

**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND RESERVATION OF EASEMENTS
FOR
SETTLERS WALK HOMEOWNERS ASSOCIATION, INC.**

Declarant, Franklin Park Properties, LLC, a Pennsylvania limited liability company, is the owner of certain real estate in the Borough of Franklin Park, Allegheny County, Pennsylvania, described in Exhibit "A", attached hereto and incorporated herein (hereinafter referred to as "Property") subject to the provisions of the Pennsylvania Uniform Planned Communities Act, 68 PA C.S.A. Sec. 5101, et seq., as amended by Senate Bill No. 1175, signed into law on March 24, 1988 (the Act).

Declarant hereby declares that the Property shall be held, sold and conveyed subject to the covenants, conditions, restrictions and reservation of easements herein, which are for the purpose of protecting the value and desirability of and which shall run with the Property submitted hereunder or which may subsequently be added, and shall be binding on all parties having any right, title or interest in the Property, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

1. Definitions

- 1.1. Additional Land. "Additional Land" means the property set forth in Exhibit "B" which may be made subject to this Declaration.
- 1.2. Allocated Interests. "Allocated interests" means the Common Expense Liability and votes in the association as set forth in Article III.
- 1.3. Assessments. "Assessments" means those charges upon the Lots established by Article III of this Declaration.
- 1.4. Association. "Association" means Settlers Walk Homeowners Association, Inc., a Pennsylvania Corporation, not for profit, its successors and assigns. Except as the context otherwise requires "Association" shall mean the Board of Directors acting on behalf of the Association.
- 1.5. Board. "Board" shall mean the Board of Directors of the Association.
- 1.6. Common Elements. "Common Elements" shall mean any real estate owned or leased by the Association other than a Lot, including easements in favor of the Association.
- 1.7. Common Expense Liability. "Common Expense Liability" means the liability for Common Expenses allocated to each Lot pursuant to Article III, of this Declaration.

- 1.8. Common Expenses. "Common Expenses" means expenditures made by, or financial liabilities of, the Association, together with any allocations to reserves.
- 1.9. Declarant. "Declarant" means Franklin Park Properties, LLC, its successors and assigns.
- 1.10. Declaration. "Declaration" means this Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Settlers Walk Homeowners Association, Inc., including any amendments hereto.
- 1.11. Development Period. "Development Period" means the period commencing on the date of recording of this Declaration and ending on the date seven (7) years thereafter within which the Declarant has the right to submit Additional Land to the terms of this Declaration.
- 1.12. Limited Common Elements. – Intentionally deleted
- 1.13. Living Unit. "Living Unit" means any portion of a building situated on the Properties designed and intended for use and occupancy as a single-family residence.
- 1.14. Lot. "Lot" means the physical portion of the Property designated for separate ownership or occupancy, the boundaries of which are described pursuant to Article II, Section 2.2.
- 1.15. Member. "Member" means any person or entity entitled to membership in the Association as provided herein.
- 1.16. Occupant. "Occupant" means any person in possession of a Lot or Living Unit whether or not such possession is lawful and shall include but not be limited to, an Owner's family members, guests, invitees, tenants and lessees.
- 1.17. Owner. "Owner" means the Declarant or other person or entity who owns a Lot, but does not include a person or entity having an interest in a Lot solely as security for an obligation.
- 1.18. Property. "Property" or "Properties" means the real estate described in Exhibit "A" attached hereto and any other property that may be made subject to the terms of this Declaration, together with any improvements made thereon.
- 1.19. Record Plan. "Record Plan" means the record plat for Settlers Walk Subdivision, Plat Book _____, pages _____ Allegheny County Recorder's Plat Records.

2. Lots

2.1. Description of Lot Boundaries. The boundaries of the Lots shall be those described on the Record Plan, which has been recorded in the Allegheny County Recorder's Office. A Lot shall not include the Common Elements.

3. Allocation of Allocated Interests

3.1. Common Expense Liability. The allocation of Allocated Interests for Common Expense Liability shall be determined in accordance with the allocation of the various assessments as set forth in Article VII, Section 7.8.

3.2. Votes in the Association. The allocation of Allocated Interests for voting purposes shall be one vote per Lot.

4. Common Elements

4.1. Description. The Common Elements shall be all portions of a Parcel submitted to the terms of this Declaration according to Article XVII, Section 17.1 except the Lots. The Common Elements shall include property owned in fee or by easement or leased to the Association.

4.2. Easements. The Common Elements shall be subject to certain easements in favor of the Lots. These easements shall be appurtenant to and pass with the title to the Lots.

4.2.1. Access. The Common Elements shall be subject to permanent nonexclusive easement for ingress and egress in favor of the Lots.

4.2.2. Encroachment. The Common Elements shall be subject to an easement for encroachment in favor of the Lots benefited by reason of any encroachment of any portion of a Living Unit or any fixture attached thereto if such encroachment was a result of the original construction of the Living Unit and its components, including but not limited to, decks, patios, air conditioner pads, bumpouts, and chimneys.

4.2.3. Drainage. The Common Elements shall be subject to easements in favor of the Lots benefited for surface water drainage and for the maintenance of drainage lines from the downspouts to the storm sewers. No Owner shall do anything within a Lot or Living Unit that shall unreasonably increase the flow of surface water.

4.2.4. Utilities. The Common Elements shall be subject to an easement in favor of the Lots for the installation, operation of all utilities.

4.2.5. Development Rights. The Common Elements shall be subject to certain easements and development rights in favor of the Additional Land and the Declarant, as set forth in Article XVII.

4.3. Owner's Delegation Rights. Any Owner may delegate his or her easement rights and rights of enjoyment to the Common Elements to any Occupants, and any guests, invitees, tenants or lessees thereof. Any Owner who has leased his or her Lot shall be deemed to have delegated such rights. Any such delegation, however, shall in accordance with and subject to reasonable rules, regulations and limitation as may be adopted by the Association in accordance with its By-Laws.

4.4. Limitation on Easements. All easements and rights granted herein are subject to:

4.4.1. Restrictions set forth in this Declaration;

4.4.2. Any rules and regulations adopted by the Association and the right to enforce such rules and regulations;

4.4.3. The right of the Association to levy assessments for the Common Expenses and other assessments as set forth herein;

4.4.4. Intentionally Deleted.

4.4.5. If access to any residence is through the Common Elements, any conveyance or encumbrance of such area is subject to the Lot Owner's easement.

4.4.6. All rights granted to the Association in this Declaration;

4.4.7. Development Rights and Special Declarant Rights as set forth in Articles XVII and XVIII.

5. Limited Common Element – Intentionally deleted

6. Owners' Association

6.1. Formation. The Declarant shall cause to be chartered in accordance with Pennsylvania law, a nonprofit corporation named Settlers Walk Homeowners Association, Inc. The Articles of Incorporation are attached as Exhibit A to the Declaration. The purposes for the Association are to provide for the administrative governance, maintenance and upkeep of the Property and to promote the health, safety, and welfare of the Owners and Occupants of the Property.

6.2. Membership. The membership of the Association shall at all times consist exclusively of Owners. All Owners shall be Members. Membership shall be appurtenant to and may not be separated from such ownership.

6.3. Powers of the Association. Subject to Development Rights and Special Declarant Rights hereinafter set forth, the Association may:

6.3.1. Adopt and amend By-Laws for the government of the Association, the conduct of its affairs and the management of the Property;

6.3.2. Adopt rules and regulations for the use and occupation of the Common Elements and to enforce violation of the rules and regulation and the provisions and restrictions of the Declaration as against the Owners and Occupants.

6.3.3. Adopt and administer Architectural Standards and enforce violations thereof.

6.3.4. Adopt and amend budgets for revenues, expenditures and reserves and levy and collect Assessments from Owners;

6.3.5. Hire and discharge managing agents and other employees, agents and independent contractors;

6.3.6. Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the community;

6.3.7. Make contracts and incur liabilities;

6.3.8. Regulate the use, maintenance, repair, replacement and modification of the Common Elements and those portions of the Lots for which the Association has maintenance responsibility and other rights as set forth herein;

6.3.9. Cause additional improvements to be made as part of the Common Elements;

6.3.10. Acquire, hold, encumber and convey in its own name any right, title or interest to real estate or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Article XI;

6.3.11. Grant easements, liens, licenses and concessions through or over the Common Elements;

6.3.12. Impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements and for services provided to Owners;

6.3.13. Impose charges for late payments of Assessments and after notice and an opportunity to be heard, levy reasonable fines for violations of the Declarations, By-Laws, Rules and Regulations of the Association;

6.3.14. Impose reasonable charges for the preparation and recordation of amendments to the Declaration or for statements of unpaid Assessments;

6.3.15. Provide for indemnification of its officers and board of Directors and maintain directors' and officers' liability insurance;

6.3.16. Assign its right to future income, including the right to receive Common Expense Assessments, except that this power shall be limited to the purposes of repair of existing structures or improvements;

6.3.17. Exercise any other powers conferred by the Declaration, By-Laws or Articles of Incorporation;

6.3.18. Exercise all other powers that may be exercised in this state by corporations, nonprofit;

6.3.19. Exercise any other powers necessary and proper for the governance and operation of the Association.

6.4. Voting Rights. Members shall be entitled to vote on matters properly before them in accordance with this Article and the laws of the Commonwealth of Pennsylvania.

6.4.1. Number of Votes. Each Lot shall have one vote. If only one of several Owners for a Lot is present at a meeting of the Association, that Owner is entitled to cast the vote allocated to that Lot. If more than one of the Owners is present, the vote allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Owners. There is majority agreement if any one of the Owners casts the vote allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot. The Association may adopt rules regarding deadlocks. No votes allocated to any Lots owned by the Association may be cast.

6.4.2. Proxies. A vote allocated to a Lot may be cast pursuant to a proxy duly executed by an Owner. If a Lot is owned by more than one person, each Owner of the Lot may vote or register protest to the casting of votes by the Owners of a Lot through a duly executed proxy. An Owner may revoke a proxy given pursuant to this section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. Except as hereinafter provided, a proxy shall terminate one year after its date, unless it specifies a shorter time. If a first mortgagee has been designated a proxy under the terms of a first mortgage covering the Lot, its presentation to the Board of a copy of the mortgage shall be notice of the proxy designation, and if the mortgage so states, of the irrevocability of

that designation. Written notice to the Board or notice in a meeting of a revocation of a proxy designation shall not affect any vote or act previously taken. Each proxy shall automatically cease upon conveyance of the Lot.

6.5. **Annual Meeting.** A meeting of the Members of the Association must be held at least once each year.

6.6. **Management Agent.** The Board may employ for the Association a professional management agent or agents at compensation established by the Board to perform such duties and services, as the Board shall authorize. The Board may delegate to the managing agent or manager, subject to the Board's supervision, certain powers granted to the Board by this Declaration. The Declarant, or an affiliate of the Declarant, may be employed as a managing agent or manager.

No management contract may have a term in excess of three (3) years and must permit termination by either party without cause and without termination fee on ninety (90) days or less written notice.

7. Assessments

7.1. **Establishment of Assessments.** There are hereby established for the benefit of the Association, its successors and assigns, as a charge on each Lot, certain Assessments for Common Expenses and other expenses. Each Owner, by acceptance of a deed, covenants and agrees to pay such Assessments.

7.2. **Purpose of the Assessments.** The Assessments are established for the benefit and use of the Association and shall be used in covering the costs of its Common Expenses and for other such purposes as hereinafter set forth.

7.3. **Annual General Assessment.** There is hereby established an Annual General Assessment for the purpose of the Common Expenses of the Association. The Common Expenses shall be, but not limited to, (1) operation, maintenance, repair and replacement as required by this Declaration; (2) unless otherwise determined by the Board, the cost of any insurance required by this Declaration; (3) reasonable reserves for contingencies and replacement; and (4) administrative, accounting, legal and management fees; (5) all other costs and liabilities incurred by the Association in the exercise of its powers and duties pursuant to this Declaration.

7.4. **Working Capital Fund; Initial Assessment.** At the time of closing of a Lot from a Builder, the purchaser of such Lot shall be assessed the sum of Three Hundred and 00/100 Dollars (\$300.00) as such purchaser's initial contribution to the Association. The Association shall use this Assessment for its operating expenses and capital expenditures. This Assessment is not an advance payment of the Annual General Assessment, and it will not be held in any sort of trust or reserve account.

7.5. Individual Assessment. The Association after approval by two-thirds (2/3) vote of all members of the Board shall have the right to assess an individual Lot, with the exception of any lot owned by Declarant, for any of the following:

7.5.1. any costs incurred by the Association in the performance of any maintenance in accordance with Article VIII, Section 8.2.

7.5.2. any charges or fines imposed or levied in accordance with Article IX, Section 9.3.1.1.

7.5.3. any costs incurred for maintenance or repair caused through the willful or negligent act of an Owner or Occupant or their family, tenants, guests or invitees, including attorney fees, court costs and other expenses incurred to obtain access to the subject Lot or Living Unit.

7.5.4. any costs associated with the enforcement of this Declaration or the Rules and Regulations of the Association, including, but not limited to attorneys fees, witness fees and costs, and court costs.

7.6. Special Assessments. In addition to the other Assessments authorized herein, the Association may levy Special Assessments in any fiscal year. So long as the total amount of Special Assessments allocable to each Lot does not exceed Twenty Percent (20%) of the Annual General Assessment for that fiscal year, the Board may impose the Special Assessment. Any Special Assessments which would cause the amount of Special Assessments allocable to any Lot to exceed this limitation shall be effective only if approved by a majority vote of the Members present and voting at a meeting duly called for such purpose. Special Assessments shall be paid as determined by the Board, and the Board may permit Special Assessments to be paid in installments extending beyond the fiscal year in which the Special Assessment is imposed.

7.7. Computation and Payment of Annual General Assessment. The Annual General Assessment shall be computed and levied in accordance with the budget adopted by the Board pursuant to the By-Laws. This Assessment shall be effective as to each Lot on the first day of the Association's fiscal year. With respect to Lots added during the fiscal year this Assessment shall be effective of the month following the filing of the Supplemental Declaration for such Lot prorated to the end of the Association's fiscal year. So long as there has been no default in payment of the Assessment, it shall be payable in monthly installments due on the first day of each month. The Board shall have the power from time to time to adopt such billing, collection and payment procedures, charges and other payment time schedules as it deems appropriate.

7.8. Maximum Annual Assessment. Beginning with the recording of this Declaration and until _____, the maximum Annual General Assessment shall be Three Hundred and 00/100 Dollars (\$300.00). Beginning with Assessments levied as of _____, and annually thereafter, the Board, without a vote of the Owners, may increase or

decrease the Annual General Assessment. If the Board increases the Annual General Assessment, then, within Thirty (30) days of notice of such increase, Members in good standing exercising Ten (10%) percent of the voting power of the Association, may petition the Board for a special meeting of the Association to reconsider such increase. At such meeting, the Members in good standing, in person or by proxy, exercising sixty-six and two thirds (66 2/3%) percent of voting power of the Association, may vote to reduce the increase by any amount therein proposed, but not lower than the previous years maximum amount.

7.9. Allocation of Assessments. The Common Expense Liability of each Lot shall be its portion of the Common Expense. The Common Expense Liability and the Annual General Assessment shall be allocated equally to each Lot. The other Assessments shall be allocated as applicable to the respective Lots and as determined by the Board.

7.10. Lien for Assessments. The Association shall have a lien for any Assessment levied against a Lot, for fines imposed against an Owner or Occupant, and for interest, costs and reasonable attorney fees.

7.11. Creation. The lien for Assessments is created by this Declaration and shall be a charge and a continuing lien on each Lot which shall run with the land. All persons or entities acquiring an interest in a Lot after the filing of this Declaration take such interest subject to the lien.

7.12. Effective Dates. The lien for the Common Expense Liability for each Lot as set forth in the Annual General Assessment shall be effective on the first day of the fiscal year of the Association. The lien for other Assessments shall be effective on the first day of the month following the notice of it levy on the Owners affected.

7.13. Perfection. Recording of this Declaration constitutes notice and perfection of the Lien.

7.14. Notice of Lien. The Association may file a notice of lien with the Recorder of Allegheny County. Such notice shall not be required for the Association enforce its lien.

7.15. Priority of the Lien. The lien created by this Section shall be prior to all liens and encumbrances recorded subsequent to this Declaration except the lien for real estate taxes and assessments and the lien of any first mortgage filed of record.

7.16. Subordination and Mortgagee Protection. Notwithstanding any of the provisions hereof to the contrary, the lien of any Assessment levied pursuant to this Declaration (and any late charges, interest, costs and attorney fees) shall be subordinate to, and shall in no way affect the rights of the holder of a first mortgage made in good faith for value received; provided, however, that such subordination shall apply only to Assessments, or installments thereof, which have become due and payable prior to the date of Sheriff's sale of such Lot pursuant to a foreclosure or the date of a deed in lieu of foreclosure. Such

sale or transfer shall not relieve the mortgagee or the purchaser of a Lot at such sale from liability for any Assessments thereafter becoming due, nor from the lien of any such subsequent Assessment. Mortgagees are not required to collect Assessments on behalf of the Association. Failure to pay Assessments shall not constitute a default under any mortgage insured by FHA/VA.

7.17. Extinguishment of the Lien. A lien for unpaid Assessments is extinguished unless proceedings to enforce it are instituted within five (5) years after the full amount of the Assessment becomes due. If an Owner of a Lot subject to a lien files a petition for relief under the United States Bankruptcy Code, then the period of time to enforce the Association's lien shall be tolled until thirty (30) days after the automatic stay under Section 362 of the Bankruptcy Code is lifted.

7.18. Estoppel Certificate. Upon request of any mortgagee or Owner and upon payment in full of all Assessments and other charges permitted by this Declaration that are due to the Association, the Association shall execute and deliver to such mortgagee or Owner an Estoppel Certificate. Such certificate shall be in recordable form and shall note the payment of the outstanding Assessments and charges and that the Association is estopped from the enforcement of its lien with respect to Assessment and charges becoming due and payable prior to the date of the Certificate. The Association may charge a reasonable fee for the preparation of such certificate.

7.19. Delinquency and Acceleration. Any installment of an Assessment provided for by this Declaration shall become delinquent if not paid on the due date as established by this Declaration or by the Board. With respect to each installment of an Assessment not paid within five (5) days of its due date, the Board may, at its election, require the Owner to pay a reasonable late charge, costs of collection, reasonable attorney fees and interest at the rate provided under of Pennsylvania law (and as amended from time to time). Interest shall be calculated from the date of delinquency to the date full payment is received by the Association. If any installment of an Assessment is not paid within thirty (30) days of its due date, the Board may, at its election, declare all of the unpaid balance of the Assessment without further notice or demand to the Owner. The Association may enforce the collection of the full Assessment and all charges thereon in any manner authorized by law or this Declaration. The filing of any petition for relief pursuant to the United States Bankruptcy Code by an Owner whose Assessment has been accelerated shall operate as a restoration of the Assessment to its prior status as if it has not been accelerated.

7.20. Remedies Cumulative. A suit to recover money judgment for unpaid Assessments and charges may be maintained without foreclosing or waiving the right to enforce the lien. A foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment.

7.21. Personal Obligation. The Assessments, including fines, if any, payable by each Owner, together with any penalty, interest, costs and reasonable attorney fees shall be the

personal obligation of the Owner of the Lot at the time incurred. The Personal Obligation shall not pass to any successors in title unless expressly assumed by them.

7.22. **Statement of Unpaid Assessments.** The Association shall upon written request of the Owner, contract purchaser, or first mortgagee, furnish a statement setting forth the amount of unpaid Assessments against the Lot. This statement must be furnished within ten (10) business days after receipt of the request and is binding on the Association, the Board and every Owner. The Association may charge a reasonable amount for this statement.

7.23. **No Waiver of Liability for Common Expenses.** No Owner may exempt himself or herself from liability for payment of the Common Expenses by waiver of the use or enjoyment of the Common Elements or by abandonment of the Lot against which the Assessments are made.

8. Upkeep of the Property

8.1 **Association' Responsibility:** The Association shall maintain and keep in good repair the Common Areas, such maintenance to be funded as hereinafter provided. The Common Areas shall be as herein defined and include, but need not be limited to, street signage; all landscaping and other flora, structures, and improvements, including any private streets, situated upon the Common Areas, landscaped medians within public rights of way throughout the Property, landscaping and other flora on any public utility easement within the Property (subject to the terms of any easement agreement relating thereto); and such portions of any additional land included within the common area as may be indicated in this Declaration , any supplemental declaration, or by a contract or agreement for maintenance thereof by the Association. The Common Area shall include all ponds, streams and/or wetlands located within the Property which serve as part of the drainage and /or drainage and Surface Water Management System for the Property, including any retaining walls, bulkheads or dams retaining any water therein, and any fountains, lighting, pumps, conduits and similar equipment installed therein or in connection therewith. The Association may maintain other property which it does not own, including, without limitation, property dedicated to the public, if the Board determines that such maintenance is necessary or desirable.

8.1.1 There are hereby reserved to the Association blanket easements over the Property as necessary to enable the Association to fulfill responsibilities under this section.

8.2 Each Owner shall maintain his or her Lot and all structures, and other improvements comprising the Lot. Owners of Lots adjacent to any roadway within the Property shall maintain driveways serving their respective Lots, whether or not lying within the Lot boundaries, and shall maintain and irrigate landscaping on that portion of the Common Element, if any or right-of-way between the Lot boundary and the back of

curb of the adjacent street. Detailed responsibility may be further defined in any supplemental declaration or regulation adopted by the Association.

All maintenance required by this Declaration shall be performed in a manner consistent with the standards generally prevailing throughout the Property and all applicable covenants as may be more specifically determined by the Association. In addition to any other enforcement rights available to the Association, if any Owner fails to properly perform his or her maintenance responsibility, the Association may perform it and assess all costs incurred by the Association against the Lot and the Owner thereof in accordance with this Declaration; provided, however, except when entry is required due to an emergency situation, the Association shall afford the Owner reasonable notice and opportunity to cure the problem prior to entry.

8.3 Street Trees and Sidewalks. If not otherwise undertaken by the Borough of Franklin Park, street trees and sidewalks located within the public right of way and /or Landscape/Walk Easement shall be maintained by the Owner of the Lot located adjacent to that portion of the public street right of way in which the street trees and sidewalks are located. Maintenance shall include providing the watering, feeding and spraying for disease and insects, as necessary, pruning limbs overhanging the roadways and replacing the street trees which die or otherwise become significantly unattractive. Maintenance of the sidewalks shall include keeping the sidewalks in a passable condition, repair and replacement. In the event the Owner fails to provide such maintenance of the street trees and/or sidewalks, then the Association may provide such maintenance and repair and assess the Owner as provided herein. The Association may elect to maintain the street trees and sidewalks as part of the Common Elements.

8.4 Surface Water Management System. The Surface Water Management System shall consist of "Drainage Easements" as shown or delineated on the Record Plan and general easements over the Common Elements. The Association shall maintain and administer the Surface Water Management System in accordance with the guidelines as may be promulgated from time to time by the appropriate governmental authorities. The Association shall have the primary responsibility for the maintenance of the detention areas, including any pipes, concrete gutters or mechanical devices. By acceptance of such responsibility, the Association shall not be liable for any damage caused by surface water, erosion, landslide or other similar causes, unless such damage was proximately the caused by the failure to exercise ordinary care in carrying out its duties and responsibilities.

8.4.1 Surface Water Management System Easements. Each Lot shall be subject to and be benefited by an easement for storm sewers, drainage and surface water management as more particularly shown or delineated on the Record Plan. Regardless of whether such easements are shown on the Record Plan, each Lot is subject to a five (5) foot easement along each side lot line and the rear lot line of each Lot. Each Lot wherein a portion of a lake, pond, channel or basin is located

or is adjacent to such element, shall be subject to an easement which shall be from normal pool level of such element to the top of slope adjacent thereto plus ten (10) feet. Such easements shall be non-exclusive as to the Owners and shall run to any governmental agency which has control and responsibility for drainage and surface water management. Such easement, however, shall not run to the public at large.

8.4.2 Access to Parcels. For the purpose solely of performing the maintenance required or authorized herein, the Association through its duly authorized agents or employees, or subcontractors, shall have the right, after reasonable notice to the Owner, to enter upon the Lot at reasonable hours on any day.

8.4.3 Individual Maintenance. Each Owner shall maintain that portion of the Surface Water Management System which serves only that Owner's Parcel. Each Owner shall have primary responsibility for grass cutting and vegetation control within the easements located on his or her Lot. Such responsibility shall include keeping these easements clean and unobstructed. Maintenance of the Surface Water Management System shall be in accordance with the guidelines and standards set forth by any governmental agency having authority over such Surface Water Management System. If any portion of the Surface Water Management System which serves only one Lot is damaged, the Owner of that portion shall promptly cause it to be repaired.

8.4.4 Detention Basin Maintenance. Unless otherwise provided for the Association shall provide for all maintenance of the detention basins, including periodic mowing, vegetation control and debris removal.

8.4.5 Restriction Of Use. No Owner shall use or permit any other person to use the Surface Water Management System in any manner which would constitute a nuisance, hazard or unsanitary condition or be in violation of any local, state, or federal law ordinance, rule, regulation or statute. No filling, structure, planting, fencing, culvert or other material shall be placed or permitted to remain which may obstruct, retard, or divert the flow of water through the Surface Water Management System.

9. Restrictions

9.1. Use and Occupancy. The following are applicable to the Use and Occupancy of the Property.

9.1.1. No Waste. Nothing shall be done or kept on the Property which will increase the rate of insurance for the Property or any part thereof applicable for permitted uses without the prior written consent of the Board; including without limitation any activities which are unsafe or hazardous with respect to any person or property. No person shall permit anything to be done or kept on the Property which will result in the cancellation of any

insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste will be committed on the Common Elements.

9.1.2. Compliance with Laws. No improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Property shall be complied with, by and at the sole expense of the Owner, the Association, whichever shall have the obligation for the upkeep of such portion of the Property, and, if the Association, then the cost of such compliance shall be a Common Expense.

9.1.3. Harmful Discharges. There shall be no emissions of dust, sweepings, dirt, cinders, odors, gases or other substances into the atmosphere (other than normal residential chimney emissions), no production, storage or discharge of hazardous wastes on the Property or discharges of liquid, solid wastes or other harmful matter into the ground or any body of water, if such emission, production, storage or discharge may adversely effect the use or intended use of any portion of the Property or may adversely effect the health, safety or comfort of any person. No waste nor any substance or materials of any kind shall be discharged into any public sewer serving the Property or any part thereof in violation of any regulation of any public body having jurisdiction over such public sewer.

9.1.4. Noise. No person shall cause any unreasonably loud noise (except for security devices) anywhere on the Property, nor shall any person permit or engage in any activity, practice or behavior for the purpose of causing annoyance, discomfort or disturbance to any person lawfully present on any portion of the Property.

9.1.5. Obstruction of Common Elements. No person shall obstruct any of the Common Elements or otherwise impede the rightful access of any other person on any portion of the Property upon which such person has the right to be. No person shall place or cause or permit anything to be placed on or in any of the Common Elements without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Elements except with the prior written approval of the Board.

9.1.6. Use of Common Elements. The Common Elements shall be used only for the furnishing of the services and facilities for which the same is reasonably suited and which are incident to the use and occupancy of the Lots. The improvements located on the Common Elements shall be used only for their intended purposes. Except as otherwise expressly provided in this Declaration, no Owner shall make any private, exclusive or proprietary use of any of the Common Elements.

9.1.7. No Trade or Business. No trade or business of any kind may be conducted in or from any Lot or Living Unit except that an Owner or Occupant of a Lot or Living Unit may conduct such business activity within the Lot or Living Unit so long as: (a) the

existence or operation of the business activity is not apparent or detectable by sight, sound or smell from the exterior of the Lot or Living Unit; (b) the business activity conforms to all zoning requirements for the Property; (c) the business activity does not involve persons coming on to the Lot who do not reside in the Property; and (d) the business activity is consistent with the residential character of the Property.

The terms "business" and "trade" as used in this provision shall be construed to have their ordinary generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether (i) such activity is engaged in full-time or part-time; (ii) such activity is intended to or does generate a profit; (iii) a license is required thereof.

9.1.8. Signs. Except for such signs as may be posted by the Declarant for promotional or marketing purposes or the Association and one sign of not more than five (5) square feet advertising the lot for sale or rent, no signs of any character shall be erected, posted or displayed in a location that is visible from the Common Elements or any other Lot that does not comply with the Architectural Standards without the prior written approval of the Board.

9.1.9. Trash. Except in connection with construction activities, no burning of any trash and no accumulation or storage of litter, refuse, bulk materials, building materials or trash of any other kind shall be permitted on any Lot. Trash containers shall not be permitted to remain in public view from the Common Elements or another Lot except on days of trash collection. No incinerator shall be kept or maintained upon any Lot.

9.1.10. Fences. Except for any fence installed by the Declarant, Subdeveloper or by the Association, all fencing must comply with the ordinances and regulations of the subdivision and all fencing material and the location thereof, must be approved in writing by the Declarant, its successors and assigns, including the Board. Any fences shall only be allowed in the rear yard of a Lot and shall not exceed the height of four (4) feet. Chain link fencing is specifically prohibited except as installed around any pond or detention area where it is specifically allowed. No fence installed on a lot shall be closer to the street than the rear of the dwelling unit. In the case of a corner lot, no fence shall be closer than the side of the dwelling unit closest to the street.

9.1.11. Parking; Vehicle Repairs. Except in connection with construction activities, trucks, trailers, campers, recreational vehicles, boats and other large vehicles may be parked on the Property only if in garages or if expressly permitted by the Board and only in such parking areas (if any) as designated. No junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be kept upon any portion of the Property. Vehicle repairs and storage of vehicles are not permitted on the Property without the prior written approval of the Board of Directors. No motor vehicles shall be driven on the Common Elements, except such vehicles as are authorized by the Board and

needed for upkeep of the Common Elements. This prohibition does not apply to normal vehicular use of streets, roadways, and driveways in the Common Elements.

9.1.12. Timeshare. No Lot or Living Unit shall be subjected to or used for any timesharing, cooperative, licensing or other arrangement that would entail weekly, monthly, or any other type of revolving or periodic occupancy by multiple Owners, cooperators, licensees, or timesharing participants.

9.1.13. Animals. The maintenance, keeping, boarding or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited on any Lot or upon the Common Elements, except that the keeping of guide animals and orderly domestic pets (e.g., dogs, cats or caged birds) without the approval of the board, is permitted, subject to the Rules and Regulations adopted by the board. Such pets are not kept or maintained for commercial purposes or for breeding. Any such pet causing or creating a nuisance or unreasonable disturbance or noise may be permanently removed from the Property upon ten days written notice from the board. Pets shall not be permitted upon the Common Elements unless accompanied by someone who can control the pet and unless carried or leashed. Any Owner or Occupant who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Association, each Owner and the Declarant, free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Property. All pets that may leave the Lot shall be and inoculated as required by law.

9.1.14. Open Fires. Open burning is not permitted on the Property, except that outdoor fireplaces, grills, and chimneys may be used if equipped with fire screens to prevent the discharge of embers or ashes.

9.1.15. Lighting. No exterior lighting shall be directed outside the boundaries of a Lot.

9.1.16 Pools. Above ground pools are not permitted.

9.1.17 Accessory Buildings. Metal sheds are not permitted. All accessory building plans must be approved by the Declarant and/or Board of Directors and should be consistent with the architectural design of the dwelling units in the subdivision.

9.1.18 Swing Sets. Metal pole swing sets are not permitted. All swing sets/play gyms/play structures must be approved by the Declarant and/or the Board of Directors.

9.1.19 Satellite Dishes/Antennas. Antennas, satellite dishes, antennae towers or any other device used for the purpose of receiving radio, electronic or television signals shall not be located in any Common Area, Open Space or Detention Facility, and only located upon a Lot in an area where it is not substantially visible from any street. Any tower or other device, other than a satellite dish or standard antenna, must be approved by the Declarant and/or Board of Directors. Satellite dishes must be one meter or less in diameter and must be screened from public view.

9.2. Leasing. The following are applicable with respect to Leasing the Lots and Living Units.

9.2.1. Covenants and Restrictions. Except as noted in Section 9.2.4, every lease on every Lot or Living Unit in the Property is subject to the following covenants and restrictions whether in the lease or not:

9.2.1.1. The lease must be in writing;

9.2.1.2. The lease must be for the entire Living Unit;

9.2.1.3. The lease must be for a minimum period of not less than twelve (12) months. Renewals can be for any length;

9.2.1.4. The use of the premises is subject to the Declaration and the rules and regulations of the Association.

9.2.1.5. Within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the lease must be furnished to the management company or to an officer or Director of the Association;

9.2.1.6. The unit cannot be used as a motel or hotel or otherwise for transient tenants.

9.2.2. Remedies for Breach. If any Owner (landlord) or Occupant is in violation of any of the provisions of the Declaration and any rules and regulations, the Association may bring an action in its own name and/or in the name of the Owner to have the tenant evicted and/or to recover damages. If the court finds that the tenant is or has violated any of the provisions of the Declaration or the rules and regulations, the court may find the tenant guilty of forcible detainer notwithstanding the facts that the Owner is not a party to the action and/or that the tenant is not otherwise in violation of tenant's lease or other rental agreements with Owner. For purposes of granting the forcible detainer against the tenant, the court may consider the Owner a person in whose name a contract (the lease or rental agreement) was made for the benefit of another (the Association). The remedy provided by this subsection is not exclusive and is in addition to any other remedy or remedies which the Association has. The Association may recover all of its costs, including court costs and reasonable attorney's fees, and such costs shall be an Individual Assessment on the Lot. The Association will give the tenant and the Owner notice in writing of the nature of the violation of the rules, and 20 days from the mailing of the notice in which to cure the violation before the Association may file for eviction.

9.2.3. By becoming a tenant, each tenant agrees to be bound by the Declaration and the other rules and regulations of the Association, and recognizes and accepts the right and

the power of the Association to evict the tenant for any violation by the tenant of the Declaration and the other rules and regulations of the Association.

9.2.4. To protect first mortgage lenders and to encourage first mortgage lenders to make loans on units in the project, only subsections 9.2.1.5 and 9.2.1.6 of these covenants and restrictions apply to a first mortgage lender who has title to the Lot through foreclosure of its first mortgage on the Lot or a deed in lieu of foreclosure on its first mortgage on the Lot.

9.2.5. Any subsequent purchaser from the first mortgage lender is subject to all of the rules and regulations.

9.3. Remedies for Breach of Covenants and Restrictions. The violation of any covenant or restriction, contained in the Declaration or violation of any rule or regulation duly adopted by the Board shall give the Board the authority to enforce the covenants, restrictions, rules and regulations in accordance with this Section.

9.4. Actions. In addition to the provisions of Subsection 9.2.2, the Board may take any of the following actions.

9.4.1.1.1. levy a fine against the Owner or Occupant which shall also be an Individual Assessment under Section 7.5.

9.4.1.1.2. to enter upon a Lot or portion thereof upon which or, as to which, such violation or breach exists and to summarily abate and remove at the expense of the Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions of this Declaration, and the Board, or its agents shall not be thereby deemed guilty in any manner of trespass or wrongful act.

9.4.1.1.3. to institute appropriate legal proceedings to enjoin, abate or remedy the continuance of any breach.

9.4.1.1.4. undertake such dispute resolution methods such as mediation and arbitration, except that this provision shall not be construed as any requirement to do so as a condition precedent to legal proceedings.

9.4.1.2. Notice and Opportunity to be Heard. Prior to any action, the Board shall give the Owner and/or Occupant reasonable notice of the violation and an opportunity to be heard. Such notice and opportunity shall not be required in emergency situations or for repeated or continuing violations.

10. Dwelling Sizes

10.1 Dwelling Size: All dwellings constructed upon the following Lots within the subdivision as shown on the Record Plan shall contain the following minimum finished living areas exclusive of basements, garages, attics and porches:

10.1.1 Lots 229-241, 332-339 and 401-413 shall have the following minimum square footages:

- i) Ranch - 1100 square feet
- ii) 2 story - 1400 square feet

10.1.2 Lots 141-167 shall have the following minimum square footages:

- i) Ranch - 1900 square feet
- ii) 2 story - 2200 square feet

10.1.3 All other Lots shall have the following minimum square footages:

- i) Ranch - 1200 square feet
- ii) 2 Story - 1600 Square feet

11. Architectural Review

11.1. Applicability. All architectural review shall be performed by the Board, or a committee appointed by the Board, in accordance with the provisions of this Article. If the Board appoints a committee to perform the architectural review functions, there shall be no less than three (3) and no more than five (5) members, all of whom must be Owners. The terms of office shall be as designated by the Board. Any Owner who wishes to make any Improvement to his or her Lot or Living Unit is required to obtain the approval of the Board pursuant to this Article prior to making such Improvement. "Improvement" for purposes of this Article shall mean any alteration or addition which will affect the exterior of the Lot or Living Unit, including but not limited to: (i) casualty repair and restoration; (ii) landscaping; and (iii) placement of any structures, gutters, awnings, shutters, mailboxes or antennas. Repainting in the original color scheme and routine repairs which do not alter the external appearance shall not be included in the definition of an Improvement. Any Owner who makes an Improvement without the prior approval of the Board shall be deemed a violation of this Declaration; and the Board upon its own motion, shall proceed as though the Owner gave notice of completion as specified in Section 10.8.1. Nothing in this Article shall be deemed to relieve any Owner from obtaining all necessary consents and permits and otherwise complying with all applicable state and local laws and ordinances.

11.2. Duties. The Board shall consider and act upon proposals and/or plans submitted pursuant to this Article. The Board, from time to time and in its sole discretion, may propose architectural rules, regulations and guidelines ("Architectural Standards"). The Architectural Standards shall interpret and implement the provisions of this Declaration by setting forth the standards and procedures for architectural review and guidelines for architectural design, color schemes, exterior finishes and materials and similar features which may be used in the Property.

11.3. Application for Approval of Improvements. Any Owner, except the Declarant, who wants to make an Improvement shall notify the Board in writing of the nature of the proposed work and shall furnish such information as may be required by the Architectural Standards or reasonably requested by the Board.

11.4. Basis for Approval of Improvements. The Board may approve the proposal only if the Board finds that (i) the plans and specifications conform to this Declaration and to the Architectural Standards in effect at the time that the proposal was submitted; and (ii) the proposed Improvement will be consistent with the standards within the Property as to the quality of workmanship and materials, harmony of exterior design and visibility with respect to existing structures, environment, location with respect to topography, and finished grade elevations.

11.5. Form of Approvals and Denials. All approvals and denials shall be in writing. Any denial of a proposal must state the reasons for the decision to be valid. Any proposal

which has not been rejected in writing within sixty (60) days from the date of submission shall be deemed approved.

11.6. Proceeding With Work. Upon approval of the Board, the Owner shall diligently proceed with the commencement and completion of all work so approved. Work must be commenced no later than sixty (60) days from the date of the approval. If the Owner fails to comply with the provisions of this Section, the approval given shall be deemed revoked unless the Board extends the time for commencement. Any request for an extension shall be in writing. No extension shall be granted unless the Board finds that there has been no change in the circumstances under which the original approval was granted.

11.7. Failure to Complete Work. Completion of the work approved must occur in the three (3) month period following the approval of the work unless the Board determines that completion is impossible or would result in great hardship to the Owner due to strike, fires, national emergencies, natural calamities or other supervening forces beyond the control of the Owner or his agents. If the Owner fails to complete the work within the three (3) month period, the Board shall proceed in accordance with the provisions of section 10.11 below.

11.8. Determination of Compliance. Any work performed, whether or not the Owner obtained proper approvals, shall be inspected and a determination of compliance shall be made as follows:

11.9. Upon the completion of any work performed by a Owner for which approval was required, the Owner shall give written notice of completion to the Board. If the Owner fails to give the notice of completion of work performed for which approval was required, the Board may proceed upon its own motion.

11.10. Within sixty (60) days the Board shall inspect the work performed and determine whether it was performed in substantial compliance with the approval granted. If the Board finds that the work was not performed in substantial compliance with the approval granted or if the Board finds that the approval required was not obtained, the Board shall notify the Owner in writing of the non-compliance. The notice shall specify the particulars of non-compliance and shall require the Owner to remedy the non-compliance.

11.11. Failure to Remedy the Non-Compliance. If the Board has determined that a Owner has not constructed an Improvement consistent with the specifications of the approval granted and if the Owner fails to remedy such non-compliance in accordance with the provisions of the notice of non-compliance, then after the expiration of thirty (30) days from the date of such notification, the Board shall provide a hearing to consider the Owner's continuing non-compliance. At the hearing, if the Board finds that there is no valid reason for the continuing non-compliance, the Board shall determine the estimated cost of correcting it. The Board shall then require the Owner to remedy or remove the same within a period of not more than forty-five (45) days from the date of the Board's determination. If the Owner does not comply with the Board's ruling within such period

or within any extension of such period as the Board, in its discretion, may grant, the Board may either remove the non-complying Improvement or remedy the non-compliance. The costs of such action shall be assessed against the Owner as a Individual Assessment.

11.12. Waiver. Approval of any plans, drawings or specifications for any work proposed, or for any other matter requiring approval, shall not be deemed to constitute a waiver of any right to deny approval of any similar plan, drawing specification or matter subsequently submitted for approval.

11.13. Estoppel Certificate. Within thirty (30) days after written demand is delivered to the Board by any Owner, and upon payment to the Association of a reasonable fee (as fixed from time to time by the Association), the Board shall record an estoppel certificate, executed by any two (2) Directors certifying that as of the date thereof, either: (a) the work completed complies with this Declaration or (b) the work completed does not comply. In the latter situation, the certificate shall also identify the particulars of the non-compliance. Any successor in interest of the Owner shall be entitled to rely on the certificate with respect to the matters set forth. The certificate shall be conclusive as between the Association, Declarant and all Owners and such persons deriving any interest through any of them.

Liability. If Directors have acted in good faith on the basis of such information possessed by them, neither the Board nor any Director shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed due to: (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective; (b) the construction or performance of any work whether or not pursuant to approved plans, drawings, and specifications; or (c) the execution and filing of any estoppel certificate, whether or not the facts therein are correct.

11.14. Non-Applicability to Declarant. The provisions of this Article shall apply to any Lot owned by Declarant or prior to its first conveyance of a Lot to an Owner.

12. Conveyance or Encumbrance of Common Elements

12.1. Conveyance or Encumbrance. Portions of the Common Elements may be conveyed or subjected to a security interest by the Association if Owners entitled to cast 75% of the votes in the Association agree to that action. Proceeds of a sale are assets of the Association.

12.2. Access; Priority. A conveyance or encumbrance of the Common Elements shall not deprive any Lot or Living Unit of its rights of access nor affect the priority of validity of pre-existing encumbrances.

13. Insurance

13.1. Coverage. The Board shall obtain and maintain insurance coverage as set forth in this Article.

13.2. Property Insurance.

13.2.1. Property insurance covering:

13.2.1.1. The Common Elements, fixtures, and building service equipment;

13.2.1.2. All personal property owned by the Association;

13.2.2. Amounts. The Common Elements shall be insured for an amount (after application of any deductions) equal to one hundred (100%) percent of the current replacement cost exclusive of land, foundation excavation and other items normally excluded from coverage. Personal property owned by the Association shall be insured for an amount equal to its replacement value. The Board may also obtain Agreed Amount and Inflation Guard Endorsements. The Board is authorized to obtain appraisals periodically for the purpose of establishing the amounts required and the cost of such appraisals shall be a Common Expense.

13.2.3. Deductibles. The policy may include a reasonable deductible and the amount thereof shall be added to the face amount of the policy in determining whether the amount equals the full replacement cost. The maximum deductible shall be the lesser of \$10,000.00 or One (1%) percent of the policy face amount. The Board may adopt a reasonable apportionment of the deductible between the Owners and the Association.

13.2.4. Risks Insured Against. The insurance shall afford protection against the following:

13.2.4.1. loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; and

13.2.4.2. all other perils which are customarily covered, including perils normally covered by the standard "all-risk" endorsement, where such is available at reasonable cost.

13.2.5. Other Provisions. Insurance policies required by this Section shall provide that:

13.2.5.1. The insurer waives the right to subrogation under the policy against a Unit Owner or member of the household of the Owner;

13.2.5.2. An act or omission by an Owner, unless acting within the scope of the Owner's authority on behalf of the Association, will not void the policy or be a condition to recovery under this policy;

13.2.5.3. If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy is primary;

13.2.5.4. The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Owner and each holder of a security interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses;

13.2.5.5. The name of the insured shall be substantially as follows: "The Settlor's Walk Homeowners' Association, for the use and benefit of the individual owners."

13.2.6. Unacceptable Policies. No policy shall be acceptable where:

13.2.6.1. under the terms of the insurance carrier's charter, bylaws or policy, contributions or assessments may be made against borrowers, FNMA, FHLMC or the designee of FNMA or FHLMC;

13.2.6.2. by the terms of the carrier's charter bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders or members; or

13.2.6.3. the policy includes any limiting clauses (other than the insurance conditions) which could prevent FNMA, FHLMC or the borrowers from collecting insurance proceeds.

13.2.7. Liability Insurance. Liability insurance in an amount determined by the Board, but in no event less than One Million Dollars (\$1,000,000.00) covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements and the activities of the Association.

13.2.8. Other Provisions. Insurance policies carried pursuant to this Section shall provide that:

13.2.8.1. Each Owner is an insured person under the policy with respect to liability arising out of the interest of the Owner in the Common Elements or membership in the Association;

13.2.8.2. The insurer waives the right to subrogation under the policy against an Owner or member of the household of the Unit Owner;

13.2.8.3. An act or omission by an Owner, unless acting within the scope of the Owner's authority on behalf of the Association, will not void the policy or be a condition to recover under the policy;

13.2.8.4. If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy is primary;

13.2.8.5. The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Owner and each holder of a security interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.

13.3. Fidelity Bonds. The Association shall maintain blanket fidelity bonds for all officers, directors, and employees of the Association or any other party (including volunteers) handling or responsible for funds of or administered by the Association. If the Association delegates some or all of the responsibility of the handling of the funds to a professional management company, then such company shall obtain such fidelity bond coverage for those of its officers, employees or agents who handle or are responsible for funds of or administered on behalf of the Association and the Association shall be named as an additional loss payee. The total amount of fidelity bond coverage shall be based upon the Board's best business judgment and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or professional management company at any given time during the term of the bond. However, in no event may the coverage be less than the sum of three (3) months aggregate assessments on all units plus reserve funds.

13.3.1. All such fidelity bonds shall:

13.3.1.1. Name the Association as obligee as the named insured;

13.3.1.2. Contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;

13.3.1.3. Contain an appropriate endorsement to cover persons who serve without compensation if the policy would not otherwise cover volunteers; and

13.3.1.4. Provide that the bonds may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to the Association or Insurance Trustee and to a financial institution or entity which is servicing any mortgage on any part of the Property on behalf of the FNMA or FHLMC.

13.3.1.5. The premiums on such bonds (except for those on fidelity bonds maintained by a professional management company for its officers, employees and agents) shall be paid by the Association and shall be a Common Expense.

13.3.2. The Board may waive or reduce the fidelity bond coverage required herein by institution of one or more of the following controls:

13.3.2.1. The Association or any management company maintains separate bank accounts for the working account and reserve account, each with appropriate access controls and the bank in which the funds are deposited sends copies of the monthly bank statements directly to the Association President or Treasurer;

13.3.2.2. The management company maintains separate records and bank accounts for each owners' association that uses its services and the management company does not have the authority to draw checks on - or transfer funds from - the association's reserve account; or

13.3.2.3. Two members of the Board must sign any checks written on the reserve account.

13.4. Lot Owners Policies.

13.4.1. Casualty Insurance. Each Lot Owner shall obtain and maintain in effect, all-risk insurance coverage and other appropriate damage and physical loss insurance, all in an amount equal to the then current full replacement value of the Dwelling Unit. Each Lot

Owner shall upon request provide the Association with evidence that such coverage is in effect.

13.4.2. Liability Insurance. Each Lot Owner shall obtain and maintain in effect adequate liability insurance covering such Unit Owner's Lot and Dwelling Unit.

13.4.3. Obligation to Repair and Restore.

Subject only to the rights of an institutional holder of a first mortgage lien on a damaged Dwelling Unit, the insurance proceeds from a policy covering a Dwelling Unit shall first be applied to the repair, restoration or replacement of such Dwelling Unit. Each Lot Owner shall be responsible for the repair, restoration or replacement of such Dwelling Unit pursuant to the terms hereof. Any such repair, restoration, or replacement shall (subject to advances and changes in construction techniques and materials generally used in construction and then current generally accepted design criteria) be generally harmonious and consistent with the original construction or such other plans and specifications as are approved in accordance with Article IX of the Declaration.

If the proceeds of the insurance are insufficient to pay for the cost of repair, restoration, or replacement of a Dwelling, the Lot Owner shall be responsible for the payment of any such deficiency necessary to complete the repair, restoration, or replacement.

If the proceeds of the insurance are in excess of the amount necessary to pay for the cost of repair, restoration, or replacement of a Dwelling, the Lot Owner shall be entitled to such excess in accordance with the provisions of the applicable insurance policy or policies and subject to the terms of any mortgage covering such Dwelling Unit.

13.4.4. Association Rights. If any Lot Owner fails to obtain the insurance required in this Section, or fails to pay the premiums therefore when and as required or fails to perform the obligation of a Lot Owner under this Section, then the Association may, but shall not be obligated to, obtain such insurance, make such payments for such Lot Owner and / or perform such obligations, and levy the cost of such payments or performance as an Individual Assessment pursuant to Article VII, Section 7.5 of the Declaration.

13.4.5. Additional Insurance. Each Lot Owner may obtain additional insurance at such Owner's expense. No such policies, however, (i) shall be primary to that of the Association for any risk that the Association is obligated to insure and (ii) no Lot Owner may exercise such right to maintain insurance coverage in such a way as to decrease the amount which the Association may realize under any insurance policy which the Association may have in force on any part of the Property at any time.

13.5. Worker's Compensation Coverage. If necessary, the Board shall obtain and maintain Worker's Compensation Coverage to meet the requirements of the laws of the Commonwealth of Pennsylvania.

13.6. Directors and Officers Insurance. The Board shall obtain and maintain directors' and officers' liability insurance, if available, covering all Directors and officers of the Association in such limits as the Board may, from time to time, determine.

14. Casualty Losses

14.1. Duty to Restore. Any portion of the Property for which insurance is required under Section 13.2.1 or for which insurance is carried by the Association is in effect, whichever is more extensive, that is damaged or destroyed shall be repaired and restored promptly by the Association unless:

14.1.1. The regime is terminated according to the procedures set forth in Article XIX, Section 19.3; or

14.1.2. Repair or replacement would be illegal under a state statute or municipal ordinance governing health or safety;

14.2. Cost. The cost of repair and replacement in excess of insurance proceeds and reserves is a Common Expense.

14.3. Plans. The Property must be repaired and restored in accordance with either the original plans and specifications or other plans and specifications which have been approved by the Board and a majority of the Owners.

14.4. Replacement of Less than Entire Property.

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

14.6. Insurance Proceeds. The Board shall hold any insurance proceeds in trust for the Association, Owners and lien holders as their interests may appear. Subject to the provisions of Subsection 14.1.1 through 14.1.3, the proceeds shall be disbursed first for the repair or restoration of the damaged Property, and the Association, Owners and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Property has been completely repaired or restored, or the regime is terminated.

14.7. Certificates by the Board. The insurance trustee, if any, may rely on the following certifications in writing made by the Board:

14.7.1. Whether or not damaged or destroyed Property is to be repaired or restored;

14.7.2. The amount or amounts to be paid for repairs or restoration and the names and addresses of the parties to whom such amounts are to be paid.

14.8. Certificates by Attorneys. Title insurance companies or if payments are to be made to Owners or Mortgagees, the Board and the insurance trustee, if any, shall obtain and may rely upon a title insurance company or attorney's certificate of title based on a search of the Records of the Recorder of Allegheny County, Pennsylvania, from the date of the recording of the original Declaration, stating the names of the Owners and the mortgagees.

15. Condemnation

15.1. Whenever any portion of the Property shall be taken or threatened to be taken by any authority having the power of condemnation or eminent domain, the Association shall represent the Owners in the condemnation proceedings or in negotiations, settlements and agreements with the condemning authority. Each Owner appoints the Association or any Director designated by the Association as its attorney-in-fact coupled with an interest for such purpose. Each Owner shall be given notice of the taking. If there is any damage to the Property from the taking, then the Association shall proceed in the manner set forth in Section 14.1 for Casualty Losses and the award for the taking shall be distributed in the same manner as insurance proceeds under Section 14.4 and 14.5. In the event that Living Units are taken and not rebuilt as then the Allocated Interests for the remaining Lots shall be reallocated proportionally, and the Association shall promptly record an amendment to the Declaration reflecting the reallocations.

16. Mortgage Protective Provisions

16.1. Notice to Board. Upon request, an Owner who mortgages his or her Lot shall notify the Board of the name and address of the Mortgagee. No Mortgagee shall be entitled to any Mortgagee rights under this Declaration unless such Mortgagee has notified the Board of its address as required by Section 16.2 below and has requested all rights under the Declaration.

16.2. Notices to Mortgagees. Any Mortgagee who desires notice from the Association shall notify the Secretary of the Association to that effect by certified or registered United States Mail, postage prepaid. Any such notice shall contain the name and address, including post office address of such Mortgagee and the name of the person to whom notices from the Association should be directed. The Board shall notify Mortgagees of the following:

16.2.1. Any default of an Owner of a Lot, upon which the Mortgagee has a mortgage, in payment of Assessments (which remains uncured for sixty days) or any other default, simultaneously with the notice sent to the defaulting Owner;

16.2.2. Any casualty affecting the Lot or the Living Unit;

16.2.3. Any actions taken by the Association with respect to restoration, repair or restoration of a Lot upon which the Mortgagee has a mortgage;

16.2.4. Any lapse in an insurance policy held by the Association on the Property;

16.2.5. Any proposal to terminate the Declaration, at least sixty days before any action is taken to terminate;

16.2.6. Any proposal to amend materially the Articles of Incorporation, this Declaration or the By-Laws, at least ten days before any action is taken.

16.3. Other Rights of Mortgagees. All Mortgagees or their representatives shall have the right to receive notice of and to attend and to speak at meetings of the Association.

17. Development Rights

17.1. Submission of Additional Land. The Declarant reserves the rights to submit Additional Land to the terms of this Declaration at any time during the Development Period. The submission shall be accomplished by the filing of a Supplemental Declaration identifying the Additional Land, the Lots and the Common Elements. Additional Land may be submitted unless the Living Units thereon are substantially completed. The Supplemental Declaration must be executed by the Declarant..

17.2. Notice to the Board. The Declarant shall promptly notify the Board of the filing of any Supplemental Declaration submitting Additional Land.

17.3. Easements Reserved. The Declarant reserves for itself, its successors and assigns, the following easements:

17.3.1. Easements for ingress, egress, drainage and all utilities as shown on the recorded Plat of Settlers Walk Phase I and any replats thereof.

17.3.2. Easements for ingress, egress, drainage and all utilities over the Common Elements provided that such easements do not unreasonably interfere with any Owner's rights of enjoyment.

17.3.3. An easement over the Common Elements as may be reasonably necessary for the purpose of discharging its obligations or exercising any rights under the Declaration.

17.3.4. An easement for ingress, egress, drainage and all utilities over the Common Elements and in favor of the Additional Land and the right to convey that easements to others in the event that the Additional Land is not submitted to this Declaration.

17.4. Assignment of Development Rights. The Declarant may assign all or part of the rights reserved herein with respect to all or part of the Additional Land. Such assignment shall not be effective until an instrument evidencing such assignment is recorded in the office of the Recorder of Allegheny County, Pennsylvania. Upon such assignment and unless expressly assumed, neither the Declarant nor the successor declarant shall be liable for warranty obligations, misrepresentations, or breaches of fiduciary duty made by the other.

17.5. Transfer of Development Rights by Foreclosure. Unless otherwise provided in any mortgage securing the Property held by Declarant, in the case of foreclosure of such mortgage, deed in lieu of foreclosure, judicial sale, tax sale, sale under the U.S. Bankruptcy Code or receivership proceedings, of any portion of the Property held by the Declarant subject to the Development Rights herein reserved (including the Special Declarant Rights), a person acquiring title to such property, but only upon his request, succeeds to all such Development Rights. The judgment or instrument conveying title must provide for the transfer of such rights. Upon foreclosure sale, deed in lieu of foreclosure, judicial sale, tax sale, sale under the U.S. Bankruptcy Code or receivership proceedings, the Declarant ceases to have any of the rights herein reserved. A successor to the Development Rights held by a transferee who acquired such rights pursuant to this Section, may declare by a recorded instrument the intention to hold such rights solely for transfer to another person. Thereafter, until transferring such Development Rights to any person acquiring title to the Property subject to the Development Rights, or until recording an instrument permitting exercise of such rights, that successor may not exercise any of those rights, and any attempted exercise is void. So long as a successor declarant

does not exercise any Development Rights under this section, such declarant is not subject to any liability as a declarant.

18. Special Declarant Rights

18.1. Use for Sale Purposes. Declarant reserves for itself, its successors and assigns, the right to maintain sales offices and models in the Lot, Living Units or in the Common Elements.

18.2. Signs and Marketing. The Declarant reserves the right for itself, its successors and assigns, to post signs and displays in the Common Elements to promote sales of Lots, and to conduct general sales activities, in a manner as will not unreasonably disturb the rights of Owners.

18.3. Control of the Association.

18.3.1. Appointment of Directors and Officers. The Declarant reserves the right to appoint and remove the members of the Board and the Officers of the Association for a period which shall terminate no later than the earlier of:

18.3.1.A. Forty-five (45) days after the conveyance of seventy five percent (75%) of the Lots that may be created to Owners other than Declarant; or

18.3.1.B. Seven (7) years after recording of this Declaration.

18.4. Early Termination of Control. The Declarant may voluntarily surrender the right to appoint and remove Directors and officers before the termination of the period set forth above. In that event, the Declarant may require, for the duration of that period, that specified actions of the Association or the Board, be approved by Declarant before they become effective. Such voluntary termination shall be evidenced by a recorded instrument executed by the Declarant setting forth the termination of right to appoint and the actions which require Declarant's approval.

18.5. Transition from Declarant Control. Not later than sixty (60) days after conveyance of Twenty-five (25%) percent of the Lots that may be created to Owners other than Declarant, one (1) member of the Board must be elected by the Owners other than Declarant. Not later than Sixty (60) days after conveyance of Fifty (50%) percent of the Lots that may be created to Owners other than Declarant, not less than two (2) members of the Board must be elected by Owners other than Declarant. Upon termination of the period of Declarant control as set forth above all members of the Board shall be elected by the Owners.

18.6. Declarant's Personal Property. The Declarant and reserve the right to retain all personal property and equipment used in sales, management, construction and

maintenance of the premises that has not been represented as property of the Association. The Declarant reserves the right to remove, within One (1) year after the sale of the last Lot, from the Property any and all goods and improvements used in development, marketing and construction, whether or not they have become fixtures.

18.7. Right to Amend Documents. Notwithstanding anything above to the contrary, this Declaration may be amended at any time without the vote of Owners by a written instrument executed by the Declarant for the purpose of eliminating or correcting any typographical or other inadvertent error herein; eliminating or resolving any ambiguity herein; making nominal changes; clarifying Declarant's original intent; making any change necessary or desirable to meet the requirements of any institutional lender, the Veteran's Administration, the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or any other agency which may insure or purchase loans on a Lot. No such amendment, however, shall materially affect any Owner's interest in the Association or the Common Elements. Each Owner and his mortgagees, by acceptance of a deed to a Lot or a mortgage encumbering such Lot, shall be deemed to have consented to and approved of the provisions of this paragraph and the amendment of this Declaration by Declarant as provided in the immediately preceding sentence. All such Owners and their mortgagees, upon request of Declarant, shall execute and deliver from time to time all such instruments and perform all such acts as may be deemed by a Declarant to be necessary or proper to effectuate the provisions of this paragraph.

19. Duration, Amendment and Termination

19.1. Duration. This Declaration, and its provisions, shall be covenants running with the land and shall bind the property and shall (regardless of whether any such beneficiary owns an interest in any Lot) inure to the benefit of and be enforceable by Declarant, the Association, and each Owner, resident and tenant and their legal representatives, heirs, devisees, successors and assigns and shall continue in full force and effect for twenty (20) years from the date on which this Declaration is recorded. Thereafter this Declaration shall be automatically renewed for successive ten-year periods unless amended or terminated as provided in this Article.

19.2. Amendment. Except as provided in this Section 19 and Section 18, prior to the end of the Development Period, any provision of this Declaration may be amended in whole or in part by a recorded instrument executed by Declarant and approved by the Owners of at least two thirds (2/3) of all Lots.

19.2.1. Except as provided in Sections 18 hereof and this Section 19, after the end of the Development Period, any provision of this Declaration may be amended in whole or in part by a recorded instrument approved by the Owners of at least two thirds (2/3) of all Lots.

19.2.2. All Amendments shall be executed by the Declarant and shall be executed by the President and Secretary of the Association. Such Amendment shall certify that the proper notices were sent and that the requisite vote was obtained. Amendments need not be signed by the Owners.

19.2.3. Termination. This Declaration and the regime created thereby may be terminated only in accordance with this Section.

19.2.4. Consent Required. This Declaration may be terminated only upon consent of Eighty (80%) Percent of the Owners and Sixty-seven (67%) percent of the mortgagees who have requested notice pursuant to Section 16.2. Mortgage consent shall be presumed when a mortgage fails to submit a response to a proposal for termination within Thirty (30) days after it received proper notice delivered by certified mail, return receipt requested.

19.3. Agreement to Terminate. No termination shall be effective unless an agreement to terminate is filed for record with the Allegheny County Recorder. This agreement shall be executed in the same manner as a deed by the requisite number of Owners. The agreement shall provide for disposition of the Common elements, disposition of Association funds and other resolutions and provisions necessary to terminate the regime and wind up the affairs of the Association.

20. Miscellaneous

20.1. No Reverter. No covenant, condition, restriction or reservation of easement contained in this Declaration is intended to create, or shall be construed as creating, a condition subsequent or a possibility of reverter.

20.2. Notices. Any notice required or permitted to be given to an Owner or resident by the Board pursuant to the provisions of this Declaration shall be deemed given when mailed by United States mail, postage prepaid, addressed to such person's last address as it appears on the records of the Association.

20.3. Construction. The Board shall have the right to construe the provisions of this Declaration, and, in the absence of an adjudication by a court of competent jurisdiction to the contrary, such construction shall be final and binding as to all persons and entities benefited or bound by the provisions of this Declaration.

20.4. Invalidity. The determination by a court of competent jurisdiction that any provision of this Declaration is invalid for any reason shall not affect the validity of any other provision hereof.

20.5. Headings. The headings of the Articles and Sections are for conveyance only and shall not affect the meaning or construction of the contents of this Declaration.

Nov 8 02 226243

CERTIFY THIS
DOCUMENT RECORDED
ALLEGANY COUNTY, PA.

2002 NOV -8 PM 3:45

Valerie M. Roberts
VALERIE MCDONALD ROBERTS

DX
145.00
MS
CASH

MADE TO:

KATHLEEN A. GALLAGHER ESQ.
ECKERT SELMAN'S CHERIN & WISLITT
600 GRANT STREET, 4TH FLOOR
PITTSBURGH PA 15219

DBV 1501 PG482

NOV 8 2002

RECORDED

INDEXED

SETTLERS WALK HOMEOWNERS ASSOCIATION

Resolution Regarding the Maintenance of Lawns, Planting Beds, and Hillsides

WHEREAS, Article 8 of the Declaration of Settlers Walk Homeowners Association provides for Owner maintenance of Lot landscaping, and stipulates that detailed responsibilities may be further defined by the Association.

WHEREAS, It has been noted that landscaping maintenance on Lots throughout the community is not being performed consistent with the standards generally prevailing at Settlers Walk.

WHEREAS, The Board of Directors, realizing this, is desirous of adopting specific landscaping maintenance standards so that all residents will have a clear understanding of such standards.

THEREFORE BE IT RESOLVED that the following shall be the landscape maintenance standards for the Settlers Walk Homeowners Association.

- 1) All front, side, and rear yard turf areas or otherwise flat areas which are cultivated, shall be maintained at a height of no higher than six (6) inches. Grass clippings shall not be permitted to be left in clumps, and must be removed from hard surfaces (walks, drives, etc.). Front turf areas shall also be kept weed-free.
- 2) All planting beds on Lots shall be maintained by trimming/pruning shrubs, removing weeds to keep beds within acceptable weed-free standards, and edging beds at least on an annual basis.
- 3) All hillsides or steeply sloped areas (defined as those areas not typically able to be cut with a mowing machine) shall be maintained at a height of ten (10") inches. Exceptions to this are sloped hillsides which are planted with "crown vetch", or those which are not visible from any street in Settlers Walk. ("Street" shall include that portion of Rochester Road between North Shevlin and Pioneer Drives).
- 4) All landscaping in general shall be maintained in a manner consistent with the standards generally prevailing throughout the community as determined by the vast majority of residents at Settlers Walk. If any Owner fails to properly perform his or her maintenance responsibility, the Association may perform it and assess all costs incurred by the Association against the Lot and the Owner thereof in accordance with the Declaration; provided, however, except when entry is required due to an emergency situation, the Association shall afford the Owner reasonable notice and opportunity to cure the problem prior to entry.

Adopted this 25th day of July, 2006.


Paul Gallenstein, President


Christopher Kennedy, Secretary

SETTLERS WALK HOMEOWNERS ASSOCIATION

Resolution Regarding Maintenance of Individual
Exterior Post Lights

WHEREAS, The Board of Directors of Settlers Walk Homeowners Association would like to ensure proper repair and operation of the exterior post lights within Settlers Walk, a uniform appearance for these lights, and a minimum of resident confusion over operation of these lights.

WHEREAS, these lights provide a degree of safety in traveling the property at night; and it is important that these fixtures, even though on private property, be maintained properly and illuminated at night.

THEREFORE, BE IT RESOLVED THAT exterior post lights in the community will be maintained, and will be kept lit from dusk to dawn, by the individual homeowner. Burnt out bulbs will be replaced within seven (7) days from the date the bulb burns out. Random night inspections will be conducted to ensure compliance with this regulation.

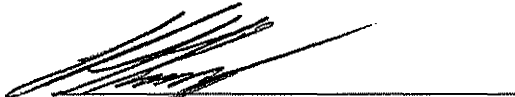
Adopted this 19th day of April, 2006.



Paul Gallenstein, President



Date



Christopher Kennedy, Secretary



Date

SETTLERS WALK HOMEOWNERS ASSOCIATION

Resolution Regarding Maintenance of Individual
Exterior Post Lights

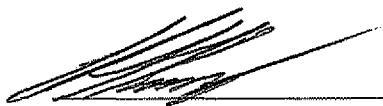
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Adopted this _____ day of _____, 2006.

Paul Gallenstein, President



Christopher Kennedy, Secretary

Date



Date

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Adopted this _____ day of _____, 2006.



Paul Gallenstein, President



Date

Christopher Kennedy, Secretary

Date

SETTLERS WALK HOMEOWNERS ASSOCIATION PAVILION RULES

The general rules for use of the Settlers Walk Pavilion are as follows:

- 1) The Pavilion can be reserved by submitting a pavilion rental form and remitting a \$25.00 rental fee and a \$100.00 deposit . Please contact the management office in advance to reserve. The reservation is valid for the entire day.
- 2) The Pavilion may not be reserved by any resident for two (2) consecutive years on the same holiday.
Example: If you have reserved the Pavilion on Independence Day this year, you may not reserve it again on Independence Day next year. However, if no other resident reserves by 1 month prior to the holiday, you may schedule it again for that day.
- 3) The Pavilion may only be rented for social events/functions. No business activities, shows, clubs, etc. will be permitted.
- 4) Occupancy limit of the facility shall be subject to the discretion of the Franklin Park Fire Marshall.
- 5) Only Owners are entitled to reserve the Pavilion and must be present during functions. The Pavilion may not be reserved for family members or friends.
- 6) All tables must be wiped clean, lights turned off, the floor swept, and all food and garbage (bags) must be removed from the premises when vacating.
- 7) The Pavilion is inspected before and immediately following every event. If it is not properly cleaned, the owner renting the facility forfeits the \$100.00 deposit.
- 8) Please be considerate of future Pavilion renters and leave the Pavilion clean when finished using it.
- 9) No dogs, cats or other domestic pets are permitted in the Pavilion at any time.
- 10) No glass bottles, jars, or other containers shall be permitted at/in the Pavillion.
- 11) Under no circumstances are minors permitted to consume alcohol in the Pavilion.
- 12) Nothing shall be attached to the Pavilion support posts, floor or ceiling.
- 13) Non-compliance with these rules can result in future use of the pavilion being denied.

Effective 3/1/05

SETTLERS WALK HOMEOWNERS ASSOCIATION PLAYGROUND AREA RULES

1. For safety reasons, all children using the playground area under the age of 10 must be accompanied and supervised by a parent or guardian. The parent or guardian is responsible for supervision and for the children's safety and compliance with these rules.
2. ALL THOSE USING THE PLAYGROUNDS DO SO AT THEIR OWN RISK. NEITHER THE ASSOCIATION NOR ITS MANAGER IS RESPONSIBLE FOR INJURIES OR ACCIDENTS.
3. Hours for the playground areas are from 8:00 a.m. to dusk. Do not use the playgrounds after hours or when the playground equipment is wet or icy.
4. Only members, residents, and accompanied guests may use the playground areas.
5. Use the playground equipment properly. Failure to do so can result in serious injury. For example, there shall be no standing, kneeling, or riding double on swings; no walking or running up or down sliding boards; no climbing on top of swing sets, etc.
6. No roughhousing, shoving, fighting, or throwing sand or any inappropriate object in the playground areas is permitted.
7. No roller skates, in-line skates, skateboards, bicycles, or tricycles are permitted in the playground areas (bicycles permitted in parking lot), especially on any grass areas.
8. Pets are permitted in the playground areas, but only in turf areas, and must be leashed at all times. Service animals are excepted from this restriction.
9. No food or drinks are permitted in the playground areas, (but are permitted in the pavilion area). Please dispose of all garbage in the proper receptacles.
10. Non-compliance with these rules may result in suspension of playground use privileges.

Effective 3/1/05

SETTLERS WALK HOMEOWNERS ASSOCIATION SPORTS COURT RULES

The sports courts at Settlers Walk Homeowners Association (Association), including our basketball, tennis, (and volleyball) courts, are for the use and enjoyment of all members and residents. To use them, the following rules must be complied with:

- 1) **Use By Children.** For safety reasons, all children under age 10 must be accompanied by a parent, guardian, or other adult 18 years of age or older. This adult is responsible for supervising the children to ensure their safety and compliance with these rules.
- 2) **Members, Residents, and Guests Only.** Only members, residents, and guests accompanied by a member and/or resident may use sports courts. No more than two guests per member or resident are allowed on a sports court without prior written approval from the manager.
- 3) **Hours.** Hours for sports courts are 8:00 a.m. to dusk.
- 4) **Time Limits.** There is a one-hour time limit for a singles tennis match and a one-hour and 15 minute time limit for doubles play. Volleyball games have no time limit, but players waiting on the sidelines must be rotated into play as soon as possible. Basketball games must end as soon as a team has scored 11 points if each basket is worth one point or 22 points if each basket is worth two points. The winning team is allowed to stay on the court. For basketball games, it is not necessary for a team to win by two points.
- 5) **No Food or Drinks.** No food or drinks are allowed on the sports courts. Water in plastic bottles may be consumed courtside.
- 6) **Bad Behavior.** Profane language and shouting are prohibited. No roughhousing, shoving or fighting is permitted on sports courts.
- 7) **Banned Sports Equipment.** No roller skates, in-line skates, skateboards, bicycles, or tricycles are allowed on sports courts.
- 8) **No Pets.** No pets are allowed on sports courts.
- 9) **Use at Own Risk.** All members, residents, and their guests using sports courts do so at their own risk. Neither the Association nor its manager shall be responsible for injuries or accidents.
- 10) **Violations.** Non-compliance with any of these rules may result in the suspension of use privileges of the offending party(s).

Effective 3/1/05

SETTLERS WALK HOMEOWNERS ASSOCIATION

FIRST AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS, & RESTRICTIONS

This Amendment to the Declaration is made and adopted with, and under the authority of, the Declarant; and the signature of the Declarant is affixed hereunder. This Amendment shall take effect upon the date that it is recorded in the Recorder's Office of Allegheny County, Pennsylvania.

WHEREAS, the Declaration of Covenants, Conditions and Restrictions of Settlers Walk Homeowners Association was recorded in the Recorder's Office of Allegheny County, Pennsylvania on November 8, 2002 in Deed Book Volume 11501, Page 447;

WHEREAS, the Declarant of Settlers Walk desires to amend said Declaration of Covenants, Conditions and Restrictions as stated herein;

NOW THEREFORE, the Declarant of Settlers Walk does hereby adopt the following Amendments to the Declaration of Covenants, Conditions and Restrictions.

ARTICLE 9
Restrictions

Article 9, Section 1, paragraph 19, shall be amended to read as follows:

9.1.19 Satellite Dishes/Antennas. Antennas, satellite dishes, antennae towers or any other device used for the purpose of receiving radio, electronic or television signals shall not be located in any Common Area, Open Space or Detention Facility. Any tower or other device, other than a satellite dish, must be approved by the Board of Directors and/or Architectural Review Committee if so empowered to do so by the Board of Directors. Satellite dishes must be one meter or less in diameter, and, if installed on the ground or on a pole placed in the ground,

must be screened from front street view. No satellite dish or other antenna(e) may be installed on the front face of, or in front of the front face of any dwelling. All installations pursuant to this paragraph shall only be done after written notification has been given to, and approval received from, the Board of Directors.

ARTICLE 7 Assessments

Article 7, paragraph 4, shall be amended to read as follows:

7.4 Working Capital Fund; Initial Assessment. At the time of closing of a Lot, the purchaser of such Lot shall be assessed the sum of Three Hundred and 15/100 Dollars (\$315.00), or such other amount as may be subsequently set by Resolution of the full Board of Directors as such purchaser's initial contribution to the Association. The Association shall use this Assessment for its operating expenses and capital expenditures. This Assessment is not an advance payment of the Annual General Assessment.

ARTICLE 11 Architectural Review

Article 11, paragraph 1, shall be amended as follows:

Applicability. All architectural review shall be performed by the Board, or a committee appointed by the Board, in accordance with the provisions of this Article. If the Board appoints a committee to perform the architectural review functions, there shall be no less than three (3) and no more than five (5) members, all of whom must be Owners. The terms of office shall be as designated by the Board. Any Owner who wishes to make any Improvement to his or her Lot or Living Unit is required to obtain the approval of the Board pursuant to this Article prior to making such Improvement. "Improvement" for purposes of this Article shall mean any alteration or addition which will affect the exterior of the Lot or Living Unit, including buy not

limited to: (i) casualty repair and restoration; (ii) landscaping; and (iii) placement of any structures, gutters, awnings, shutters, mailboxes or antennas. Repainting in the original color scheme and routine repairs which do not alter the external appearance shall not be included in the definition of an Improvement. Any Owner who makes an Improvement without the prior approval of the Board shall be deemed a violation of this Declaration; and the Board upon its own motion, shall proceed as though the Owner gave notice of completion as specified in Section 11.9. Nothing in this Article shall be deemed to relieve any Owner from obtaining all necessary consents and permits and otherwise complying with all applicable state and local laws and ordinances.

SETTLERS WALK HOMEOWNERS ASSOCIATION

Resolution Regarding Maintenance of Individual
Exterior Post Lights

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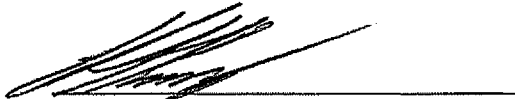
Adopted this 19th day of April, 2006.



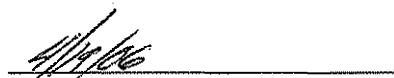
Paul Gallenstein, President



Date



Christopher Kennedy, Secretary



Date

SETTLERS WALK HOMEOWNERS ASSOCIATION

Resolution Regarding the Maintenance
of Lawns, Planting Beds, and Hillsides

WHEREAS, Article 8 of the Declaration of Settlers Walk Homeowners Association (Association) provides for Owner maintenance of Lot landscaping, and stipulates that detailed responsibilities may be further defined by the Association.

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WHEREAS, The Board of Directors is desirous of adopting specific landscaping maintenance standards so that all residents will have a clear understanding of such standards.

THEREFORE BE IT RESOLVED that the following shall be the landscape maintenance standards for the Settlers Walk Homeowners Association.

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- 2) All planting beds on Lots shall be maintained by trimming/pruning shrubs, removing weeds to keep beds within acceptable weed-free standards, and edging beds at least on an annual basis. Hardscape added to define planter beds shall require submission to the Architectural Committee for review and approval following established submission requirements and processes.
- 3) All hillsides or steeply sloped areas (defined as those areas not typically able to be cut with a mowing machine) shall be maintained at a height of ten (10") inches. Exceptions to this are sloped hillsides which are planted with "crown vetch", or those which are not visible from any street in Settlers Walk. ("Street" shall include that portion of Rochester Road between North Shevlin and Pioneer Drives). Slopes greater than 1' rise in a 3' run are required to be maintained. However, the degree of maintenance, or an alternative hillside buffering plan, can be established and approved by the Association Manager or Board of Directors if the lot owner of such steeply sloped hillsides feels the slope requires difficult or higher than normal maintenance.
- 4) All landscaping in general shall be maintained in a manner consistent with the standards generally prevailing throughout the community as determined by the vast majority of residents at Settlers Walk. If any Owner fails to properly perform his or her maintenance responsibility, the Association may perform it and assess all costs incurred by the Association against the Lot and the Owner thereof in accordance with the Declaration; provided, however, except when entry is required due to an emergency situation, the Association shall afford the Owner reasonable notice and opportunity to cure the problem prior to entry.

Adopted this _____ day of _____, 2007.

Traci Conlon, President

Christopher Kennedy, Secretary

SETTLERS WALK HOMEOWNERS ASSOCIATION
Resolution Regarding Exterior Alteration Request Procedure

WHEREAS, Certain unit owners are initiating exterior alterations without having first sought and obtained prior approval from the Board of Directors.

WHEREAS, The Board of Directors is desirous of establishing an incentive to cease the continuation of this activity.

THEREFORE, The following is the new policy that will be followed regarding failure by unit owners to seek and obtain prior approval prior to the start of an exterior alteration. (*ref. Section 11 of the Declaration of Covenants, Conditions, and Restrictions of Settlers Walk Homeowners Association.*)

- The first incident of noncompliance (failure to obtain prior approval) will result in notification from the management office stating the violation and explaining proper procedure. Noncompliant owner will have fifteen (15) days to then submit the appropriate paperwork/follow proper procedure. Failure to comply will result in a fine of \$25.00 being levied against the unit, and the incident being classified as "second incident" status.
- The second incident of noncompliance will result in a letter of reprimand from the management office stating the violation and explaining proper procedure, and the levying of a fine of \$50.00. Future incidences of non-compliance will result in further fines being levied against the unit in violation.

Adopted this 30th day of April, 2007.

SETTLERS WALK HOMEOWNERS
ASSOCIATION

By:



Traci Conlon, President



Christopher Kennedy, Secretary