PARK PLACE AT PRISTINE FIELDS CONDOMINIUM ASSOCIATION, INC.

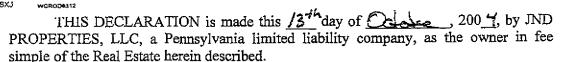
DECLARATION OF CONDOMINIUM

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PARK PLACE AT PRISTINE FIELDS, A CONDOMINUME Township of Cecil. County of Ward Commonwealth of Pennsylvania



WITNESSETH: ARTICLE 1 SUBMISSION

- Declarant; Name; County; Property: JND Properties, LLC, a Pennsylvania limited liability company (the "Declarant"), owner in fee simple of the Real Estate described in Exhibit "A" attached hereto, located in the Township of Cecil, County of Washington and Commonwealth of Pennsylvania, hereby submits the Real Estate, together with the buildings and improvements thereon erected or to be erected and the easements, rights and appurtenances thereunto belonging (the "Property") to the provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S. § 3101 et seq. (as the same may be amended from time to time, the "Act"), and hereby creates with respect to the Property a condominium, to be known as "Park Place at Pristine Fields, A Condominium" (the "Condominium").
- 1.2. Easements and Licenses: Included among the easements, rights and appurtenances referred to in Section 1.1 above are all recorded easements and licenses, including, but not limited to, rights of way, oil and gas leases, coal and mining rights as set forth in prior instruments of record, and subject to matters shown on recorded plans.

ARTICLE 2 DEFINITIONS

- Terms Defined or Used in the Act: Capitalized terms used herein and in the Bylaws and Plats and Plans shall have the meanings specified or used for such terms in § 3103 or elsewhere in the Act, unless otherwise defined herein.
- More Specific Meanings: The following terms are used or defined in general terms in the Act and shall have specific meanings hereunder as follows:
- "Association" means the Unit Owners' Association of the Condominium and shall be known as "Park Place at Pristine Fields Condominium Association."
 - "Buildings" means any buildings included in the Property. b.



- c. "Bylaws" means the document having that name and providing for the governance of the Association, pursuant to § 3306 of the Act, as such document may be amended from time to time.
- d. "Common Elements" means all portions of the Condominium other than the Units, including, without limitation, General Common Elements.
- e. "Common Expenses" means the Common Expenses incurred for maintenance, repair and/or replacement of the Common Elements which, pursuant to Section 3.3 of this Declaration, are to be assessed on percentage basis against the units to which such Common Elements are assigned.
- f. "Condominium" means the Condominium described in Section 1.1 above.
- g. "Declarant" means the Declarant described in Section 1.1 above and all successors to any Special Declarant Rights pursuant to the provisions of § 3304 of the Act.
- h. "Declaration" means this document, as the same may be amended from time to time.
- i. "Executive Board" or "Board" means the Executive Board of the Association.
- j. "Limited Common Elements" means the Common Elements described as such in the Act, or described herein or in the Plats and Plans as being Limited Common Elements, including, without limitation, courtyards, porches, patios and decks appurtenant to certain Units as shown on the Plats and Plans.
- k. "Limited Expenses" means the Common Expenses described as such in § 3314(c) of the Act as modified by Section 3.3 and 5.2 of this Declaration.
- l. "Plats and Plans" means the Plats and Plans attached hereto as Exhibit "C" and made a part hereof, as the same may be amended from time to time.
 - m. "Unit" means a Unit as described herein and in the plats and plans.
- 2.3 Non-Statutory Terms Defined: The following terms when used herein shall have the meanings set forth below:
- a. "General Common Elements" means all portions of the Common Elements other than the Limited Common Elements. General Common Elements shall



be maintained and repaired by the Association and the costs of such maintenance and repair shall be borne by all Unit Owners as and to the extent provided in the Act for Common Elements.

- b. "General Common Expenses" means all Common Expenses other than Limited Expenses.
- c. "Percentage Interest" means each Unit Owner's undivided ownership interest in the Common Elements, share of all votes of Unit Owners and share of Common Expense Liability appurtenant to each Unit as set forth in Exhibit "B" attached, as the same may be amended from time to time.
- d. "Posted Mortgage" means any mortgage, the name and address of the holder and servicer (if any) of which has been submitted to the Executive Board. A holder of a Posted Mortgage is referred to herein as a "Posted Mortgagee."
- e. "Property" means the Property described in Section 1.1 above together with such portions of the Additional Real Estate as shall have been added to the Condominium and less such portions of the Withdrawable Real Estate as shall have been withdrawn from the Condominium.
- f. "Rules and Regulations" means such rules and regulations as are promulgated by the Executive Board from time to time, with respect to various details of the Property, either supplementing or elaborating upon the provisions in the Declaration or the Bylaws or both.

ARTICLE 3 BUILDINGS; UNITS; BOUNDARIES; CERTAIN MAINTENANCE RESPONSIBILITIES

- 3.1. Plats and Plans; Units/Common Elements: The location and dimensions of the Buildings and the other structures and improvements comprising the Property and the Units, Common Elements and Limited Common Elements of the Condominium are shown on the Plats and Plans.
- 3.2. Unit Boundaries: The title lines or boundaries of each Unit are situated as shown on the Plans and described as follows: all walls, floors, ceilings, doors and windows within or comprising part of each Unit. Each Unit shall include the items within the Unit or part of the title lines described in § 3202 of the Act which are appurtenant to the Unit, as follows:
- a. All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the

finished surfaces of such boundary walls, floors or ceilings are a part of the Unit, and all other portions of such boundary walls, floors or ceilings are a part of the Common Elements.

- b. If any chute, flue, duct, wire, conduit, bearing wall, bearing column or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements.
- c. Subject to the provisions of subparagraph b, all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit.
- d. Any shutters, window boxes, balconies and terraces (including railings), and windows or other fixtures (including sills, frames and hardware) designed to serve a single Unit, but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.

There is also included within a Unit (by way of illustration and not limitation):

- a. The air space enclosed within the title lines described above.
- b. All partitions which are wholly contained within such title lines, including (but not limited to), all doors, door frames, hardware, electrical outlets and wiring, telephone outlets and conduits, and other equipment and devices in such partitions serving only such Unit.
- c. All plumbing fixtures located within such title lines and serving only such Unit, and their water and waste connections.
- d. All items of kitchen equipment located within such title lines and serving only such Unit, and such equipment's water, waste and electrical connections.
- e. Exhaust fans and the grilles, registers, ventilation ducts and related fixtures which serve only such Unit, whether or not any of the foregoing is located in any portion of the Common Elements.
- f. Lighting devices (including, by way of illustration and not limitation, lamps and bulbs which are surface mounted on, recessed in, or suspended from, ceilings, walls and partitions within or on the perimeter of such Unit) serving only such Unit whether or not such lighting devices are themselves located entirely within the title lines of such Unit.



- g. Outlets, wires, cables, conduits, circuits and related equipment transmitting electricity for lighting and power or transmitting electrical impulses and signals (including, but not limited to, impulses and signals for telephone, telegraph and television transmission, except to the extent otherwise specifically provided herein) which serve only such Unit and which are located entirely within the title lines of such Unit.
- h. Surface-mounted and recessed medicine cabinets (including, by way of illustration and not limitation, all associated lighting fixtures and accessories).
- i. Refrigerators, ranges, dishwashers, clothes washers and dryers, garbage disposal units and other appliances (if any), and the portions of their water, waste, electrical and exhaust connections located within such title lines and serving only such Unit.

Those portions of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only such Unit and which lie partially within and partially outside the title lines of a Unit shall be deemed to be a part of such Unit.

- Maintenance Responsibilities: Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of § 3307 of the Act, except as expressly set forth to the contrary herein. All Common Expenses associated with the maintenance, repair and replacement of a Limited Common Element other than a courtyard, porch, patio or deck shall be assessed as Limited Expenses against the Units to which such Limited Common Element was assigned or appurtenant at the time the expense was incurred in the same proportions as the respective Percentage Interests of all such Units. Ordinary maintenance and repair of courtyard, porch, patio or deck Limited Common Elements shall be the responsibility of the Owner of the Unit to which such Limited Common Element is appurtenant. Additionally, the exterior cleaning of windows, the painting of exterior doors (with colors approved by the Board) and replacement of outside light bulbs shall be the responsibility of the Owner of the Unit to which such windows, exterior doors and outside lights are appurtenant. Structural repairs and/or replacements of such Limited Common Elements shall be the responsibility of the Association, the Costs to be charged as General Common Expenses.
- 3.4. Relocation of Unit Boundaries; Subdivision and Conversion of Units: Relocation of boundaries between Units and subdivision or conversion of Units will be permitted subject to compliance with the provisions therefor in §§ 3214 and 3215 of the Act.
- 3.5. Alterations of Units: Subject to requirements of law and to applicable Rules and Regulations, a Unit Owner:

- a. May make any improvements or alterations to his Unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the Buildings.
- b. May not change the appearance of the Common Elements or the exterior appearance of a Unit or any other portion of the Condominium without permission of the Association.
- c. After acquiring an adjoining Unit or an adjoining part of an adjoining Unit (adjacent, above or below), may remove or alter any intervening partition or create apertures therein, even if the partition, in whole or in part, is a Common Element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the Condominium. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries.
- d. Shall refrain from making any alteration that will adversely affect either the fire retardant or sound absorbent quality of the Buildings or violate any applicable law, ordinance or governmental rule, regulation or order.
- e. Shall obtain the approval of the Executive Board (which approval shall not be unreasonably withheld or delayed) for any alteration to the Buildings prior to the commencement of any such alteration, subject to exemptions pursuant to the Rules and Regulations, if any.
- f. Shall expeditiously complete all alterations: (i) in accordance with the plans and specifications therefor which have been prepared at such Unit Owner's expense and which have been approved by the Executive Board prior to the commencement of such alterations, if required; and (ii) without incurring any mechanics' or materialmen's liens.
- g. Shall pay all costs and expenses incurred in connection with the Board review and approval process and the preparation, review, execution and recording of any amendment to the Declaration (including the Plats and Plans) needed in order to reflect the condition of the Buildings after completion of such alterations, which amendment shall be recorded by the Executive Board if such amendment conforms to the requirements of the Act and if such amendment is approved in writing by all Owners of all Units, the appearances of which on such amendment differ from their respective appearances on the Plats and Plans prior to such amendment, and such amendment shall not require any additional authorization or approval, notwithstanding anything contained elsewhere in this Declaration to the contrary.
- h. Shall not permit installation, removal, reconstruction or repair of any electrical lighting, signal transmission and/or power circuit or electric outlet box or terminal device included in such outlet box, or any items of heating or air conditioning equipment, or any ventilation or exhaust duct or related equipment, any of which is located within an interior partition of a Unit or within the ceiling above a Unit, until after

application has been made to and written approval has been received from the Executive Board. Such approval shall be granted only if the work performed shall be of similar or superior quality to that then prevailing in the Buildings and shall be performed by qualified personnel. The cost of such installation, removal, reconstruction or repair, whether undertaken by a Unit Owner or by the Association (under procedures which may be established by the Executive Board) shall be borne by the Unit Owner of the Unit benefitted thereby.

ARTICLE 4 IDENTIFICATION OF UNITS; ALLOCATION OF VOTES, COMMON ELEMENT INTERESTS AND COMMON EXPENSE LIABILITIES

- 4.1. Percentage Interests: Attached as Exhibit "B" hereto is a list of all Units by their identifying numbers and the Percentage Interest in the Common Elements in fee simple appurtenant to each Unit.
- 4.2 Allocation of Votes: Voting at all meetings of the Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be the Percentage Interest in the Common Elements assigned to his Unit in the Declaration.
 - 4.3 Common Expense Liabilities: The share of Common Expense Liability appurtenant to each Unit shall be in proportion to its Percentage Interest.

ARTICLE 5 DESCRIPTION, ALLOCATION AND RESTRICTION OF LIMITED COMMON ELEMENTS

5.1. Limited Common Elements: Courtyards, porches, patios and decks are assigned as Limited Common Elements appurtenant to the Units which they abut. Other Limited Common Elements are assigned as set forth in Section 3.2 above.

The Executive Board may allocate portions of the open areas near or abutting Units for use by the owner of a particular Unit for purposes deemed appropriate by the Board such as expansion of patios, fencing, garden or other planting areas, installation of privacy fences and/or shrubbery.

5.2 Allocation of Limited Expense Liability: Except as set forth in Section 3.3 above, Limited Common Elements shall be maintained and repaired by the Association and the costs of such maintenance and repair shall be apportioned among the Unit or Units served by such Limited Common Elements.

Any surplus funds derived from assessments for Limited Expenses shall be credited to those Unit Owners who paid such assessments (in order to reduce their future liability for such Limited Expenses) in accordance with the same formula used for assessing such Limited Expenses.

ARTICLE 6 EASEMENTS; RIGHTS OF DECLARANT; RIGHTS OF ASSOCIATION

- 6.1. Additional Easements: In addition to and in supplementation of the easements provided for by §§ 3216 (encroachments), 3217 (Declarant's use of portions of the Buildings for sales purposes) and 3218 (to facilitate Declarant's work) and the other provisions of the Act, the following easements are hereby created:
- Utility Easements: The Units and Common Elements shall be, and are hereby made, subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 6.la shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electrical wires, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common Elements. Notwithstanding the foregoing provisions of this Section 6.1a, unless approved in writing by the Unit Owner or Unit Owners affected thereby, any such easement shall be located either in substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Unit by the Declarant. Any such easement shall be located so as not to materially interfere with the use or occupancy of the Unit by its occupants.
- b. Access: The Units and the Limited Common Elements are hereby made subject to the following easements:
- (1) In favor of the Association and its agents, employees and independent contractors, (i) for inspection of the Units and Limited Common Elements in order to verify the performance by Unit Owners of all items of maintenance and repair for which they are responsible, (ii) for inspection, maintenance, repair, and replacement of the Common Elements or the Limited Common Elements situated in or accessible from such Units or Limited Common Elements, or both, and (iii) for correction of emergency conditions in one or more Units or Limited Common Elements, or both, or casualties to the Common Elements, the Limited Common Elements and/or the Units, it being understood and agreed that the Association and its agents, employees and

independent contractors shall take reasonable steps to minimize any interference with a Unit Owner's use of his Unit resulting from the Association's exercise of any rights it may have pursuant to this Section; and

- (2) In favor of the Unit Owner benefited thereby and the Association and its agents, employees and independent contractors, for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical, telephone, telegraph or other communication systems and all other utility lines and conduits which are part of the Common Elements and which pass across or through a portion of one or more Units.
- c. Structural Support: To the extent necessary, each Unit shall have an easement for structural support over every other Unit in the Condominium and Common Elements, and each Unit and the Common Elements shall be subject to an easement for structural support in favor of every other Unit in the Condominium and other Common Elements.
- 6.2. Rights of the Association: In addition to any other rights and powers that the Association may possess pursuant to this Declaration, the Bylaws, the Rules and Regulations and the Act, as they may be amended from time to time, the Association shall have:
- a. The right to grant permits, licenses and easements over the Common Elements for utilities and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium; and
- 6.3. Declarant's Easement to Correct Drainage: Declarant reserves an easement on, over and under those portions of the Common Elements not located within a Building for the purpose of maintaining and correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. The easement created by this Section 6.3 expressly includes the right to cut any trees, bushes, or shrubbery, to grade the soil, or to take any other action reasonably necessary, following which the Declarant shall restore the affected property as closely to its original condition as practicable. This Section 6.3 is not to be construed, in and of itself, to impose (by implication or otherwise) any obligation up on the Declarant.

ARTICLE 7 AMENDMENT OF DECLARATION; BYLAWS

- 7.1. Amendment Generally: This Declaration may be amended only in accordance with the procedures specified in § 3219 of the Act, the other Sections of the Act referred to in § 3219 thereof and the express provisions of this Declaration.
- 7.2. Rights of Declarant: No change, modification or amendment which adversely affects the rights, privileges or obligations of the Declarant which are granted

under this Declaration, the Bylaws or the Act shall be effective without the prior written consent of the Declarant, until such time as Declarant owns two (2) or fewer Units.

ARTICLE 8 USE RESTRICTIONS

- 8.1. Use and Occupancy of Units and Common Elements: The occupancy and use of the Units and Common Elements shall be subject to the following restrictions:
- a. The Units shall be used as single family residences only with the exception of in home office if permitted by local zoning laws.
- b. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior written consent of the Executive Board except as herein expressly provided. The use and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the Buildings, shall be subject to the Rules and Regulations of the Executive Board.
- c. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Property, or contents thereof, applicable for residential use without the prior written consent of the Executive Board, which consent may be conditioned upon the Unit Owner of such Unit being required to bear the full amount of such increase. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will violate any law, statute, ordinance or regulation of any governmental body or which will result in the cancellation of any insurance maintained by the Executive Board.
- d. Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the Buildings or on the Property and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior written consent of the Executive Board. No air conditioning unit of whatever type other than those installed as of the date this Declaration is recorded or those thereafter installed by the Declarant may be installed without the prior written permission of the Executive Board.
- e. No animals, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except that household pets may be kept in Units subject to Rules and Regulations adopted by the Executive Board, which Rules or Regulations may exclude any kind of pet by type or category; provided that permitted household pets shall not be kept, bred, or maintained for any commercial purpose; and provided further that any such authorized 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. All pets shall be registered with the Executive Board.

- f. No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or occupants.
- g. No benches, chairs or other personal property shall be left on, nor shall any playing, lounging, parking of baby carriages, playpens, bicycles, wagons, toys or vehicles be permitted on, any part of the Common Elements without the prior written consent of, and subject to any regulations of the Executive Board.
- No Unit Owner shall overload the electric wiring in the Buildings, h. 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 circuit or electrical outlet box or terminal device included in such outlet box, or any item of 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 approval has been received from the Executive Board. Such approval shall be granted only if the work performed shall be of similar or superior quality to that present throughout the Buildings and shall be performed by qualified personnel. The cost of such 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 benefitted thereby.
- i. No Unit Owner shall place or store anything on the Limited Common Elements appurtenant to his Unit, nor shall such Limited Common Element be decorated, painted or otherwise altered, if, in the opinion of the Executive Board, such placement, storage, decorating, painting or alteration would create an unsightly condition.
- j. The owner of a Unit shall be responsible for maintaining such Unit in good order and repair, at the expense of such owner, including (but not limited to) cleaning and replacing glass panes in any window serving such Unit.
- k. The owner of a Unit shall be responsible for the cleanliness of any Limited Common Element serving such Unit at the expense of such Unit Owner.
- I. Unit Owners may not install window air-conditioners, exhaust fans or any other item which protrudes through any window serving the Unit without the prior written approval of the Executive Board.

- m. This Article 8 shall not be construed to prevent or prohibit a Unit Owner from maintaining his personal professional library, keeping his personal business or professional records or accounts, handling his personal business or professional telephone calls, or conferring with business or professional associates, clients or customers, in his Unit.
- n. Reasonable Rules and Regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Property, may be promulgated from time to time by the Executive Board, subject to the right of the Association to change such Rules and Regulations. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such Rules and Regulations or any amendments thereto.

ARTICLE 9 MORTGAGES

In General: A Unit Owner other than Declarant or the Executive Board may not voluntarily encumber or subject his or its Unit to any lien, other than the lien of a Posted Mortgage. Whether or not they expressly so state, all mortgages and the obligations secured thereby shall be deemed to provide, generally, that the mortgage, and the rights and obligations of the parties thereto, shall be subject to the terms and conditions of the Act and this Declaration and shall be deemed to provide specifically, but without limitation, that the mortgagee shall have no right (a) to participate in the adjustment of losses with insurers or in the decision as to whether or not or how to repair or restore damage to or destruction of the Property, (b) to receive or apply the proceeds of insurance to the reduction of the mortgage debt or otherwise, except in the event and to the extent either of a distribution of such proceeds to the Owner of the Unit encumbered by such mortgage pursuant to § 3312(g) of the Act or of other insurance proceeds in excess of the cost of repair or restoration being received by the Owner of the Unit encumbered by such mortgage or (c) to accelerate the mortgage debt or to have any other remedies by virtue of waste or alleged waste or other conditions occurring anywhere on the Property other than within the affected Unit; and the obligation secured shall be prepayable, without penalty, upon the happening of any termination of the Condominium or determination not to restore or replace the affected Unit. No Unit Owner shall deliver any mortgage, or any obligation to be secured thereby, unless it has first notified the Executive Board of the name and address of the proposed Posted Mortgagee and of the amount of the debt to be so secured. Upon receipt of such notice of a Posted Mortgage, the Secretary of the Executive Board shall instruct the insurer of the Property to add the name of the Posted Mortgagee to the mortgagee loss payable provision of the hazard insurance policy covering the Property and to provide such Posted Mortgagee with a Certificate of Insurance showing that the Posted Mortgagee's name has been so added. The lien of any purported mortgage which does not comply with all the requirements of this Article 9 shall not attach to or affect the Property or any part thereof or interest

therein and shall be of no force and effect as and to the extent that it purports to relate thereto. The Secretary shall maintain a register of such Posted Mortgages, showing the names and addresses of the Posted Mortgagees and the amount secured thereby.

ARTICLE 10 RIGHTS OF POSTED MORTGAGEES

- 10.1. Reports and Notices: Upon the specific written request of a Posted Mortgagee or its servicer, insurer or guarantor (all of which are deemed to be Posted Mortgagees for purposes of notices and rights to information) to the Executive Board, the Posted Mortgagee shall be entitled to receive some or all of the following as designated in the request:
- a. Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Executive Board to the Owner of the Unit covered by the Posted Mortgage;
- b. An audited financial statement of the Association which are prepared for the Association and distributed to the Unit Owners;
- c. Copies of notices of meetings of the Association and the right to designate a representative to attend such meetings;
- d. Notice of the decision of the Association to make any material amendment to this Declaration;
- e. Notice of substantial damage to or destruction of any Unit (the repair of which would cost in excess of \$1,000.00) or any material part of the Common Elements (the repair of which would cost in excess of \$10,000.00);
- f. Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Property;
- g. Notice of any default by the owner of the Unit which is subject to the Posted Mortgage, where such default is not cured by the Unit Owner within Thirty (30) days after the giving of notice by the Association to the Unit Owner of the existence of the default;
- h. The right to examine the books and records of the Association at any reasonable time;
- i. Notice of any decision by the Executive Board or the Association to terminate professional management and assume self-management of the Property; or

j. Notice of lapse, cancellation or material modification of any Association insurance policies.

The request of a Posted Mortgagee or its servicer shall specify which of the above items it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Executive Board. The Executive Board need not inquire into the validity of any request made by a Posted Mortgagee hereunder.

The Executive Board may impose charges on Unit Owners for performing the services described in this Section 10.1.

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

- 10.2. Condemnation and Insurance Proceeds: No provision of this Declaration shall give a Unit Owner, or any other party, priority over any rights of the Posted Mortgagee(s) of a Unit pursuant to a Posted Mortgage(s) in the case of a distribution to such Unit Owner of insurance proceeds or condemnation awards for loss to or taking of one or more Units and/or Common Elements.
- 10.3. FNMA and FHLMC Requirements: If one or more mortgages on Units is held by the Federal National Mortgage Association ("FNMA") or the Federal Home Loan Mortgage Corporation ("FHLMC") and any action proposed by the Association requires the approval pursuant to the then applicable regulations of FNMA or FHLMC of a specified percentage of Unit Owners or the holders of a specified percentage of Posted Mortgages, or both, then such action shall not be taken until such requirement has been met.

ARTICLE 11 REAL ESTATE TAXES

11.1. Real Estate Taxes: It is understood that real estate taxes are to be separately assessed and taxed to each Unit Owner for his Unit and its corresponding Percentage Interest in the Common Elements, as provided in the Act. For the year in which this Declaration is first recorded, real estate taxes shall be apportioned between Declarant and each Unit Owner on a calendar year basis. In the event that real estate taxes for any year are not separately assessed against each Unit Owner, but rather are assessed against the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective Percentage Interest in the Common Elements, and, in said event, such taxes shall be a Common Expense. The Executive Board shall have authority to advance Association funds in payment of all or a portion of such taxes pending receipt from the respective Unit Owners of their proportionate share thereof.

ARTICLE 12 POWERS OF THE EXECUTIVE BOARD

- 12.1. Additional Powers: In addition to the powers set forth in the Act and elsewhere herein, the Executive Board shall have the following additional powers:
- a. To appoint committees of the Board (which need not include any Board Members) and to delegate to such committees the Executive Board's authority to carry out certain duties of the Board, subject to the approval and control of the Board.
- b. To engage the services of a manager or managing agent, who may be any person, firm or corporation, upon such terms and compensation as the Executive Board deems fit, and to remove such manager or managing agent at any time.
- c. To engage the services of any persons (including, but not limited to, accountants and attorneys) deemed necessary by the Executive Board at such compensation as is deemed reasonable by the Executive Board, in the operation, repair, maintenance and management of the Property, or in connection with any duty, responsibility or right of the Executive Board and to remove, at any time, any such personnel.
- d. To pay any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part thereof which may in the opinion of the Executive Board constitute a lien against the Property or against the Common Elements, rather than merely against the interest therein of particular Unit Owners. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Executive Board by reason of said lien or liens shall be specially assessed to said Unit Owners.
- e. To expend funds for the maintenance and repair of any Unit or any other portion of the Property which a Unit Owner is obligated to maintain or repair under the terms hereof, if such maintenance or repair is necessary, in the discretion of the Executive Board, to protect the Common Elements, or any other portion of the Property, and the owner of said Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Executive Board to said Unit Owner; provided that the Executive Board shall levy a special assessment against such Unit for the cost of said maintenance or repair.
- f. In the event more than one Unit share a common utility meter or if a portion of the Common Elements and one or more Units share a common utility meter, to determine the proper allocation of the cost of the utility service between or among the recipients of such utility service which determination shall be conclusive and binding.

- g. To borrow money on the credit of the Association and, as security for any such borrowing, to assign the Association's rights to receive future income (including assessments) and/or pursuant to § 3318 of the Act to encumber or convey the Common Elements, or any portion thereof.
- h. To grant permits, licenses and easements over the Common Elements subject to the limitations set forth in § 3302(a)(9) of the Act.

ARTICLE 13 BUDGETS; COMMON EXPENSES; ASSESSMENTS AND ENFORCEMENT

- 13.1. Annual Assessments: All regular Common Expense assessments made in order to meet the requirements of the Association's annual budget shall be adopted and assessed on an annual basis payable in equal quarterly installments in advance on the first day of each quarter. Special assessments shall be due and payable in one or more quarterly installments, in advance, on the first day of each quarter, as determined by the Executive Board. Insurance costs of the Association shall be assessed as part of General Common Expenses.
- 13.2. Reserves: Commencing not later than the first day of the calendar month during which the Common Expense assessments begin, the Association shall establish accounts to create through quarterly assessments over a reasonable period of time and thereafter to maintain an adequate reserve fund for maintenance, repair and replacement of the Common Elements that are anticipated to require replacement, repair or maintenance on a periodic basis and to cover deductible amounts in property insurance policies. The reserve funds shall be funded by quarterly payments as part of Limited Common Expenses. Extraordinary expenditures not originally included in the annual budget which may become necessary during any year may be charged first against such reserves. In addition, the Executive Board shall have the right to segregate all or any portion of the reserves for any specific replacement or contingency upon such conditions as the Executive Board deems appropriate.
- 13.3. Accounting: On or before the first (1st) day of April of each calendar year, the Executive Board shall supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the annual budget or assessments and leases and sales of property owned or managed by the Executive Board on behalf of the Association, and showing the net excess or deficit of income over expenditures plus reserves.
- 13.4. Acceleration: If a Unit Owner is in default in the payment of the aforesaid charges or monthly installments of assessments for sixty (60) days, the Executive Board may, in addition to all other remedies in the Act or Declaration contained, accelerate all other charges and monthly installments of assessments to become due for the next twelve

- (12) months on the basis of the budget for the calendar year in which such default occurs and assuming the same budget for the following year; provided, however, a foreclosing Posted Mortgagee shall be entitled to automatic subordination of such sums in excess of the amounts given priority in lien or payment over mortgage liens in the Act.
- 13.5. Collection Charges: Any delinquent Owner shall also be obligated to pay (i) all expenses of the Board, including reasonable attorneys' fees, incurred in the collection of the delinquent assessments by legal proceedings or otherwise, and (ii) any amounts paid by the Board for taxes or on account of superior liens or otherwise to protect its lien, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessments and shall be collectible as such, subject to Section 13.2 above.
- 13.6. Confession of Judgment: IN ORDER TO EXPEDITE THE EXECUTIVE BOARD'S COLLECTION OF ANY DELINQUENT ASSESSMENTS, TO THE EXTENT PERMITTED BY LAW, EACH UNIT OWNER (BY THE ACCEPTANCE OF THE DEED TO HIS UNIT) SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE EXECUTIVE BOARD MEMBERS THE ATTORNEY-IN-FACT FOR SUCH UNIT OWNER TO CONFESS JUDGMENT AGAINST SUCH UNIT OWNER IN ANY COURT OF COMPETENT JURISDICTION IN PENNSYLVANIA, FOR ANY SUCH UNPAID ASSESSMENT(S) OR INSTALLMENTS THEREOF, WHICH APPOINTMENT (BEING FOR SECURITY) SHALL BE IRREVOCABLE; AND FOR SO DOING A COPY OF THIS ARTICLE 13 AND SAID DEED, BOTH VERIFIED BY AFFIDAVIT, SHALL BE A SUFFICIENT WARRANT. THE AUTHORITY GRANTED HEREIN TO CONFESS JUDGMENT SHALL NOT BE EXHAUSTED BY ANY EXERCISE THEREOF BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL THE DECLARATION SHALL BE TERMINATED.
- 13.7. Surplus: The budget of the Association shall segregate Limited Expenses from General Common Expenses and surplus shall be credited and applied as provided in § 3313 of the Act.

ARTICLE 14 LEASING

14.1. Restrictions: A Unit Owner may lease or sublease his Unit (but not less than his entire Unit) at any time and from time to time provided that (except for a lease or sublease made by a Posted Mortgagee which is either in possession or is a purchaser at judicial sale): (1) no Unit may be leased or subleased for transient or hotel purposes or for an initial term of less than 90 (90) days; (2) no Unit may be leased or subleased without a written lease or sublease; (3) a copy of such lease or sublease shall be furnished to the Executive Board within ten (10) days after execution thereof; and (4) the rights of any lessee or sublessee of the Unit shall be subject to, and each such lessee or sublessee shall be bound by and the Association may enforce against the lessee or sublessee, the covenants, conditions and restrictions set forth in the Declaration, Bylaws and Rules and

Regulations and a default thereunder shall constitute a default under the lease or sublease; provided, however, that the foregoing shall not impose any direct liability on any lessee or sublessee of a Unit to pay Common Expense assessments on behalf of the Owner of that Unit.

ARTICLE 15 INSURANCE; RELEASES; RESTORATION

- 15.1. Generally: The Executive Board shall acquire (if and to the extent available) and pay for insurance as required by the Act in addition to and subject to the following:
- a. Such insurance as the Executive Board deems advisable in the operation, and for the protection, of the Common Elements and the Units, including, without limitation, flood insurance to the extent appropriate and available.
- The amount of property insurance obtained pursuant to the Act shall be equal to the full insurable value replacement cost of the insured property (excluding land, foundations, excavations or other items that are usually excluded from coverage), without deduction for depreciation. It shall insure against all risks of direct physical loss commonly insured against and covered by the standard "all risk" endorsement, if available, and such other risks as FNMA, FHLMC, the Federal Housing Administration or the Veterans Administration (or their respective successors) may require by reason of their holding of one or more Posted Mortgages. If an "all risk" endorsement is not available, a "broad form" policy will be obtained. Such insurance policy(ies) may, at the option of the Board, contain a "deductible" provision in an amount determined by the Board but not to exceed (unless a higher amount is required by Pennsylvania law) the maximum sum permitted by the then applicable FNMA or FHLMC regulations (or their successors). Policies will contain standard mortgage clauses or endorsements naming either specifically or generically the Posted Mortgagees or their servicers followed by "its successors and assigns." Property insurance shall be written by carriers (or reinsured by companies) that at least meet the requirements for a Best's rating of B or such other minimum requirement as may be acceptable to FNMA from time to time.
- c. Each Unit Owner and the Executive Board hereby waives and releases any and all claims which he or it may have against any other Unit Owner, the Association, the Executive Board and members thereof, the Declarant and their respective employees and agents, for damage to the Common Elements, the Units, or to

any personal property located in the Units or Common Elements, caused by fire or other casualty or any act or omission of any such party to the extent that such damage is covered by fire or other form of hazard insurance.

- d. If the act or omission of a Unit Owner, or of a member of his family, a household pet, guest, occupant or visitor of such Unit Owner, shall cause damage to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Executive Board, to the extent such payment is not waived or released under the provisions of subparagraph "c" above.
- e. Any release or waiver referred to in subparagraphs "c" and "d" hereof shall be valid only if such release or waiver does not affect the right of the insured under the applicable insurance policy to recover thereunder. The Unit Owners and the Executive Board, with regard to the insurance carried by each of them, shall use their best efforts to see that their insurance carriers agree that such release or waiver does not affect their rights to recover.
- f. If the Executive Board fails within sixty (60) days of an insured loss to initiate a claim for damages recoverable under the property insurance policy(ies) obtained pursuant to the Act, the holder of any Posted Mortgage may initiate such a claim on behalf of the Board. The Executive Board, shall from time to time at such times as it shall deem appropriate, cause an appraisal of the Property to be made for the purpose of determining the current full insurable replacement value of the insured property, without considering depreciation, and the Board shall change the amount of hazard insurance on the Property to the amount of the then current full insurable replacement value of the Property as established by such appraisal.
- g. The Association's property insurance shall cover fixtures, equipment, and other personal property and supplies of the Association and fixtures, equipment and other personal property within Units as of the date of initial sale of the Unit by the Declarant, whether or not part of the Common Elements. Each Unit Owner, other than the Declarant, shall notify the Board in writing of any additions, alterations or improvements to his Unit and he shall be responsible for any deficiency in any insurance loss recovery resulting from his failure so to notify the Association. The Board shall use its reasonable efforts to obtain insurance on any such additions, alterations or improvements if such Unit Owner requests it to do so and if such Unit Owner shall make arrangements satisfactory to the Board to reimburse it for any additional premiums attributable thereto; and in the absence of insurance on such additions, alterations or improvements, the Board shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements.

- h. The Board may obtain such other forms of insurance as the Board shall elect to effect including Board members' and officers' liability insurance and such Worker's Compensation insurance as may be necessary to comply with applicable laws.
- The Association shall obtain blanket fidelity insurance to protect against dishonest acts on the part of the Board members, officers, agents, employees, volunteers and all others who handle, or are responsible for handling, funds of the Association. Such insurance shall name the Association as the insured and shall be in such amount as the Board deems appropriate, but not less than the greater of (i) the maximum funds that will be in the custody of the Association or its agents at any time, or (ii) the sum of three (3) months' Common Expense assessments against all Units, plus the amount of the Association reserve funds. Notwithstanding the foregoing, in the event that the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation reduces or increases the required amount of the fidelity insurance which the Association must maintain to less or more than the amount set forth above, the Board may decrease or increase the amount of the fidelity insurance to the amount required by such entities. Such insurance shall contain a waiver of defense based upon the exclusion of persons who serve without compensation from the definition of "employee" or such endorsement or provision as shall accomplish the same result. Any managing agent shall be required to carry its own insurance with the same coverage as set forth above.
- j. Except as otherwise provided in this Declaration, premiums for all insurance obtained or maintained by the Board, fees and expenses of the insurance trustee, if any, and the cost of any appraisal which the Board deems advisable in connection with any insurance, shall be Common Expenses.
- k. The Board shall use its best efforts to secure policies providing that the policies cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual Unit Owners or any officer or employee of the Board or managing agent, if any, without a prior demand in writing that the Board or managing agent, as the case may be, cure the defect and without a reasonable period of time thereafter in which to cure the same. Association policies shall provide that the policy will be primary, even if a Unit Owner has other insurance that covers the same loss. The policy must require the insurer to notify in writing the Association, any Insurance Trustee and each mortgagee named in a mortgage clause at least ten (10) days before it cancels or substantially changes coverage.
- l. Insurance coverage on the furnishings and other items of personal property belonging to a Unit Owner and insurance for his personal liability to the extent not covered by insurance maintained by the Board shall be the responsibility of each such Unit Owner.
- m. All physical damage insurance policies purchased by the Executive Board shall be for the benefit of and name as insured the Association for the use and benefit of the Unit Owners and their Posted Mortgagees, as their interests may appear, and shall provide that, with respect to any single loss, if the proceeds thereof exceed

\$250,000, then all such proceeds shall be paid in trust to such lending institution in the metropolitan Pittsburgh area with trust powers as may be designated by the Executive Board (which trustee is herein referred to as the "Insurance Trustee") and the policy loss payable provision shall provide that such proceeds are payable to the Insurance Trustee as trustee for each Unit Owner and each Unit's mortgagees. If such proceeds do not exceed \$250,000, then the policy loss payable provision shall provide that all such proceeds shall be paid to the Executive Board to be applied pursuant to the Act as trustee for each Unit Owner and each Unit's mortgagees. If proceeds are payable to the insurance Trustee, the Executive Board shall enter into an Insurance Trust Agreement with the Insurance Trustee which may provide that the Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form of contents of the policies, the correctness of any amounts received on account of the proceeds of any insurance policies nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in this Declaration and the Act, for the benefit of the insureds and their beneficiaries thereunder.

n. The name of the insured under each policy required pursuant to this Article 15 shall be stated in form and substance similar to the following:

Park Place at Pristine Fields Condominium Association, for the use and benefit of the individual owners, or their authorized representatives, of the Condominium Units contained in Park Place at Pristine Fields, A Condominium.

o. If any part of the improvements in the Condominium is in a special flood hazard area, the Association shall maintain a "master" or "blanket" policy of flood insurance, the premiums to be paid as Common Expenses. The amount of flood insurance shall be equal to the lesser of 100% of the insurable value of the improvements or the maximum coverage available under the appropriate National Flood Insurance Administration program.

15.2 Repairs and Reconstruction After Fire or Other Casualty:

a. When Repair and Reconstruction are Required: Except as otherwise provided in subparagraph d of this § 15.2, in the event of damage to or destruction of the Buildings or any part thereof as a result of fire or other casualty, the Executive Board, under the direction of the Insurance Trustee if an Insurance Trustee is required, shall arrange for and supervise the prompt repair and restoration of the Buildings as required by the Act. Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the redecorating of his own Unit.

b. Procedure for Reconstruction and Repair:

- (i) Cost Estimates: Immediately after a fire or other casualty causing damage to the Buildings, the Executive Board shall obtain reliable and reasonably detailed estimates of the cost of repairing and restoring the Buildings as required by the Act to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Executive Board or Insurance Trustee (if any) determines to be necessary.
- (ii) Assessments: If the proceeds of insurance are not sufficient to defray such estimated costs of reconstruction and repair, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds and/or shall be deemed a Common Expense (and/or Limited Expense) and special monthly assessments therefor shall be levied. The funds shall be paid out of the General Common Expense fund, one or more of the Limited Expense funds, or both, depending on whether or not the source of the shortfall can be properly determined in the opinion of the Executive Board. If such source cannot be so determined, then the shortfall shall be allocated among the funds referred to above in proportion to the relative costs of restoration in each of the categories. Costs of restoration of a Unit to the extent required to be done by the Executive Board shall be paid out of the General Common Expense Fund unless the shortfall is due to failure of the Unit Owner to notify the Association of improvements made to his Unit, in which event the shortfall so caused shall be assessed against the particular Unit Owner. Unit Owners may apply the proceeds from their individual property insurance policies, if any, to the share of such Common Expense or Limited Expense, or both, as may be assessed to them. The Executive Board shall be responsible for restoring the Property only to substantially the same condition as it was immediately prior to the damage, and each Unit Owner shall personally assume the additional expense of any improvements to his Unit which he desires, to restore it beyond such condition.
- (iii) Plans and Specifications: Any such reconstruction or repair shall be substantially in accordance with the construction of the Property as it existed immediately prior to the casualty.

c. Disbursements of Construction Funds:

- (i) Construction Fund and Disbursement: The proceeds of insurance collected on account of casualty, and the sums received by the Executive Board or Insurance Trustee from collections of assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:
- (A) If the estimated cost of reconstruction and repair is less than \$250,000, then the construction fund shall be disbursed in payment of such costs upon order of the Executive Board.

- (B) If the estimated cost of reconstruction and repair is \$250,000, or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in Pennsylvania and employed by the Insurance Trustee to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with the work and stating that: (a) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished, (b) there is no other outstanding indebtedness known to such architect for the services and materials described; and (c) the cost as estimated by such architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested, taking into account retainage.
- (ii) Surplus: It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be used first to reimburse Unit Owners for sums paid to cover shortfalls under subparagraph b (ii) above in proportion to the sums so paid until full reimbursement and any remaining balance shall be divided among all Unit Owners in proportion to their Percentage Interests and shall be distributed in accordance with the priority of interests at law or in equity in each Unit.
- (iii) Certificate: The Insurance Trustee shall be entitled to rely upon a certificate executed by the President or Vice President, and the Secretary, certifying: (i) whether the damaged Property is required to be reconstructed and repaired, (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund or whether surplus funds to be distributed are less than the assessments paid by the Unit Owners; and (iii) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the Insurance Trustee promptly after request.
- d. When Reconstruction Is Not Required: In the event of insubstantial damage to the Common Elements and if the Executive Board shall elect not to repair the same or in the event there is to be no repair or replacement pursuant to § 3312(g) of the Act, then in either such event any insurance proceeds received on account of such damage shall be expended and/or distributed in accordance with § 3312 of the Act. If the Condominium shall be terminated pursuant to § 3320 of the Act, the provisions of § 3320 of the Act shall apply.

ARTICLE 16 LIMITATION OF LIABILITY

- 16.1 Fiduciary Duty: 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.
- 16.2 Good Faith Reliance: In performing his duties, an officer or Executive Board member shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:
- a. one of more other officers or employees of the Association whom the officer or Executive Board member reasonably believes to be reliable and competent in the matters presented.
- b. counsel, public accountants or other persons as to matters which the officer or Executive Board member reasonably believes to be within the professional or expert competence of such person.
- c. a committee of the Executive Board upon which he does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the officer or Executive Board member reasonably believes to merit confidence.

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

16.3. Limited Liability:

- a. The members of the Executive Board and officers, in their capacity as such, shall not 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 16.3 shall not apply to the responsibility or liability of an Executive Board member or officer pursuant to any criminal statute, or to the liability of an Executive Board member or officer for the payment of taxes pursuant to local, state, or federal law.
- b. In discharging the duties of their respective positions, the Executive Board members and officers may, in considering the best interests of the Association, consider the effects of any action upon employees and upon suppliers of the

Association and upon communities in which the Condominium is located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described above.

- c. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as an Executive Board member or officer or any failure to take any action shall be presumed to be in the best interests of the Association.
- d. To the extent permissible under Pennsylvania law, expenses incurred by an Executive Board member or officer in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon the request of the Executive Board member or officer, provided the Association has received a written document signed by such person promising to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association.
- To the extent permitted under Pennsylvania law, each member of the Executive Board, in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of breach of the standards of conduct described above; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he is then an Executive Board member) approves such settlement and reimbursement as being in the best interests of the Association; and provided further that, indemnification hereunder with respect to any criminal action or proceeding is permitted only if such Executive Board member and/or officer had no reasonable cause to believe his conduct was unlawful. The indemnification by the Unit Owners set forth in this subparagraph e shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.
- f. The Executive Board shall obtain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth in subparagraph e above, if and to the extent available.

ARTICLE 17 DECLARANT'S RIGHTS

17.1. Control:

- a. Until the 60th day after conveyance of 2 Units to Unit Owners other than Declarant, Declarant shall have the right to appoint and remove any and all officers and members of the Executive Board. Declarant may not unilaterally remove any members of the Executive Board elected by Unit Owners other than Declarant.
- b. Not later than 60 days after conveyance of 2 Units to Unit Owners other than Declarant, one (331/4%) of the three members of the Executive Board shall be elected by Unit Owners other than Declarant.
- c. Not later than the earliest of (i) seven years after the date of the recording of this Declaration, or (ii) 180 days after conveyance of 6 Units to Unit Owners other than Declarant, all members of the Executive Board shall resign, and the Unit Owners (including Declarant to the extent of Units owned by Declarant) shall elect a new three member Executive Board.
- d. In the case of any conflict between this Declaration and the Bylaw's of the Association, the Declaration shall control. In the event that there is a conflict over any interpretation of the By-law's or Declaration, Declarant shall have the final interpretation. With the exception of the monthly condominium association fee, this Declaration may be modified at any time during the Declarant's control without the consent of the Executive Board. Any modifications to the Declaration will be recorded immediately and notification will be sent to all Board Members and Owners accordingly.

ARTICLE 18 SEVERABILITY

18.1. Severability: In the event any sentence, clause, paragraph or section of this Declaration is invalid, illegal or unenforceable such invalidity, illegality or unenforceability shall not affect the legality, validity or enforceability of any other provision hereof.

IN WITNESS WHEREOF, the said Declarant has caused these presents to be duly executed on the day and year first above written.

JND PROPERTIES, LLC

A Pennsylvania Limited Partnership

Joseph N. DeNardo, Member

COMMONWEALTH OF PENNSYLVANIA

: SS

COUNTY OF ALLEGHENY

On this /3 // day of October, 200 //, before me, an officer duly authorized in the County and State aforesaid to take acknowledgments, personally appeared Joseph N. DeNardo, a member of JND PROPERTIES, LLC, a limited liability company existing under the laws of Pennsylvania, to me known to be the individual who executed the foregoing instrument, and that he acknowledged the execution thereof to be his free act and deed as such general partner thereunto duly authorized, and that the said instrument is the act and deed of said limited partnership.

WITNESS my hand and official seal in the above County and State.

Notary Public

My Commission Expires:

Notarial Seal Kimberly M. Keenan, Notary Public South Fayette Twp., Allegheny County My Commission Expires Nov. 12, 2006

Member, Pennsylvania Association Of Notaries

EXHIBIT "A" SUBMITTED REAL ESTATE

Parcel "B" in the Pristine Fields - Phase Five Plan, as recorded in plan book volume 43 page 16; situate in the Township of Cecil, Washington County, Pennsylvania.

Beginning at a point on the easterly right-of-way line of O'Hare Road, said point being the southwesterly corner of an 0.13 acre area of Open Space in the Pristine Fields -Phase Five Plan, as recorded in plan book volume 43 page 16; thence along the southerly line of said Open Space and the southerly line of Lot Number 316, 315 and 314 in the Pristine Fields – Phase Three Plan, as recorded in plan book volume 26 pages 7-8, \$ 66° 00°00" E for a distance of 267.36 feet to a point on the southerly corner of an 0.06 acre area of Open Space in Pristine Fields - Phase Five; thence along said Open Space and the southerly lines of Lot Number 313 and 312 in the aforementioned Pristine Fields - Phase Three N 86° 02' 25" E for a distance of 160.25 feet to a point on an 0.83 acre area of Open Space in Pristine Fields - Phase Five; thence along said Open Space S 70° 38' 09" E for a distance of 44.36 feet to a point; thence continuing along same S 12° 53' 35" W for a distance of 290.95 feet to a point; thence continuing along same S 16° 40' 50" W for a distance of 9.00 feet to a point on the northerly right-of-way line of State Route 980; thence alone said right-of-way line the following courses and distances: in a westerly direction by a curve to the left having a radius of 1210.00 feet for an arc distance of 93.29 feet to a point; thence N 67° 17' 35" W for a distance of 360.52 feet to a point; thence in a northerly direction by a curve to the right having a radius of 25.00 feet for an arc distance of 32.92 feet to a point in the aforementioned easterly right-of-way line of O'Hare Road; thence along said right-of-way line in a northerly direction by a curve to the right having a radius of 855.00 feet for an arc distance of 207.19 feet to a point, said point being the point of beginning.

Containing: 2.59 acres

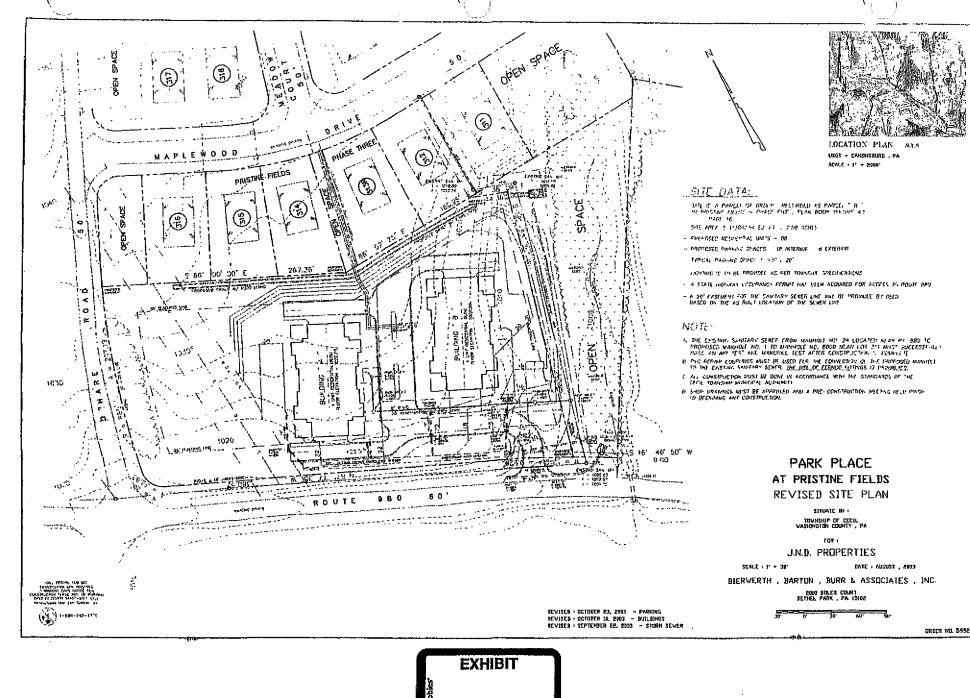


EXHIBIT "B" SCHEDULE OF UNIT IDENTIFYING NUMBERS AND PERCENTAGE INTERESTS

Unit Identifying Number	Percentage Interest
1001	12.5%
1002	12.5%
1003	12.5%
1004	12.5%
2001	12.5%
2002	12.5%
2003	12.5%
2004	12.5%

EXHIBIT "C" PLATS AND PLANS

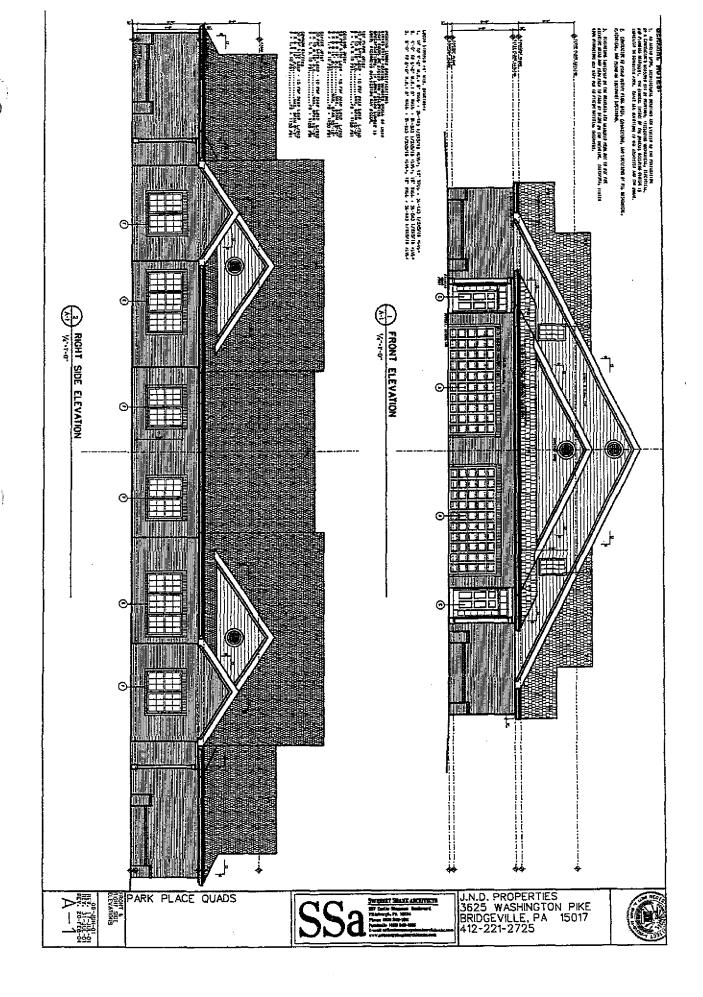


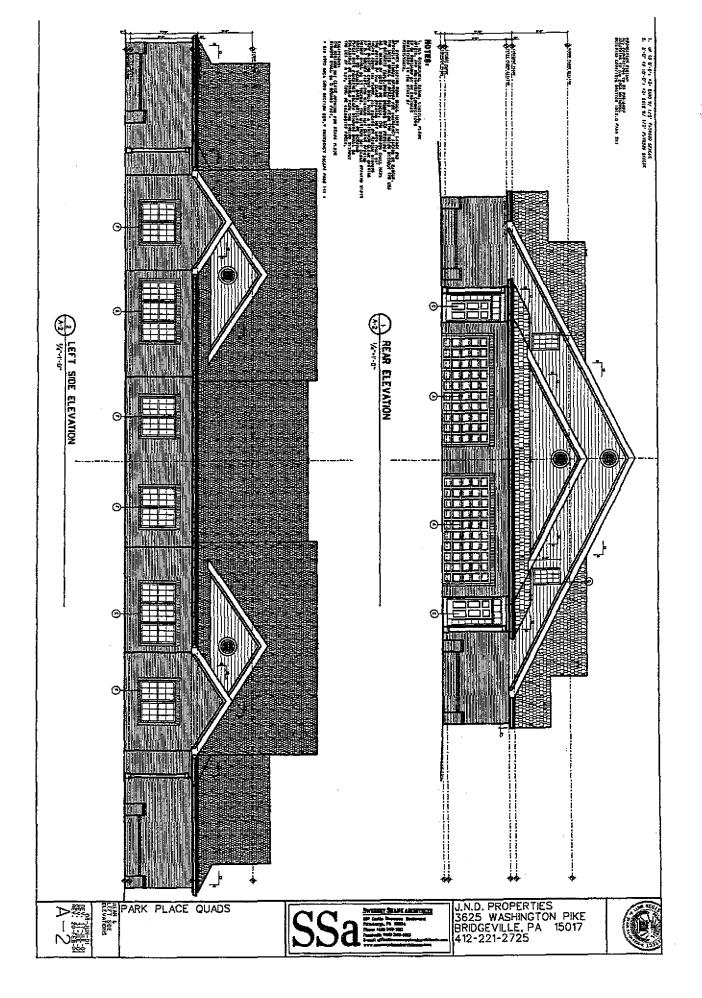


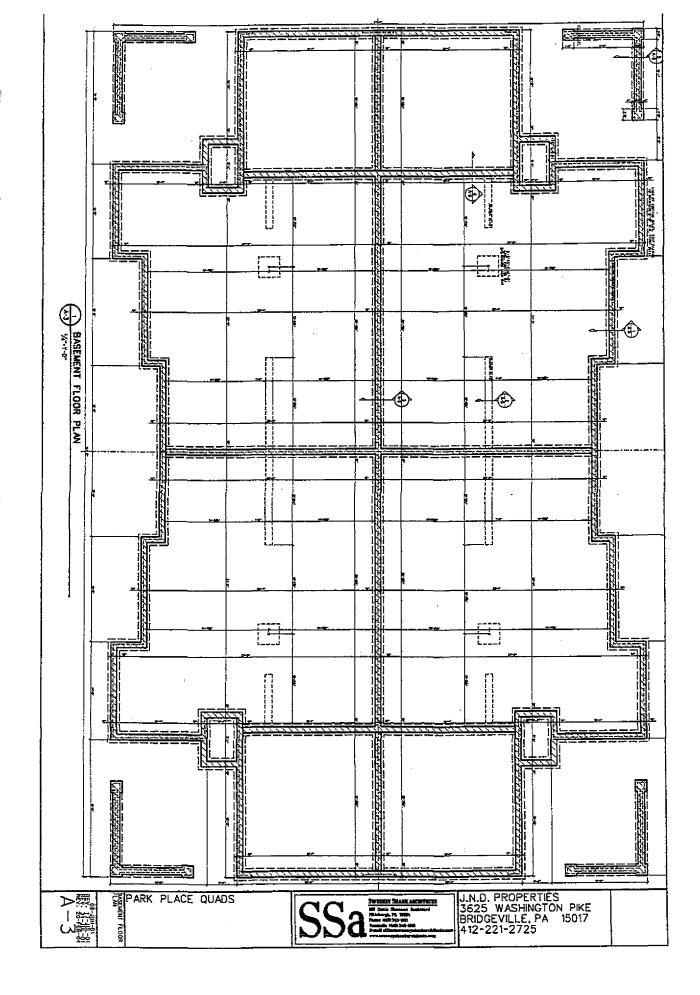
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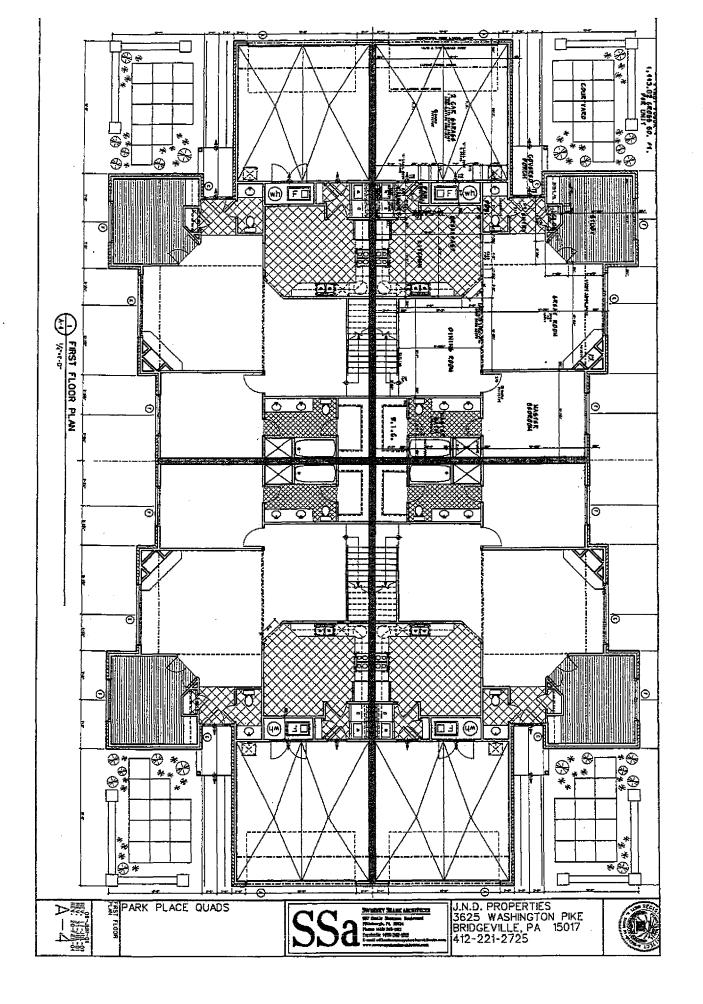
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