsel to the Association to the effect that such proposed amendment is permitted by the terms of this Section.

14.05 Severability. If any provisions of this Declaration are determined by a court to be invalid or unenforceable, such invalid or unenforceable provisions of this Declaration shall be deemed stricken therefrom and shall not affect the validity or

enforceability of any other provisions of this Declaration. In the event that any provisions of this Declaration are unenforceable or invalid as written, but may be reformed so as to make the same valid and enforceable in accordance with the reasonable intent of the Declarant as specified herein, it is the intent of the Declarant that any court interpreting such provisions shall to the extent permitted by law, reform the same so as to make the same valid and enforceable in accordance with the reasonable intent of the Declarant expressed therein.

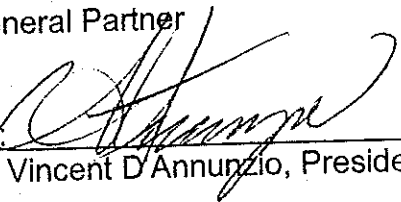
14.06 Governing Law. This Declaration shall be governed and construed in accordance with laws of the Commonwealth of Pennsylvania.

14.07 Covenants, Restrictions and Easements Running with the Land. This Declaration, and all covenants, restrictions and easements set forth herein, shall constitute covenants, restrictions and easements running with the Real Estate, in perpetuity, whether or not any deed conveying a Unit shall expressly refer to this Declaration, and all such covenants, restrictions and easements, shall, except as otherwise expressly provided herein, be binding and benefit the Declarant, all Unit Owners, and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the Declarant has executed this Declaration this as of the day and year first above written.

DECLARANT:

FOX VALLEY ASSOCIATES, L.P.
By: VINTAGE DEVELOPMENT CO., Its
General Partner

By: 
Vincent D'Annunzio, President

COMMONWEALTH OF PENNSYLVANIA :
 : SS
COUNTY OF CHESTER :

On the 8th day of July, 2005, before me the undersigned, a notary public for the Commonwealth of Pennsylvania residing in the County of Chester, personally appeared Vincent D'Annunzio, who acknowledged himself to be the President of Vintage Development Company, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes herein contained by signing the name of the corporation by himself as such officer.

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

Diane D Perrone
Notary Public

