

DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS APPLICABLE TO HICKORY HILLS
IN THE TOWN OF McCANDLESS, ALLEGHENY COUNTY

THIS DECLARATION, made on the date hereinafter set forth by WEST REALTY COMPANY (formerly known as Collingwood Corp.), a corporation organized on April 22, 1960 pursuant to the Act of April 12, 1917, P.L. 55, hereinafter referred to as "DECLARANT".

W I T N E S S E T H :

INTRODUCTORY

A. WHEREAS, DECLARANT is the owner of that certain real property located in the town of McCandless, Allegheny County, and Commonwealth of Pennsylvania, which is more particularly described as follows:

ALL that certain lot or parcel of ground, situate in the Town of McCandless, County of Allegheny and Commonwealth of Pennsylvania, being bounded and described as follows, to wit:

BEGINNING at a point on the easterly side of Arthur Drive (50 ft. wide), which point is distant South 32° 20' 00" East, 82.10 feet from a point of tangency; thence along the easterly side of Arthur Drive, South 32° 20' 00" East, 340.51 feet to a point of curve; thence by an arc of a curve, having a radius of 225.00 feet, curving to the left an arc distance of 295.18 feet to a point of tangency; thence continuing along Arthur Drive, North 72° 30' 00" East, 100.00 feet to a point of curve; thence by an arc of a curve, having a radius of 270.00 feet, curving to the left an arc distance of 395.84 feet to a point of tangency; thence continuing along the westerly side of Arthur Drive, North 11° 30' 00" West, 50.00 feet to a point of curve; thence by an arc of a curve, having a radius of 510.00 feet, curving to the right an arc distance of 237.22 feet to a point; thence North 74° 51' 00" West, 240.31 feet to a point; thence South 72° 30' 00" West, 149.21 feet to a point; thence South 17° 30' 00" East, 244.20 feet to a point; thence South 84° 07' 15" West, 205.79 feet to a point; thence South 88° 00' 00" West, 210.76 feet to a point at the place of beginning.

Containing: An area of 6.9806 acres.

B. WHEREAS, DECLARANT desires that the above described property be held, sold and conveyed subject to the provisions of this Declaration.

C. WHEREAS, the above described property is the first part of a larger tract which the DECLARANT wishes to develop in stages and convey subject to the provisions of this Declaration.

D. NOW, THEREFORE, DECLARANT hereby declares that the PROPERTIES (as that term is hereinafter defined) shall be held, sold and conveyed subject to the easements, covenants, conditions, restrictions, liens and charges contained herein, all of which are hereby established for the purpose of enhancing and protecting the value, desirability, marketability and attractiveness of the PROPERTIES, lots, units and other real estate which is the subject matter of this declaration and shall be binding on all parties having or acquiring any right, title or interest in the PROPERTIES or any part thereof, including such lots and units and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

Section 1.1. "Architectural Committee" shall mean a committee created pursuant to Article V hereof.

Section 1.2. "Architectural Committee Rules" shall mean the rules adopted by the Architectural Committee.

Section 1.3. "Articles" shall mean the Articles of Incorporation of the ASSOCIATION as said Articles are amended from time to time.

Section 1.4. "ASSOCIATION" shall mean and refer to HICKORY HILLS OWNERS ASSOCIATION, a Pennsylvania nonprofit corporation, its successors and assigns.

Section 1.5. "Board" shall mean the Board of Directors of the ASSOCIATION.

Section 1.6. "By-Laws" shall mean the By-Laws of the ASSOCIATION as such By-Laws may be amended from time to time.

Section 1.7. "Common Area" shall mean all real property (including the improvements thereto) owned by the ASSOCIATION for the common use and enjoyment of the Owners. The Common Area to be owned by the ASSOCIATION at the time of the conveyance of the first lot is described in Exhibit No. 1 to this Declaration.

Section 1.8. "DECLARANT" shall mean and refer to WEST REALTY COMPANY, a corporation as heretofore referred to, its successors and assigns if such successors and assigns should acquire any portion of the PROPERTIES from West Realty Company

for the purpose of development and are designated by West Realty Company as the DECLARANT for the purpose hereof by a duly recorded written instrument.

Section 1.9. "Declaration", or "this Declaration", shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, as the same may be amended from time to time, together with any and all Supplementary Declarations which may be recorded from time to time pursuant to the provisions of Article II hereof or of any other provision of this Declaration.

Section 1.10. "Improvements" shall mean buildings, garages, carports, roads, driveways, walkways, parking areas, fences, walls, covered patios, porches, elevated porches, sun decks, balconies, hedges, plantings, planted trees and shrubs, and all other structures or landscaping improvements of every kind, nature and description.

Section 1.11. "LANDS" shall refer to any land and improvements thereon erected that does not constitute a LOT and which is located within the boundaries of the PROPERTIES or any area annexed pursuant to Article II hereof.

Section 1.12. "LOT" as used in this Declaration shall mean and refer to any numbered plot of land shown upon any final subdivision map of the PROPERTIES, or of any portion of the PROPERTIES, recorded at any time after the date hereof. The term "LOT" shall not refer to any portion or the whole of the COMMON AREA, or areas dedicated to and accepted by any state or local public authority.

Section 1.13. "Manager" shall mean and refer to any managing agent, whether corporate or individual, retained by the ASSOCIATION, on contract and charged with the maintenance and upkeep of the COMMON AREA.

Section 1.14. "Owner" shall mean and refer to the record owner (including the DECLARANT), whether one or more persons or entities, of a fee simple title to any LOT, or other LANDS including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.15. "Parking Areas" shall mean and refer to all of those portions (if any) of the COMMON AREA intended to be used for vehicle parking purposes.

Section 1.16. "PROPERTIES" shall mean and refer to the real property described in Item "A" of the foregoing INTRODUCTORY, together with such additional real property as hereafter becomes subject to the provisions of this Declaration pursuant to the provisions of Article II of this Declaration.

ARTICLE II

ANNEXATION

Section 2.1. Annexation of Additional Real Estate.
Additional real estate may be annexed to and become subject to this Declaration by either of the following methods:

(a) Upon the written approval of Class A members of the ASSOCIATION entitled to cast at least fifty-one percent (51%) of the votes allocated to all Class A members and of the Class B members of the ASSOCIATION, if any, entitled to cast at least fifty-one percent (51%) of the votes allocated to all Class B members, the owner of any real property who desires to annex such real property to the scheme of this Declaration may accomplish such annexation by the recordation of a Supplementary Declaration as provided for by Sections 2.2 and 2.3.

(b) Notwithstanding the provisions of paragraph (a) of this Section 2.1, all or any portion of additional property owned by DECLARANT may, from time to time and at any time hereafter be annexed to the scheme of this Declaration by DECLARANT without the consent of the ASSOCIATION or its members by the recordation of a Supplementary Declaration as provided for by Sections 2.2 and 2.3.

Section 2.2. Method of Annexation. The additions authorized pursuant to paragraphs (a) and (b) of Section 2.1 shall be effectuated by the recordation of a Supplementary Declaration of Covenants, Conditions and Restrictions (hereinafter referred to as a "Supplementary Declaration"). The Supplementary Declaration shall be executed by the owners of the real property sought to be annexed to the scheme of the Declaration by recordation thereof, and, in the event annexation is accomplished pursuant to paragraph (a) of Section 2.1 shall have attached thereto the written consents of the members of the ASSOCIATION as required by said paragraph (a). The holders of any mortgages or other liens to which the PROPERTIES or any portion thereof (other than the real property sought to be annexed) shall be subject and which mortgages were created after the filing of this Declaration shall not be required to consent to such annexation.

Section 2.3. Contents of Supplementary Declaration.
The Supplementary Declaration shall describe the real property to be annexed to the scheme of this Declaration and shall state that it is being made pursuant to the terms of the Declaration for the purpose of annexing the property described in the Supplementary Declaration to the scheme of the Declaration and extending the jurisdiction of the ASSOCIATION to cover the property so described in such Supplementary Declaration. The Supplementary Declaration may contain such complementary additions and modifications to this Declaration as may be necessary to reflect the different character,

if any, of the real property being annexed and as are not inconsistent with the general scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants, conditions, restrictions and agreements established by the Declaration with regard to any real property subject to the Declaration prior to the recordation of such Supplementary Declaration. Owners of LOTS, and other LANDS within the PROPERTIES shall, upon recordation of any Supplemental Declaration, also have a right and non-exclusive easement of enjoyment in and to the COMMON AREA within the real property so annexed in accordance with the provisions of such Supplementary Declaration and an obligation to contribute to the cost of improvement, operation and maintenance of such COMMON AREA within the annexed lands in like manner as if such COMMON AREA had been originally located within the PROPERTIES. Any Supplementary Declaration recorded in accordance with the terms hereof shall be conclusive in favor of all persons who rely thereon in good faith. From and after recordation of any Supplementary Declaration in accordance with the provisions hereof, the real property described therein shall be subject to the provisions of this Declaration, the jurisdiction of the ASSOCIATION pursuant to the terms of this Declaration, the By-Laws and the Articles.

ARTICLE III

THE ASSOCIATION

Section 3.1. Organization. The ASSOCIATION is a non-profit Pennsylvania corporation charged with the duties and vested with the powers prescribed by law and set forth in the Articles, the By-Laws, and the Declaration. Neither the Articles nor By-Laws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with the Declaration. In the event of any such inconsistency the provisions of the Declaration shall prevail. The officers and the directors of the ASSOCIATION shall be required to be either (i) members of the ASSOCIATION, or (ii) officers, directors, agents, representatives or employees of DECLARANT. The Board of Directors of the ASSOCIATION, and such officers as the Board may elect or appoint, shall conduct the affairs of the ASSOCIATION, in accordance with the Declaration, the Articles and By-Laws, as the same may be amended and supplemented from time to time.

Section 3.2. Membership and Voting Rights.

(a) Every owner of a LOT which is subject to assessment shall be a member of the ASSOCIATION. Membership shall be appurtenant to and may not be separated from ownership of any LOT which is subject to assessment.

(b) The ASSOCIATION shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the DECLARANT, and shall be entitled to one vote for each LOT owned. When more than one person holds an interest in any LOT, all such persons shall be members. The vote for such LOT shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any LOT.

Class B. The Class B member(s) shall be the DECLARANT and shall be entitled to Eight (8) votes for each LOT owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) on January 1, 1981.

(c) Cumulative Voting. In any election of the members of the Board, every Owner entitled to vote at such an election shall have the right to cumulate his votes and give one candidate, or divide among any number of the candidates, a number of votes equal to the number of votes which such Owner is otherwise entitled to cast pursuant to the Declaration and the By-Laws. The candidates receiving the highest number of votes, up to the number of the Board members to be elected, shall be deemed elected.

Section 3.3. Duties of the ASSOCIATION. In addition to the powers delegated to it by its Articles, and without limiting the generality thereof, the ASSOCIATION shall have the obligation to perform each of the following duties:

(a) Operation and Maintenance of COMMON AREA. To operate, maintain, and otherwise manage or provide for the operation, maintenance and management of the COMMON AREA, together with all easements for operation and maintenance purposes and for the benefit of the ASSOCIATION or its members over and within the COMMON AREA; to keep all improvements of whatever kind and for whatever purpose from time to time located thereon in good order, condition and repair; and to maintain any parking areas free and clear of obstructions and in a safe condition for vehicular use at all times.

(b) Water and Other Utilities. To acquire, provide and/or pay for water, sewer, garbage disposal, electrical, telephone and gas and other necessary utility services for the COMMON AREA, if any.

(c) Taxes and Assessments. To pay all real and personal property taxes and assessments (if any) separately levied upon or assessed against the ASSOCIATION and/or any property owned by the ASSOCIATION. Such taxes and assessments may be contested or compromised by the ASSOCIATION; provided, however, that they are paid or a bond insuring the payment is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes. It is the intent of this Declaration that inasmuch as the interest of each owner in the COMMON AREA is an interest in real property on a proportionate basis appurtenant to each LOT, the value of the interest of each owner in such COMMON AREA be included in the assessment for each such LOT, and as a result any assessment directly against such COMMON AREA shall be of a nominal nature reflecting that the full value of the same has been included in the several assessments of the various LOTS.

(d) Insurance. To obtain from reputable insurance companies qualified to do business in the Commonwealth of Pennsylvania and maintain in force at all times the following policies of insurance:

(1) Fire and appropriate extended coverage and other appropriate physical loss and damage insurance on all improvements located in or upon the COMMON AREA. The Board shall have exclusive and sole discretion in determining appropriate insurance coverage consistent with reasonable premiums.

(2) Comprehensive liability insurance insuring the Board, the ASSOCIATION and the members (whether Class A or Class B), of the ASSOCIATION, including DECLARANT during the time DECLARANT is a member of the ASSOCIATION, against liability to, and claims of, the public, the members of the ASSOCIATION and any other person, firm or entity, occurring in or upon the COMMON AREA, or based upon, incident to or arising out of (i) the ownership or use of the COMMON AREA, or (ii) the activities of ASSOCIATION. Such coverage shall provide to the extent the same is available at reasonable rates for cross-liability endorsement wherein the right of named insureds shall not be prejudiced with respect to actions by them against another named insured, together with, to the extent the same is available at reasonable rates, an express waiver of the right of subrogation against any named insured. Limits of liability on such coverage shall (to the extent available) be at least as follows: Not less than Five Hundred Thousand Dollars (\$500,000.00) per person and Five Hundred Thousand Dollars (\$500,000.00) per occurrence with respect to bodily injury or death; not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence with respect to property damage; correspondingly appropriate limits for defamation, false arrest and other personal injury exposures. Such minimums shall from time to time be modified to reflect then current insurance practices.

(3) Such other insurance, including Workmen's Compensation insurance, to the extent necessary to comply with any applicable law and then current insurance practices and indemnity, faithful performance, fidelity, and other bonds as the Board shall deem necessary, appropriate or required to carry out the ASSOCIATION functions or to insure the ASSOCIATION against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of any ASSOCIATION funds or other property.

(e) Rule Making. To make, establish, promulgate, amend and repeal the ASSOCIATION Rules.

(f) Architectural Committee. To appoint and remove members of the Architectural Committee all subject to the provisions of the Declaration.

(g) Enforcement of Restrictions and Rules. To perform such other acts, whether or not expressly authorized by this Declaration as may be reasonably necessary or appropriate to enforce or effectuate any of the provisions of this Declaration and the Association Rules.

(h) Exterior Maintenance. To maintain the exterior of the structure or buildings located on the LOTS as hereinafter provided.

Section 3.4. Powers and Authority of the ASSOCIATION.
The ASSOCIATION shall have all of the powers of a nonprofit corporation organized under the Nonprofit Corporation Law of the Commonwealth of Pennsylvania, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the By-Laws, or the Declaration. The ASSOCIATION shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the ASSOCIATION under this Declaration, the Articles and the By-Laws, and to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the ASSOCIATION, including without limitation:

(a) Assessments: To levy assessments on the Owners of LOTS, and to enforce payment of such assessments, all in accordance with the provisions of the Declaration.

(b) Right of Enforcement. The ASSOCIATION shall also have the power and authority from time to time in its own name, on its own behalf or on behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of the Declaration and to enforce, by mandatory injunction or otherwise, all of the provisions hereof.

(c) Easements and Rights-of-Way. To grant and convey to any third party easements and rights-of-way in, on, over or under the COMMON AREA for the purposes of constructing, erecting, operating or maintaining thereon, therein or thereunder (1) overhead or underground lines, cables, wires, conduits, or other devices for the transmission of electricity and for lighting, heating, power, telephone, community television, radio and audio antenna facilities and other purposes, (2) public sewers, storm water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes and (3) any similar public or quasi-public improvements or facilities.

(d) Employment of Agents. To employ the services of any person or corporation as Manager, together with other employees, to, as may be directed by the Board, manage, conduct and perform the business, obligations and duties of the ASSOCIATION, and enter into contracts for such purpose. Such employees shall have the right to ingress and egress over such portions of the PROPERTIES as is reasonably necessary for the purpose of performing such business, duties and obligations.

Section 3.5. The Association Rules. By a majority vote of the Board, the ASSOCIATION may, from time to time, adopt, amend and repeal such rules and regulations as it deems reasonable. The Association Rules shall govern the use of any COMMON AREA, by the Owners, by the families of the Owners, or by any invitee, licensee, or lessee; provided, however, that the Association Rules may not discriminate among Owners and shall not be inconsistent with the Declaration, the Articles or By-Laws. In the event of any conflict between any such Association Rules and any of the other provisions, the Association Rules shall be deemed to be superseded by the provisions of the Declaration, the Articles or the By-Laws to the extent of such inconsistency. In the event of any conflict between the provisions of the Declaration and the provisions of the By-Laws or Articles of the Association, the provisions of the Declaration shall prevail.

Section 3.6. No Personal Liability. No member of the Board or any Committee of the ASSOCIATION, or any officer of the ASSOCIATION, or the Declarant, or the Manager, if any, shall be personally liable to any Owner, or to any other party, including the ASSOCIATION, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of such board or committee member, or any officer of the ASSOCIATION, the Board, the Manager, if any, any other representative or employee of the ASSOCIATION, the Declarant, the Architectural Committee, any other Committee, any officer of the ASSOCIATION, or the Declarant provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith, without willful or intentional misconduct.

Section 3.7. Exercise of Association Powers by Board.

The Board itself or through the ASSOCIATION's employees, officers, agent, or other persons designated by the Board for such purpose shall exercise for and on behalf of the ASSOCIATION all powers, duties and authority vested in or delegated to the ASSOCIATION and not otherwise requiring the consent or approval of the members of the ASSOCIATION, or a portion or percentage thereof by other provisions of this Declaration, the Articles or the By-Laws.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 4.1. Creation of the Lien and Personal Obligation of Assessments. The DECLARANT, for each LOT owned within the PROPERTIES, hereby covenants, and each Owner of any LOT by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the ASSOCIATION: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 4.2. Purpose of Assessments. The assessments levied by the ASSOCIATION shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the PROPERTIES and for the improvement and maintenance of the COMMON AREA and the exterior of the structures situated upon the LOTS.

Section 4.3. Maintenance by DECLARANT. Notwithstanding anything expressly or impliedly contained in the Declaration, the By-Laws or the Articles to the contrary, DECLARANT and its authorized agents shall operate, maintain and manage the COMMON AREA and have all the rights, duties and obligations of the ASSOCIATION set forth in the Declaration for such purpose until the first day of the month immediately following the expiration of six (6) months from and after the recordation of a deed evidencing the initial sale of a LOT to a purchaser other than DECLARANT. The first day of the month immediately following the expiration of six (6) months from and after the recordation of a

deed evidencing the initial sale of a LOT to a purchaser other than DECLARANT is hereinafter referred to as the "Initiation Date". DECLARANT may at its sole election from time to time postpone the Initiation Date for a total time period of up to three (3) years. Prior to the Initiation Date the cost of such operation, maintenance and management shall be the sole and exclusive obligation of DECLARANT. From and after the Initiation Date, Annual and Special Assessments shall be made, paid and enforced in the manner provided by the Declaration against all Owners. However, in no event shall any annual or special assessments be made against the DECLARANT, unless DECLARANT's LOTS are leased and are, in fact, occupied thereunder. After the Initiation Date the operation, management and maintenance of the COMMON AREA together with the rights, duties and obligations of the ASSOCIATION as set forth in the Declaration, shall be the sole and exclusive obligations of the ASSOCIATION.

Section 4.4. Initial and Maximum Annual Assessment. As heretofore and hereinafter provided, the Board of Directors shall, thirty days before the Initiation Date, fix the Initial Annual Assessment for the remainder of the calendar year. The said Initial Annual Assessment shall be adjusted for the number of months remaining in the calendar year. As hereinafter provided, the said Initial Annual Assessment may be deemed due and collectible on a monthly basis. From and after the Initial Annual Assessment, subsequent annual assessments shall not be raised by more than twenty-five (25%) without a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 4.5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the ASSOCIATION may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the COMMON AREA, including fixtures and personal property related thereto, or for exterior maintenance per Article VII, provided that any such assessment shall have the assent of two-third (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 4.6. Notice and Quorum for any Action Authorized Under Sections 4.4 and 4.5. Written notice of any meeting called for the purpose of taking any action authorized under Section 4.4 or 4.5 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same

notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 4.7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at uniform rate for all LOTS and may be deemed due and collectible on a prorata monthly basis.

Section 4.8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all LOTS on the first day of the month following the Initiation Date. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each LOT at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The ASSOCIATION shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the ASSOCIATION setting forth whether the assessments on a specified LOT have been paid. A properly executed certificate of the ASSOCIATION as to the status of assessments on a LOT is binding upon the ASSOCIATION as of the date of its issuance.

Section 4.9. Effect of Nonpayment of Assessments: Remedies of the ASSOCIATION. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of six percent (6%) per annum. The ASSOCIATION may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the COMMON AREA or abandonment of his LOT.

Section 4.10. Subordination of the Lien to Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any LOT shall not affect the assessment lien. However, the sale or transfer of any LOT pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such LOT from liability for any assessments thereafter becoming due or from the lien thereof.

Section 4.11. Authority of Municipality to Maintain the Common Area. In the event the said ASSOCIATION shall fail to properly maintain the COMMON AREA (as heretofore defined) in reasonable order, the Town of McCandless shall have the right to proceed to properly maintain the COMMON AREA, after notice and hearing thereon, as more fully provided for in the Pennsylvania Municipali-

ties Planning Code, Section 705 (d) (2) and (3), also known as 53 P.S. 10705 (d) (2) and (3). The cost of such maintenance by the municipality shall be ratably assessed against the PROPERTIES and shall become a lien on said PROPERTIES. The Town of McCandless at the time of entering upon said COMMON AREA for the purpose of maintenance shall file a notice of lien in the office of the Prothonotary of Allegheny County, Pennsylvania, upon the PROPERTIES affected by the lien.

ARTICLE V

ARCHITECTURAL CONTROL

Section 5.1.

(a) Committee Composition. The Architectural Committee shall consist of three (3) persons, none of whom shall be required to be an architect, or a member, officer or director of the ASSOCIATION or to meet any other particular qualifications. From and after such time as the Board acquire the right to appoint, remove and replace members of the Architectural Committee, the Board may, at its discretion, and from time to time, increase or decrease the size of the Architectural Committee; provided, however, that in no event shall the size of the Architectural Committee be less than three (3).

(b) Appointment, Removal, Etc. Members of the Architectural Committee shall be appointed by and serve at the pleasure of the Board; provided, however, that so long as DECLARANT owns at least one (1) LOT, or UNITS or any LANDS, DECLARANT shall have the sole and exclusive right to appoint, replace and remove members of the Architectural Committee; provided, further, however, that from and after the Initiation Date at least one (1) member of the Architectural Committee appointed by DECLARANT must be an Owner other than DECLARANT; provided further, however, that DECLARANT's sole and exclusive right to appoint, replace and remove members of the Architectural Committee shall cease upon the expiration of a ten (10) year period after recordation of a Final Subdivision Plan with respect to any portion of the PROPERTIES. DECLARANT may by a supplement to the DECLARATION at any time surrender its exclusive right to appoint, replace and remove members of the Architectural Committee.

Section 5.2. Duties. It shall be the duty of the Architectural Committee to consider and act upon any and all proposals or plans submitted to it pursuant to the terms hereof, to insure that any improvements constructed on the PROPERTIES by anyone other than DECLARANT, conform to plans approved by the Architectural Committee, to adopt Architectural Committee Rules, and to carry out all other duties imposed upon it by the Declara-

tion. The Board, from and after such time as the appointment, removal and replacement of members of the Architectural Committee is no longer within the sole and exclusive jurisdiction of the DECLARANT, may from time to time, prescribe additional duties not inconsistent with this Declaration to be delegated to the Architectural Committee. Notwithstanding anything contained in this Declaration expressly or impliedly to the contrary, no building, fence, wall addition, porch, patio, structure or other exterior improvements shall be commenced, constructed, erected, placed or maintained upon the PROPERTIES, nor shall any exterior addition to or change or alteration therein or change or alteration of the exterior finish thereof be made by anyone, other than by DECLARANT until final plans and specifications showing the nature, kind, shape, height, materials, colors, dimensions, and location thereof have been submitted to and approved in writing by the Architectural Committee as to harmony of external design, conformity with the provisions of this Declaration, and location in relation to surrounding structures and topography. Any plans submitted to the Architectural Committee which are not disapproved in writing within sixty (60) days after submission thereof to the Architectural Committee shall be deemed approved. The Architectural Committee, in its own name or on behalf of the ASSOCIATION, may exercise all available legal and equitable remedies to prevent or remove any unauthorized or unapproved construction or improvements on the PROPERTIES or any portion thereof. It shall be conclusively presumed that any action subject to approval of the Architectural Committee was so approved if the Architectural Committee or the Board fails to commence an action in law or in equity in respect to such action within one (1) year of the same having taken place.

Section 5.3. Meetings and Compensation. The Architectural Committee shall meet from time to time as necessary to perform its duties hereunder. The vote or written consent of a majority of the members of the Architectural Committee, at a meeting or otherwise, shall constitute the act of the Committee. The Committee shall keep and maintain a written record of all actions taken by it at such meetings or otherwise. Members of the Architectural Committee shall not receive any compensation for services rendered.

Section 5.4. Architectural Committee Rules. The Architectural Committee may, from time to time, and in its sole and absolute discretion, adopt, amend and repeal, by majority vote or written consent of its members, rules and regulations, to be known as "Architectural Committee Rules". Said Rules shall interpret and implement the Declaration by setting forth the standards and procedures for Architectural Committee review and the guidelines for architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features which are recommended for use within the PROPERTIES.

Section 5.5. Waiver. The approval by the Architectural Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Committee under this Declaration shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

Section 5.6. Liability. Neither the Architectural Committee nor any member thereof shall be liable to the ASSOCIATION, any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings, or specifications, whether or not defective, (b) the construction or performance of any work upon the PROPERTIES, (c) the execution and filing of any estoppel certificate, whether or not the facts therein are correct, or (d) any other act, action or conduct of the Architectural Committee or any of the members thereof, so long as that with respect to the liability of a member of the Architectural Committee, such member has acted in good faith on the basis of such information as may be possessed by him.

ARTICLE VI

PARTY WALLS

Section 6.1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the PROPERTIES and placed on the dividing line between the LOTS shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 6.2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 6.3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rules of law regarding liability for negligent or willful acts or omissions.

Section 6.4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 6.5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall appurtenant to the land and shall pass to such Owner's successors in title.

Section 6.6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by the majority of all the arbitrators.

ARTICLE VII

EXTERIOR MAINTENANCE

In addition to maintenance upon the COMMON AREA, the ASSOCIATION shall provide exterior maintenance upon each LOT which is subject to assessment hereunder, as follows: paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces.

In the event that the need for maintenance or repair of a LOT or the improvements thereon is caused through the willful or negligent acts of its Owner, or through the willful or negligent acts of the family, guests or invitees of the Owner of the LOT needing such maintenance or repair, the cost of such exterior maintenance shall be added to and become part of the assessment to which such LOT is subject.

ARTICLE VIII

GENERAL PROVISIONS

Section 8.1. Members' Easements of Enjoyment. Every member of the ASSOCIATION shall have a right and nonexclusive easement of use and enjoyment in and to the COMMON AREA and such easements shall be appurtenant to and shall pass with the title to every LOT and all LANDS subject to the following provisions:

(a) The right of the ASSOCIATION to limit the number of guests, and to adopt Association Rules regulating the use and enjoyment of the COMMON AREA.

(b) The right of the ASSOCIATION, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the COMMON AREA and facilities and in aid thereof to mortgage said property or assign as security a portion of the income thereof, provided that the rights of such mortgagee shall at all times be subordinate to the rights of the Owners under the Declaration.

(c) The right of the ASSOCIATION to suspend the voting rights and right to use of the COMMON AREA by a member for any period during which any assessment against his LOT, or LANDS remains delinquent, and for a period not to exceed sixty (60) days after notice and hearing as provided for in the By-Laws for any infraction of the Association Rules.

Section 8.2. Use as a Single Family Dwelling. Except as otherwise provided in the Declaration, each LOT shall be used as a residence for a Single Family and for no other purposes, and there shall not be constructed or maintained upon any LOT more than one Single Family residence with a private garage. Such use as a Single Family residence shall be deemed to include accessory use as a professional office to the extent customarily incidental to primary use as a residence.

Section 8.3. Reservation of Easement. DECLARANT hereby reserves to it and for future LOT owners in the PROPERTIES or other real property near or adjacent to the PROPERTIES and whether or not annexed under Article II a perpetual easement and right-of-way and access over, upon and across the PROPERTIES for construction, utilities, drainage, ingress, egress and for use of the COMMON AREA either now defined or hereinafter to be defined. The location of said easements and rights-of-way may be made certain by the DECLARANT or the ASSOCIATION by recorded document.

Section 8.4. Encroachment. Each LOT, and the COMMON AREA is hereby declared to have an easement over all adjoining LOTS, and the COMMON AREA for the purpose of accomodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, or any other similar cause, and any encroachment due to building overhand or projection. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the right and obligations of Owners shall not be altered in any way by said encroachment, settling or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful act or acts with full knowledge of said Owner or Owners. In the event a structure on any LOT is

partially or totally destroyed, and then repaired or rebuilt, the Owners of each LOT agree that minor encroachments over adjoining LOTS and UNITS shall be permitted, and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

Section 8.5. Utility Easement. The rights and duties of the Owners of the LOTS with respect to sanitary sewers and water, electricity, community television facilities, gas, and telephone shall be governed by the following:

(a) Whenever sanitary sewer house connections and/or water house connections or electricity, community television, gas or telephone lines are installed within the PROPERTIES, which connections or any portion thereof lie in or upon LOTS owned by others than the Owners of the LOT served by said connections shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon LOTS or to have the utility companies enter upon the LOTS with the PROPERTIES in or upon which said connections, or any portion thereof, lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below.

(b) Whenever sanitary sewer house connections and/or water house connections or electricity, community television, gas, or telephone lines are installed within the PROPERTIES, which connections serve more than one LOT, the Owner of each LOT served by said connections shall be entitled to full use and enjoyment of such portions of said connections as service his LOT.

(c) In the event of a dispute between Owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, then upon written request of one of such Owners addressed to the ASSOCIATION, the matter shall be submitted to the Board which shall decide the dispute and make an assessment against any or all of the Owners involved, which assessment shall be collected and enforced in the manner provided by the Declaration.

Section 8.6. DECLARANT Exceptions. Notwithstanding anything herein the DECLARANT shall have the right to utilize any LOT owned by the DECLARANT as models or general or sale offices for sale and promotion purposes including the sale and promotion of PROPERTIES or projects other than the PROPERTIES and shall have the right to utilize the COMMON AREA for such purposes and in such manner as the Developer may reasonably require, said right to include the erection of signs. Further, the DECLARANT shall have the right to rent any and all of its LOTS.

Section 8.7. Enforcement. The ASSOCIATION, or any Owner, shall have the right to enforce, by any proceeding at law

or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the ASSOCIATION or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

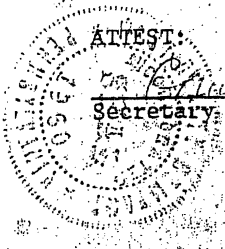
Section 8.8. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 8.9. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 8.10. The Declaration. By acceptance of a deed or by acquiring any ownership interest in any of the real property included within this Declaration, each person or entity, for himself or itself, his heirs, personal representatives, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions restrictions, covenants, conditions, rules and regulations now or hereafter imposed by the Declaration and any amendments or supplements thereof. In addition, each such person by so doing thereby acknowledges that the Declaration sets forth a general scheme for the improvement and development of the real property covered hereby, and hereby evidences his intent that all the restrictions, conditions, covenants, rules and regulations contained herein shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, and transferees thereof. Furthermore, each such person fully understands and acknowledges that the Declaration shall be mutually beneficial to and enforceable by the various subsequent and future Owners.

This Declaration is made under and by virtue of a Resolution of the Board of Directors of the DECLARANT duly passed at a regular meeting thereof, held on the 2nd day of April, A.D. 1975, a full quorum being present, authorizing and directing the same to be done.

IN WITNESS WHEREOF, the undersigned, being the DECLARANT herein has hereunto set its hand and seal this 11th day of April, 1975.



ATTEST:

Secretary

WEST REALTY COMPANY, Declarant

By James A. West
President

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF ALLEGHENY) SS:

On this 11th day of April, A.D., 19 75,
before me a notary public the undersigned officer,
personally appeared James A. West,
who acknowledged himself to be the President
of West Realty Company, a corporation, and that he as such
President, being authorized to do so, executed
the foregoing instrument for the purposes therein contained by
signing the name of the corporation by himself as President.

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



Rita P. Davis
Notary Public