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Township of Crescent  
County of Allegheny  
Commonwealth of Pennsylvania

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
PARKWOOD, A PLANNED COMMUNITY

Township of Crescent  
County of Allegheny  
Commonwealth of Pennsylvania

THIS DECLARATION (hereinafter "Declaration"), is made the 14th day of November, 2000, Parkwood Development Company, LCC, hereinafter referred to as "Declarant", with an office at 1168 Washington Pike, Bridgeville, PA 15017

WITNESSETH:

ARTICLE I.  
SUBMISSION

1.1 Name; County; Description. Parkwood Development, its successors and assigns, (the "Declarant"), owner in fee simple of the real estate described in Exhibit "A" attached hereto (the "Land"), consisting of approximately 101 acres, located in the Township of Crescent, Allegheny County, Pennsylvania, hereby submits the real estate, together with the building and improvements thereon erected and the easements, rights and appurtenances thereunto belonging (the "Property"), subject to the provisions of the Pennsylvania Uniform Planned Community Act, 68 Pa. C. S. § 5101 et seq., as amended by Senate Bill No. 1175, signed into law on March 24, 1998, (the "Act"), and hereby creates a residential planned community consisting of 62 lots and known as Parkwood Estates (the "Planned Community").

1.2 Easements and Licenses. The Property as so submitted presently is subject to a number of easements, rights, and appurtenances identified on the plots and plans previously recorded, but not limited to:

- (a) easements for sanitary sewers and storm sewers; and
- (b) access easements to open space; and
- (c) road right-of-way easements.

## ARTICLE II. DEFINITIONS

2.1 Terms Defined or Used in the Act. Terms used herein and in the Plats and Plans shall have the meanings specified or used for such terms in Section 5103 or elsewhere in the Act, unless otherwise defined herein.

- (a) "*Association* " means and refers to Parkwood Homeowners Association, Inc., a Pennsylvania nonprofit corporation, its successors and assigns.
- (b) "*Affiliate of a Declarant* " means those persons described in Section 5103 of the Act.
- (c) "*Common Expense Liability* " means the liability for common expenses allocated to each Lot under Section 5208 of the Act (relating to allocation of votes and Common Expense Liabilities).
- (d) "*Common Expenses*" means expenditures made by or financial liabilities of the Association, together with any allocations to reserves. The term includes general Common Expenses and Limited Common Expenses, if any.
- (e) "*Common Facility* " means any real estate within a planned community that is owned by the Association or leased to the Association. The term does not include a Lot.
- (f) "*Controlled Facility* " means any real estate within a Planned Community, whether or not a part of a Lot, that is not a common facility but is maintained, improved, repaired, replaced, regulated, managed, insured or controlled by the Association.
- (g) "*Declaration* " means this document.
- (h) "*Executive Board*" means the body, regardless of name, designated in the declaration to act on behalf of the Association.
- (i) "*General Common Expenses*" means all Common Expenses other than Limited Common Expenses.
- (j) "*Identifying Number*" means a symbol or address that identifies only one Lot in a planned community.
- (k) "*Person* " means a natural person, corporation, partnership, association, trust, other entity or any combination thereof.
- (l) "*Residential Purposes*" means being used for dwelling or recreational purposes, or both.

- (m) *"Residential Subtenant"* means an individual lawfully occupying real estate for residential purposes under a sublease.
- (n) *"Residential Tenant"* means an individual lawfully occupying real estate for residential purposes under a lease.
- (o) *"Special Declarant Rights"* means rights reserved for the benefit of a declarant to:
- (1) complete improvements indicated on plats and plans filed with the declaration under Section 5209 (relating to limited common facilities)
  - (2) convert convertible real estate in a flexible planned community under Section 5211 (relating to conversion and expansion of flexible planned communities);
  - (3) add additional real estate to a flexible planned community under Section 5211;
  - (4) withdraw of withdrawable real estate from a flexible planned community under Section 5212 (relating to withdrawal of withdrawable real estate);
  - (5) convert a lot into two or more lots, common facilities or controlled facilities or into two or more lots and common facilities or controlled facilities;
  - (6) maintain offices, signs and models under Section 5217 (relating to declarant offices, models and signs);
  - (7) use easements through the common facilities or controlled facilities for the purpose of making improvement within the planned community or within any convertible or additional real estate under Section 5218 (relating to easement to facilitate completion, conversion and expansion);
  - (8) cause the planned community to be merged or consolidated with another planned community under Section 5223 (relating to merger or consolidation of planned community);
  - (9) make the planned community part of a larger planned community or group of planned communities under Sections 5222 (relating to master associations) and 5223;
  - (10) make the planned community subject to a master association under Section 5222; or
  - (11) appoint or remove an officer of the Association or a master association or an executive board member during any period of declarant control under Section 5303 (relating to executive board members and officers).

- (p) "Lot" means a physical portion of the planned community designated for separate ownership or occupancy, the boundaries of which are described pursuant to Section 5205(a)(5) (relating to contents of declaration; all planned communities) and a portion of which may be designated by the declaration as part of the controlled facilities.
- (q) "Lot Owner" means a declarant or other person who owns a lot or a lessee of a lot in a leasehold planned community whose lease expires simultaneously with a lease, the expiration or termination of which will remove the lot from the planned community. The term does not include a person having an interest in a lot solely as security for an obligation.

### ARTICLE III BUILDINGS; LOTS; BOUNDARIES; TYPES

3.1 Plats and Plans: Lots/Common Facilities. The location and dimensions of all improvements and land comprising the Planned Community and the location of Lots and Common Facilities of the Planned Community are shown on the Plats and Plans, previously recorded.

3.2 Architectural Control Committee. ~~The Declarant shall initially appoint an Architectural Control Committee and shall fill any vacancies in said Committee prior to the conveyance of the first lot.~~ Membership of the Architectural Control Committee shall thereafter be governed as set forth in Article 13.1

3.3 Building Plans Approval. No building shall be erected, placed or altered on any Lot until the construction plans have been approved by the Architectural Control Committee. If the approval process has not been completed within thirty (30) days of submission, the plans shall be deemed approved.

3.4 Setback Requirement. Building setback lines shall be maintained in compliance with Crescent Township requirements.

3.5 Zoning. The zoning ordinance and all regulations passed by Crescent Township municipal government shall apply to the development of this land and any revisions or amendments to such ordinance and regulations shall be applicable as well.

3.6 Construction Period.

- (a) Every purchaser of a building lot is required to commence the erection of a residence within sixty (60) days of settlement on the first purchased lot. The Architectural Control Committee may waive this requirement by giving written notice of such waiver to such Lot owner.
- (b) Both the Declarant's contractor and the builders for Owners of Lots shall maintain their respective work area in good condition.

- (c) Fine grading, seeding and service pavements shall be completed within six (6) months of completion of dwelling.

3.7 Above Ground Structures. All above-ground structures, including but not limited to tennis courts, basketball courts and related structures, tool storage and garden sheds, greenhouses or any other out buildings, attached or unattached, or any other above-ground improvement structure, shall not be constructed without the prior written approval of the Architectural Control Committee. All requests for such improvements and/or structures shall be submitted in writing to the Architectural Control Committee concerning such requests. All decisions of the Committee concerning such requests shall be final.

3.8 Plan Changes. No substantial changes shall be made in the approved building plans prior to the occupancy of any dwelling house located on a lot without the prior written approval of the Architectural Control Committee.

3.9 Exterior Changes After Occupancy. After the initial occupancy of any dwelling house located on a Lot, any erection of a structure (including but not limited to fences, walls and mailboxes), any addition or alteration to the exterior of a structure, or any change in the existing color or finish of any exterior surface of any building on a lot shall not be done until plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures, and finished ground elevation topography, by the Architectural Control Committee. In the event the Committee fails to approve or disapprove such change, design and location within sixty (60) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

3.10 Retention Ponds. It is the responsibility of the Homeowner's Association for the upkeep and maintenance of the retention ponds.

#### ARTICLE IV.

##### IDENTIFICATION OF LOTS, VOTES, ALLOCATION OF COMMON FACILITY INTERESTS AND COMMON EXPENSE LIABILITIES

4.1 Allocation of Common Facility Interest, Votes and Common Expense Liabilities. Phase \_\_\_ consists of Lot Nos. \_\_\_ through \_\_\_. Phase \_\_\_ consists of Lot Nos. \_\_\_ through \_\_\_. Each Lot Owner shall be entitled to have one (1) vote for each Lot owned by such Owner. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as such persons among themselves may determine, but in no event shall more than one (1) vote be cast with respect to any Lot. Any such joint Owners shall designate and register with the secretary of the Association the name of that Owner entitled to cast such single vote. The Common Expense Liability of each Lot shall be assessed in accordance with each Lot's Voting Interest.

#### ARTICLE V.

##### DESCRIPTION, ALLOCATION AND RESTRICTION OF COMMON FACILITIES

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5.1 **Common Facilities.** The Common Facilities are all and only open spaces as marked on the Plan.

5.2 **Conveyance of Common Facilities to Association.** No later than after conveyance of 75% of the Lots or such earlier time as determined in the discretion of Declarant, the area set forth in Section 5.1 above, all of which is open space, will become a Common Facility and will be conveyed to the Association by the Declarant, which obligation to convey will be binding upon Declarant and any successor-in-interest of Declarant. Prior to conveyance to the Association, the Declarant will retain ownership of the Common Facilities. The conveyance to the Association will be in consideration of \$1.00. Upon conveyance, the Common Expense Liability of the Lot Owners will be initiated and assessed.

## ARTICLE VI. EASEMENTS

6.1 **Additional Easements.** In addition to and in supplementation of the easements provided for by Sections 5216 (encroachments), 5217 (Declarant's use of portions of buildings for sales purposes) and 5218 (to facilitate Declarant's work) and other provisions of the Act, and in Section 8.16 of this Declaration, the following easements are hereby created:

- (a) *Utility Easements:* The Common Facilities and Lots shall be made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines, including security systems, and as may be necessary or desirable to serve any portion of the Property. The easements created in this Article 6. I (a) shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer, and drain lines, telephone wires and equipment, television equipment electrical wires, conduits and facilities (cable or otherwise), equipment and ducts and vents over, under, through, along and on the Common Facilities and Lots.
- (b) *Ingress and Egress:* Each Lot Owner has a non-exclusive easement to access and use of the Common Facilities, subject to rules, regulations and restrictions established by the Association.
- (c) *Renovation Easement:* Until such time as Declarant's Control Period expires, to the extent permitted under the Act, Declarant shall have an easement through the Lots and Common Facilities for the purpose of completing the renovations, if any, of the Planned Community, including the right to relocate, replace and install any gas lines, pipes and conduits, water mains and pipes, sewer, and drain lines, telephone wires and equipment, television equipment electrical wires, conduits and facilities (cable TV, security systems or otherwise), equipment and ducts and vents over, under, through, along and on the Lots and Common Facilities.

- (d) General Easement: A specific easement is hereby granted and reserved over all Lots in the Plan in favor of the Declarant, its agents, servants, licensees, invitees, its heirs, successors and assigns for the purposes incidental to development, construction and marketing by the Declarant, its heirs, successors and assigns, provided, however, that such easement shall expire one (1) year after the conveyance by the Declarant, in the ordinary course of business, of the last dwelling or lot to an individual or entity other than the Declarant.

6.2 Common Facilities Easements in Favor of the Association. The Common Facilities shall be and are hereby made subject to an easement in favor of the Association and the agents, employees and independent contractors thereof for the purpose of the inspection, upkeep, maintenance, repair and replacement of the Common Facilities.

6.3 Rights of the Association. In addition to any other rights which the Association may possess pursuant to this Declaration, the Bylaws, the Rules and Regulations and the Act, as any of the foregoing may be amended from time to time hereafter, the Association shall have the right to grant permits, licenses and easements for utilities and other purposes reasonably necessary or useful for the maintenance or operation or use of the Common Facilities or any part thereof.

## ARTICLE VII. AMENDMENT OF DECLARATION

7.1 Amendment Generally. This Declaration may be amended only in accordance with the procedures specified in Section 5219 of the Act, the other sections of the Act referred to in Section 5219 thereof, and the express provisions of this Declaration.

7.2 Rights of Declarant. No change, modification or amendment which affects the rights, privileges or obligations of the Declarant shall be effective without the prior written consent of the Declarant.

7.3 Other Amendments. If any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of this Declaration or the Plats and Plans which is defective or inconsistent with any other provision hereof or thereof or with the Act, or to change, correct or supplement anything appearing or failing to appear in the Plats and Plans which is incorrect, defective or similarly inconsistent, or if such amendment is necessary to conform to the then current requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to planned community projects, the Executive Board may, at any time and from time to time effect such amendment without the approval of the Lot Owners, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this section. Each such amendment shall be effective upon the recording of an appropriate instrument setting forth the amendment and its due execution and acknowledgement by one or more officers of the Board.

7.4 Termination. Subject to the limitations imposed by Section 5220 of the Act, termination of this Planned Community requires the prior written approval of all Lot Owners, provided, however, in the event of substantial destruction or substantial taking by eminent domain



of the Property then the Planned Community may be terminated with agreement of Lot Owners of Lots which have at least (80%) percent of the votes in the Association.

## ARTICLE VIII PROTECTIVE COVENANTS

8.1 Residential Use. No Lot shall be used for any purpose, primary or incidental, other than single family residential use except as may be shown on the recorded Plan.

8.2 Single Family Lot Restriction. The 68 lots contained in the Subdivision Plan of Parkwood as approved by the Township of Crescent, Allegheny County, Pennsylvania, shall be sold and developed solely as single family residences only on each lot.

8.3 Dwelling Size. All dwellings constructed upon Lots within the Plan shall contain the following minimum finished living areas exclusive of basements, garages, attics and porches:

- (a) any ranch or split-level type dwelling shall contain not less than twenty two hundred (2,200) square feet of finished living area; and
- (b) any one and one-half (1 1/2) or two (2) story dwelling shall contain not less than twenty two hundred (2,200) square feet of finished living area.

8.4 Garage Size. All dwelling structures on the Lots shall have attached or integral garages of such width to park at least two (2) standard sized automobiles side by side.

8.5 Building Materials. The only permitted exposed building materials for siding on any structure on a Lot shall be brick, natural stone, stucco, natural wood, vinyl siding or, in the discretion of Declarant, similar type products provided. In all lots in Phase I, said lots being numbers 1 through 11 inclusive and numbers 45 through 68 inclusive, if vinyl siding or a similar type product is used for the entire front of a structure, there must also be erected a roof covered front porch with a minimum floor area of one hundred (100) square feet poured concrete or wood decking.

No foundation block shall be exposed on the exterior of any structure on any Lot. The roofing of all structures shall be constructed only of slate, ceramic, terra cotta, cedar shake, flat roofs and standing materials with the weight of not less than two hundred (200) pounds per square. All dwellings shall be constructed with the necessary equipment to burn natural gas for space heating and water heating.

8.6 Driveways. All driveways shall be constructed of hard surface materials such as poured concrete, brick or asphalt and shall be paved prior to occupancy of the dwelling unless occupancy occurs between November 15, and March 15 and weather conditions do not permit paving. All walkways shall be constructed of poured concrete or brick.

8.7 Sidewalks. (Intentionally Omitted)

8.8 Exterior Post Lamp and Mailbox. Each Owner shall install in the front yard area of the Lot a self illuminating exterior post lamp, ten (10) feet from the road and a mailbox. The design of exterior lamp post and mailbox shall be designated and approved by the Architectural Control Committee.

8.9 Detached Structures. Subject to the other limitations contained in this Declaration and the limitations contained in applicable laws and ordinances, detached structures may be constructed on a Lot only if entirely with the entire buildable area, provided that such structure shall be constructed of the same materials, including the roof and exterior finish thereof, as that of the permitted dwelling structure on such Lot.

8.10 Seedings and Plantings. The Owner of each Lot shall be required to seed or sod the entire front, both sides and a minimum distance of thirty (30) feet from the rear of the dwelling, however, properly landscaped areas of chips, bark or similar materials may be placed in areas which are otherwise required to be seeded or sodded. In addition, any area beyond the minimum distance of thirty (30) feet from the dwelling which is disturbed during construction must be seeded or sodded or otherwise landscaped with chips, barks or similar materials or other suitable ground cover. Such planting shall be completed within twelve (12) months after substantial completion of such dwelling or structure or enlargement thereof and all disturbed areas shall be seeded within six (6) months of the completion of construction, weather permitting. Each Owner shall be required to plant one tree, a minimum of 2 1/2" in diameter, for every twenty-five (25) feet of frontage on the Lot, said trees to be planted in the front yard. The trees shall be deciduous trees to be selected from the following varieties: Columnar Norway Maple; Emerald Lustre Maple; Endowment Sugar Maple; Red Sunset Red Maple; Pin Oak; Shingle Oak; Shumard Oak; Red Oak; Cleveland Select Pear; Sweet Gum; or Tuliptree. Each Owner shall be required to plant a minimum of ten (10) shrubs in the front yard of the Lot.

8.11 Further Rights of Architectural Control Committee. The Architectural Control Committee has the right to approve or disapprove the plans for any dwelling, structure or other improvements placed on each Lot, as well as make any exceptions to these covenants, conditions and restrictions as the Declarant shall deem necessary and proper. The Architectural Control Committee's written approval shall be required on the face of the plan before the commencement of any construction. The Architectural Control Committee, by approving any plans for any dwelling, structure, or other improvements, does not warrant, assure, insure or otherwise guarantee, and makes no representations whatsoever, expressed or implied, as to the engineering, architectural and/or construction accuracy or fitness as to any such plans and does not create any expressed or implied warranties as to the plans or the dwelling, structure or improvements constructed in accordance with same.

8.12 Vehicles. Except as permitted by this paragraph, no automobiles, motorcycles, trailers, boats, utility vehicles, commercial vans or trucks or any other vehicle shall be parked in any location within the Lot. Passenger automobiles and pick-up trucks other than utility vehicles and commercial vans and trucks, may be parked only within garages or on the driveway of a Lot. Motorcycles, trailers, boats and recreational vehicles may be parked only within a garage. Commercial vans, trucks, and utility trucks and other types of commercial vehicles shall be permitted to be parked on the driveways of Lots, provided such parking shall occur only for such duration as may be necessary for the purpose of delivery, construction, remodeling and repair.

8.13 Activities on Lot. No dangerous, unlawful, or offensive activities shall be carried on or upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. The owner of each Lot shall maintain such Lot and all improvements thereon, including landscaping in a safe, clean, trim and sanitary manner and in good repair and order and in strict accordance with this Declaration and with the Crescent Township ordinances and county and state regulations and statutes.

8.14 Radio and Television Antennae and Dishes. No facilities, including satellite dishes, exceeding eighteen (18) inches in size, poles and wires for the transmission of electrical energy, telephone messages, broadcasts, radio and the like, shall be placed or maintained above the surface of the ground on any Lot. All utility lines shall be underground, and no external or outside lines or antennas of any kind shall be erected, except temporary lines by the Declarant during the period of construction or development. No temporary structure, trailer, garage or building in the course of construction shall be used temporarily or permanently as a residence of any Lot.

8.15 Signage. No sign of any kind shall be displayed to the public view on any Lot, except one sign of not more than five (5) square feet advertising the Lot or dwelling structure for sale, or signs used by Declarant to advertise the Lot during the construction and the sales period.

8.16 Animals. Except as specified herein, no animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that three (3) domestic animals as household pets may be kept in accordance with municipal laws and ordinances and provided they are maintained within the dwelling structure and are not kept, bred or maintained for any commercial purpose.

8.17 Garbage and Refuse Disposal. No lumber, materials, bulk material, refuse, or trash shall be kept, stored, or allowed to accumulate on any Lot, except building materials during the course of construction of any approved structure. Trash, garbage, or other waste shall be kept in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

8.18 Utilities. No water pipe, gas pipe, sewer pipe, or drainage pipe shall be installed or maintained on any Lot above the surface of the ground. Easements have been reserved for sewers, drainage and utility installations and maintenance for such purposes and uses as are shown on the recorded Plan. Within these easements, no structures, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. Declarant, its agents, successors and assigns, shall have the right to enter upon all parts of the easement area of each Lot for any of the purposes for which said easements and rights-of-way are reserved. Declarant shall also have the right at the time of, or after, grading any street, or any part thereof, to enter upon any abutting Lots and grade the portion of such Lot adjacent to such street, but there shall be no obligation on Declarant to do such grading, unless otherwise properly required to do so by an appropriate governmental authority.

8.19 Fencing. No fencing -- except as required if the Owner installs a swimming pool -- shall be permitted unless approved by the Declarant and/or the Architectural Control Committee.

In the event fencing is permitted, it shall be limited to side and rear fencing located not closer to the front street than the rear of the residence or dwelling located upon the premises and shall not exceed a height of four (4) feet. No non clad or barb wire, metal, chain link, or cyclone fences are permitted. Ornamental walls are only permitted with the prior written approval of the Architectural Control Committee. Fenced dog runs are not permitted.

8.20 **The Association.** All homeowners and/or Lot owners within the subdivision shall be members of the Association and shall be required to annually pay such dues or assessments as shall be required to maintain the Association and fulfill its purposes. The Declarant shall not be assessed any dues, assessments or fees for any unsold Lots (including, but not limited to, vacant property or unsold houses) remaining in the development at any time.

8.21 **Open Spaces.** All open spaces depicted on the recorded and approved Plots and Plans, true and correct copies of which were previously recorded, shall remain in perpetuity as open spaces and shall be available for use by the members of the Association. Other than any work or construction necessary for providing utilities, all open space shall remain in a natural state with no structures to be built on them or otherwise to be graded for fields, nor shall forested area be harvested. Dumping of grass or other materials upon open spaces is prohibited. To the extent any such dumping of foreign materials in the open space shall occur, the Association shall be obligated to have it removed. Under no circumstances and notwithstanding any other section hereunder, may these restrictions on open space be modified or amended.

#### ARTICLE IX. POWERS OF THE EXECUTIVE BOARD

9.1 **General.** The Executive Board shall have the following powers:

- (a) Adopt and amend bylaws and rules and regulations.
- (b) Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for common expenses from Lot Owners.
- (c) Hire and terminate managing agents and other employees, agents and independent contractors.
- (d) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Lot Owners on matters affecting the Planned Community.
- (e) Make contracts and incur liabilities.
- (f) Regulate the use, maintenance, repair, replacement and modifications of common facilities.

- (g) Cause additional improvements to be made as a part of the common facilities and, only to the extent permitted by the Declaration, the controlled facilities.
- (h) Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property, but common facilities may be conveyed or subjected to a security interest only under the provisions of Section 5318 of the Act (relating to conveyance or encumbrance of common facilities).
- (i) Grant easements, leases, licenses and concessions through or over the common facilities and, only to the extent permitted by the Declaration, the controlled facilities.
- (j) Impose and receive payments, fees or charges for the use, except as limited by other provisions of this subpart, rental or operation of the common facilities other than the limited common facilities described in Section 5202(2) and (3) of the Act (relating to Lot boundaries).
- (k) Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the declaration, bylaws and rules and regulations of the Association.
- (l) Impose reasonable charges for the preparation and recording of amendments to the Declaration, resale certificates required by Section 5407 of the Act (relating to resales of Lots) which shall be ONE charge that may be made by the Association solely because of the resale or retransfer of any Lot or statement of unpaid assessments. IN ADDITION, AN ASSOCIATION MAY IMPOSE A CAPITAL IMPROVEMENT FEE, BUT NO OTHER FEES, ON THE RESALE OR TRANSFER OF LOTS IN ACCORDANCE WITH THE FOLLOWING:
  - (1) THE CAPITAL IMPROVEMENT FEE FOR ANY LOT SHALL NOT EXCEED THE ANNUAL ASSESSMENTS FOR GENERAL COMMON EXPENSE CHARGED TO SUCH LOT DURING THE MOST RECENTLY COMPLETED FISCAL YEAR OF THE ASSOCIATION; PROVIDED THAT:
    - (A) IN THE CASE OF RESALE OR TRANSFER OF A LOT CONSISTING OF UNIMPROVED REAL ESTATE, THE CAPITAL IMPROVEMENT FEE SHALL NOT EXCEED ONE-HALF OF THE ANNUAL ASSESSMENTS FOR GENERAL COMMON EXPENSES CHARGED TO SUCH LOT DURING THE MOST RECENTLY COMPLETED FISCAL YEAR OF THE ASSOCIATION; AND
    - (B) IN THE CASE OF RESALE OR TRANSFER OF A LOT WHICH WAS EITHER CREATED OR ADDED TO THE PLANNED COMMUNITY IN ACCORDANCE WITH SECTION 5311 (RELATING TO CONVERSION AND EXPANSION OF FLEXIBLE PLANNED COMMUNITIES) AT SOME TIME DURING THE

MOST RECENTLY COMPLETED FISCAL YEAR OF THE ASSOCIATION BUT WAS NOT IN EXISTENCE FOR THE ENTIRE FISCAL YEAR, THE CAPITAL IMPROVEMENT FEE SHALL NOT EXCEED ONE-HALF OF THE ANNUAL ASSESSMENTS FOR GENERAL COMMON EXPENSES CHARGED TO A LOT COMPARABLE TO SUCH LOT DURING THE MOST RECENTLY COMPLETED FISCAL YEAR OF THE ASSOCIATION.

(II) CAPITAL IMPROVEMENT FEES ALLOCATED BY AN ASSOCIATION MUST BE MAINTAINED IN A SEPARATE CAPITAL ACCOUNT AND MAY BE EXPENDED ONLY FOR NEW CAPITAL IMPROVEMENTS OR REPLACEMENT OF EXISTING COMMON FACILITIES, AND MAY NOT BE EXPENDED FOR OPERATION, MAINTENANCE OR OTHER PURPOSES.

(III) NO CAPITAL IMPROVEMENT FEE SHALL BE IMPOSED ON ANY GRATUITOUS TRANSFER OF A LOT BETWEEN ANY OF THE FOLLOWING FAMILY MEMBERS; SPOUSES, PARENT AND CHILD, SIBLINGS, GRANDPARENT AND GRANDCHILD.

(IV) NO FEES MAY BE IMPOSED UPON ANY PERSON WHO;

(A) ACQUIRES A LOT CONSISTING OF UNIMPROVED REAL ESTATE AND SIGNS AND DELIVERS TO THE ASSOCIATION AT THE TIME OF SUCH PERSON'S ACQUISITION A SWORN AFFIDAVIT DECLARING THE PERSON'S INTENTION TO RECONVEY SUCH LOT WITHIN 18 MONTHS OF ITS ACQUISITION; AND

(B) COMPLETES SUCH RECONVEYANCE WITHIN SUCH 18 MONTHS.

- (m) Provide for the indemnification of its officers and executive board and maintain directors' and officers' liability insurance.
- (n) Exercise any other powers conferred by this subpart, the Declaration or Bylaws.
- (o) Exercise all other powers that may be exercised in this Commonwealth by legal entities of the same type as the Association.
- (p) Exercise any other powers necessary and proper for the governance and operation of the Association.
- (q) Assign its right to future income, including the right to receive common expense assessments, only to the extent the Declaration expressly provides.

9.2 Restrictions on Limitations in Declaration. Notwithstanding Section 9. 1 above, the Association may not impose limitations on the power of the Association to deal with Declarant which are more restrictive than the limitations imposed on the power of the Association to deal with other persons. Any exercise of a power under subsection 9. 1 (g), (h) or (i) which would materially impair quiet enjoyment of a Lot shall require the prior written approval of the Owner of that Lot.

## ARTICLE X INDEMNIFICATION

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

10.2 Good Faith Reliance. In performing his duties, an officer or Executive Board member shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- (a) one or more other officers or employees of the Association whom the officer or Executive Board member reasonably believes to be reliable and competent in the matters presented.
- (b) counsel, public accountants or other persons as to matters which the officer or Executive Board member reasonably believes to be within the professional or expert competence of such person.
- (c) a committee of the Executive Board upon which he does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the officer or Executive Board member reasonably believes to merit confidence.

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

### 10.3 Limited Liability.

- (a) The members of the Executive Board and officers, in their capacity as such, shall not be personally liable for monetary damages for any action taken, or any failure to take any action, unless any such person has breached or failed to perform the duties of his office under the standards described above; provided, however, that the provisions of this Section 10.3 shall not apply to the responsibility or liability of an Executive Board member or officer pursuant to any criminal statute, or to the

liability of an Executive Board member or officer for the payment of taxes pursuant to local, state, or federal law.

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



**ARTICLE XI**  
**BUDGETS, COMMON EXPENSES, ASSESSMENTS AND ENFORCEMENT**

11.1 **Annual Payments.** All Common Expense assessments made in order to meet the requirements of the Association's annual budget shall be deemed to be adopted and assessed on an annual basis and shall be due and payable within thirty (30) days of written request to a Lot Owner for the same. Special assessments shall be due and payable in one or more monthly payments, in advance, on the first day of each month, during such period of time as determined by the Executive Board. All Lots shall be allocated an annual assessment at the time the Lot is conveyed from the Declarant, or an assignee of the Declarant, to a home buyer. Under no circumstances, shall Declarant be required to pay any Common Expense assessments, annual assessments or special assessments on any Declarant owned property or lots, built or unbuilt.

11.2 **Subordination of Certain Charges.** Any fees, charges, late charges, fines and interest which may be levied by the Executive Board pursuant to Section 5302(a)(10), (11) and (12) of the Act shall be subordinate to the lien of a Permitted Mortgage on a Lot.

11.3 **Limitation on Expenditures.** All expenses, charges and costs of the maintenance of the Common Facilities, and any other expenses, charges or costs which the Executive Board may incur or expend pursuant hereto, shall be approved by the Executive Board, and a written memorandum thereof prepared and signed by the treasurer. During the period of Declarant control, there are no limitations on expenditures for the maintenance, repair or replacement of the Common Facilities, and any other expenses which the Executive Board may incur or expend. After the period of Declarant control has expired or otherwise has been terminated by Declarant, there shall be no structural alterations, capital additions to, or capital improvements on, the Common Facilities (other than for purposes of repairing, replacing and restoring portions of the Common Facilities) requiring an expenditure in excess of Ten Thousand (\$10,000.00) Dollars without the prior approval of the Lot Owners entitled to cast 66 2/3 percent of the votes of all Lot Owners.

11.4 **Reserve.** Each annual budget for Common Facilities shall include an amount reasonably considered by the Executive Board to be sufficient as a reserve for contingencies.

11.5 **Accounting.** On or before the first day of April of each calendar year commencing the year after the first dwelling is constructed and sold, the Executive Board shall supply to all Lot Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the annual budget or assessments and leases and sales of property owned or managed by the Executive Board on behalf of the Association, and showing the net excess or deficit of income over expenditures plus reserves.

11.6 **Special Assessments.** If any annual budget proves inadequate for any reason including nonpayment of any Lot Owner's assessments, or any nonrecurring Common Expense or any Common Expense not set forth in the annual budget as adopted, the Executive Board may at any time levy a further assessment, which shall be assessed to the Lot Owners according to each Lot Owner's Voting Interest in the Common Facilities. Such further assessment shall be payable in one or more monthly payments during such period of time as the Board may determine. The

Executive Board shall serve notice of such further assessment on all Lot Owners by a statement in writing giving the amount and reasons therefore, and such further assessment shall become effective and shall be payable at such time or times as determined by the Executive Board.

11.7 Acceleration. If a Lot Owner is in default in the monthly payment of the aforesaid charges or assessments for sixty (60) days, the Executive Board may, in addition to all other remedies in the Act, Declaration herein contained, or the By-Laws, accelerate all other payments of charges and assessments due for the calendar year in which such default occurs; provided, however, a foreclosing Permitted Mortgagee shall be entitled to automatic subordination of such sums in excess of the amounts given priority over mortgage liens in the Act.

11.8 Interest and Charges. All sums assessed by the Executive Board against any Lot Owner as a regular or special assessment shall bear interest thereon at the then maximum legal rate provided by the Act from the fifth (5th) day following default in payment of any installment when due. Any delinquent Lot Owner shall also be obligated to pay (i) all expenses of the Board, including reasonable attorneys' fees, incurred in the collection of the delinquent assessment by legal proceedings or otherwise, and (ii) any amounts paid by the Board for taxes or on account of superior liens or otherwise to protect its lien, which expenses and amounts together with accrued interest and late charges, shall be deemed to constitute part of the delinquent assessment and shall be collectible as such subject to Article 11.2 above.

11.9 Surplus. Any amounts accumulated from assessments for Common Expenses and income from the operation of the Common Facilities to which such Common Expenses pertain in excess of the amount required for actual Common Expenses and reserves for future Common Expenses shall be credited to each Lot Owner, said credits to be applied to the next annual assessment of Common Expenses due from said Lot Owners under the current fiscal year's budget, and thereafter, until exhausted.

## ARTICLE XII. INSURANCE; CONDEMNATION

12.1 Generally. The Executive Board, to the extent reasonably available, shall acquire and pay for insurance to be written by insurers licensed in Pennsylvania and having a Best's Insurance Rating of "B" general policyholder's rating and III financial size category or an "A" general policyholder's rating, or their equivalent if such rating is no longer available in the amounts as required by the Act in addition to and subject to the following:

- (a) *Board's Discretion.* Such insurance as the Executive Board deems advisable in the operation, and for the protection of the Common Facilities and the Lots.
- (b) *Property and Casualty Limits.* Comprehensive public liability and property damage insurance as required by the Act shall be, in such limits as the Board shall deem desirable provided that such limit shall not be less than One Million (\$1,000,000.00) Dollars per occurrence, for personal injury and/or property damage, insuring the Association, the Board members, the managing agent, if any, and their respective agents and employees, and the Lot Owners from any liability to the public or to the

Lot Owners, their tenants or invitees, relating in any way to the ownership and/or use of the Common Facilities or any part thereof.

- (c) *Forms.* The Executive Board may obtain such other forms of insurance as the Board shall elect to effect including Board members and officers liability insurance and such Worker's Compensation insurance as may be necessary to comply with applicable laws.
- (d) *Premiums.* Except as otherwise provided in this Declaration, premiums for all insurance obtained or maintained by the Board, fees and expenses of the insurance trustee, if any, and the cost of any appraisal which the Board deems advisable in connection with any insurance, shall be Common Expenses.
- (e) *Securing Policies.* The Board shall use its best efforts to secure policies providing that the policies cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual Lot Owners or any officer or employee of the Board or managing agent, if any, without prior demand in writing that the Board or managing agency, as the case may be, cure the defect and without a reasonable period of time thereafter in which to cure the same.
- (f) *Personal Property.* Insurance coverage on the furnishings and other items of personal property belonging to a Lot Owner and insurance for his personal liability to the extent not covered by insurance maintained by the Board shall be the responsibility of each such Lot Owner.
- (g) *Attorney in Fact.* The Executive Board is hereby irrevocably appointed as attorney-in-fact for each Lot Owner and for each holder of a mortgage or other lien upon a Lot and for each owner of any other interest in the Property for the purpose of purchasing and maintaining insurance as set forth in this Section including the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose.

## 12.2 General Insurance Provisions.

- (a) *Provisions.* All policies of insurance carried under Article 12.1 shall:
  - (i) provide that they shall not be cancelled or modified without at least 10 days prior written notice to all whose interests are covered thereby, including, without limitation, the holders of Permitted Mortgages in the case of policies of property and fidelity insurance;
  - (ii) provide that the policy is primary coverage and that the coverage afforded thereby shall not be affected or diminished or result in contribution by reason of any additional insurance separately carried by any Lot Owner or by any other person or entity;

- (iii) provide that the insurer shall not have the option to restore the insured premises in lieu of making a cash payment of the proceeds;
- (iv) provide that each Lot Owner is an insured person under the policy with respect to liability arising out of his ownership of an undivided interest in the Common Facilities or membership in the Association and that no act or omission by any Lot Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition of recovery under the policy.

Duplicate originals of all such insurance policies and renewals shall be delivered by insurers (at least 30 days prior to the renewal in case of each renewal) to the Executive Board, and duplicate originals or certificates or memoranda of insurance shall be issued by the insurers to all others whose interests are covered thereby, including without limitation the holders of Permitted Mortgages in the case of property and fidelity insurance.

- (b) *Premiums.* No Lot Owner shall do or permit any act which would void or impair the coverage afforded by said policies or would result in an increase in the premium therefor; and any Lot Owner not complying therewith shall be liable to the Association for the amount of any such increase.
- (c) *Notice of Violation.* If the insurance required by Article 12. 1 of this Declaration is not maintained at any time, the Association shall promptly give each Lot Owner written notice of that fact.

#### 12.3 Condemnation:

- (a) *Disposition.* If all or part of the Common Facilities are acquired in whole or in part by a power in the nature of eminent domain, the award shall be paid to the Association and distributed, after any restoration or repair, as provided in Section 5107(c) of the Act.
- (b) *Notice.* Whenever any proceedings are instituted which could result in the temporary or permanent taking, injury or destruction of all or part of the Common Facilities, by the power of or a power in the nature of eminent domain or by an action or deed in lieu of condemnation, the Executive Board and each Lot Owner shall be entitled to notice thereof and the Executive Board shall, and each Lot Owner at his expense may, participate in such proceedings.
- (c) *Acquisition of part of a Lot.* If part of a Lot is acquired by eminent domain, the award shall compensate the Lot Owner for the reduction in value of the Lot provided however that if, as part of a Lot acquired, controlled facilities are taken which benefit other Lots, the portion of the award attributable to the interest of the other Lots in the controlled facilities taken shall be paid to the Association. portion so acquired

#### ARTICLE XIII.

## DECLARANT'S RIGHTS

### 13.1 Control:

- (a) Not later than sixty (60) days after conveyance of twenty-five (25 %) percent of the Lots to Lot Owners other than Declarant, one member of the five member Executive Board shall be elected by Lot Owners other than Declarant.
- (b) Not later than sixty (60) days after conveyance of ~~fifty~~ (50%) percent of the Lots to Lot Owners other than Declarant, two members of the Executive Board shall be elected by Lot Owners other than Declarant.
- (c) Not later than the earlier of (i) five (5) years after the date of the first conveyance of a Lot, or (ii) one hundred twenty (120) days after seventy-five (75%) percent of the Lots ~~are~~ conveyed to Lot Owners other than Declarant, all members of the Executive Board shall resign and the Lot Owners (including Declarant to the extent of Lots owned by Declarant) shall elect a new five (5) member Executive Board, at least a majority of whom must be Lot Owners.
- (d) In determining whether the period of Declarant's control has terminated pursuant to Section 13.1(c) or whether Lot Owners other than Declarant are entitled to elect members of the Executive Board under Section 13.1(a) and Section 13.1(b), the percentage of Lots conveyed shall be that percentage which would have been conveyed if all Lots Declarant has built or reserved the right to build in this Declaration were included in the Planned Community.

13.2 Special Declarant Rights. Anything in this Declaration or in the Bylaws to the contrary notwithstanding, Declarant reserves certain rights (collectively, the "Special Declarant Rights") as follows:

- (a) Declarant reserves the unrestricted right to sell any Lots which it continues to own after the recording of this Declaration;
- (b) Declarant shall have the right to maintain in the Planned Community both sales and management offices and signs advertising sales and leasing of Lots in the Planned Community; and
- (c) Declarant reserves the unrestricted right, as it deems appropriate, to complete all improvements to the Common Facilities, if any, provided, however, that the Declarant will endeavor not to interfere with the use of any Lot in connection therewith.

13.3 Assignment. Any one or more of the Special Declarant Rights, as created and reserved under this Article or elsewhere received by Declarant hereunder may be assigned by Declarant to any other party in connection with any financing provided to Declarant, and such assignment shall be effective as to all persons or parties affected thereby if at such time the instrument evidencing such transfer is executed both by the transferor and the transferee of the

subject Special Declarant Rights and is recorded in the Office of the Recorder of Deeds in and for Dauphin County. The holder of any mortgage obligation encumbering the Declarant's interest in the Planned Community may succeed to the Special Declarant Rights, whether or not the Declarant has assigned the Special Declarant Rights to the holder of such mortgage. No such Mortgagee shall be liable for any acts or omissions of the Declarant relating to the Special Declarant Rights and arising prior to (i) such Mortgagee exercising its rights under the preceding sentence or (ii) such Mortgagee's acceptance of a specific assignment of the Special Declarant Rights and succeeding to the Declarant's rights hereunder.

13.4 Transfer of Declarant's Rights. Declarant reserves the right pursuant to Section 5304 of the Act to transfer Declarant's rights.

#### ARTICLE XIV. GENERAL PROVISIONS

14.1 Enforcement. The conditions and restrictions contained in this Declaration and in any addendum to this Declaration shall be covenants running with the land and shall operate for the benefit of, and may be enforced by the Declarant or by the Owner of any Lot in the development or by Crescent Township each of which shall have the legal standing and right to enforce this Declaration by specific performance, injunction or action for damages, in law or in equity or under applicable statute. Violation of any of the provisions contained herein is hereby declared and agreed to be a nuisance which may be remedied by appropriate legal proceedings. The failure to enforce or restrain the breach of any provision herein contained shall in no way be deemed a waiver of the right to enforce or restrain such breach, or any future breach, or as a waiver of such provision.

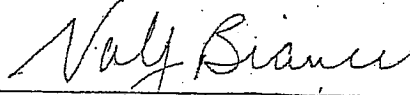
14.2 Covenants Running With the Land. These covenants set forth in this Declaration shall be binding on all persons claiming under them; including the Declarant, its heirs, successors and assigns, for a period of 25 years from the date these covenants are recorded and may be amended or changed during said period without the written agreement of one hundred (100%) percent of the Lot Owners in Parkwood Development Plan of Lots. After the initial 25 years said covenants shall be automatically extended for successive periods of ten years unless an instrument signed by sixty seven (67%) percent of the Lot Owners has been recorded agreeing to change said covenants in whole or in part.

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

14.4 Supplement. These conditions, covenants, obligations and restrictions shall be in addition to any applicable provisions of the Act or of any present or future zoning law or ordinance, and no provision hereof shall be deemed to authorize any action in violation of the Act or of any such present or future law or ordinance.

IN WITNESS WHEREOF, Parkwood Development Company, LCC, Declarant herein, has executed this Declaration by and through its Managing Director this 14<sup>th</sup> day of November, 2001.

Parkwood Development Company, LCC



---

Val J. Bianco, Jr.  
Managing Director

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF ALLEGHENY

On this, the 14<sup>th</sup> day of November, 2001, before me, the undersigned officer, Val J. Bianco, Jr personally appeared who acknowledged himself to be Managing Director of Parkwood Development Company, LCC, and that he as such representative being authorized so to do, executed the foregoing instrument for the purposes therein contained.

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

My Commission Expires:

Michela C. Master (SEAL)  
Notary Public

Notarial Seal  
Michela C. Master, Notary Public  
Bridgeville Boro., Allegheny County  
My Commission Expires Apr. 4, 2005  
Member, Pennsylvania Association of Notaries

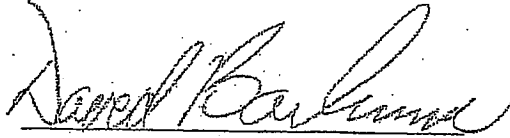


COMMONWEALTH OF PENNSYLVANIA

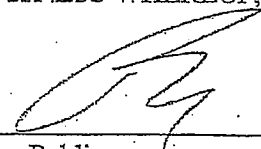
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COUNTY OF ALLEGHENY

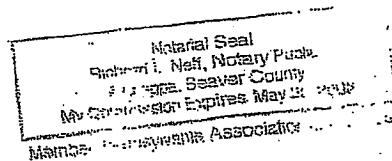
On this, the 14 day of NOVEMBER, 2001, before me, the undersigned officer, personally appeared David Bachman for Bachman Builders Inc. who acknowledged himself to be an authorized representative and that he as such representative being authorized so to do, executed the foregoing instrument for the purposes therein contained.



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

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

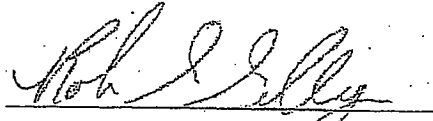


COMMONWEALTH OF PENNSYLVANIA

:SS

COUNTY OF ALLEGHENY

On this, the 14 day of NOVEMBER, 2001, before me, the undersigned officer, personally appeared Robin S. Gilligan d/b/a Robin S. Gilligan Construction who acknowledged himself to be an authorized representative and that he as such representative being authorized so to do, executed the foregoing instrument for the purposes therein contained.

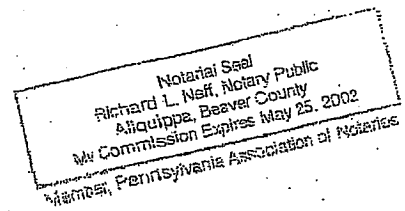


IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Notary Public

My Commission Expires:



COMMONWEALTH OF PENNSYLVANIA

:SS

COUNTY OF ALLEGHENY

On this, the 19 day of NOVEMBER, 2001, before me, the undersigned officer, personally appeared Robin S. Gilligan and Mary E. Gilligan who acknowledged themselves to be an authorized representatives and that as such representatives being authorized so to do, executed the foregoing instrument for the purposes therein contained.

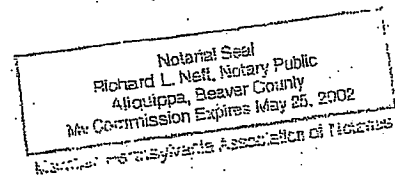
Robin S. Gilligan  
Mary E. Gilligan

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

[Signature]

Notary Public

My Commission Expires:



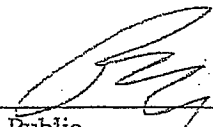
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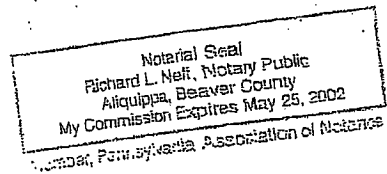
COUNTY OF ALLEGHENY

On this, the 14 day of NOVEMBER, 2001, before me, the undersigned officer, personally appeared John E. Cordes for Cordes Homes who acknowledged himself to be an authorized representative and that he as such representative being authorized so to do, executed the foregoing instrument for the purposes therein contained.

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

  
Notary Public

My Commission Expires:

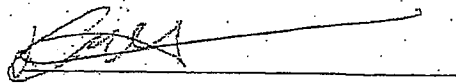


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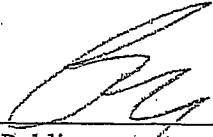
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COUNTY OF ALLEGHENY

On this, the 19 day of NOVEMBER, 2001, before me, the undersigned officer, personally appeared Gregory S. Hopkins who acknowledged himself to be an authorized representative and that he as such representative being authorized so to do, executed the foregoing instrument for the purposes therein contained.

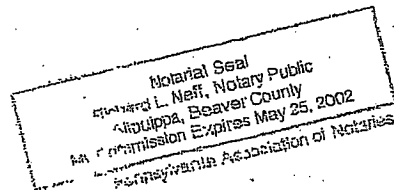


IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Notary Public

My Commission Expires:

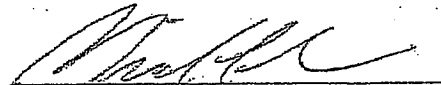


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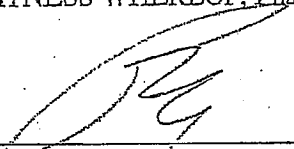
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COUNTY OF ALLEGHENY

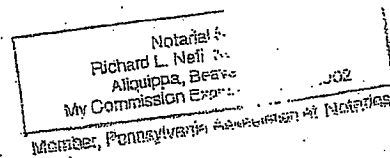
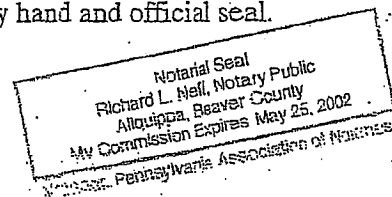
On this, the 14 day of NOVEMBER, 2001, before me, the undersigned officer, personally appeared Michael E. Schuler for Grandview Custom Homes, Inc. who acknowledged himself to be an authorized representative and that he as such representative being authorized so to do, executed the foregoing instrument for the purposes therein contained.

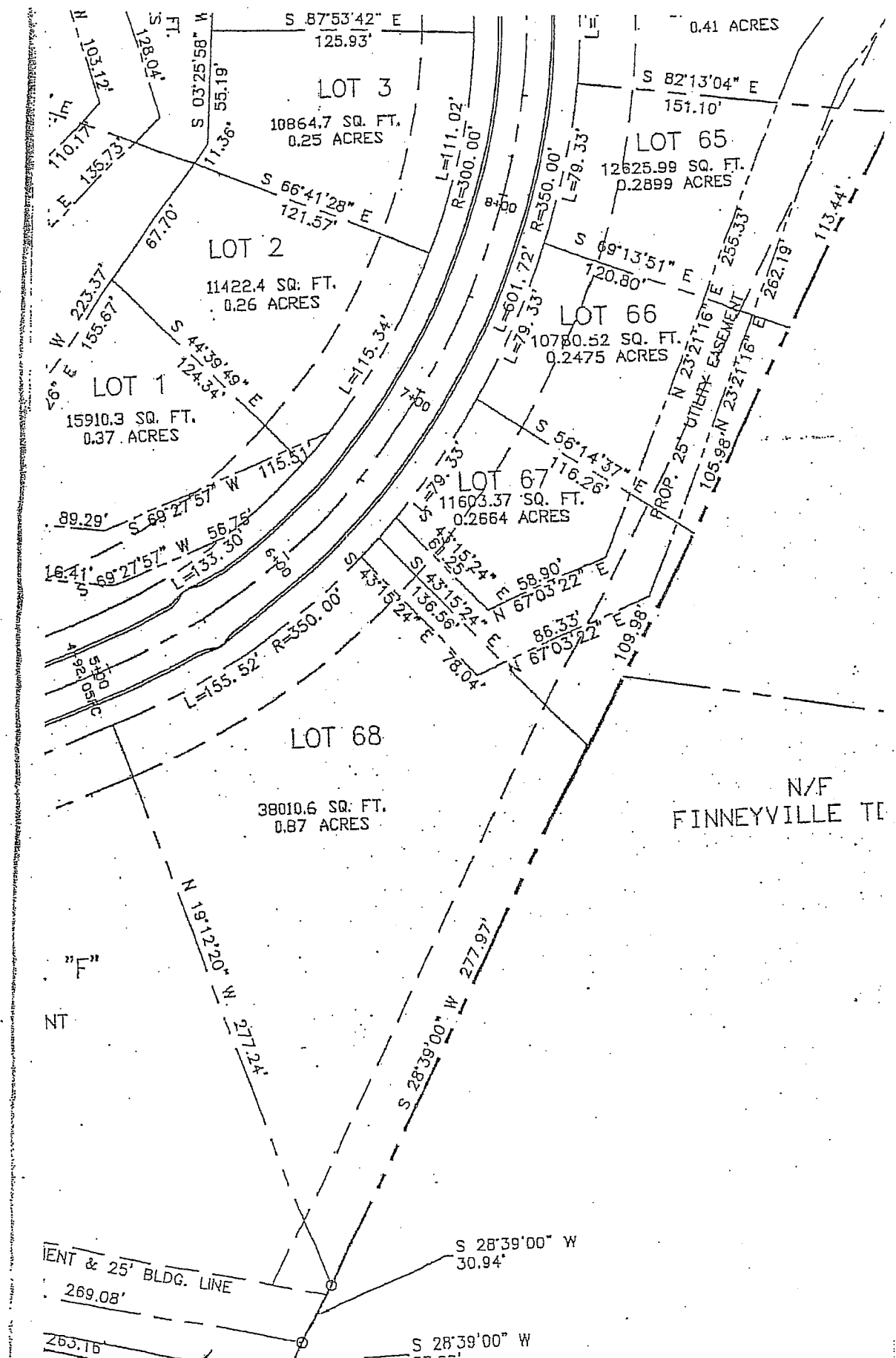


IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

  
Notary Public

My Commission Expires:





BY-LAWS OF  
THE PARKWOOD DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.  
A PENNSYLVANIA NON-PROFIT CORPORATION

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BY-LAWS OF THE PARKWOOD DEVELOPMENT  
HOMEOWNERS ASSOCIATION, INC.  
A PENNSYLVANIA NONPROFIT CORPORATION

ARTICLE I  
NAME AND ADDRESS

SECTION 1.01 - Name. The name of this corporation shall be \_\_\_\_\_

SECTION 1.02 - Address. The registered office of this corporation shall be at the place designated in the Articles of Incorporation, subject to transfer upon notice to the Secretary of State of the Commonwealth of Pennsylvania as may be permitted by law.

ARTICLE II  
APPLICABILITY

SECTION 2.01 - Applicability. These By-Laws shall be applicable to Parkwood Development Homeowners Association, Inc., a nonprofit corporation of the Commonwealth of Pennsylvania, hereinafter referred to as the "Association".

ARTICLE III  
PURPOSE

SECTION 3.01 - Association Purposes. The purpose of this corporation is to maintain, regulate and administer certain facilities owned by the Association ("Common Facilities") and certain other facilities which may be maintained but not owned by the Association ("Limited Facilities") and to enforce certain covenants, rules and regulations for the use, benefit and enjoyment of the Owners and lawful occupiers of the land in the development known Parkwood Development, all in accord with the Uniform Planned Community Act, 69 Pa.C.S.A. § 5101 et seq. as amended by Senate Bill No. 1175, signed into law on March 24, 1998, (the "Act") and the Declaration of Covenants, Conditions and Restrictions referenced in Section 3.02. In addition thereto, the corporation is to provide for the orderly economical management and maintenance of the Common Facilities and to provide for the collection of such revenue as necessary to effectuate the maintenance of these facilities and other such facilities as may be established for the Owners. This corporation does not contemplate pecuniary gain or profit to its members.

SECTION 3.02 - Declaration of Covenants, Conditions and Restrictions. The Declaration of Covenants, Conditions and Restrictions and any Amendments and Supplements thereto (the "Declaration") are incorporated herein by reference as fully as if the same were set forth at length. In the event of a conflict of interpretation between the provisions set forth in these ByLaws and the Declaration, the Declaration shall govern.

SECTION 3.03 - Interpretation of By-Laws and Declaration. In the event that the Internal Revenue Code is hereafter amended or changed, both the Declaration and these ByLaws shall be interpreted in such a manner as to conform to the provisions of the Internal Revenue Code with respect to nonprofit entities, it being the intention to preserve the lawful status of the Association as a bona-fide nonprofit entity.

#### ARTICLE IV DEFINITIONS

SECTION 4.01 - Terms. Unless it is plainly evident from the context that a different meaning is intended, the terms used herein shall have the same meanings as provided in the Declaration.

#### ARTICLE V MEMBERSHIP

SECTION 5.01 - Memberships. Except as otherwise provided, membership in the Association is required of, and limited to, the Owners or Co-Owners of a dwelling or lot or Unit in \_\_\_\_\_ Plan of Lots situate in Crescent Township, County of Allegheny, Commonwealth of Pennsylvania, as recorded in the Recorder's Office of Allegheny County.

SECTION 5.02 - Voting. Qualifications for voting are governed by Article 4.1 of the Declaration.

SECTION 5.03 - Affirmative Vote. All decisions shall require for passage the affirmative vote of at least a majority of the members in good standing and entitled to vote in attendance at a meeting having present, in person or by proxy, the quorum required in Section 5.06 hereof. Cumulative voting shall not be permitted.

SECTION 5.04 - Membership List. Not less than thirty (30) days prior to the date of the annual or special meeting of the Association, the Secretary shall compile and maintain at the principal office of the Association, an updated list of members and their last known post office addresses. Such lists shall also show opposite each member's name, the address of the dwelling or Unit owned by him. This list shall be open to inspection by all members and other persons lawfully entitled to inspect the same at reasonable hours during regular business days up to the date of such annual or special meeting. The Secretary shall also keep current and retain custody of the minute book of the Association, containing the minutes of all annual and special meetings of the Association and all resolutions of the Directors.

SECTION 5.05 - Proxies and Mail Ballots. Votes may be cast in person, by mail ballots or by written proxy. A proxy signed by an owner designated as the voting member on a certificate filed with the Association must be received by the Secretary or the Executive Board before the appointed time of, or at, the meeting for which the proxy or mail ballot is specified to be effective.

SECTION 5.06 - Quorum. Except as otherwise provided in these By-Laws, the presence in person, by mail ballot or by proxy of twenty (20%) percent of the members of the Association shall constitute a quorum at any annual or special meeting of members. If any meeting of members cannot be organized because a quorum has not attended, the members present, either in person, by mail ballot or by proxy, may adjourn the meeting to a time not less than fortyeight (48) hours from the time the original meeting was called.

SECTION 5.07 - Actions Without Meeting. Any action which, under any provision of these By-Laws or the Nonprofit Corporation Law of the Commonwealth of Pennsylvania, may be taken at a meeting of members, may be taken without a meeting if authorized by a writing signed by the members entitled to vote by the required percentage for that particular matter and filed with the Secretary.

## ARTICLE VI MEETINGS OF MEMBERS

SECTION 6.01 - Place of Annual and Special Meetings. All annual and special meetings of the Association shall be held at the principal office of the Association or at such other suitable and convenient place as may be permitted by law, and from time to time, fixed by the Executive Board and designated in the notices of such meetings.

SECTION 6.02 - Date of Annual Meetings. Annual meetings of the members of the Association shall be held on the same date each year as that date on which the first regular election is held as provided in Section 7.04 hereof. The first annual meeting shall be held on the date of such first regular election. At each annual meeting there shall be elected by a ballot of a majority of the members present at the meeting in person, by mail ballot or by proxy are entitled to vote, the Directors of the Association, in accordance with the provisions of Article VII of these By-Laws. The members may also transact such other business as may properly come before the meeting.

SECTION 6.03 - Notice of Annual Meetings. The Secretary shall mail notice of annual meetings to each member of the Association, directed to his or her last known post office address as shown on the records of the Association, by non-certified mail, postage prepaid. Such notice shall be mailed not less than ten (10), nor more than sixty (60) days before the date of such meeting and shall state the date, time and place of the meeting and the purpose or purposes thereof. In lieu of mailing notice as herein provided, such notice may be delivered by hand to the member or left at the member's residence in his absence.

SECTION 6.04 - Special Meetings. It shall be the duty of the President to call a special meeting of the members of the Association (a) for the purpose of holding elections of directors pursuant to the terms of Section 7.04 hereof, (b) whenever he is directed to do so by resolution of the Board of Directors, or (c) upon presentation to the Secretary of a petition signed by thirty (30%) percent of the members entitled to vote.

SECTION 6.05 - Notice of Special Meetings. The Secretary shall mail notice of such special meeting to each member of the Association in the manner provided in Section 6.03 except that notice of such special meeting shall be mailed not less than five (5) more than twenty (20) days before the date fixed for such meeting. In lieu of mailing notice as herein provided, such notice may be delivered by hand to a member left at his residence in his absence. No business shall be transacted at any special meeting except as stated in the notice thereof unless by consent of two-thirds (2/3) of the members present, either in person or by proxy.

SECTION 6.06 - Order of Business. The order of business at the annual meeting of the members of the Association shall be as follows:

- (a) roll call
- (b) proof of notice of meeting or waiver of notice
- (c) reading and approval of minutes of preceding meeting
- (d) reports of officers and committees
- (e) election of directors, if applicable, to such meeting
- (f) unfinished business
- (g) new business
- (h) adjournment

## ARTICLE VII EXECUTIVE BOARD

SECTION 7.01 - Number of Directors. The affairs of the Association shall be governed by an Executive Board consisting of five (5) persons known as Directors, all of whom shall be residents of the Commonwealth of Pennsylvania. The five (5) Directors, other than those Directors nominated by the Declarant pursuant to Section 7.02, shall be owners of Units. The initial Directors or their successors shall serve until their successors take office. The Declarant shall be permitted to appoint and reappoint Directors as he may be entitled to do without the necessity of obtaining resignations. As to those Directors nominated or appointed by the Declarant, this provision shall specifically modify Section 7.06 hereof. Upon the replacement of the Declarant-appointed Directors pursuant to Section 7.03 hereunder, the Executive Board shall be comprised of five (5) members of the Association who shall be Units owners elected by a majority of the members of the Association present in person or by proxy at a meeting of the Association.

SECTION 7.02 - Initial Directors. The initial Directors of the Association shall be appointed by the Declarant. These Declarant-appointed Directors shall be replaced with members of the Association in accordance with the provisions of Section 7.03.

SECTION 7.03 - Non-Declarant-Appointed Directors. The transition from Declarant appointed Directors to Unit Owner elected Directors shall be governed by Article 13.1 of the

Declaration.

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SECTION 7.04 - Term of Directors. Following the transition from Declarant appointed directors, an election shall be held to select Directors to replace the Directors succeeding the Declarant-appointed Directors. At such first regular election, which shall be referred to as the first regular election, the members of the Association shall elect five (5) Directors who shall be members of the Association. The three (3) nominees receiving the three (3) highest numbers of votes shall serve as Directors for terms of two (2) years each and the two (2) nominees receiving the fourth and fifth highest number of votes shall serve as Directors for terms of one (1) year each. Upon the expiration of the initial term of each Director elected at the said first regular election, his/her successor shall be elected to serve for a term of two (2) years, provided that each Director shall continue to hold office until his/her successor is elected.

SECTION 7.05 - Nominations to Executive Board. Except as provided for in Section 7.01, members of the Association may be nominated for election to the Executive Board in the following way:

- (a) An Elections Committee shall be appointed no later than two (2) months prior to the annual meeting of the Executive Board. The Elections Committee shall organize and supervise the election of the Executive Board;
- (b) (1) An Association member shall be deemed to have been nominated for election as a Director upon the filing with the Elections Committee at least five (5) weeks prior to the annual meeting of a written petition of nomination bearing the genuine signatures of not less than five (5) members of the Association. Not less than ten (10) days prior to the annual meeting, the Elections Committee shall provide all members with a ballot containing the names of all candidates so nominated and the terms of each available office;
- (b) (2) Nominations will also be entertained at the annual meeting. A member of the Association shall be deemed to have been nominated for election as a director if the nomination made at such annual meeting is affirmed by a voice vote of not less than five (5) members of the Association.

SECTION 7.06 - Vacancy on Executive Board. If the office of any Director shall become vacant by reason of his or her death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Directors at a special meeting duly called for such purpose, shall choose a successor, who shall hold office until the next annual meeting of the members and his or her re-election or the election of his or her successor at such meeting.

SECTION 7.07 - Removal of Directors. Subject to the right of the Declarant to nominate and elect members of the Executive Board as set forth in Sections 7.01 and 7.02, Directors may be removed with or without cause, by a majority vote of the members of the Association present in person or by proxy at any special meeting of the members of which notice

has been properly given as provided in the By-Laws, provided that the same notice of the said special meeting has also been given to said entire Board, including any individual Director whose removal is to be considered at said special meeting.

SECTION 7.08 - Organizational Meeting of the Board. No later than twenty (20) days following each annual meeting of the Association members, the Executive Board shall hold a regular meeting for purpose of organization, election of officers and the transaction of other business. Notice of such meeting shall be given to all Directors in accordance with Section 7.10, except for the initial meeting which shall be called by the person receiving the highest number of votes.

SECTION 7.09 - Place of Meetings. All meetings of the Executive Board shall be held at the principal office of the Association, or at any other place or places designated at any time by resolution of the Executive Board or by written consent of all Directors.

SECTION 7.10 - Regular Meetings of the Executive Board. Regular meetings of the Executive Board may be held at such time and place permitted by law as from time to time may be determined by the Directors. Notice of regular meetings of the Executive Board shall be given to each Director personally, by telegram, telephone or by United States mail, with postage prepaid, directed to him at his last known post office address as the same appears on the records of the Association, at least five (5) days before the date appointed for such meeting. Such notice shall state the date, time and place of such meeting and the purpose thereof.

SECTION 7.11 - Special Meetings of the Executive Board. Special meetings of the Executive Board may be called by the President of the Association on three (3) days written notice to each Director, given in the same manner as provided in Section 7.10. Special meetings of the Board shall be called by the President or the Secretary in like manner upon the written request of any three (3) directors.

SECTION 7.12 - Waiver of Notice. Before any meeting of the Executive Board, whether regular or special, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. All such written waivers shall be filed with the records of the Association or made a part of the minutes of the meeting. Attendance by a Director at any meeting of the Executive Board shall likewise constitute a waiver by him or her of such notice. If all Directors are present at any meeting of the Board, no notice of such meeting shall be required and any business may be transacted at such meeting except as prohibited by law or these By-Laws.

SECTION 7.13 - Quorum. At all duly convened meetings of the Executive Board, a majority of the Directors shall constitute a quorum for the transaction of business, except as otherwise expressly provided in these By-Laws or by law, and the acts of the majority of the Directors present at such meeting at which a quorum is present shall be the acts of the Board. If at any meeting of the Board, there shall be less than a quorum present, the Director or Directors present may adjourn the meeting from time to time, and at such adjourned meeting at which a



quorum is present, any business that might have been transacted at the meeting as originally called may be transacted without further notice to any Director.

SECTION 7.14 - Consent in Writing. Any action by the Executive Board may be taken without a meeting if all of the members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as an unanimous vote of such Directors.

SECTION 7.15 - Fees and Compensations. No Director or Officer shall receive any salary for his or her services as such Director or Officer.

SECTION 7.16 - Presiding Officer. The President shall be the executive officer of the Association and shall preside at all meetings of the Executive Board, and shall serve a term of one (1) year.

SECTION 7.17 - Records. The Executive Board shall cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members of the Association at annual meetings of the members of the Association or at any special meeting where such statement is requested in writing by one-fourth (1/4) of the Association members entitled to vote.

SECTION 7.18 - Powers and Duties. The Executive Board shall have and exercise all lawful powers and duties necessary for the proper conduct and administrations of the affairs of the Association and the operation and maintenance of the Facilities and may do or cause to be done all such other lawful acts and things as required or provided by the Act or in or by the Declaration.

## ARTICLE VIII OFFICERS

SECTION 8.01 - Officers. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Secretary may be eligible to hold the office of the Treasurer. The President, Vice President and Secretary shall be members of the Executive Board. The Treasurer need not be a member of the Board.

SECTION 8.02 - Election. The officers of the Association shall be elected annually by the Executive Board at the organizational meeting after each election of Directors and shall hold office until their successors are elected or appointed by the Board and qualify, provided that each officer shall hold office at the pleasure of the Board and may be removed either with or without cause, and his or her successors elected at any annual or special meeting of the Board called for such purpose, upon the affirmative vote of a majority of the Directors. The Board may, from time to time, appoint such other officers as in its judgment are necessary. Any officer may resign at any time by giving written notice to the Board or to the President or Secretary of

the Association. Any such resignation shall take effect as of the date of the receipt of such notice or any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 8.03 - Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

SECTION 8.04 - President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Members and of the Executive Board. He or she shall have the general powers and duties usually vested in the office of the President of a an Association, including, but not limited to, the power to appoint ad hoc committees from among the members from time to time as he or she may deem appropriate to assist in the conduct of the affairs of the Association. The President shall be an ex-official member of all standing committees, if any. He shall execute such deeds, contracts and other instruments, in the name and on behalf of the Association and under its corporate seal when a seal is required, except when such documents are required or permitted by law to be otherwise executed, and except when the signing and execution thereof shall be delegated by the Board to another officer or agent of the Association. It shall be the duty of the President to prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

SECTION 8.05 - Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board or these By-Laws.

SECTION 8.06 - Secretary. The Secretary shall attend all meetings of the Board and all meetings of the members and record all votes and the minutes of all meetings and proceedings, including resolutions, in a minute book to be kept for that purpose, and shall perform the duties for any committees, when required. The Secretary shall have charge of the minute book and such records and papers as the Board shall direct, and perform all duties incident to the office of Secretary, including the sending of notice of meetings to the members, the Board and committees, and such other duties as may be prescribed by these by-laws or by the Board or the President. He or she shall also have custody of the corporate seal, and when authorized by the Board, affix the same to any instrument requiring it and attest the same when appropriate. The Secretary shall keep, or cause to be kept, at the principal office of the Association, a membership register showing the following: (a) the names and addresses of all Directors; (b) the names and addresses of all members; and (c) the number of memberships held by each member.

SECTION 8.07 - Treasurer. The Treasurer shall have responsibility for the Association's funds and securities, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all moneys, checks and other valuable effects in the name and to the credit of the Association, in such depositories as may from time to

time be designated by the Board. He or she shall disburse the funds of the Association as may from time to time be ordered by the Board or by the President, and shall render to the President and Directors at the regular meetings of the Board, or whenever they or either of them shall require, an account of his or her transactions as Treasurer and of the financial condition of the Association. Nothing shall prohibit functions of the Treasurer to be delegated to an agent of the Association provided such delegation is approved by resolution of the Board. The delegation of such duties of the Treasurer shall not relieve the Treasurer from any responsibility related to overseeing and reviewing any duties performed by such agent.

SECTION 8.08 - Compensation. The officers of the Association shall serve without compensation except, that they shall be entitled to reimbursement for all expenses reasonably incurred in the discharge of their duties....

## ARTICLE IX COMMITTEES

SECTION 9.01 - Standing Committees. The standing committees of the Association shall be Election, Architectural Control and Arbitration. Unless otherwise provided herein, each committee shall consist of a Chairperson and two (2) or more members and shall include a member of the Board, in addition to the President as ex-official member, for Board contact. Except as provided in Sections 9.02 and 9.03, the committees shall be appointed by the Board within forty-five (45) days after each annual meeting, to serve for a term of one (1) year or until new members are appointed. The first committees, other than the Election and Architectural Control, shall be established within forty-five (45) days after the date of the election of the first non-Declarant-appointed Director pursuant to Section 7.03. Appointments shall be announced by publication to members of the Association and at the next meeting following such appointments. The Board may appoint such other committees as it deems desirable.

SECTION 9.02 - Elections Committee. The Elections Committee shall be established no later than two (2) months prior to the annual meeting by the Board. The committee shall consist of a chairperson and two (2) or more members of the Association, none of whom shall be a candidate for office. It shall be the duty of the committee to provide supervision of the nomination and election of Directors in accordance with the procedures adopted by the Board.

SECTION 9.03 - Architectural Control Committee. The Architectural Control Committee shall be established by the Declarant within ninety (90) days after the conveyance of the first dwelling or lot to an individual or entity other than the Declarant. The Architectural Control Committee shall have those powers as designated in the Declaration.

SECTION 9.04 - Arbitration Committee. No member shall have the right to object, challenge, or commence any suit at law or in equity or take any other action under any act, power or authority now in force or hereafter to be enacted except in the manner provided herein. Prior to the commencement of any suit or action at law or in equity, the member shall first make known his or her objection in writing and directed to this committee by registered or

certified mail, return receipt requested, or by an equivalent class of service of the United States Post Office, stating with particularity the objection made and relief, change or difference sought. It shall be signed legibly by the person objecting and state the address and phone number of such person. If specific dwelling, lots or members are involved, these shall be identified by name and address or with such sufficient particularity as to be easily capable of ascertainment. The committee shall schedule a hearing on the merits of the aforesaid claim or objection within thirty (30) days of the receipt of the notice of claim or objection and within twenty (20) days after the close of the hearing or continued hearing or hearings, the committee shall notify the owner of its decision in writing. Unless such internal remedy shall be voluntarily waived by the Association or the Association fails or refuses to act, no action at law or in equity shall be commenced by any member until such internal remedy is pursued to exhaustion. Any action by a member against any other member arising out of any term, covenant or condition contained in these By-Laws, the Declaration or any rule or regulation made pursuant thereto, use or nonuse, shall be subject to the same procedures. In such hearings, all parties shall be entitled to be represented by counsel. In any claim or objection, the Association may appoint counsel to the Association, or any other person or persons, one of whom shall be learned in the law, to act as a hearing officer and make recommendations or findings, or both, to the Association. In such event, an additional ten (10) days shall be permitted for forwarding any decision to the member.

#### ARTICLE X

##### INDEMNIFICATION OF OFFICERS AND DIRECTORS

SECTION 10.1 - Indemnification of Officers and Directors. Officers and Directors shall be indemnified as provided in Article X of the Declaration.

#### ARTICLE XI

##### CORPORATE SEAL

SECTION 11.01 - Corporate Seal. The corporate seal of the Association shall consist of two concentric circles between the circumferences of which shall be inscribed the name The Parkwood Development Homeowners Association, Inc. and within the circumference of the inner circle the words, "Incorporated, Pennsylvania" and the year of incorporation.

#### ARTICLE XIII

##### AMENDMENTS TO BY-LAWS

SECTION 12.01 - Amendments to By-Laws. Any Amendments to the By-Laws shall be proposed by either the Board or by at least twenty-five (25%) percent of the Unit owners. The proposed Amendments must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon.

SECTION 12.02 - Affirmative Vote. The affirmative vote of Unit owners representing seventy-five (75%) percent of the dwelling and lot owners shall be required to amend the ByLaws; provided, however, that if any such amendment would affect the Declarant's ability to

sell or lease dwellings or lots owned by the Declarant, such amendment shall require the written approval of the Declarant, and if such amendment would affect in any way the rights of noticed mortgagees, any such amendment shall also require the written approval of at least seventy-five (75%) percent of the noticed mortgagees (based upon one (1) vote for each first mortgage owned).

### ARTICLE XIII DISSOLUTION

SECTION 13.01 - Dissolution. In the event it shall be deemed advisable and for the benefit of the members that the Association should be dissolved, the procedures concerning dissolution set forth in the Pennsylvania domestic nonprofit corporation statutes shall be followed.

SECTION 13.02 - Distribution. In the event of dissolution, the assets, including any surplus of the Association after payment of all debts, including mortgages and other encumbrances shall be distributed equally among the Unit owners.

### ARTICLE XIV MISCELLANEOUS

SECTION 14.01 - Delegation of Authority. The Executive Board may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and, unless so authorized by the Board, no officer, agent or other person shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

SECTION 14.02 - Inspection of Documents and Financial Statements. The Association shall keep in its principal office, the original or a copy of the Declaration, the By-Laws, all rules and regulations and all other covenants as amended or otherwise altered to date, certified by the Secretary and the books, records and financial statements of the Association, which shall be open to inspection upon request by the members and holders, insurers or guarantors of first mortgagees at all reasonable times during office hours. In addition, any holder, insurer or guarantor of a first mortgage shall be entitled, upon written request, to an audited financial statement for the immediately preceding fiscal year within a reasonable time after such request and without charge.

SECTION 14.03 - Membership Minutes. The membership register and minutes of proceedings of the members and directors shall be open to inspection upon demand of any member at any reasonable time during office hours, and for a purpose reasonably related to his interest as a member.

SECTION 14.04 - Robert's Rules of Order. The rules contained in Robert's Rules of Order, revised, shall govern all members' meetings and directors' meetings of the Association, except in instances of conflict between said Rules of Order and the By-Laws of the Association or provisions of law, in which cases the Rules of Order do not govern.

SECTION 14.05 - Construction. Construction, number and gender, as used in these By-Laws, shall extend to and include both singular and plural and all genders as the context and construction requires.