

Code of Regulations

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FINAL

DEER RUN CONDOMINIUM

CODE OF REGULATIONS

BOOK 1121 PAGE 511

DEER RUN CONDOMINIUM
CODE OF REGULATIONS

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CODE OF REGULATIONS

SECTION I. APPLICABLE STATUTE

This Code of Regulations is adopted pursuant to the Unit Property Act of the Commonwealth of Pennsylvania, (Act of July 3, 1963, P.L. 196).

SECTION II. IDENTITY OF PROPERTY

The Property to which this Code of Regulations shall apply is called Deer Run Condominium located on Haines School Road, Cranberry Township, Butler County, Pennsylvania, more fully described in the Declaration of Condominium and Declaration Plan recorded simultaneously with the recording hereof in the Office of the Registrar and Recorder of Butler County, Pennsylvania.

SECTION III. NAME AND ADDRESS

(1) The Property shall be known by the name of Deer Run Condominium.

(2) The registered office of the Condominium shall be located at 340 Central Drive, R.D. #5, Mars, (Cranberry Township,) Butler County, Pennsylvania 16046.

SECTION IV. DEFINITIONS

Unless it is plainly evident from the context that a different meaning is intended, all terms used herein shall have the same meaning as in the Declaration of Condominium.

SECTION V. COUNCIL

(1) Number and Qualifications. The affairs of Deer Run Condominium shall be governed by a Council. The initial Council shall consist of three (3) persons who shall be designated from time to time by the Sponsor, and who need not be unit owners or reside in the Condominium. The three (3) persons constituting the initial council or any successors so designated by the Sponsor shall serve until (a) forty-nine (49) Units have been sold by the Sponsor and shall have been paid for and title closed, or (b) until five years after the date of the recording of the Declaration and at least fifty percent (50%) of the Units have been sold, whichever shall first occur, and thereafter until their successors shall have been elected by the Unit Owners. Thereafter, the Council shall be composed of five (5) persons, all of whom shall be Unit Owners at the time of election. Any officer of a corporate or partnership owner shall be eligible to serve on the Council. All of the Members of Council, except the initial members, shall be elected by the Unit Owners; provided, however, so long as the Sponsor owns five (5) or more units, the Sponsor may designate one (1) member of the Council.

(2) Powers and Duties. The Council shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts or things except as by law or by the Declaration or by this Code of Regulations may not be delegated to the Council by the Unit Owners. Such powers and duties of the Council shall include but shall not be limited to the following:

(a) Operation, care, upkeep and maintenance of the Common Elements and Limited Common Elements except to the extent specifically imposed upon the individual Unit owners or Sponsor hereinunder or in the Declaration of Condominium.

(b) Determination of the Common Expenses required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property. The Council shall have the right to make a final determination of any claim or dispute by a Unit Owner as to whether any charge or expense applies against the Unit Owner rather than the Common Elements and such determination shall be final, conclusive and binding.

(c) Collection of Common Expenses from the Unit Owners includes assessment due to the Deer Run Homeowners Association either as Common Charges or separately including, without limitation, an amount for working capital of the Condominium for general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. Council may designate an agent for the purpose of collecting Common Expenses and for the purpose of making disbursements therefrom on behalf of the Council.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

(e) Adoption and amendment of rules and regulations covering the details of the operation and use of Property including, without limitation, minimum standards for floor covering in common areas and within Units, and standards governing draperies, blinds, and curtains on the windows. So long as Sponsor owns any Units, rules and regulations shall also require approval of the Sponsor.

(f) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.

(g) Purchasing or leasing or otherwise acquiring one Unit from the Sponsor for the use of a resident superintendent at its option or manager and his family, and arranging for a mortgage thereon.

(h) Making of repairs, additions and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with other provisions of this Code of Regulations after damage or destruction by fire or other casualty or as a result of eminent domain proceedings.

(i) The Council shall have the right to collect from the Unit Owners all fees and assessments including without limitation any Recreation Area Assessments, which the Unit Owners or the Council are obligated to pay to the Deer Run Homeowners Association and to pay the sums so collected to the Deer Run Homeowners Association.

(j) The Council shall have the power to enforce obligations of the Unit Owners, to allocate expenses and surpluses, and to do anything and everything else necessary and proper for the sound management of the Condominium, including the right to bring lawsuits to enforce the rules and regulations promulgated by the Council, the provisions of this Code and of the Declaration. The Council shall have the power to levy fines against the Unit Owners for violations of reasonable rules and regulations established to govern the conduct of the Unit Owners. No fine may be levied for more than \$20.00 for any one violation; but for each day a violation continues after notice it shall be considered a separate violation. Collection of the fines may be enforced against the Unit Owner or Unit Owners involved as if the fine were a Common Expense owed by the particular Unit Owner or Unit Owners.

(k) The Council may employ a managing agent and/or manager for the Condominium at a compensation to be established by the Council, to perform such duties and services as the Council shall authorize, including but not limited to the duties granted to the Council as set forth above. The Council may delegate to the manager or managing agent such powers as may be necessary to carry out the function of the Council. Council shall have the power and authority to establish and appoint members to a rules and regulations, maintenance and such other committees necessary to manage and operate the Condominium property. Council may by contract designate the Deer Run Homeowners Association as its agent in carrying out the Council's duties and obligations hereunder.

(l) Council shall establish rules and regulations for the use of Common Elements, Limited Common Elements and parking areas and spaces.

(m) The Council shall have the power and authority to obtain and maintain insurance relating to the Property and to take any and all acts and to do any and all things as are necessary or incidental to the implementation, enforcement or furtherance of the terms and provisions of the Unit Property Act, the Declaration and this Code of Regulations, or as may otherwise be granted to and accepted by the Council from one or more Unit owners.

(n) The Council shall have the power to dedicate any of the streets, roads and storm and sanitary sewers of the Condominium to Cranberry Township or similar local or state municipality, authority or agency for public use or maintenance.

(o) The Council may make such amendment to these Regulations as may be required by any statute enacted by the General Assembly of Pennsylvania subsequent to the effective date hereof.

(3) Election and Term of Office. The election of Council and the terms of office of the Council Members shall be in accordance with the following:

(a) The first meeting of the Unit Owners shall be held on call by the Council no more than (i) sixty (60) days after forty (40) Units have been sold, paid for and title closed, or (ii) no later than five (5) years after the date of the recording of the Declaration, provided at such time at least fifty percent (50%) of the Units have been sold, whichever shall first occur. Said meeting shall be considered to be the first annual meeting of the Unit Owners and shall be held solely for the election of officers of the Council and no other business will be conducted at such meeting.

(b) When the time for termination of the council members appointed by the Sponsor has passed in accordance with the provisions of Section V(1), three (3) members of the Council shall be elected by the Unit Owners. Two members shall be elected for a one-year term and one member shall be elected for a two-year term. At each subsequent annual meeting of the Unit Owners, one or two members, as the case may be, shall be elected for two-year terms. The members of the Council shall hold office until their respective successors have been elected by the Unit Owners. The Council appointed by the Sponsor and any replacement or substitute members appointed by Sponsor, at its discretion, shall act until the election has been completed at the first meeting.

(c) At any vote for membership on the Council, each Unit Owner, including the Sponsor, to the extent that the Sponsor is still a Unit Owner, shall vote in accordance with the provisions of Section VI(7) following for each position to be filled. At any meeting for election of membership to the Council, any eligible person may be nominated. If more than twice the number of candidates to be elected at such meeting is nominated, then and in such event there shall be two ballots. At the end of the first ballot, the field of nominees shall be reduced so that there are no more than twice as many candidates running as there are positions to be filled, with those candidates receiving the fewest number of votes being eliminated. A second ballot shall be held, and the candidates receiving the greatest number of votes shall serve on the Council. If there are not more than twice the number of nominees for the number of positions to be filled, then there shall be one ballot and the candidates receiving the greatest number of votes shall serve on the Council. If the candidates are being elected for varying periods of years, the candidate polling the highest vote will be elected for the longest period of years.

(d) Notwithstanding any other provision of this Code to the contrary, however, so long as the Sponsor shall own five (5) or more Units, the Sponsor shall be entitled, but shall not have the obligation, to appoint at least one member of the Council for a one-year term and the remaining two (2) shall be elected in accordance herewith. At such time as the Sponsor no longer owns five (5) or more units, the member of

(4) Removal of Members of the Council. At any duly held regular or special meeting of the Unit Owners, any one or more members of the Council may be removed with or without cause by a majority of the votes of all Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Council whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. This provision shall not apply to any Council members appointed by the Sponsor.

(5) Vacancies. Vacancies in the Council caused by any reason shall be filled by a majority of the votes of the remaining members of the Council at a special meeting of the Council held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum; provided in such event all remaining members of Council must be present. Each person so elected shall be a member of the Council for the remainder of the term of the member whose vacancy he is filling and until his successor shall be elected.

(6) Meeting of the Council. The first meeting of the Council following the first annual meeting of the Unit Owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Unit Owners at their annual meeting and no notice shall be necessary. Thereafter, regular meetings of the Council may be held at such time and place as shall be determined from time to time by a majority of the members of the Council, but at least two meetings shall be held each year. Notice of regular meetings of the Council shall be given to each member of the Council by mail or telegram at least five (5) business days prior to the day of the meeting. Special meetings of the Council may be called by the President on five (5) business days notice to each member of the Council given by mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Council shall be called by the President or the Secretary in like manner and on like notice on the written request of at least three members of the Council. Any member of the Council may, at any time, waive notice of any meeting of the Council in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by a member of the Council at any meeting of the Council shall constitute a waiver of notice of the time and place thereof.

(7) Quorum of the Council. At meetings of the Council, majority of the members thereof shall constitute a quorum for the transaction of business. The vote of a majority of the members of the Council present and voting at a meeting at which a quorum is present shall constitute a valid determination. If, at any meeting of the Council there shall be less than a quorum present, the meeting shall be adjourned to a new date. At any such reconvened meeting at which a quorum is present, any business which may have been transacted at the adjourned meeting may be transacted without further notice.

(8) Election, Duties, etc., of Officers. Officers of council shall be elected and shall have duties in accordance with the following:

(a) At each annual organizational meeting of the Council, the Council shall elect a President, Vice President, Secretary and Treasurer of the Condominium. The Secretary need not be a member of the Council. All officers and members of the Council, having the responsibility for handling funds of the Condominium, are to be bonded at the expense of the Condominium, in such amounts as may be required by Council.

(b) The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and the Council, and shall have general powers and duties which are incident to the office of the president of a non-stock corporation, including, but not limited to, the power to appoint such committees from among the Unit Owners from time to time as he may in his discretion decide are appropriate to assist in the affairs of the Condominium. Any committees so appointed shall report to the Council.

(c) The Vice President shall take the place of the President or perform the President's duties whenever the President shall be absent or unable to act.

(d) The Secretary shall keep the minutes of all meetings of the Unit Owners and the Council, and shall have charge of such books and records as the Council may direct. The Secretary shall, in general, perform all of the duties incident to the office of a secretary of a non-stock corporation.

(e) The Treasurer shall have the responsibility for the Condominium funds and securities and shall be responsible for the keeping of full and accurate records and books of account.

(f) All agreements, contracts, leases, deeds, checks and other instruments of the Condominium shall be executed by any two officers or by such other person or persons as may be designated by the Council.

(g) Upon the affirmative vote of a majority of votes of the members of the Council, any officer may be removed either with or without cause. Any successor to an officer vacancy whether by resignation, removal or otherwise may be elected to complete any unexpired term at any regular meeting of the Council or at any special meeting of the Council called for such purpose.

(h) One (1) person may hold more than one office and shall be appointed by the Sponsor until the organizational meeting.

(9) Compensation of Council Member and Officers. Members of Council, the President and Vice President shall not receive any compensation for their services, except reimbursement of out-of-pocket expenses but may be compensated for services rendered in any other

capacity. The Secretary and Treasurer shall be reimbursed for out-of-pocket expenses and also may be compensated for their services if the Council determines that such compensation is appropriate.

SECTION VI. MEETING OF THE UNIT OWNERS

(1) Annual Meetings. After the first meeting is held in accordance with Section V(3), succeeding annual meetings of the Unit Owners shall be held during the same month in each succeeding year at a time determined by the Council.

(2) Place of Meeting. The meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Council.

(3) Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners, if so directed by a resolution of the Council or upon petition signed and presented to the Secretary by Unit Owners owning not less than 33-1/3% of all interests in the Common Elements. The Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

(4) Notice of Meetings. The Secretary shall give notice for each annual or special meeting of the Unit Owners at least seven but not more than twenty days prior to such meeting, stating the purpose thereof, as well as the time and place where it is to be held. Said notice shall be mailed to each Unit Owner of record at the Unit address or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. The mailing of notice of meeting in the manner herein provided shall be considered service of notice.

(5) Quorum - Proxies. Except as otherwise provided herein, the presence in person or by proxy of Unit Owners owning more than one-third (1/3rd) of all interests in the Common Elements shall constitute a quorum at all meetings of the Unit Owners. Each Unit Owner shall be entitled to vote the duly authorized proxy of any other Unit Owner eligible to vote. No Unit Owner other than the Sponsor may vote more than one (1) proxy. No proxy may be voted by any Unit Owner not eligible to vote. If at any meeting of the Unit Owners there is not a quorum present, a majority in common interest of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the date for which original meeting was called.

(6) Conduct of Meetings. The order of business at the annual meeting of the Unit Owners or at any special meeting, as far as practicable, shall be:

- (a) Calling of the roll and certifying of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (d) Receiving reports of officers.
- (e) Receiving reports of committees.
- (f) Election of inspector of election, if necessary.
- (g) Election of directors, if necessary.
- (h) Old business.
- (i) New business.
- (j) Adjournment.

(7) Allocation of Votes. All votes, whenever required for any purpose, shall be by allocating to each Unit Owner the number of votes reflecting his percentage interest of ownership of the Common Elements as set forth in the Declaration, Schedule "B". However, a Unit Owner may not split the votes allocated to his Unit but must cast them as one block on any particular vote. At all meetings of the Unit Owners or of the Council, Roberts' Rules of Order (Revised) shall be followed.

(8) Voting by Corporate Unit Owners or by Sponsor. Duly authorized officers of corporate Unit Owners shall be entitled to vote. The Sponsor may, in writing, designate an agent to act for the Sponsor at any meeting. Such agent shall at such meeting have all of the rights of the Sponsor, including, without limitation, voting rights.

(9) Majority of Votes. A vote of a majority of the votes of Unit Owners at a meeting at which a quorum is present shall be binding upon all Unit Owners for all purposes except wherein by the Declaration, these Regulations, or by law, a higher percentage is required. A vote of a majority of Unit Owners for the purposes of this paragraph is to be determined in the manner set forth in the definitions of the Declaration.

SECTION VII. TITLE TO UNITS

Title to Units may be taken in the name of an individual, or in the names of two or more persons as tenants in common or as joint tenants with right of survivorship, or in the name of a corporation or partnership, or in the name of a fiduciary.

SECTION VIII. ALTERATIONS, DECORATING, MAINTENANCE AND REPAIR

(1) Responsibility for Maintenance of Units. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the

maintenance, repairs and replacements within his Unit or use exclusively in connection with his Unit. Bringing of water, gas and electricity to a Unit, shall be furnished by the Council as part of the Common Expenses. Maintenance, repairs and replacements of the refrigerators, ranges and other kitchen appliances, air conditioning and lighting fixtures and other electrical appliances and all interior plumbing fixtures of any Unit shall be at the expense of such Unit Owner.

(2) Maintenance of Common Elements and Limited Common Elements. Maintenance, repairs and replacements of the Common Elements and Limited Common Elements shall be furnished by the Council as part of the Common Expenses.

(3) Damage by Negligent Acts. If due to the negligent act or omission of a Unit Owner, or a resident, or of a member of the family or household pet or of a guest or invitee or other authorized occupant or visitor of such Unit Owner or resident, damage shall be caused to the Common Elements, Limited Common Elements or to a Unit or Units owned by others, or maintenance, repairs and replacements shall be required which would otherwise be a Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Council.

(4) Maintenance of Equipment, Fixtures, etc. To the extent that equipment, facilities and fixtures within any Unit or Units shall be connected to similar equipment, facilities or fixtures affecting or serving other Units, the Limited Common Elements or the Common Elements, then the use thereof by the individual Unit Owners shall be subject to the control of the Council. The authorized representatives of the Council, or of the manager or managing agent for the Building, shall be entitled to reasonable access to the individual Units as may be required in connection with maintenance, repairs, or replacements of or to the Common Elements or any equipment, facilities or fixtures affecting or serving such Unit or other Units or the Common Elements. Sponsor or the Council may install a master television antenna and/or cable television facilities, the cost of which will be a Common Expense.

(5) Decorating and Maintenance of Units. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the decorating within his own Unit, including painting, wall covering, washing, cleaning, panelling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floors and ceilings, which constitute the exterior boundaries of his Unit, and such Unit Owner shall maintain the interior surfaces in good condition at his sole expense as may be required from time to time, which said maintenance and use shall be subject to the control of Council, and each such Unit Owner shall have the right to decorate such interior surfaces from time to time as he may see fit and at his sole expense. The interior surfaces of all windows forming part of the perimeter wall of a Unit shall be cleaned or washed at the expense of each respective Unit Owner, and the exterior surfaces of such windows shall be cleaned

or washed as part of the Common Expenses by Council at such time or times as Council shall determine. The use of and the covering of the interior surfaces of such windows, whether by draperies, shades or other items visible on the exterior of the Building, shall be subject to the control of Council. Decorating of the Common Elements (other than interior surfaces within the Units as above provided), and any redecorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair or replacement work on the Common Elements by the Council, shall be furnished by the Council as part of the Common Expenses. Decorating and maintenance of any Limited Common Elements shall be at the expense of a Unit Owner.

(6) Alterations. No alterations of any Limited Common Element or Common Element, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Council as provided in Article XIV hereof.

(7) Payments by Council. All payment vouchers of the Council shall be approved by the President or Treasurer of Council.

SECTION IX. INSURANCE

(1) Insurance, Provided by Council. The Council, for the benefit of and on behalf of the Unit Owners, shall contract for, shall pay the premiums therefor as Common Expenses, and shall maintain at all times the following insurance:

(a) Fire insurance in an amount equal to the full insurable replacement value of the Property without deduction for depreciation, with an endorsement for extended coverage, or such other fire and casualty insurance as the Council may maintain providing equal or greater protection for the Unit Owners and their mortgagees, if any. In the event the net proceeds of such insurance do not exceed Ten Thousand Dollars (\$10,000.00), such net proceeds shall be payable to Council on behalf of all Unit Owners. In the event the net proceeds of such insurance exceed Ten Thousand Dollars (\$10,000.00), such net proceeds shall be payable to any trustee or successor trustee appointed by the Council and approved by and mortgagee holding fifteen (15) or more mortgages upon Units (hereinafter referred to as the "Insurance Trustee"). All such insurance shall include a separate loss payment endorsement in favor of the holders of any mortgages permitted hereunder modified to make the loss payable provisions in favor of such holders of mortgages subject and subordinate to the loss payment provisions in favor of the Council, or the Insurance Trustee under an appropriate agreement. Said agreement shall provide that the Council or Insurance Trustee shall hold and disburse all payments received on account of loss or damage covered by such policy for repairs and restoration as provided in Section 802 of the Unit Property Act and in this Section. Said insurance may, at the discretion of the Council, contain a "deductible" provision in an amount determined by the Council but not to exceed One Thousand Dollars (\$1,000.00). The Council shall periodically order an appraisal of the Property to be made for the purpose of determining the current value of the Property; and the scope

and amount of all fire insurance policies shall be reviewed yearly and may be increased in its discretion in order to maintain coverage in the amount of the current full insurable replacement value of the Property as hereinabove required.

(b) Comprehensive liability insurance insuring the Unit Owners, in their capacity as Unit Owners, the Council members and any manager of the Property against any liability to the public or to the Unit Owners, their servants, tenants or invitees, relating in any way to the ownership and/or use of the Property and any part thereof. Limits of liability shall be at least Three Hundred Thousand Dollars (\$300,000.00) for any one person injured or killed in any single occurrence, at least One Million Dollars (\$1,000,000.00) for any single occurrence, and at least Fifty Thousand Dollars (\$50,000.00) for property damage resulting from each occurrence. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Council and may be increased in its discretion.

(c) Such workmen's compensation insurance as applicable laws may require.

(d) Such other insurance as the Council in its discretion may deem to be desirable.

(2) Specifications for Insurance. All insurance shall be obtained in accordance with the following provisions:

(a) All policies shall be written with a company licensed to do business in the Commonwealth of Pennsylvania and holding a rating of "AAA" or better by Best's Insurance Reports, or by an equivalent rating agency in the event Best's Insurance Reports cease to be issued.

(b) Exclusive authority to adjust losses under policies hereafter in force on the Property shall be vested in the Council or its authorized representative.

(c) In no event shall the insurance coverage obtained and maintained by the Council hereunder be brought into contribution with insurance maintained by individual Unit Owners or their mortgagees.

(d) Each Unit Owner may maintain additional insurance at his own expense; provided, however, that (i) such policies shall contain waivers of subrogation and (ii) no Unit Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the proceeds which the Council, on behalf of the Association, may realize under any insurance policy which the Council may have in force on the property at any particular time.

(e) Each Unit Owner shall be required to notify the Council of all improvements made by him to his Unit, the value of which is in excess of One Thousand Dollars (\$1,000.00).

(f) The Council shall have the power to require all Unit Owners to maintain such types of insurance as the Council may reasonably require with the type of insurance companies specified hereinabove.

(g) Any Unit Owner who maintains individual insurance policies covering any portion of the Property other than personal property belonging to such Unit Owner shall be required to file a copy of such individual policy or policies with the Council within thirty (30) days after purchase of such insurance.

(h) The Council shall be required to make every effort to secure insurance policies covering the Property that will provide the following.

(i) A waiver of subrogation by the insurer as to any claims against the Council, any manager of the Property, the Unit Owners and their respective servants, agents and invitees;

(ii) That the insurance policies issued to the Council on behalf of the Unit Owners and covering the Property cannot be cancelled, invalidated or suspended on account of the conduct of any one or more Unit Owners and in no event can cancellation, invalidation or suspension for any reason be effected without at least ten (10) days' prior written notice to each Unit Owner and all mortgage holders;

(iii) That all policies covering the Property cannot be cancelled, invalidated or suspended owing to the conduct of any member, officer or employee of the Council or any manager of the Property without prior demand in writing that the Council cure the defect within a reasonable period of time; and

(iv) That any "no other insurance" clause in the Council's insurance policies exclude individual Unit Owners' policies from consideration.

(i) The periodic and annual insurance reviews which the Council is required to conduct, as provided hereinabove, shall include an appraisal of the improvements to the Property by a real estate appraiser acceptable to the insurance carrier or carriers issuing the policies maintained by the Council.

SECTION X. REPAIR OR RECONSTRUCTION

(1) Damage or Destruction:

(a) Repair. Except as otherwise provided by law or herein, damage to or destruction of any of the Buildings comprising the Property shall be promptly repaired and restored by the Council using the proceeds of insurance held by the Council or the Insurance Trustee for the purpose; and the Unit Owners directly affected thereby shall be liable for assessment for any deficiency in such proceeds in proportion to their respective

undivided interests in the Common Elements, except that if and to the extent that such deficiency exists solely by reason of a "deductible" provision in the insurance policy or policies held by the Council, such deficiency shall be assessed against all Unit Owners as a Common Expense. The Council shall be responsible for accomplishing the full repair or reconstruction which shall be paid out of the Common Expense fund and assessed as above provided. Unit Owners may apply the proceeds from their individual fire insurance policies, if any, to the share of such Common Expense as may be assessed to them. The Council shall be responsible for restoring the Property only to substantially the same condition as it was immediately prior to the damage, and each Unit Owner shall personally assume the additional expense of any improvements to his Unit which he desires to restore beyond such condition. If any changes are made in the basic construction of any restored Unit, the Limited Common Elements, or Common Elements, or all, the Council shall record an amended Declaration Plan encompassing such changes.

(b) Termination. Notwithstanding anything contained in this Section to the contrary, if:

(i) there is substantially total destruction of one or more of the Buildings comprising part of the Property, the existence of which condition shall be conclusively determined by a unanimous vote of the Council members rendered within thirty (30) days after the occurrence, or

(ii) Unit Owners directly affected by damage to or destruction of one or more of such buildings and entitled to cast seventy-five percent (75%) of the votes of all said Unit Owners directly affected thereby, duly resolve, within sixty (60) days after receipt of at least three (3) contractors' bids and the final insurance adjustment, not to proceed with repair or restoration, then, and only in the event of either (b)(i) or (ii) above having occurred, the salvage value of the property of the substantially destroyed building or buildings shall be subject to partition at the suit of any Unit Owner, in which event the net proceeds of sale after the closing costs and reasonable legal fees, together with the net proceeds [except as the use of such proceeds is limited by the following Section X(2)] of insurance policies held by the Council or the Insurance Trustee, shall be considered as one fund and shall be divided among the directly effected Unit Owners in proportion to their respective undivided ownership of the Common Elements, after discharging, out of the respective shares of Unit Owners, to the extent sufficient for the purpose, all liens against the Units of such Unit Owners.

(2) Unit Owners Directly Affected Thereby. For purposes of this Section X and Section 802 of the Unit Property Act only, the term "Unit Owners directly affected thereby" shall mean all Unit Owners in the damaged building or buildings comprising part of the Property.

Owners directly affected thereby" shall mean all Unit Owners in the damaged building or buildings comprising part of the Property.

(3) Eminent Domain. A taking of, injury to, or destruction of part or all of the Property by the power, or a power in the nature, of eminent domain or by an action or deed in lieu of condemnation, shall be considered to be included in the term "damage or destruction" for purposes of this Section, and the proceeds of the eminent domain taking shall be treated in the same manner as insurance proceeds. Whenever all or part of the Common Elements shall be taken, injured or destroyed by eminent domain, each Unit Owner shall be entitled to notice thereof and shall participate in the proceedings incident thereto, but in any proceedings for the determination of damages, damage for such taking, injury or destruction of the Condominium as a whole shall be determined and a separate determination of damage to each Unit Owner's interest shall not be made.

SECTION XI. COMMON CHARGES, SPECIAL ASSESSMENTS AND RESERVES.

(1) Common Charges.

Due 15th of each month

(a) Each Unit Owner shall pay to the Council a monthly sum (here and elsewhere sometimes referred to as "Common Charges") equal to one-twelfth of the Unit Owner's proportionate share of the sum required or established by the Council to meet the annual Common Expenses and Recreational Participation Expenses, and, if imposed by the Council, to establish the operating and/or capital improvement or replacement reserves. The term "Common Charges" as used in this document shall include without limitation all amounts the Council is obligated to pay to the Deer Run Homeowners Association.

(b) The Council shall determine the amount of the Common Charges annually, but may do so at more frequent intervals should circumstances so require.

(c) The Council shall make reasonable efforts to fix the amount of the Common Charges payable by each Unit Owner for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a list of the Unit Owners and Common Charges applicable to the Units which shall be kept in the office of the Council and shall be open to inspection by any Unit Owner upon reasonable notice to the Council. Written notice of the Common Charges shall be sent to each Unit Owner. The omission of the Council before the expiration of any assessment period to establish Common Charges for the next assessment period shall not be deemed a waiver or modification of the provisions of this Section, or a release of any Unit Owner from the obligation to pay the Common Charges or any installment thereof for that or any subsequent assessment period. The Common Charges fixed for the preceding period shall continue in full force and effect until the new Common Charges are established. No Unit Owner may gain exemption from liability for the Common Charges or any Special Assessments by a waiver of the use or

enjoyment of any of the Common Elements or by abandonment of any Condominium Units. Council shall not be liable or obligated as to the assessments payable to the Deer Run Homeowners Association, but shall be authorized to collect such sums.

(2) Special Assessments. In addition to the Common Charges authorized above, the Council may levy in any year a Special Assessment or Assessments, applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, improvement, unexpected repair or replacement of any capital improvement located on or in the Condominium Property, including the necessary fixtures and personal property related thereto, or for such other purposes as the Council may consider necessary or appropriate.

(3) Reserve for Replacements. The Council may establish and maintain a reserve fund for the repair, restoration or replacement of capital improvements by the allocation of payment monthly to such reserve fund of any portion of the Common Charges or Special Assessments designated from time to time by the Council, which shall not exceed ten percent (10%) of the aggregate Common Charges or Special Assessments in any year. Such reserve funds shall be deposited in a special account with a lending institution, the accounts of which are insured by an agency of the United States of America or may, in the discretion of the Council be invested in obligations of, or obligations fully guaranteed as to principal by, the United States of America. The reserve for replacement may be expended only for the purpose of effecting the repair, restoration or replacement of the Common Elements and Facilities together with fixtures or equipment associated therewith or for the contingencies of a non-recurring nature. The amounts allocated to the replacement reserve may be reduced, by appropriate resolutions of the Council, upon the accumulation in such replacement reserve of a sum equal to twenty percent (20%) of the full replacement value of the structural portions of the Condominium Common Elements as such full replacement value is annually determined by the Council for casualty insurance purposes. The proportionate interest of any Unit Owner in any replacement reserve shall be considered an appurtenance of his Condominium Unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Condominium Units to which it appertains and shall be deemed to be transferred with such Condominium Unit.

(4) Non-Payment of Common Charges or Elements.

*interest 18% per annum
1 1/2% per month*

(a) Any Common Charges or Assessment levied pursuant to the Declaration of this Code of Regulations, or any installment thereof, which is not paid on the date when due shall be delinquent and shall, together with interest thereon and the cost of collection thereof, as hereinafter provided, become a lien upon the Condominium Unit belonging to the Owner against whom such assessment is levied and shall bind such Condominium Unit in the hands of the Owner, his heirs, devisees, personal representatives, successors and assigns. The lien may be perfected as provided by law. The personal liability and responsibility of the Unit Owner to pay such Common Charge or Assessment shall, however, remain his personal legal obligation; and the Council may maintain actions at law

(b) Any Common Charges or Assessment levied pursuant to the Declaration or this Code of Regulations, or any installment thereof, which is not paid within thirty (30) days after it is due shall bear interest from the date due at a rate fixed by the Council not to exceed the maximum permitted legal rate, and the Council may bring an action at law against the Unit Owner personally obligated to pay the same, and/or foreclose the lien against the Condominium Unit (to the same extent including a foreclosure, sale and deficiency judgment and subject to the same procedures as may then be applicable to mortgage or other uses upon real property under the laws of the Commonwealth of Pennsylvania) then belonging to said Unit Owner, in either of which events interest, costs and reasonable attorneys' fees shall be added to the amount of each Common Charge or Assessment. The Council shall notify the holder of any mortgage on any Condominium Unit for which any Assessment levied pursuant to this Code of Regulations becomes delinquent for a period in excess of thirty (30) days and in any other case where the Owner of such Condominium Unit is in default with respect to the performance of any other obligation hereunder for a period in excess of thirty (30) days.

(c) If any Owner shall be in default in the payment when due of any installment of the Common Charges or Assessments, the Council may accelerate the remaining installments upon written notice to the Owner, and the then unpaid balance of the Common Charges or Assessments for the current year shall come due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Owner, or ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

(5) Excess of Common Charges or Assessments. In any year in which there is an excess of Assessments or Common Charges received over amounts actually used for the purposes described in this Code of Regulations and in the Declaration, such excess may, upon approval by the Council, either be applied against and reduce the subsequent year's Assessment or Common Charges or be refunded to the Unit Owners. If election is made to refund excess Assessments or Common Charges, such refund shall be divided among all the Unit Owners in proportion to their respective undivided interest in the Common Elements.

SECTION XII. BALCONIES AND PATIOS

Any balcony or patio to which there is direct access from the interior of a Unit shall constitute a Limited Common Element for the exclusive use of the Owner of such Unit. The Owners of a Unit to which a balcony or patio is attached or connected shall make repairs thereto shall be responsible for all snow removal from said balcony or patio. If any Owner fails to make repairs or maintenance to or with respect to such balconies and patios, the Council may do so at the expense of the Unit Owners which sum will be immediately due and payable.

SECTION XIII. ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE COUNCIL

Whenever, in the judgment of the Council, Common Elements shall require additions, alterations or improvements costing in excess of Ten Thousand Dollars (\$10,000.00) and any accumulated reserve funds are inadequate for the payment thereof, said alterations or improvements shall not be made unless they have been approved by a majority of the Unit Owners present and voting at a meeting at which a quorum is present. When said approval has been obtained, all Unit Owners shall be assessed for the cost thereof as a Common Expense. In the event of any emergency which could cause damage to any building(s) or part(s) thereof, the Council may expend sums not in excess of Twenty-Five Thousand Dollars (\$25,000.00) to protect said building(s) or part(s) and the judgment of the Council shall be final. This provision is not intended to limit necessary maintenance, repair or replacement of any Common Element. The Limitations contained herein include the expenditures of any reserve fund.

SECTION XIV. ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE UNIT OWNERS

No Unit Owners shall make any structural addition, structural partition or wall change or structural alteration or improvement in or to his Unit without prior written consent of the Council. In the event any Unit Owner purchases two (2) or more abutting Units and desires to combine his abutting Units into one (1) Unit, the Unit Owner shall have the right, at his own expense, to make the structural alterations or changes to effect the combination, provided however, that the proposed additions and alterations do not injure or jeopardize the safety or structural integrity of the Common Elements. The Unit Owners shall submit the proposed changes or alterations to the Council to determine that the proposed changes or alterations shall not injure or otherwise jeopardize the safety and structural integrity of the Common Elements as provided hereinabove. The Council shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Council to the proposed structural addition, alteration or improvement.

SECTION XV. RIGHT OF ACCESS

Each Unit Owner shall grant a right of access to his Unit to the manager and/or the managing agent and/or any other person authorized by the Council for the purpose of making inspections or for the purposes set forth in Section VIII(4). Requests for entry will be made in advance and any such entry is to be at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether or not the Unit Owner is present at the time.

SECTION XVI. PAYMENT FOR UTILITIES

All charges for public utilities shall be paid as a common expense or individually by Unit Owner (as is appropriate) in accordance with Article II(5) of the Declaration.

SECTION XVII. MISCELLANEOUS

(1) Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Council at a reasonable time and with reasonable frequency so as not to interfere with the operation of the Condominium on business days. The books and records of the Council shall be located in the office of the management agent of the Council

(2) Financing Purchase of Unit by Council. Acquisition of a managers Unit by the Council on behalf of all Unit Owners may be made from the working capital in the hands of the Council, or if such funds are insufficient, the Council may levy an assessment against each Unit Owner in proportion to his ownership in the Common Elements and Limited Common Elements as a Common Expense, which assessment shall be enforceable in the same manner as Common Expenses, or the Council may in its discretion, borrow money to finance the acquisition of one such Unit, provided however, that no financing may be secured by an encumbrance or hypothecation of any of the Property other than the Unit itself together with the appurtenant interest thereto to be acquired by the Council.

(3) Notices. All notices hereunder to the Condominium shall be sent by registered or certified mail to the Council in care of the President of the Council and/or to the managing agent if there be a managing agent. All notices to any Unit Owner shall be sent registered or certified mail to the Building in which the Unit is situated, or to such other address as may have been designated by him from time to time in writing to the Council. All notices shall be deemed to have been given when mailed except notices of change of address which shall be deemed to have been given when received.

(4) Invalidity. The invalidity of any portion of this Code of Regulations shall be controlled by Article XVI of the Declaration.

(5) Waiver. No restriction, condition, obligation or covenant contained in these regulations shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

SECTION XVIII. MODIFICATION OR AMENDMENT OF CODE OF REGULATIONS

Except as hereinafter provided otherwise, these Regulations may be modified or amended by the vote of 51% of the Unit Owners, provided, however, that no amendment shall be contrary to the requirements of the Unit Property Act, as amended from time to time, and provided, further,

that said vote shall be taken at a meeting of the Unit Owners duly held for such purpose. The vote at such a meeting may be in person or by proxy. Notwithstanding any other provisions herein, however, no amendment may become effective except with the written approval of any mortgagee holding mortgages constituting first liens upon fifteen (15) or more Units, nor shall any amendment affect or impair the validity or priority of any mortgage of record or the rights and remedies of the mortgagee. No amendment may be made without the approval of the Sponsor so long as the Sponsor owns three (3) or more Units.

It is further understood that the section providing that the Sponsor, so long as he is the Unit Owner of ten or more Units shall be entitled to elect at least one member of the Council, may not be amended. No modification or amendment may be made affecting the Council originally appointed by the Sponsor in the Declaration. Any modification or amendment shall be recorded in the Recorder's Office of Allegheny County and shall become effective as of the date of such recording.

SECTION XIX. COMMON EXPENSES PAYABLE BY THE SPONSOR

After the filing hereof and until the sale of the first Unit in the Condominium, the Sponsor shall be solely responsible for payment of any Common Expenses. Following the first subsequent closings, the Unit Owners to whom titles shall have been conveyed shall be responsible for their proportionate shares of Common Expenses based on their percentage interests in the Common Elements. The Sponsor shall pay Common Expenses for unsold Units. Proration of the Common Charges shall be permitted if the parties to any agreement for the purchase and sale of a Unit so agree.

SECTION XX. CONFLICTS

This Code is set forth to comply with the requirements of the Unit Property Act. In the case of any conflict between this Code and these Regulations promulgated hereunder and the provisions of the Unit Property Act or of the Declaration, the provisions of the Unit Property Act or of the Declaration, as the case may be, shall control.

SECTION XXI. LIABILITY OF COUNCIL AND OFFICERS

1. Liability. Neither the Council as a body nor any member thereof nor any officer shall be personally liable to any Unit Owner in any respect for any action or omission arising out of the execution of his respective duties excepting only for bad faith. The Unit Owner shall indemnify and save harmless the Council, its members and officers of all costs, expenses, and liability including legal fees incurred by reason of or arising from such parties carrying out their duties hereunder or under the Declaration. Each Unit Owner shall be bound by the good faith actions of the Council, its members, and Officers in the execution of the duties of said member of Council and Officers.

the Council or such other corporation or association or otherwise), civil, criminal, administrative or investigative (hereinafter called "action"), in which he may become involved as a party or otherwise by reason of his being or having been such officer or member, or by reason of any action taken or not taken in such capacity, whether or not he continues to be such at the time such liabilities or expenses are incurred and whether or not such action or omission to act occurred before or after the adoption of this Code, provided that such person acted in good faith and was not negligent or guilty of misconduct to the Council or such other association. Where such officer or member has been wholly successful on the merits in such action, or where indemnification of such person has been awarded by a court, he shall be entitled to indemnification by the Council, otherwise, including any instances where such action is terminated by a settlement, the Council shall reimburse or indemnify him only if it shall be determined by Council that such person acted in good faith and was not negligent or guilty of misconduct to the Council. Each Unit Owner shall be bound by the good faith actions of the Council, its members, and Officers in the execution of the duties of said member of Council and Officers.

2. Identity of Interest. It is understood that certain members of the Council may have identity of interest with the Sponsor or with the officers and directors of the Deer Run Homeowners Association or may be employees or third party contractors with or for the Sponsor or the Management Agent. No such identity of interest shall be deemed to establish or be evidence of any liability beyond that established hereby.

SECTION XXII. GENDER, SINGULAR AND PLURAL

The use of the masculine gender in the Code of Regulations shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural and vice versa, whenever the context so requires.

SECTION XXIII. GOVERNING LAW

This Code of Regulations shall be governed by the Unit Property Act in effect as of the date of filing hereof and by any amendment thereto or substitutions therefore determined to control this Code of Regulations or any provisions hereof. Council may to the extent required by any law now or hereafter in effect in the Commonwealth of Pennsylvania amend this Code of Regulation.

IN WITNESS WHEREOF, the undersigned adopt this within Code of Regulations this 22nd day of ~~September~~ October, 1980.

WITNESSES:

Thomas Hayden
Thomas Hayden
Thomas Hayden

COUNCIL OF THE DEER RUN CONDOMINIUM

William J. Dem (SEAL)
Edward J. M. Clark (SEAL)
Nelson M. Pietrusinski (SEAL)

DEER RUN CONDOMINIUM
CORRECTION AND CLARIFICATION
OF
CODE OF REGULATIONS

WHEREAS, the Code of Regulations ("Code") for Deed Run Condominium was executed by the Council under date of October 22, 1980 and was recorded in the Recorder's Office of Butler County, Pennsylvania on October 23, 1980 at Deed Book Volume 1121, Pages 511 to 535; and

WHEREAS, The Code must be corrected and clarified in certain respects in order that the Code may be internally consistent and consistent with the terms of and intentions of the Declaration of Condominium for Deer Run.

NOW, THEREFORE, the following pages of the Code as recorded are modified and superseded by the pages recorded herewith, the required corrections and clarifications being underlined:

FIRST: Page 5 as recorded at Deed Book Volume 1121, page 518;

SECOND: Page 9 as recorded at Deed Book Volume 1121, page 522;

THIRD: Page 16 as recorded at Deed Book Volume 1121, Page 529; and

FOURTH: Page 19 as recorded at Deed Book Volume 1121, Page 532.

the Council appointed by the Sponsor shall vacate the Council and the place vacated by the Sponsor's representative shall be filled by the remaining members of the Council as herein provided for the unexpired portion of the term.

(4) Removal of Members of the Council. At any duly held regular or special meeting of the Unit Owners, any one or more members of the Council may be removed with or without cause by a majority of the votes of all Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Council whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. This provision shall not apply to any Council members appointed by the Sponsor.

(5) Vacancies. Vacancies in the Council caused by any reason shall be filled by a majority of the votes of the remaining members of the Council at a special meeting of the Council held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum; provided in such event all remaining members of Council must be present. Each person so elected shall be a member of the Council for the remainder of the term of the member whose vacancy he is filling and until his successor shall be elected.

(6) Meeting of the Council. The first meeting of the Council following the first annual meeting of the Unit Owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Unit Owners at their annual meeting and no notice shall be necessary. Thereafter, regular meetings of the Council may be held at such time and place as shall be determined from time to time by a majority of the members of the Council, but at least two meetings shall be held each year. Notice of regular meetings of the Council shall be given to each member of the Council by mail or telegram at least five (5) business days prior to the day of the meeting. Special meetings of the Council may be called by the President on five (5) business days notice to each member of the Council given by mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Council shall be called by the President or the Secretary in like manner and on like notice on the written request of at least three members of the Council. Any member of the Council may, at any time, waive notice of any meeting of the Council in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by a member of the Council at any meeting of the Council shall constitute a waiver of notice of the time and place thereof.

(7) Quorum of the Council. At meetings of the Council, majority of the members thereof shall constitute a quorum for the transaction of business. The vote of a majority of the members of the Council present and voting at a meeting at which a quorum is present shall constitute a valid determination. If, at any meeting of the Council there shall be less than a quorum present, the meeting shall be adjourned to a new date. At any such reconvened meeting at which a quorum is present, any business which may have been transacted at the adjourned meeting may be transacted without further notice.

maintenance, repairs and replacements within his Unit. Bringing of water, gas and electricity to a Unit, shall be furnished by the Council as part of the Common Expenses. Maintenance, repairs and replacements of the windows, refrigerators, ranges and other kitchen appliances, air conditioning and lighting fixtures and other electrical appliances and all interior plumbing fixtures of any Unit shall be at the expense of such Unit Owner.

(2) Maintenance of Common Elements and Limited Common Elements. Maintenance, repairs and replacements of the Common Elements and repairs and replacement of Limited Common Elements shall be furnished by the Council as part of the Common Expenses. Cleaning and snow removal on Limited Common Elements shall be the responsibility of the Unit Owners.

(3) Damage by Negligent Acts. If, due to the negligent act or omission of a Unit Owner, or a resident, or of a member of the family or household pet or of a guest or invitee or other authorized occupant or visitor of such Unit Owner or resident, damage shall be caused to the Common Elements, Limited Common Elements or to a Unit or Units owned by others, or maintenance, repairs and replacements shall be required which would otherwise be a Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Council.

(4) Maintenance of Equipment, Fixtures, etc. To the extent that equipment, facilities and fixtures within any Unit or Units shall be connected to similar equipment, facilities or fixtures affecting or serving other Units, the Limited Common Elements or the Common Elements, then the use thereof by the individual Unit Owners shall be subject to the control of the Council. The authorized representatives of the Council, or of the manager or managing agent for the Building, shall be entitled to reasonable access to the individual Units as may be required in connection with maintenance, repairs or replacements of or to the Common Elements or any equipment, facilities or fixtures affecting or serving such Unit or other Units or the Common Elements. Sponsor or the Council may install a master television antenna and/or cable television facilities, the cost of such installation which will be a Common Expense.

(5) Decorating and Maintenance of Units. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the decorating within his own Unit, including painting, wall covering, washing, cleaning, panelling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floors and ceilings, which constitute the exterior boundaries of his Unit, and such Unit Owner shall maintain the interior surfaces in good condition at his sole expense as may be required from time to time, which said maintenance and use shall be subject to the control of Council, and each such Unit Owner shall have the right to decorate such interior surfaces from time to time as he may see fit and at his sole expense. The interior surfaces of all windows forming part of the perimeter wall of a Unit shall be cleaned or washed at the expense of each respective Unit Owner, and the exterior surfaces of such windows shall be cleaned

to recover sums due, or for damages associated therewith, or in equity for an injunctive or such other relief as is available.

(b) Any Common Charges or Assessment levied pursuant to the Declaration or this Code of Regulations, or any installment thereof, which is not paid within thirty (30) days after it is due shall bear interest from the date due at a rate fixed by the Council not to exceed the maximum permitted legal rate, and the Council may bring an action at law against the Unit owner personally obligated to pay the same, and/or foreclose the lien against the Condominium Unit (to the same extent including a foreclosure, sale and deficiency judgment and subject to the same procedures as may then be applicable to mortgage or other uses upon real property under the laws of the Commonwealth of Pennsylvania) then belonging to said Unit Owner, in either of which events interest, costs and reasonable attorneys' fees shall be added to the amount of each Common Charge or Assessment. The Council shall notify the holder of any mortgage on any Condominium Unit for which any Assessment levied pursuant to this Code of Regulations becomes delinquent for a period in excess of thirty (30) days and in any other case where the Owner of such Condominium Unit is in default with respect to the performance of any other obligation hereunder for a period in excess of thirty (30) days.

(c) If any Owner shall be in default in the payment when due of any installment of the Common Charges or Assessments, the Council may accelerate the remaining installments upon written notice to the Owner, and the then unpaid balance of the Common Charges or Assessments for the current year shall come due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Owner, or ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

(5) Excess of Common Charges or Assessments. In any year in which there is an excess of Assessments or Common Charges received over amounts actually used for the purposes described in this Code of Regulations and in the Declaration, such excess may, upon approval by the Council, either be applied against and reduce the subsequent year's Assessment or Common Charges or be refunded to the Unit Owners. If election is made to refund excess Assessments or Common Charges, such refund shall be divided among all the Unit Owners in proportion to their respective undivided interest in the Common Elements.

SECTION XII. BALCONIES AND PATIOS.

Balconies, patios, driveways and entry stairs shall be Limited Common Areas. Any balcony, patio, driveway or entry stairs to which there is direct access from the interior of a Unit shall be for the exclusive use of the Owner of such Unit and such Owner shall be responsible for the snow removal and cleaning of the balcony, patio, driveway and entry stairs. The repair and replacement of any balcony, patio, driveway and entry stairs shall be furnished by the Council as part of the Common Expenses.

that said vote shall be taken at a meeting of the Unit Owner duly held for such purpose. The vote at such a meeting may be in person or by proxy. Notwithstanding any other provisions herein, however, no amendment may become effective except with the written approval of any mortgagee holding mortgages constituting first liens upon fifteen (15) or more Units, nor shall any amendment affect or impair the validity or priority of any mortgage of record or the rights and remedies of the mortgagee. No amendment may be made without the approval of the Sponsor so long as the Sponsor owns three (3) or more Units.

It is further understood that the section providing that the Sponsor, so long as he is the Unit Owner of ten or more Units shall be entitled to elect at least one member of the Council, may not be amended. No modification or amendment may be made affecting the Council originally appointed by the Sponsor in the Declaration. Any modification or amendment shall be recorded in the Recorder's Office of Butler County and shall become effective as of the date of such recording.

SECTION XIX. COMMON EXPENSES PAYABLE BY THE SPONSOR.

After the filing hereof and until the sale of the first Unit in the Condominium, the Sponsor shall be solely responsible for payment of any Common Expenses. Following the first subsequent closings, the Unit Owners to whom title shall have been conveyed shall be responsible for their proportionate shares of Common Expenses based on their percentage interests in the Common Elements. The Sponsor shall pay Common Expenses for unsold Units. Notwithstanding the foregoing sentence, until (Units are sold and closed, Sponsor reserves the right (but not the obligation) to pay any and all Common Expenses. Proration of the Common Charges shall be permitted if the parties to any agreement for the purchase and sale of a Unit so agree.

SECTION XX. CONFLICTS

This Code is set forth to comply with the requirements of the Unit Property Act. In the case of any conflict between this Code and these Regulations promulgated hereunder and the provisions of the Unit Property Act or of the Declaration, the provisions of the Unit Property Act or of the Declaration, as the case may be, shall control.

SECTION XXI. LIABILITY OF COUNCIL AND OFFICERS.

1. Liability. Neither the Council as a body nor any member thereof nor any officer shall be personally liable to any Unit Owner in any respect for any action or omission arising out of the execution of his respective duties excepting only for bad faith. Council shall reimburse or indemnify each member and officer of the Council (and of any other corporation or association which he served at the request of Council) for or against all liabilities and expenses reasonably incurred by or imposed upon him in connection with or resulting from any claim, action, suit or proceeding (whether brought by or in the name of

SECOND CORRECTION AND CLARIFICATION
TO CODE OF REGULATIONS
DEER RUN CONDOMINIUM

WHEREAS, the Code of Regulations ("Code") of the Deer Run Condominium ("Condominium") dated the 22nd day of October, 1980 were recorded in the Office of the Register and Recorder of Butler County, Pennsylvania on the 23rd day of October, 1980 at Deed Book Volume 1121, Page 511; and

WHEREAS, a First Correction and Clarification was recorded in such Office on September 3, 1981; and

WHEREAS, the Council and Unit Owners of the Condominium desire to further amend the Code as hereinafter set forth to comply with the regulations of the Federal Home Loan Mortgage Corporation.

NOW, THEREFORE, the Code is amended as follows:

1. Section XI(4)(a) is deleted in its entirety and the following is inserted in lieu thereof:

"(a) Any Common Charges or Assessment levied pursuant to the Declaration of this Code of Regulations, or any installment thereof, which is not paid on the date when due shall be delinquent and shall, together with interest thereon and the cost of collection thereof, as hereinafter provided, become a lien (in accordance with the terms of the Act) upon the Condominium Unit belonging to the Owner against whom such assessment is levied and shall bind such Condominium Unit in the hands of the Owner, his heirs, devisees, personal representatives, successors and assigns. The lien may be perfected as provided by the Act. The personal liability and responsibility of the Unit Owner to pay such Common Charge or Assessment shall, however, remain his personal legal obligation, and the Council may maintain actions at law to recover sums due, or for damages associated therewith or in equity for injunctive or such other relief as is available; provided, however, in no event shall any such lien be senior to any first mortgage recorded prior to the due date for any such unpaid assessment for which a lien has been obtained and any first mortgagee

who now or hereafter obtains title to a Condominium Unit pursuant to the remedies provided for in such mortgage or foreclosure of any such mortgage will not be liable for any unpaid assessments which accrue prior to obtaining of such title."

2. The following is added as a new Section XI(6):

"A first mortgagee, upon request, shall be given written notification from the Condominium of any default in the performance by any individual Unit Owner of any obligation under the Condominium documents which default is not cured within sixty (60) days."

The Recorder of Butler County, Pennsylvania is authorized and directed to record this Second Correction and Clarification and also to note same at Deed Book Volume 1121, Page 511.

IN WITNESS WHEREOF, the undersigned have adopted this Second Correction and Clarification of the Code as of the 19th day of January, 1982.

COUNCIL OF THE DEER RUN CONDOMINIUM

Bridgette Tripp (SEAL)
Manus O'Donnell (SEAL)
Howard Hanna (SEAL)

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF Westmoreland) SS:

ON this 19th day of January, 1982, before me, a Notary Public, appeared Linda A. Tripp, Manus O'Donnell and Howard Hanna, who acknowledged themselves to be members of the Council of Deer Run Condominium and acknowledged that they adopted and executed the foregoing Second Correction and Clarification of Code of Regulations for the purposes therein contained.

WITNESS my hand and seal the day and year aforesaid.

KEITH A. WHIPKEY, Notary Public
Greensburg, Westmoreland County, Pa.
My Commission Expires April 29, 1985

Keith A. Whipkey
Notary Public



1144-550

RECORDED
REGISTERED
BUTLER COUNTY
FEE \$ 9.00 Pd

JAN 28 2 18 PM '02

See Raw Landonmumby Council

To

See Raw Landonmumby

Code of Regulations



Leave for James A. Taylor

BUTLER COUNTY 33
PENNSYLVANIA

Recorded in the Recorder's Office
of said County on the 28th day
of Jan A. D. 1902
in Book No. 1144-550 Witness
my hand and the seal of said Office.

Chas. K. Halstead
Recorder

AMENDMENT TO CODE OF REGULATIONS
FOR DEER RUN CONDOMINIUM

WHEREAS, Deer Run Condominium (hereinafter "Deer Run"), was formed by a Declaration dated October 22, 1980 and recorded October 23, 1980 in Deed Book Volume 1121, Page 489 in the Office of the Register and Recorder of Butler County, Pennsylvania, wherein the Declarant therein submitted certain property located in Cranberry Township, Butler County, Pennsylvania to be subject to the Unit Property Act of the Commonwealth of Pennsylvania, Act of July 3, 1963, P.L. No. 196; and

WHEREAS, the Council of Deer Run adopted a Code of Regulations dated October 22, 1980 and recorded on October 23, 1980 in Deed Book Volume 1121, Page 511 in the Office of the Register and Recorder of Butler County, Pennsylvania.

WHEREAS, said Code of Regulations was previously amended by a Correction and Clarification dated August 25, 1981 and recorded on September 3, 1981 in the Recorder of Deeds Office of Butler County at Book 1137, Page 1009, and by a Second Correction and Clarification to Code of Regulations dated January 19, 1982 and recorded on January 28, 1982 in the Recorder of Deeds Office of Butler County at Book 1144, Page 550.

WHEREAS, the undersigned desires to amend the Code of Regulations and at least 51% of the Unit Owners have approved this Amendment at a meeting pursuant to the Code of Regulations.

NOW, THEREFORE, the following paragraphs shall be modified and superseded as follows, the amended language being underlined and the deleted language featuring a strikethrough:

FIRST: Section VIII(2) shall be amended to the following:

(2) Maintenance of Common Elements and Limited Common Elements. Maintenance, repairs and replacements of the Common Elements and repairs and replacement of Limited Common Elements shall be furnished by the Council as part of the Common Expenses. Cleaning and snow removal on Limited Common Elements shall be the responsibility of the Unit Owners.

(i) Windows and Doors. Repairs and replacements of exterior windows and exterior doors shall be the task of Council and the financial

responsibility for such shall be shared equally between the benefiting Unit Owner and the Council, except that Council is not financially responsible for the replacement of window cranks and/or screen doors, which shall be the sole financial responsibility of the Unit Owner. Council shall be the sole arbiter of when an exterior window or door shall be replaced.

SECOND: Section XI (3) shall be amended to the following:

(3) Reserve for Replacements. The Council may establish and maintain a reserve fund for the repair, restoration or replacement of capital improvements by the allocation of payment monthly to such reserve fund of any portion of the Common Charges or Special Assessments designed from time to time by the Council, ~~which shall not exceed ten percent (10%) of the aggregate Common Charges or Special Assessments in any year.~~ Such reserve funds shall be deposited in a special account with a lending institution, the accounts of which are insured by an agency of the United States of America or may, in the discretion of the Council be invested in obligations of, or obligations fully guaranteed as to principal by, the United States of America. The reserve for replacement may be expended only for the purpose of effecting the repair, restoration or replacement of the Common Elements and Facilities together with fixtures or equipment associated therewith or for the contingencies of a non-recurring nature. The amounts allocated to the replacement reserve may be reduced, by appropriate resolutions of the Council, upon the accumulation in such replacement reserve of a sum equal to twenty percent (20%) of the full replacement value of the structural portions of the Condominium Common Elements as such full replacement value is annually determined by the Council for casualty insurance purposes. The proportionate interest of any Unit Owner in any replacement reserve shall be considered an appurtenance of his Condominium Unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Condominium Units to which it appertains and shall be deemed to be transferred with such Condominium Unit.

THIRD: Section XXIV shall be added as follows:

Section XXIV. UNITS USED AS RENTAL PROPERTIES

As of the recording date of this Amendment, the maximum number of allowable Units used as a rental property by the Unit Owner shall be no more than ten percent (10.0%) of the total number of Units, provided that all Units used as rental properties as of the date of this Amendment's recording may continue to be used as such if, and only if, the Unit Owner contacts the Council or management company in writing within sixty (60) days of the date of recording of this Amendment and identifies the Unit as a rental property. The Section shall not apply to a Unit Owner who allows the Unit to be occupied by relatives of the Unit Owner who are not party to a

formal rental agreement, in which case the Unit shall not be considered a rental property. If Council determines that a Unit owner is in violation of this Section, the Unit Owner shall be assessed a fine of \$50.00 per day for every day of continuing violation, which may be assessed against the Unit in the same manner as monthly assessments. Additionally, the Council may exercise any remedy at law or equitable relief against the Unit Owner and/or occupant, in which case all related reasonable attorney's fees shall be assessed against the Unit in the manner of monthly assessments.

The Recorder of Deeds of Butler County, Pennsylvania is authorized and directed to record this Amendment and also to index the same at Deed Book Volume 1121, Page 511.

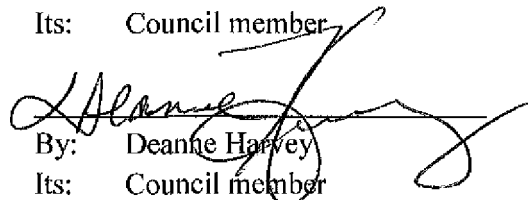
IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal this 6 day of DECEMBER, 2014.

ATTEST

COUNCIL OF THE DEER RUN
CONDOMINIUM



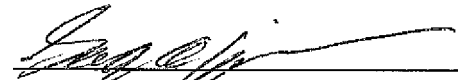
By: Roxanne Germ
Its: Council member



By: Deanne Harvey
Its: Council member



By: Richard Mathews
Its: Council member



By: Geoffrey Zimmerman
Its: Council member

COMMONWEALTH OF PENNSYLVANIA)

COUNTY OF BUTLER) SS:

On this 6th day of December, 2014, before me, a Notary Public,

appeared Geoffrey Zimmerman, Deanne Harvey,

Roxanne Gorm, and Richard Matthews who acknowledged

themselves to be members of the Council of Deer Run Condominium and acknowledged that

they adopted and executed the foregoing Amendment to Code of Regulations for Deer Run

Condominium for the purposes therein contained.

WITNESS my hand and notarial seal the day and year aforesaid.

Sharon M. Higgins
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Sharon M. Higgins, Notary Public
Eau Claire Boro, Butler County
My Commission Expires March 22, 2016
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES



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

Michele M. Mustello
Michele M. Mustello - Recorder of Deeds

MAIL TO:

DORNISH SETTLEMENT SERVICES
1207 FIFTH AVE, STE 300
PITTSBURGH, PA 15219