

PUBLIC OFFERING STATEMENT
FOR
WOODLAND VIEW, A TOWNHOME CONDOMINIUM

NAME OF CONDOMINIUM: Woodland View, A Townhome Condominium

PRINCIPAL ADDRESS OF CONDOMINIUM: Skyview Drive, Manchester Township,
York County, Pennsylvania

NAME OF DECLARANT: Capitol View Associates (the
"Declarant")

PRINCIPAL ADDRESS OF DECLARANT: 122 Market Street
P. O. Box 1457
Harrisburg, Pennsylvania 17105

EFFECTIVE DATE OF PUBLIC
OFFERING STATEMENT: July 26, 1991

IMPORTANT NOTICE:

(The following statements are made in compliance with Section 3402(a)(12) of the Pennsylvania Uniform Condominium Act [the "Condominium Act"]).

A. WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF THIS PUBLIC OFFERING STATEMENT, THE PURCHASER MAY CANCEL ANY CONTRACT HE HAS THERETOFORE EXECUTED FOR THE PURCHASE OF A UNIT IN WOODLAND VIEW, A TOWNHOME CONDOMINIUM (THE "CONDOMINIUM") FROM THE DECLARANT. IF THE PURCHASER ELECTS TO CANCEL THE CONTRACT FOR THE PURCHASE OF A UNIT PURSUANT TO THE IMMEDIATELY PRECEDING SENTENCE, HE OR SHE MAY DO SO BY HAND DELIVERING NOTICE OF CANCELLATION TO THE DECLARANT (IN WHICH CASE A RECEIPT SHOULD BE OBTAINED) OR BY MAILING THE NOTICE BY POSTAGE PREPAID UNITED STATES MAIL, RETURN RECEIPT REQUESTED. THIS CANCELLATION OF THE PURCHASE CONTRACT IS WITHOUT PENALTY AND ALL PAYMENTS MADE BY THE PURCHASER BEFORE THIS CANCELLATION WILL BE REFUNDED PROMPTLY BY THE DECLARANT.

B. IF THE DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT (AND ALL AMENDMENTS THERETO) TO A PURCHASER BEFORE CONVEYING A UNIT, THAT PURCHASER MAY RECOVER FROM THE DECLARANT, IN ADDITION TO ANY OTHER RELIEF, DAMAGES AS PROVIDED IN SECTION 3406(c) OF THE CONDOMINIUM ACT, CONSISTING OF AN AMOUNT

EQUAL TO FIVE PERCENT (5%) OF THE SALE PRICE OF THE UNIT UP TO THE MAXIMUM OF \$2,000, OR ACTUAL DAMAGES, WHICHEVER IS THE GREATER AMOUNT; PROVIDED, HOWEVER, THAT A MINOR OMISSION OR ERROR IN THE PUBLIC OFFERING STATEMENT (OR IN AN AMENDMENT THERETO) THAT IS NOT WILLFUL SHALL ENTITLE THE PURCHASER TO RECOVER ONLY ACTUAL DAMAGES, IF ANY.

C. IF A PURCHASER RECEIVES THE PUBLIC OFFERING STATEMENT MORE THAN FIFTEEN (15) DAYS BEFORE SIGNING THE CONTRACT OF SALE, HE CANNOT CANCEL THE CONTRACT PURSUANT TO THE FOREGOING PROVISIONS.

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1. INTRODUCTION

This Public Offering Statement, prepared in compliance with Chapter 34 of the Pennsylvania Uniform Condominium Act (the "Act"), is divided into two parts; a narrative portion (the "Narrative") and an exhibit portion (the "Exhibits").

The Narrative contains descriptions of various aspects of the Condominium, significant features of the documentation by which the Condominium is created and under which it will be governed, warranty and insurance coverage information and additional information of importance and interest to prospective purchasers.

The Exhibits include the proposed form of Agreement of Sale for the purchase of a Unit in the Condominium (the "Agreement of Sale"), the Plats and Plans (in reduced size) which graphically depict the Property (the "Plats and Plans"), a pro-forma Deed for an individual Unit, a copy of the Declaration for the Condominium which the Declarant intends to record (the "Declaration"), the Bylaws for the Condominium (the "Bylaws"); the projected Budget for the first year of operation of the Condominium; a copy of the management agreement (the "Management Agreement") to which the Association will be subject; and other information.

This Narrative is intended to provide only an introduction to the Condominium and not a complete or detailed discussion. Consequently, the Exhibits to this Public Offering Statement should be reviewed in depth, and if there should be any inconsistency between information in this part of the Public Offering Statement and information in the Exhibits, the Exhibits will govern. All of the Declarant's sales and other representatives are prohibited from orally changing any of the terms and conditions of the aforementioned documents or attempting to interpret their legal effect.

All capitalized terms used in this Public Offering Statement and not expressly defined herein will have the same meanings as are ascribed to those terms in the Act or the Declaration and Bylaws of the Condominium, or both.

2. THE CONDOMINIUM CONCEPT

The term "condominium" refers to a form of property ownership. While used for centuries in Europe, condominium ownership in the United States only became widespread in the late 1960's. Condominium ownership is a form of ownership which, in effect, combines two older forms of ownership. Just like the owner of a detached single-family home, the condominium unit owner is the sole owner of fee simple title to his home, that portion of the building which comprises his living quarters (called a "Unit"). In addition, the condominium unit owner is one of many mutual owners (legally

speaking, "tenants in common") of common facilities which service his or other living quarters and of common areas which the Unit Owner may use and enjoy along with owners of other Units. The "Common Elements" are all portions of the property which are not included within the Units. In the case of Woodland View, A Townhome Condominium, the Common Elements include (but are not limited to) the land on which the Condominium is located, all exterior walls, roofs and structural elements of the Buildings, all common utility systems, landscaped or open space areas, streets and the outdoor surface parking facilities.

A residential condominium Unit Owner is also entitled to the use of certain portions of the Property either exclusively or in conjunction with some but not all of the other Unit Owners. These "Limited Common Elements" include the patios and stoops adjacent to each Unit.

Each individual Unit Owner owns with his Unit, a specified undivided interest in the Common Elements (the "Percentage Interest") usually expressed in the form of a percentage or decimal. This means that all Unit Owners share in the ownership of all Common Elements. The ownership of this Percentage Interest gives each Unit Owner the right, subject to the terms of the Act, the Declaration, the Bylaws and the Plats and Plans, to use and participate in the control of the Common Elements through membership in the Condominium Association (the "Association") in common with the other Unit Owners, and also imposes upon each Unit Owner the obligation to pay a percentage of the expenses of operating and maintaining the Common Elements equal to his Percentage Interest multiplied by the aggregate amount of these Common Expenses. The amounts of these Common Expenses are determined in annual budgets established by the Executive Board of the Condominium Association. It is this coupling of exclusive ownership of a Unit with the shared ownership of the Common Elements which distinguishes condominium ownership from other forms of property ownership.

3. THE DECLARANT

The Declarant is Capitol View Associates, a Pennsylvania general partnership. The Declarant's principal address is 122 Market Street, P. O. Box 1457, Harrisburg, Pennsylvania 17105.

4. GENERAL DESCRIPTION OF THE CONDOMINIUM

Woodland View, A Townhome Condominium is located on a 12.7269 acre parcel of land situate along both sides of Skyview Drive, Manchester Township, York County, Pennsylvania. In the future, the Declarant may purchase an adjacent parcel of ground identified as Additional Real Estate on the Plats and Plans in which event this parcel may be added to the Condominium.

The Condominium will be developed in several phases. The first phase (Phase 1) will contain eleven (11) residential Units. The first phase consists of Building A containing six (6) townhouse style Units and Building C containing five (5) townhouse style Units. The Units in Phase 1 will not contain garages, but the Declarant plans to construct some Units with integral one car garages in future phases. The Units will be served by patios or decks as shown on the Plats and Plans. On-site surface parking areas are Common Elements available to Unit Owners and to their guests on a first come-first served basis.

Each Unit is served by gas forced hot air heat, electric air conditioning and a gas hot water heater. Gas is used for cooking. Electricity, telephone, cable television, public water, public sewer and private trash services are expected to be billed separately to the Unit Owners.

The portion of Skyview Drive adjacent to the property is a public street. The portion of Skyview Drive within the property is a private street which the Declarant plans to build to the township's specifications. The internal streets and parking areas located within the property are private and will be constructed by the Declarant at its expense and thereafter will be maintained and repaired at the expense of the Association.

The sewer lines within the Property servicing the Condominium will be installed by the Declarant according to township specifications, and it will be privately owned as part of the Condominium. It will connect onto the public sewer system at the boundary of the Property. Future maintenance and repair of the sewer lines within the Property will be an expense of the Association.

The Declarant intends to create additional residential Units and Limited Common Elements in the Property. These additional Units and Limited Common Elements will be developed in phases. If all phases of the Condominium are completed, the Condominium will consist of a residential community containing ninety-five (95) townhouse style dwelling units. This total does not include the ten (10) Units which may be created within the Additional Real Estate identified on the Plats and Plans.

The construction of the Buildings which will contain the initial eleven (11) Units, known as Buildings A and C, will be substantially completed in August, 1991.

All Units in the Condominium are restricted to residential use and any ancillary uses are subject to the prior written approval of the Executive Board of the Association.

Garages which are included in some of the Units are restricted for use as parking areas for motorized vehicles of Unit Owners. No Owner of a Unit containing a garage shall be permitted to store firewood or any flammable or hazardous substances in such garage, nor may it be used for dismantling vehicles, auto body work, engine rebuilding or other major automotive work.

The Declarant reserves the right to use any unconveyed Units as models or as a sales office.

The Declarant reserves the right to rent or market Units in the Condominium to investors. The Declarant presently intends, however, not to market Units in the Condominium to investors.

5. FLEXIBLE CONDOMINIUM; CONVERTIBLE/WITHDRAWABLE/ADDITIONAL REAL ESTATE

The Declarant anticipates that the Condominium will consist of a maximum of ninety-five (95) Units, not including any Units to be created within the Additional Real Estate. In the event the Declarant adds the Additional Real Estate to the Condominium and creates the maximum number of additional Units permitted within the Additional Real Estate, the total number of Units will be one hundred five (105). However, pursuant to the terms of the Declaration and subject to the right of the Declarant to create additional Units up to the stated maximum, the Condominium will initially consist of a total of eleven (11) Units in the two Buildings on the Property as shown on the Plats and Plans. The Declarant presently intends, but is under no obligation, to complete construction of new Buildings at a rate of seven (7) per year.

Certain sections of the Property shown on the Plats and Plans are designated as Convertible Real Estate. The Declarant has the right under the Declaration to create Units and Limited Common Elements in the Convertible Real Estate. Until the creation of Units and/or Limited Common Elements, the Convertible Real Estate is a part of the Common Elements of the Condominium, but real estate taxes and costs associated with maintaining such Convertible Real Estate shall be the responsibility of the Declarant until the conversion occurs or for the period of time within which it can occur expires, whichever is earlier. The Declarant has the option to create Units and Limited Common Elements in the Convertible Real Estate for a period of seven (7) years from the first recording of the Declaration.

The Declaration describes the procedure that the Declarant must follow for the creation of Units or Limited Common Elements in the Convertible Real Estate. This description sets forth the effect such events have on the Percentage Interest in the Common Elements, Common Expenses and votes associated with Units already included in the Condominium. The Percentage Interest, being based upon the then current number of Units in the Condominium, will be adjusted to reflect the additional Units created in the

Condominium. Therefore, as Units are created in the Convertible Real Estate, the Percentage Interest of pre-existing Units will be reduced.

The additional Units and Limited Common Elements which the Declarant may create within the Convertible Real Estate will consist of additional residential townhouse style Buildings, some of which will contain Units with integral garages, and all of the Buildings will be architecturally compatible.

Certain sections of the Property shown on the Plats and Plans are designated as Withdrawable Real Estate. The Declarant has the right under the Declaration to withdraw those portions identified as Withdrawable Real Estate from the Condominium. The Declarant has that option for a period of seven (7) years from the first recording of the Declaration. The Withdrawable Real Estate is a part of the Common Elements of the Condominium, and the withdrawal of any Withdrawable Real Estate will have no effect on pre-existing Units with regard to their percentage interest in the Common Elements, common expenses and votes assigned to those pre-existing Units.

6. SUMMARY OF PRINCIPAL CONDOMINIUM DOCUMENTS AND CERTAIN CONTRACTS AND LEASES

A number of documents will create and govern the operation of the Condominium. These documents (collectively referred to as the "Condominium Documents") include the Declaration, the Bylaws and the Rules and Regulations. In addition, various contracts and agreements affect portions of the Condominium and/or its day-to-day operations. The following is a summary of the principal relevant Condominium Documents:

A. Declaration

The Condominium entity is created by the Declarant's recording of the Declaration. Article I of the Declaration describes the Property, easements and appurtenances to be submitted to the terms and provisions of the Act and names the Condominium. Article I also provides a glossary of certain terms used in the Condominium Documents.

Articles II and IV of the Declaration describe the boundaries of the Units, the Limited Common Elements, Reserved Common Elements and the Common Elements in the Condominium. Unit boundaries (the "Unit Title Lines") generally run along the Unit-Side surfaces of ceilings and floors and the plane formed by the Unit-Side surface of all Perimeter Walls and Party Walls, subject to certain exceptions as detailed in Section 2.2 of the Declaration. The significance of the Unit Title Lines is that all portions of the Unit contained within these lines are owned by the Unit Owner, and

the Unit Owner has sole responsibility for the care, maintenance and replacement and insurance of these areas, unless the Condominium Documents expressly provide to the contrary.

Article II also refers to the Plats and Plans which describe the boundary lines of the Property and the Unit Title Lines of Units, as well as the location of Common Elements and Limited Common Elements. The Plat also shows the Convertible, Withdrawable and Additional Real Estate.

Certain portions of the Property are designated as Limited Common Elements in the Declaration and the Plats and Plans. Limited Common Elements consist of portions of the Property which serve fewer than all of the Units in the Condominium. Limited Common Elements are maintained by the Association, and the cost of such maintenance is allocated to the Unit Owners as a Common Expense, unless the Condominium Documents expressly provide to the contrary.

All portions of the Buildings which are not contained within a Unit and which are not designated as Limited Common Elements are deemed to be Common Elements. Common Elements are maintained by the Association on behalf of all Unit Owners, and the cost of this maintenance is allocated to the individual Units in accordance with their Percentage Interests which are listed in Exhibit B to the Declaration. The formula by which the Percentage Interests are established is set forth in Section 2.1.

Article III describes how two Units may be combined, and how a Combined Unit may be subdivided.

Article IV of the Declaration describes the Limited Common Elements in the Condominium.

Article V describes the types of improvements and alterations which a Unit Owner may make to a Unit and sets forth the circumstances under which the prior permission of the Executive Board is required.

Article VI delineates the responsibility for maintaining the Units, Common Elements and Limited Common Elements, as between the Unit Owners and the Association.

Article VII of the Declaration lists various easements to which the Condominium or certain portions of the Condominium are subject. Section 7.1.1 reserves to the Declarant the right to maintain models, signs and management offices on the Property. Additional easements are reserved to the Association to operate and maintain certain portions of the Units, Common Elements and Limited Common Elements. Certain rights are reserved to Unit Owners in portions of the Condominium other than the Owner's Unit.

Articles VIII and IX of the Declaration impose various restrictions on the use of the Units and various other portions of the Condominium. The Units in the Condominium are restricted to residential uses only. Subject to certain exceptions, any lease of a Unit must be in writing and for an initial term of not less than 180 days. (For more information regarding these restrictions, see the portion of this Narrative entitled "Restrictions on Transferability or Use of Units".)

In addition to those provisions contained within the Declaration dealing with the use of individual Units, additional Rules and Regulations (that are consistent with the Declaration) may be promulgated by the Executive Board of the Association. The initial Rules and Regulations are included in the Exhibits portion of this Public Offering Statement.

Article X of the Declaration deals with the liability of Unit Owners to pay Common Expense Assessments allocated to their individual Units and provides for the procedures to be followed to fix assessments and to collect assessments in the event that a Unit Owner fails to pay them. SECTION 10.13 PROVIDES THAT EACH UNIT OWNER, UPON TAKING TITLE TO A UNIT AND ACCEPTING A DEED THEREFOR, APPOINTS ONE OR MORE MEMBER(S) OF THE EXECUTIVE BOARD TO CONFESS JUDGMENT AGAINST THE UNIT OWNER FOR NON-PAYMENT OF ASSESSMENTS.

Article XI sets forth various rights granted to holders, insurers and guarantors of mortgages on Units in the Condominium.

Article XII provides for the transition from a Declarant-appointed and controlled Executive Board to an Executive Board controlled by Unit Owners other than the Declarant. The period of Declarant Control shall end on the earlier of (i) 180 days following the date on which seventy-five percent (75%) of the Units in the Condominium have been sold, or (ii) seven years after the date of the recording of the Declaration. Article XII also reserves certain Special Declarant Rights to continue to develop the Property, including the right to assign those development rights to a successor Declarant.

Article XIII of the Declaration provides for limitations on the liability of members of the Executive Board and officers of the Association and provides for the indemnification of such members and officers against all expenses and liabilities which they may incur in the performance of their duties, absent their willful misconduct or gross negligence. Other sections of Article XIII provide for the defense of claims against the Association and the maintenance of indemnification insurance.

Article XIV of the Declaration requires the Association to maintain various types of insurance in connection with the Condominium. (See the portion of the Narrative entitled "Condominium Insurance".)

Article XV of the Declaration provides that the Association shall rebuild and repair any portion of the Property which is damaged or destroyed by fire or other casualty.

Article XVI of the Declaration provides the procedures by which the Declaration may be amended.

Article XVII of the Declaration sets forth the procedure by which the Bylaws may be amended.

Article XVIII of the Declaration provides for fundamental due process procedures which must be followed by the Association prior to taking certain actions. For example, Article XVIII requires that a Notice and Hearing be provided to a Unit Owner before certain punitive actions are taken against that Unit Owner.

Article XIX, Article XX and Article XXI of the Declaration set forth the provisions relating to the flexible nature of the Condominium. The provisions contain the Declarant's reservation of the option to create Units and Limited Common Elements in the Convertible Real Estate and/or to withdraw portions of the Withdrawable Real Estate from the Condominium. These Articles also describe any effect of the Declarant's exercise of its options on the Percentage Interest assignable to each Unit, as well as the procedures by which the options are exercised. Any Buildings which are constructed within the Convertible Real Estate and Additional Real Estate shall be consistent in construction and architectural style with the Buildings on other portions of the Property. No other assurances are made as to any other improvements that may be made in the Convertible Real Estate, and no assurances are made as to any portion of the withdrawable Real Estate withdrawn pursuant to Article XX.

B. Bylaws

The Bylaws are the rules for governance of the Association and serve the same purpose as the Bylaws of a corporation.

Article I of the Bylaws sets forth the name and address of the Association and incorporates the provisions of the Nonprofit Corporation Law of Pennsylvania with respect to the conduct of the affairs of the Association.

Article II of the Bylaws sets forth the membership rights of all Unit Owners in the Association and sets forth the time, location, purpose and order of business to be conducted at meetings of the Association. Article II also sets forth the required notice, quorum and voting rights of the Unit Owners as members of the Association and the procedures to be followed in conducting meetings of the Association. The Bylaws require the Association to conduct meetings at least annually. At such meetings various members of

the Executive Board will be elected, and the members present will conduct such other business as may be required by law or by the Condominium Documents.

Article III contains provisions concerning the Executive Board of the Association. The sections in this Article describe the number and term of members of the Executive Board, nominations to the Executive Board, the filling of vacancies on the Board and removal of members, and include provisions dealing with procedures for taking actions at regular and special meetings of the Executive Board. Section 3.2 sets forth the various powers and duties of the Executive Board serving on behalf of the Association. Among the various powers of the Executive Board is the discretionary power to enter into a contract for professional management of the Condominium.

Article III of the Bylaws also sets forth requirements governing the validity of contracts with interested Executive Board members. Section 3.4 establishes requirements and limitations for the terms of any management contracts entered into by the Association.

Article IV of the Bylaws contains provisions governing the election of officers of the Association by the Executive Board and the duties of such officers. The Executive Board annually elects a President, Vice-President, Secretary, Treasurer and such other officers as the Executive Board may determine.

Article V allocates the responsibility for maintaining, repairing and replacing Common Elements, Limited Common Elements and Units between the Association and Unit Owners.

Article VI provides the remedies which shall be available to the Association and the measures it may take with respect to a Unit Owner who has failed to comply with the Condominium Documents or the Act and provides that the Executive Board shall resolve any disputes or disagreements between Unit Owners relating to the Property.

Article VIII describes the kinds of records which must be maintained by the Association, the rights of Unit Owners and the holders, insurers and guarantors of mortgagees to inspect such records.

Article IX contains provisions dealing with the manner in which notices must be delivered and sets forth other miscellaneous provisions with respect to the Condominium.

C. Agreement of Sale

A copy of the Agreement of Sale which may be executed by Unit purchasers is contained in the Exhibits part of this Public Offering State-

ment. The Agreement of Sale sets forth the various rights, duties and obligations of the purchaser and Declarant with reference to the individual Unit to be purchased. The Declarant reserves the right to modify the Agreement of Sale from time to time.

D. Management Agreement

The Association has entered into a Management Agreement with Property Management, Inc. (the "Manager"). The Manager is responsible for overseeing the day-to-day operations of the Condominium pursuant to the instructions of the Executive Board. The Management Agreement is for an initial term of one (1) year beginning on the date of recording of the Declaration. The Agreement is automatically renewed for additional one year terms unless cancelled by either party upon ninety (90) days' prior written notice to the other.

The Executive Board will pay the Manager a management fee of Seven Dollars and Seventy-Five Cents (\$7.75) per month per Unit or a minimum monthly fee of One Hundred Dollars (\$100.00) whichever is more.

E. Miscellaneous Contracts Affecting the Condominium

Other than the Management Agreement, there are no additional contracts currently in effect which would affect the Condominium, except ordinary service contracts.

The Act provides that certain contracts which affect the Condominium shall be terminable by the Association at any time after the Executive Board elected entirely by the Unit Owners pursuant to Article 12 of the Declaration takes office upon at least ninety (90) days' prior notice to the other party.

7. CONDOMINIUM ASSOCIATION FINANCIAL MATTERS

The Association is newly formed and does not have a current balance sheet. However, a projected budget for the Association, prepared by the Declarant, for the first year of operation of the Condominium after the date of the first conveyance of a Unit to a purchaser, is included in the Exhibits portion of this Public Offering Statement captioned "Projected Operating Budget" (the "Budget").

The Budget contains provisions for the creation of reserves for future repairs and replacements and capital expenditures. The amount of the initial payment into the reserves for the initial year of operation of the

Property, as reflected in the Budget, is projected to be One Thousand Three Hundred Dollars (\$1,300.00).

There are no services not reflected in the Budget that the Declarant currently provides or expenses that he currently pays and expects may become at any subsequent time a Common Expense of the Association.

The initial capitalization of the Association will be provided by non-refundable payments made by each purchaser of a Unit at the time of settlement. These payments will be in an amount equal to two (2) months' installments of the Declarant's initial estimate of monthly assessments for Common Expenses for the Unit and will be paid to the Association in order to provide it with working capital and otherwise to meet the financial needs of the Association. No purchaser is entitled to a refund of this payment at any time or under any circumstances, and it is not a prepayment of monthly assessments to be credited to the Unit Owner's monthly common assessments obligation.

Of course, at the settlement for each Unit purchased, the Purchaser will be required to pay additional normal and customary settlement costs.

8. ENCUMBRANCES UPON TITLE

The Condominium is subject to the terms of the Declaration, as recorded, and the conditions shown on the Plats and Plans recorded as an exhibit to the Declaration, the Bylaws, and the Rules and Regulations, as each of these may be amended.

The Act grants certain statutory easements that affect the Condominium including:

(a) An easement provided in Section 3216 of the Act making any Unit or Common Element subject to a valid easement to the extent that any other Unit or Common Element encroaches upon it.

(b) An easement provided the Declarant by Section 3218 of the Act through the Common Elements as may be reasonably necessary for the purpose of discharging the obligations of the Declarant or exercising special Declarant rights (such as those options retained in connection with Convertible Real Estate).

(c) The rights granted under Section 3217 of the Act for the Declarant to maintain signs on the Common Elements advertising the Condominium and, as provided in the Declaration, maintain sales offices, management offices and models in the Condominium.

Section 1.2 of the Declaration refers to various recorded easements, encumbrances, restrictions and agreements affecting the Condominium. These include all utility and other easements shown on the Plats and Plans of the Condominium.

Article VII of the Declaration provides additional easements for Unit Owners and the Association including easements affecting both the Units and Common Elements for utilities, pipes and conduits, easements for structural support and easements for ingress, egress and regress. Section 7.1.4 provides an easement in favor of the Association to each Unit as may be necessary for the inspection, maintenance, repair and replacement of the Units, Limited Common Elements and Common Elements and to prevent damage or destruction to the other Units or Common Elements. Section 7.1.1 describes the easements the Declarant reserves for marketing purposes.

Any mortgage liens and encumbrances encumbering the Property will be released on a Unit-by-Unit basis as Units are conveyed.

In addition to the foregoing, title to the Condominium is subject to unrecorded easements, discrepancies or conflicts in boundary lines, shortages in area and encroachments which an accurate and complete survey would disclose.

9. FINANCING FOR PURCHASERS OF UNITS

The Declarant does not intend to offer financing to purchasers of Units, but various local lending institutions have indicated an interest in financing the purchase of Units by qualified purchasers.

10. WARRANTIES PROVIDED BY THE DECLARANT

Pursuant to Section 3411 of the Act, the Declarant warrants each of the Units against structural defects for two (2) years from the date it is conveyed to a bona fide purchaser and all Common Elements for two (2) years from the date of completion of those Common Elements. There are no other warranties, express or implied, on any of the structures, fixtures or appliances in the Units or Common Elements, except as may be provided by manufacturers.

11. LITIGATION INVOLVING THE ASSOCIATION OR THE CONDOMINIUM

As of the effective date of this Public Offering Statement there are no judgments against the Association nor is that entity a party to any pend-

ing litigation. The Declarant has no actual knowledge of any currently pending litigation that would have any material effect on the Condominium.

12. ESCROW DEPOSITS UNDER AGREEMENTS OF SALE

Any deposit made in connection with the purchase of a Unit will be held in an escrow account in accordance with the provisions of Section 3408 of the Act and will be returned to the purchaser if the purchaser cancels his contract within the fifteen (15) day time period provided by the terms of Section 3406 of the Act (as explained more fully on the first page of this Public Offering Statement).

13. RESTRICTIONS ON TRANSFERABILITY OR USE OF UNITS

A. Restrictions on Resale and Leasing

There are no restrictions imposed by the Declaration upon the resale of a Unit by its owner and no right of first refusal with respect to such a resale. However, Section 3407 of the Act sets forth certain disclosure requirements which must be met by the Owner selling his Unit and by the Association.

Article IX of the Declaration provides certain requirements that must be met for leasing of Units in the Condominium. These limitations include the following:

(a) No Unit may be leased for a term of less than one hundred eighty (180) days;

(b) All leases must be in writing and are subject to the requirements of the Condominium Documents and the Association;

(c) A Unit Owner shall deliver a copy of the Declaration, the Association Bylaws and Rules and Regulations to tenant at the time the lease is executed, and the tenant shall sign a receipt for the Declaration, the Association Bylaws and Rules and Regulations. Copies of any amendment(s) to the Declaration, the Association Bylaws or Rules and Regulations shall be delivered by the Unit Owner to tenant if such amendment(s) affect the tenant's occupancy of the Unit.

(d) A copy of all leases must be furnished to the Executive Board within ten (10) days after execution, and

The foregoing lease restrictions are not applicable to the Declarant or an Eligible Mortgagee which is either in possession or is a purchaser at judicial sale.

B. Restrictions on Use of the Condominium

In addition to the restrictions upon the use of Units discussed earlier in this Narrative (under the heading "General Description of the Project"), the Condominium Documents impose the following restrictions on use:

(a) All Units in the Condominium, except for any Units used by the Declarant as a model or sales office, are restricted to residential use, and Units are to be maintained in a good state of repair and cleanliness.

(b) All laws and governmental requirements and the Rules and Regulations of the Association must be complied with by Unit Owners.

(c) Unit Owners may not obstruct the Common Elements in any way nor may Unit Owners store or place anything in or on the Common Elements without the prior written consent of the Executive Board.

(d) Water beds shall be permitted, but all water damage to the Common Elements, Limited Common Elements or other Unit Owner's Units and the expenses incurred to correct the damage shall be paid for by the Unit Owner of the Unit in which the water bed was located when the water damage occurred.

(e) No Unit may be used, occupied or kept in a manner which in any way increases the fire insurance premiums for the Property without the prior written permission of the Executive Board.

(f) All garbage and trash must be disposed of in accordance with municipal regulations by the removal service designated by the Association. Unit Owners will be billed directly for the service.

(g) No immoral, improper, obnoxious or offensive activity shall be carried on in any Unit or on the Common Elements, nor shall anything be done therein which would be an annoyance or nuisance to the other Units or occupants.

(h) No Unit Owner other than the Declarant may erect any sign on his Unit or any Limited Common Element which is visible

from outside his Unit without prior written permission of the Executive Board.

(i) White backed draperies or curtains, or venetian blinds, acceptable to the Executive Board must be installed and maintained on all windows of Units.

(j) Unit Owners may not install window air conditioners, antennas, TV dish receivers, clothes lines or any other item which protrudes through any window or from any part of a Unit, nor patios be enclosed by the Unit Owner, without prior written consent of the Executive Board.

(k) Unit Owners must abide by parking regulations imposed by the Association.

(l) One small pet only may be kept in a Unit, unless at the time of purchase the Unit Owner owns two (2) small house pets which may be kept in the Unit. A visually impaired Unit Owner would not be prohibited from keeping a seeing-eye dog in the Unit.

(m) Unit Owners are responsible at all times to keep their pets under control and are responsible for any property damage caused by their pets.

(n) Unit Owners are responsible for maintaining their individual Units in good order and repair at the owner's expense. The responsibilities of the Unit Owner for cleaning, maintenance and repair include the cleanliness of any Limited Common Element adjacent to the Unit and the cleaning and replacing of glass panes in any window serving the Unit.

(o) Kerosene and similar unvented heaters are prohibited.

(p) The Association shall have limited authority to enter a Unit with reasonable notice to the Unit Owner and for reasonable purposes.

(q) No fences, alterations or improvements outside of a Unit may be constructed by a Unit Owner without the written permission of the Association.

14. CONDOMINIUM INSURANCE

The Condominium, exclusive of the Units themselves, will be insured by a policy of fire and property damage insurance written on an "all-risk"

basis, in an amount sufficient to provide for the replacement of the Common Elements portion of the Property under normal circumstances. The premium for this insurance will be paid by the Association, and each Unit Owner will pay his share as part of his assessment for Common Expenses. This policy will not insure physical improvements within the perimeter of each Unit, nor the personal property of the Unit Owner because it is the individual responsibility of Unit Owners to obtain property insurance and liability insurance with respect to claims arising out of the use and ownership of their individual Units. Condominium Unit Owner insurance coverage is currently available in Pennsylvania and should be obtained by each Unit Owner to protect against fire or other damage to his or her Unit and his personal property and to protect against liability claims within the Unit.

The Association will also carry a liability insurance policy on behalf of the Association and all Unit Owners to insure against liability arising out of the ownership or use of the Common Elements. This policy will not insure Unit Owners against liability arising from an accident or an injury occurring within their Unit or from their own negligence.

The Executive Board is also authorized to obtain directors' and officers' liability insurance, fidelity bond and indemnification insurance, to the extent reasonably available.

Generally speaking, insurance proceeds under the fire and property damage insurance policy carried by the Association will be payable to an insurance trustee, which will be either the Association or a lending institution (the "Insurance Trustee"). The Insurance Trustee will receive the insurance proceeds and apply the proceeds to the restoration of the Buildings in accordance with the terms of the Act.

15. EXPECTED FEES OR CHARGES FOR USE OF THE
COMMON ELEMENTS AND OTHER FACILITIES
RELATING TO THE CONDOMINIUM

There are no fees or charges in addition to the regular monthly Common Expense assessment presently expected for the use of the Common Elements and facilities of the Condominium.

16. PRESENT CONDITION OF ALL STRUCTURAL COMPONENTS
AND MAJOR UTILITY INSTALLATIONS

All structural components and major utility installations within the Condominium will be new and shall be constructed in a good and workmanlike manner.

17. AMENDMENTS

This Public Offering Statement is subject to change without notice in order to reflect any material changes in the information set forth herein or otherwise required by the Act.

ANY INFORMATION OR DATA REGARDING THE CONDOMINIUM NOT INCLUDED IN THIS PUBLIC OFFERING STATEMENT MUST NOT BE RELIED UPON. NO PERSON HAS BEEN AUTHORIZED BY THE DECLARANT TO MAKE ANY REPRESENTATION OR WARRANTY NOT EXPRESSLY CONTAINED HEREIN, AND NOTHING IN THIS PUBLIC OFFERING STATEMENT MAY BE CHANGED OR MODIFIED ORALLY.

DECLARATION OF CONDOMINIUM
OF
WOODLAND VIEW, A TOWNEHOME CONDOMINIUM

Pursuant to the provisions of the
Pennsylvania Uniform Condominium Act,
68 Pa. C.S. §3101 et seq.

Date: July 26, 1991

DECLARATION OF CONDOMINIUM
 OF
 WOODLAND VIEW, A TOWNHOME CONDOMINIUM

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DECLARATION OF CONDOMINIUM

FOR

WOODLAND VIEW, A TOWNEHOME CONDOMINIUM

ARTICLE I

SUBMISSION; DEFINED TERMS

Section 1.1. Declarant; Property; County; Name. Capitol View Associates, a Pennsylvania general partnership (the "Declarant"), owner in fee simple of the Real Estate described in Exhibit A attached hereto, located in the Township of Manchester, York County, Pennsylvania, hereby submits the Real Estate, including all easements, rights and appurtenances thereunto belonging and the Buildings and improvements erected or to be erected thereon (collectively, the "Property") to the provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S. §3101 et seq. (the "Act"), and hereby creates with respect to the Property a flexible condominium, to be known as "Woodland View, A Townhome Condominium" (the "Condominium").

Section 1.2. Easements and Licenses. Included among the easements, rights and appurtenances referred to in Section 1.1 above are the following recorded easements, rights and licenses:

1.2.1. Matters set forth on a General Layout Plan for Woodland View recorded March 13, 1991 in Plan Book KK, Page 747.

1.2.2. Rights granted to Metropolitan Edison Company in Record Books 42-A, Page 124 and 154, Page 193.

1.2.3. Rights granted to Columbia Gas Company in Record Book 64-M, Page 954.

1.2.4. Rights granted to York Water Company in Record Book 139, Page 1064.

Section 1.3. Defined Terms.

1.3.1. Capitalized terms not otherwise defined herein or in the Plats and Plans shall have the meanings specified or used in the Act.

1.3.2. The following terms when used herein shall have the meanings set forth below:

(a) "Additional Real Estate" means the Real Estate described in Exhibit E attached hereto, so long as the Declarant's rights to add such Real Estate to the Condominium continue to exist.

(b) "Annual Assessment" means a Unit's individual share of the anticipated Common Expenses for each fiscal year as reflected in the budget adopted by the Executive Board for such year.

(c) "Association" means the Unit Owners' Association of the Condominium, which shall be a Pennsylvania non-profit corporation known as "Woodland View Condominium Association."

(d) "Building(s)" means any or all of the building(s) now or hereafter included in the Property.

(e) "Bylaws" means the document having that name and providing for the governance of the Association, pursuant to Section 3306 of the Act, as such document may be amended from time to time.

(f) "Condominium" means the Condominium described in Section 1.1 above.

(g) "Condominium Documents" include the Declaration, Plats and Plans, Bylaws and Rules and Regulations.

(h) "Convertible Real Estate" means the Real Estate described in Exhibit D attached hereto, so long as the Declarant's rights to create Units and/or Limited Common Elements therein continue to exist.

(i) "Declarant" means the Declarant described in Section 1.1 above and all successors to any Special Declarant Rights.

(j) "Declaration" means this document, as the same may be amended from time to time.

(k) "Eligible Insurer" means an insurer or guarantor of a first Security Interest in a Unit

which has notified the Association in writing of its name and address and that it has insured or guaranteed a first Security Interest in a Unit. Such notice shall be deemed to include a request that the Eligible Insurer be given the notices and other rights described in Article XI.

(l) "Eligible Mortgagee" means the holder of a first Security Interest in a Unit which has notified the Association, in writing, of its name and address, and that it holds a first Security Interest in a Unit, and the Unit number and address of the Unit on which it has a security interest. Such notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in Article XI.

(m) "Executive Board" means the Executive Board of the Association.

(n) "Limited Common Elements" means those parts of the Property either described in the Act as being Limited Common Elements or described herein or in the Plats and Plans as being Limited Common Elements.

(o) "Notice and Comment" means the right of a Unit Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to comment thereon. The procedures for Notice and Comment are set forth in Section 18.1 of this Declaration.

(p) "Notice and Hearing" means the right of a Unit Owner to receive notice of an action proposed to be taken by the Association, and the right to be heard thereon. The procedures for Notice and Hearing are set forth in Section 18.2 of this Declaration.

(q) "Party Wall" means a wall located at the perimeter of a Unit, which is a common wall shared with an adjacent Unit.

(r) "Percentage Interest" appurtenant to a Unit means the undivided interest in the Common Elements appurtenant to such Unit, as set forth in Exhibit B hereto and as calculated pursuant to the formula set forth in Section 2.1 herein.

(s) "Perimeter Wall" shall mean any wall adjacent to either the exterior of the Building or any Common Element or Limited Common Element.

(t) "Plats and Plans" means the Plats and Plans attached hereto as Exhibit C and made a part hereof, as the same may be amended from time to time.

(u) "Property" means the Property described in Section 1.1 above.

(v) "Rules and Regulations" means such rules and regulations as are promulgated by the Executive Board from time to time, with respect to various details of the use of all or any portion of the Property, either supplementing or elaborating upon the provisions in the Declaration or the Bylaws.

(w) "Security Interest" means an interest in real property or personal property, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, land sales contract, and any other consensual lien or title retention contract intended as security for an obligation.

(x) "Special Assessment" means a Unit's individual share of any assessment made by the Executive Board in addition to the Annual Assessment.

(y) "Unit" means a Unit as described herein and in the Plats and Plans.

(z) "Withdrawable Real Estate" means the Real Estate described in Exhibit D attached hereto, so long as the Declarant's rights to withdraw such Real Estate from the Condominium continue to exist.

Section 1.4. Provisions of the Act. The provisions of the Act shall apply to and govern the operation and governance of the Condominium, except to the extent that contrary provisions, not prohibited by the Act, are contained in one or more of this Declaration, the Plats and Plans or the Bylaws.

ARTICLE II

ALLOCATION OF PERCENTAGE INTERESTS, VOTES AND COMMON EXPENSE LIABILITIES; UNIT IDENTIFICATION AND BOUNDARIES

Section 2.1. Percentage Interests, Votes and Common Expense Liabilities.

2.1.1. Attached as Exhibit B hereto is a list of all Units by their Identifying Numbers and the Percentage Interest appurtenant to each Unit, determined on the basis that all Units shall be assigned a factor of 1.0.

2.1.2. The Percentage Interest shall automatically change upon conversion of Convertible Real Estate as set forth in Article XIX below.

2.1.3. The Percentage Interest shall determine the Percentage Interest in the Common Elements, the number of votes in the Association and the share of Common Expense Liability appurtenant to each Unit.

2.1.4. Notwithstanding the foregoing, if the Declarant converts all or any portion of the Convertible Real Estate into Units and/or if all or any portion of the Additional Real Estate is added to the Condominium, the Declarant reserves the right to assign a factor ranging from between 0.8 and 1.5 to any Units created therein based upon the relative square footage of the Units, and any other relevant characteristics of such additional Units such as the presence of basements, integral garages or other amenities. The Declarant shall designate the factor to be assigned to Units in the Condominium in any Amendment to Declaration in which additional Units are created. The Declarant's judgment regarding the factor assigned to any such additional Units shall be final, however, Declarant shall not make any allocations that would be discriminatory in nature.

Section 2.2. Unit Boundaries.

2.2.1. The title lines or boundaries of each Unit are situated as shown on the Plats and Plans and each Unit consists of the space within the following boundaries:

(a) Upper and Lower (Horizontal) Boundaries:
The upper and lower boundaries of the Unit shall be

the following boundaries extended to intersections with the vertical boundaries:

(1) Upper Boundary: The horizontal planes formed by the unit side surface of the uppermost ceiling of the Unit.

(2) Lower Boundary: The horizontal plane of the top surface of the unfinished concrete floor slab.

(b) - Vertical Boundaries: The vertical boundaries of the Unit shall be the vertical planes, extended to intersections with each other and with the upper and lower boundaries of the Unit-side surface of the Perimeter Walls and Party Walls which enclose the Unit.

2.2.2. Each Unit consists of all portions of the Building within the aforesaid title lines, except the air space displaced by: (i) structural members and bearing columns within or passing through such Unit which are deemed to be Common Elements; and (ii) other Common Elements within such Unit including, without limitation, chutes, flues, ducts, wires, conduits and pipe runs which serve more than one Unit. With respect to such chutes, flues, ducts, wires, conduits and pipe runs, the provisions of Section 3202(2) of the Act shall apply. There is included within a Unit (by way of illustration and not limitation):

(a) The air space enclosed within such title lines.

(b) All non-bearing partitions which are wholly contained within such title lines, including (but not limited to) all doors, door frames, hardware, windows, window frames, tracks and sills, electrical outlets and wiring, television cable facilities, telephone outlets and conduits, and other equipment and devices in such partitions serving only such Unit.

(c) All plumbing fixtures located within such title lines and serving and affecting only such Unit, and their water and waste connections.

(d) All items of kitchen equipment located within such title lines and serving only such Unit,

and such equipment's water, waste and electrical connections.

(e) Exhaust fans and the grilles, registers, ventilation ducts and related fixtures which serve only such Unit, whether or not any of the foregoing is located in any portion of the Common Elements.

(f) Lighting devices (including, by way of illustration and not limitation, lamps and bulbs which are surface mounted on, recessed in, or suspended from, ceilings, walls and partitions within or on the perimeter of such Unit) serving only such Unit whether or not such lighting devices are themselves located entirely within the title lines of such Unit.

(g) Outlets, wires, cables, conduits, circuits and related equipment transmitting electricity for lighting and power or transmitting electrical impulses and signals (including, but not limited to, impulses and signals for telephone and television transmission, except to the extent otherwise specifically provided herein) which serve only such Unit and which are located entirely within the title lines of such Unit.

(h) Surface-mounted and recessed cabinets (including, by way of illustration and not limitation, all associated lighting fixtures and accessories).

(i) Refrigerators, ovens, ranges, dishwashers, garbage disposal units, hot water heaters, heating and air conditioning systems and components, washers and dryers, and any other appliances and the portions of their water, waste, electrical and exhaust connections located within such title lines and serving only such Unit.

(j) Floor coverings installed on the Unit-side surface of the floor.

ARTICLE III

COMBINING AND SUBDIVIDING UNITS

Section 3.1. Subdividing Units. No Unit may be subdivided, except a Combined Unit as provided in Section 3.3 hereof.

Section 3.2. Combining Units. Notwithstanding that a portion of the wall separating Unit is a Common Element, upon compliance with the requirements of Section 5.1 hereof, two or more entire adjacent Units may be combined into a larger Unit without the necessity of obtaining any approval of the Association (pursuant to Section 3214(a) of the Act) except any approvals that may be required by the provisions of Section 5.1 hereof; provided that both the combined Units are under common ownership at the time of effecting such combination. Upon the completion of such combination, the Percentage Interest in the Common Elements appertaining to such combined Unit shall be the sum of the respective Percentage Interests in the Common Elements appertaining to each of the Units that have been combined. The Identifying Number of the combined Unit shall consist of the number of the Unit having the lowest numbered Identifying Number followed by a hyphen and the number of the Identifying Number of the other individual Unit, arranged in numerical order. By way of illustration, if Units having Identifying Numbers of "1" and "2" were to be combined, the Identifying Number of the combined Unit would be "1-2".

Section 3.3. Subdividing a Combined Unit. A Combined Unit may be subdivided into the original two units previously combined without the necessity of obtaining any approval of the Association except for any approvals that may be required by the provisions of Section 5.1 hereof; provided that the Combined Unit is under single ownership until after the time of effecting such subdivision. Upon completion of such subdivision, the Percentage Interest in the Common Elements appertaining to such subdivided Units shall be the respective Percentage Interest in the Common Elements appertaining to each of the Units that have been subdivided. The Identifying Number of each subdivided Unit shall return to the Identifying Number assigned to it before the combination. Any Party Wall removed at the time the two Units were combined shall be reinstalled in the same location shown on the original Plats and Plans and shall be of the same character as the original Party Wall.

ARTICLE IV

LIMITED COMMON ELEMENTS; RESERVED COMMON ELEMENTS

Section 4.1. Description of Limited Common Elements. Those portions of the Limited Common Elements serving only the Unit adjacent to such Limited Common Element, are Limited Common Elements allocated only to the Unit or Units which they serve. Without limiting the generality of Section 1.3.2(n) hereof, the following portions of the Property are hereby designated as Limited Common Elements:

(a) Balconies, patios, porches, decks and stoops, sidewalks and driveways, if any, adjacent to Units; and

(b) Any space heating, water heating and air conditioning apparatus (including, by way of illustration, any air conditioner compressor) or other mechanical system located outside of a Unit and serving one Unit exclusively; and

(c) Privacy fences, if any, adjacent to Units; and

(d) Any other areas shown and identified as such on the Plats and Plans.

Section 4.2. Parking Spaces. Parking spaces are common elements available to all Unit Owners on a first come first serve basis, subject to the rights of the Executive Board to promulgate Rules and Regulations regarding their use. In addition, the Declarant reserves the right to designate any number of the parking spaces shown on the Plats and Plans as Limited Common Elements serving an individual adjacent Unit or serving those Units located within an adjacent Building.

Section 4.3. Designation of Reserved Common Elements. Reserved Common Elements are those parts of the Common Elements which the Executive Board may designate from time to time for use by fewer than all of the Unit Owners or by only those persons paying fees or complying with other reasonable conditions for use as may be established by the Executive Board. Included in the Reserved Common Elements may be, by way of example, parking areas adjacent to the Buildings and the attic spaces located above the Units which may be used only for such purposes and in the manner as the Executive Board may designate.

ARTICLE V

ADDITIONS, ALTERATIONS AND IMPROVEMENTS

Section 5.1. Additions, Alterations and Improvements by Unit Owners.

5.1.1. A Unit Owner:

(a) May make any improvements or alterations to the interior of his or her Unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the Condominium;

(b) May not change the appearance of the Common Elements, or the exterior appearance of a Unit or any other portion of the Condominium, without permission of the Executive Board;

(c) After acquiring an adjoining Unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a Common Element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the Condominium. Removal of partitions or creation of apertures under this Subdivision is not an alteration of boundaries.

(d) May not undertake the installation, reinstallation, removal, modification, reconstruction or repair of any Party Wall, any electrical, lighting, signal transmission and/or power circuit or system, or electric outlet box or terminal device included in such outlet box, or any item of heating or air conditioning equipment, or any ventilation or exhaust duct or related equipment, or any item of any portion of the plumbing system, any of which in any way serves or could affect any other Unit Owner, until after application has been made to and written approval has been received from the Executive Board and any Unit Owner(s) affected by such installation, reinstallation, removal, reconstruction or repair. Such approval shall be granted only if the work performed shall be of similar or superior quality to that then prevailing in the Building and shall be performed by qualified personnel. The cost of such installation, reinstallation, removal, reconstruction

or repair, whether undertaken by a Unit Owner or by the Association (under procedures to be established by the Executive Board) shall be borne by the Unit Owner of the Unit benefited thereby.

5.1.2. A Unit Owner may submit a written request to the Executive Board for approval to do anything that he or she is forbidden to do under Subsection 5.1.1(b). The Executive Board shall answer any written request for such approval, after Notice and Hearing, within sixty (60) days after the request thereof. Failure to do so within such time shall not constitute a consent by the Executive Board to the proposed action. The Executive Board shall review requests in accordance with the provisions of the Condominium Documents.

Following the completion of any alteration to a Common Element pursuant to the approval of the Executive Board (such as the installation of a door or window in a perimeter wall), the Executive Board may allocate a portion of the affected Common Element to the Unit Owner as a Limited Common Element. The Executive Board shall make such allocation by recording an appropriate amendment to this Declaration and to the Plats and Plans showing the area being allocated as a Limited Common Element. All expenses associated with the alteration itself and with preparation and recording of any required amendments shall be the responsibility of the Unit Owner making the alteration, in addition to any expenses incurred pursuant to Section 5.1.3. herein.

5.1.3. Any applications to any department or to any governmental authority for a permit to make any addition, alteration or improvement in or to any Unit shall be the responsibility of and executed by the Unit Owner. Such execution will not, under any circumstances, create any liability on the part of the Association or any of its members to any contractor, subcontractor or materialman on account of such addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

5.1.4. All additions, alterations and improvements to the Units and Common Elements shall not, except pursuant to prior approval by the Executive Board, cause any increase in the premium of any insurance policies carried by the Association or by the owners of any Units other than those affected by such change.

The provisions of this Section shall not apply to the Declarant in the exercise of any Special Declarant Right.

Section 5.2. Additions, Alterations and Improvements by Executive Board. Subject to the limitations of Section 10.5 and 10.6 of this Declaration, the Executive Board may make any additions, alterations or improvements to the Common Elements which, in its judgment, it deems necessary.

ARTICLE VI

MAINTENANCE, REPAIR AND REPLACEMENT RESPONSIBILITIES

Section 6.1. Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of Section 3307 of the Act, except as expressly set forth to the contrary in the Condominium Documents.

Section 6.2. Common Elements. The Association shall maintain, repair and replace all of the Common Elements, except the portions of the Limited Common Elements which are required by this Declaration or the Bylaws to be maintained, repaired or replaced by the Unit Owners.

Section 6.3. Units and Limited Common Elements. Each Unit Owner shall maintain, repair and replace, at his or her own expense, all portions of his or her Unit, and the Limited Common Elements appurtenant thereto, except the portions thereof to be maintained, repaired or replaced by the Association.

Section 6.4. Chart of Maintenance Responsibilities. The respective responsibilities of the Association and the Unit Owners with respect to maintenance, repair and replacement are set forth in the Chart of Maintenance Responsibilities attached as Exhibit "A" to the Bylaws, as amended from time to time.

Section 6.5. Repairs Resulting From Negligence. Each Unit Owner shall reimburse the Association and any Unit Owners whose units were damaged for any damages to the Common Elements or to any other Unit caused intentionally, negligently or by his or her failure to properly maintain, repair or make replacements to his or her Unit or to Limited Common Elements which are the responsibility of such Unit Owner. The Association shall be responsible for damage to

Units caused intentionally, negligently or by its failure to maintain, repair or make replacements to the Common Elements.

Section 6.6. Access. Any person authorized by the Executive Board shall have the right of access to all portions of the Property for the purpose of correcting any condition threatening a Unit or the Common Elements, and for the purpose of performing installations, alterations or repairs, and for the purpose of reading, repairing, replacing utility meters and related pipes, valves, wires and equipment, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the affected Unit Owner. In case of an emergency, no such request or notice is required and such right of entry shall be immediate, whether or not the Unit Owner is present at the time.

Section 6.7. Watering of Shrubs and Lawns. Since the Association does not maintain, in its name, any external water spigots, Unit Owners may be required to permit the use of their outside water spigots for lawn and/or shrub watering in extraordinarily dry weather by the Association maintenance personnel. Procedures will be promulgated as necessary by the Executive Board.

ARTICLE VII

EASEMENTS

Section 7.1. Additional Easements. In addition to and in supplementation of the easements provided for by Sections 3216, 3217 and 3218 of the Act, the following easements are hereby created:

7.1.1. Declarant's Use for Sales Purposes. Declarant shall have the right to maintain sales offices, management offices and models throughout the Property and to maintain one or more advertising signs on the Common Elements pursuant to Section 3217 of the Act. Declarant reserves the right to place models, management offices and sales offices on any portion of the Common Elements or in a Unit in such a manner, or such size and in such locations as Declarant deems appropriate. Declarant may from time to time relocate models, management offices and sales offices to different locations within the Property. Upon the relocation of a model, management office or sales office constituting a Common Element, Declarant may remove all personal property and fixtures therefrom. Any fixtures not so removed shall be deemed Common Elements, and any real or

personal property not so removed shall be deemed the property of the Association.

7.1.2. Utility Easements. The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities (including Manchester Township and municipal and sewer authorities) for such utility and service lines, ducts and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 7.1.2 shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electric wires, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common Elements. Notwithstanding the foregoing provisions of this Section 7.1.2, unless approved in writing by the Unit Owner or Unit Owners affected thereby, any such easement through a Unit shall be located either in substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Unit by the Declarant, or so as not to materially interfere with the use or occupancy of the Unit by its occupants.

7.1.3. Declarant's Easement to Correct Drainage. Declarant reserves an easement on, over and under those portions of the Common Elements not located within a Building for the purpose of maintaining and correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. The easement created by this Section 7.1.3 expressly includes the right to cut any trees, bushes, or shrubbery, to grade the soil, or to take any other action reasonably necessary to achieve this purpose, following which the Declarant shall restore the affected property as closely to its original condition as practicable.

7.1.4. Association's Easement to Inspect and Maintain Units and Limited Common Elements. The Units and the Limited Common Elements are hereby made subject to an easement in favor of the Association and its agents, employees and independent contractors, (i) for inspection of the Units and Limited Common Elements in order to verify the performance by Unit Owners of all items of maintenance and repair for which they are responsible, and to perform such items of maintenance and repair on behalf of a nonperforming Unit Owner as the

Association shall elect to perform in its discretion; (ii) for inspection, maintenance, repair, and replacement of the Common Elements or the Limited Common Elements situated in or accessible from such Units or Limited Common Elements, or both; (iii) for correction of emergency conditions in one or more Units or Limited Common Elements, or both, or casualties to the Common Elements, the Limited Common Elements and/or the Units; and (iv) for any of the purposes set forth in Section 7.1.7 hereof, it being understood and agreed that the Association and its agents, employees and independent contractors shall take reasonable steps to minimize any interference with a Unit Owner's use of his Unit resulting from the Association's exercise of any rights it may have pursuant to this Article.

7.1.5. Easements in Favor of Units Benefited. The Common Elements (including, but not limited to, the Limited Common Elements) shall be and are hereby made subject to the following easements in favor of the Units benefitted:

(a) For the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are a part of or exclusively serve a single Unit and which pass across or through a portion of the Common Elements; provided that such installation, repair, maintenance, use, removal and/or replacement does not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the Building or adversely affect the use of any Unit by its Owner.

(b) For the installation, repair, maintenance, use, removal and/or replacement of overhead lighting fixtures, electrical receptacles and the like which are located in a portion of the ceiling, wall or floor adjacent to a Unit which is a part of the Common Elements; provided that the installation, repair, maintenance, use, removal or replacement of such fixtures, receptacles, and the like does not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the Building, or adversely affect the use of any Unit by its Owner.

(c) For driving and removing nails, screws, bolts and the like into the Unit-side surface of

walls, ceilings and floors which are part of the Common Elements; provided that such action does not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the Building or adversely affect the use of any Unit by its Owner.

(d) For the maintenance of the encroachment of any lighting devices, outlets, cabinets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit but which encroach into any part of any Common Element or Limited Common Element on the date this Declaration is recorded.

7.1.6. Easement for Structural Support. To the extent necessary, each Unit shall have an easement for structural support over every other Unit in the Building, the Common Elements and the Limited Common Elements, and each Unit and the Common Elements shall be subject to an easement for structural support in favor of every other Unit in the Building, the Common Elements and the Limited Common Elements.

7.1.7. Easement for Decorating, Cleaning and Maintaining Certain Surfaces. Wherever in this Declaration and the Plats and Plans a title line of a Unit is described as being the Unit-side surface of a designated portion of the Property, it is intended thereby, and it is hereby declared, that if and to the extent necessary the Owner of such Unit shall have an easement for the purpose of decorating such surfaces and affixing thereto and removing therefrom paint, wallpaper, other decorative material, pictures, mirrors, wall systems and decorative articles, and (with respect to all such portions of the Property) cleaning and maintaining such surfaces, all at the cost and expense of the Owner of such Unit. Thus, by way of illustration and not limitation, the Owner of a Unit has an easement to paint the Unit-side surface of doors and window sills. It is understood and agreed that the Association, acting by its Executive Board on behalf of all Unit Owners, shall, at all times while this Declaration is in effect, retain the right and duty to maintain, repair and/or replace the portions of the Property of which said surfaces are attached, notwithstanding the fact that such maintenance, cleaning, repair or replacement may temporarily adversely affect the Unit Owner's aforesaid easement and right to use the Unit-side surface of such portion of the Property.

7.1.8. Declarant's Easement for Development of Convertible/Withdrawable and Additional Real Estate. Declarant reserves an easement on, over and under those portions of the Common Elements not located in a Building which contains Units, for all purposes relating to the construction, development, leasing, and sale of improvements on the Convertible/Withdrawable and Additional Real Estate. This easement shall include without limitation, the right of vehicular and pedestrian ingress and egress, the right to park motor vehicles and to engage in construction and marketing activities of any nature whatsoever, including the movement and storage of building materials and equipment, the conduct of sales, leasing and management activities, the maintenance of models and offices and the erection and maintenance of directional and promotional signs. Declarant's easement hereunder shall remain in full force and effect on, over and under any portions of the Withdrawable Real Estate, even after said portion(s) have been withdrawn from the Condominium.

7.1.9. Declarant's Reserve Right to Grant Easements. Declarant reserves the right to grant, sell and convey easements for the purpose of benefiting any tract of land adjacent to the Property. Without limiting the generality of the preceding sentence, the Declarant may subject the Property to storm water and detention pond easements to be used jointly with adjoining property owners.

ARTICLE VIII

USE RESTRICTIONS

Section 8.1. Use and Occupancy of Units, Limited Common Elements and Common Elements. The occupancy and use of the Units and Common Elements shall be subject to the following restrictions:

8.1.1. The Units in the Condominium (with the exception of any Units during the time period when they are being used by the Declarant as a sample, model or sales office) are restricted to residential use and may not be used for any other purposes by the Unit Owner. Notwithstanding the foregoing, Units may also be used for accessory uses which are customarily incidental to the foregoing use, including a professional office; provided that any such use conforms with the applicable zoning regulations of Manchester Township, as the same may be amended from time to time, and further provided

that the prior written approval of the Executive Board is obtained.

8.1.2. No Unit Owner may permit his Unit to be used or occupied for any prohibited or unlawful purpose.

8.1.3. Reasonable Rules and Regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Property, may be promulgated from time to time by the Executive Board, subject to the right of the Association to change such Rules and Regulations. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such Rules and Regulations or any amendments thereto.

ARTICLE IX

LEASING

Section 9.1. Leases. A Unit Owner may lease or sublease his Unit (but not less than his entire Unit) at any time and from time to time provided that:

9.1.1. a Unit may not be leased or rented for a term of less than one hundred eighty (180) days;

9.1.2. all leases and rental agreements shall be in writing and subject to the requirements of the Condominium Documents and the Association;

9.1.3. a Unit Owner shall deliver a copy of the Declaration, the Association Bylaws and Rules and Regulations to the Unit Owner's tenant at the time any lease or rental agreement is executed, and the tenant shall sign a receipt therefor. Copies of any amendments to the Declaration, the Association Bylaws and Rules and Regulations received by the Unit Owner during the term of the lease shall be forwarded to the tenant upon receipt if the said amendment(s) affect the tenant's occupancy of the Unit.

9.1.4. a copy of such lease or rental agreement and a copy of the receipt referred to in Section 9.1.3 shall be furnished to the Executive Board within ten (10) days after execution of the lease.

Section 9.2. Exceptions. Notwithstanding the foregoing, the provisions of this Article shall not apply to Units leased or subleased by the Declarant, or by an Eligible Mortgagee which is either in possession or is a purchaser at judicial sale.

ARTICLE X

ASSESSMENT AND COLLECTION OF COMMON EXPENSES

Section 10.1. Definition of Common Expenses. Common Expenses shall include:

10.1.1. Expenses of administration, maintenance, and repair or replacement of the Common Elements;

10.1.2. Expenses declared to be Common Expenses by the Condominium Documents or the Act; and

10.1.3. Expenses agreed upon as Common Expenses by the Association; and

10.1.4. Such reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.

Section 10.2. Apportionment of Common Expenses. Except as provided in Section 10.3, all Common Expenses shall be assessed against all Units in accordance with their Percentage Interest as shown on Exhibit B of this Declaration.

Section 10.3. Common Expenses Attributable to Fewer than all Units.

10.3.1. Any Common Expense for services provided by the Association to an individual Unit at the request of the Unit Owner shall be assessed against the Unit which benefits from such service.

10.3.2. Any increase in insurance premium attributable to a particular Unit by virtue of activities in or construction of the Unit shall be assessed against that Unit.

10.3.3. Assessments to pay a judgment against the Association may be made only against the Units in the Condominium at the time the judgment was rendered, in proportion to their Common Expense liabilities.

10.3.4. If any Common Expense is caused by the misconduct of a Unit Owner, the Association may, after Notice and Hearing, assess that expense exclusively against his or her Unit.

10.3.5. Fees, including attorneys' fees, late charges, fines and interest charged against a Unit Owner pursuant to the Condominium Documents and the Act are enforceable as Common Expense assessments.

Section 10.4. Lien.

10.4.1. The Association has a statutory lien on a Unit for any assessment levied against that Unit or fines imposed against its Unit Owner from the time the assessment or fine becomes delinquent. Fees, including attorneys' fees, late charges, fines and interest charged pursuant to the Act and the Condominium Documents are enforceable as assessments under this Section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

10.4.2. Any lien for delinquent Common Expense assessments or other charges that the Association has on a Unit will be subordinate to a first mortgage on the Unit, if the mortgage was recorded before the delinquent assessment was due.

10.4.3. Recording of this Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this Section is required.

10.4.4. A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three (3) years after the assessments becomes payable; provided, that if an Owner of a Unit subject to a lien under this Section files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the Association's lien shall be tolled until thirty days after the automatic stay of proceedings under Section 362 of the Bankruptcy Code is lifted.

10.4.5. This Section does not prohibit actions to recover sums for which Section 10.4.1. creates a lien or prohibit the Association from taking a deed in lieu of foreclosure.

10.4.6. A judgment or decree in any action brought under this Section shall include costs and reasonable attorney's fees for the prevailing party.

10.4.7. The Association's lien may be foreclosed in like manner as a mortgage on real property.

10.4.8. If a holder of a first or second Security Interest in a Unit forecloses that Security Interest, the purchaser at the foreclosure sale is not liable for any unpaid assessments against that Unit which became due before the sale, other than the assessments which are prior to that Security Interest in accordance with the provisions of the Act. Any unpaid assessments not satisfied from the proceeds of sale become Common Expenses collectible from all the Unit Owners, including the purchaser.

10.4.9. Any payments received by the Association in the discharge of a Unit Owner's obligation may, at the Association's discretion, be applied to the oldest balance due.

10.4.10. Any fees, including attorneys' fees, late charges, fines and interest which may be levied by the Executive Board pursuant to Sections 3302(a)(10), (11) and (12) of the Act, shall be subordinate to the lien of a Security Interest on a Unit.

Section 10.5. Budget Adoption. Immediately after adoption of any proposed budget for the Condominium, the Executive Board shall provide a copy or summary of the budget to all the Unit Owners. Unless a majority of all Unit Owners vote to reject the budget or any capital expenditure approved by the Executive Board, within thirty (30) days after the approval, the budget is ratified. In the event the proposed budget is rejected, the periodic budget last ratified by the Unit Owners shall be continued until such time as a subsequent budget is adopted by the Executive Board, and such subsequent budget is not rejected in accordance with this Section and Section 3303(b) of the Act.

Section 10.6. Adoption of Non-Budgeted Common Expense Assessments. If the Executive Board votes to levy a Common Expense assessment not included in the current budget, other

than one enumerated in Section 10.3 of this Declaration, in an amount greater than fifteen (15%) percent of the current annual operating budget, the Executive Board shall immediately submit a copy or summary of such Common Expenses to the Unit Owners and such Common Expenses shall be subject to rejection in the same manner as a budget under Section 10.5.

Section 10.7. Certificate of Payment of Common Expense Assessments. The Association on written request shall furnish to a Unit Owner a statement in recordable form setting forth the amount of unpaid assessments against the Unit. The statement shall be furnished within ten (10) business days after receipt of the request and is binding on the Association, the Executive Board and every Unit Owner.

Section 10.8. Monthly Payment of Common Expenses. All Common Expenses assessed under Sections 10.2 and 10.3 shall be due and payable monthly, unless the Executive Board provides otherwise in the case of assessments under Section 10.3.

Section 10.9. Acceleration of Common Expense Assessments. In the event of default for a period of ten (10) days by any Unit Owner in the payment of any Common Expense assessment levied against his or her Unit, the Executive Board shall have the right, after Notice and Hearing, to declare all unpaid assessments for the pertinent fiscal year to be immediately due and payable.

Section 10.10. Commencement of Common Expense Assessments. In general, Common Expense assessments shall begin on the first day of the month following the conveyance of the first Unit to a Unit Owner other than the Declarant. The Common Expense assessment for an individual Unit shall commence as of the date of settlement of that Unit between the Declarant and the Unit Owner.

Section 10.11. Personal Liability of Unit Owners. The Owner of a Unit at the time a Common Expense assessment or portion thereof is due and payable is personally liable for the assessment. Personal liability for the assessment shall not pass to a successor in title to the Unit unless he or she agrees to assume the obligation.

Section 10.12. No Waiver of Liability for Common Expenses. No Unit Owner may exempt himself or herself from liability for payment of the Common Expenses by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the assessments are made.

Section 10.13. Confessions of Judgment. IN ORDER TO EXPEDITE THE EXECUTIVE BOARD'S COLLECTION OF ANY DELINQUENT ASSESSMENT, EACH UNIT OWNER (BY THE ACCEPTANCE OF THE DEED TO HIS UNIT) SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE EXECUTIVE BOARD MEMBERS THE ATTORNEY-IN-FACT FOR SUCH UNIT OWNER TO CONFESS JUDGMENT AGAINST SUCH UNIT OWNER IN ANY COURT OF COMPETENT JURISDICTION IN PENNSYLVANIA, FOR ANY SUCH UNPAID ASSESSMENT(S), WHICH APPOINTMENT (BEING FOR SECURITY) SHALL BE IRREVOCABLE: AND FOR SO DOING A COPY OF THIS SECTION 10.13 AND SAID DEED, BOTH VERIFIED BY AFFIDAVIT, SHALL BE A SUFFICIENT WARRANT. THE AUTHORITY GRANTED HEREIN TO CONFESS JUDGMENT SHALL NOT BE EXHAUSTED BY ANY EXERCISE THEREOF BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL THIS DECLARATION SHALL BE TERMINATED.

Section 10.14. Working Capital Fund. Upon the initial transfer of title from the Declarant to the purchaser of each Unit, the Association shall collect from such purchasers an amount equal to a minimum of two (2) months estimated Common Expense liability, which monies shall be deposited and held in a separate account and shall be used by the Association as working capital, or for operations, contingencies or for unforeseen expenditures. Any amount paid hereunder shall not be considered as advance payments of regular assessments. No Unit Owner is entitled to a refund of these monies by the Association upon the subsequent conveyance of his Unit or otherwise.

ARTICLE XI

MORTGAGEE PROTECTIONS

Section 11.1. Introduction. This Article establishes certain standards and covenants which are for the benefit of the holders, insurers and guarantors of certain Security Interests. This Article is supplemental to, and not in substitution for, any other provisions of the Condominium Documents, but in the case of conflict, this Article shall control.

Section 11.2. Percentage of Eligible Mortgagees. Whenever in this Declaration the approval or consent of a specified percentage of Eligible Mortgagees is required, it shall mean the approval or consent of Eligible Mortgagees holding Security Interests in Units which in the aggregate have allocated to them such specified percentage of votes in the Association as compared to the total allocated to all Units then subject to Security Interests held by Eligible Mortgagees.

Section 11.3. Notice of Actions. The Association shall give prompt written notice to each Eligible Mortgagee and Eligible Insurer of:

11.3.1. Any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit in which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;

11.3.2. Any delinquency in the payment of Common Expense assessments owed by a Unit Owner whose Unit is subject to a first Security Interest held, insured, or guaranteed, by such Eligible Mortgagee or Eligible Insurer, as applicable, which remains uncured for a period of sixty (60) days;

11.3.3. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond required by the provisions of the Condominium Documents to be maintained by the Association;

11.3.4. Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 11.4 of this Declaration; and

11.3.5. Any judgment rendered against the Association.

Section 11.4. Consent and Notice Required.

11.4.1. Document Changes. Notwithstanding any lower requirement permitted by this Declaration or the Act, no amendment of any material provision of the Condominium Documents by the Association or Unit Owners described in this Subsection 11.4.1 may be effective without notice to all Eligible Mortgagees and Eligible Insurers, and as required by Section 11.3 above, and the vote of at least sixty-seven percent (67%) of the Unit Owners (or any greater Unit Owner vote required in this Declaration or the Act) and until approved by at least fifty-one percent (51%) of the Eligible Mortgagees (or any greater Eligible Mortgagee approval required by this Declaration). The foregoing approval requirements do not apply to amendments affected pursuant to Articles XVII, XIX or XX, or Section 16.8 of this Declaration. A change to any of the following would be considered material:

- (a) Voting rights;
- (b) Assessments, assessment liens or priority of assessment liens;
- (c) Reserves for maintenance, repair and replacement of Common Elements;
- (d) Responsibility for maintenance and repairs;
- (e) Reallocation of interests in the Common Elements or Limited Common Elements except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and only the Eligible Mortgagees holding Security Interests in such Units need approve such action;
- (f) Redefinitions of boundaries of Units, except that when boundaries of only adjoining Units are involved, or a Unit is being subdivided, then only those Unit Owners and the Eligible Mortgagees holding Security Interests in such Unit or Units need approve such action;
- (g) Convertibility of Units into Common Elements or Common Elements into Units;
- (h) Insurance or fidelity bonds;
- (i) Leasing of Units;
- (j) Imposition of any restrictions on a Unit Owner's right to sell or transfer his Unit;
- (k) A decision by the Association to establish self-management when professional management had been required previously by the Condominium Documents or any Eligible Mortgagee;
- (l) Restoration or repair of the Condominium after a hazard damage or partial condemnation in a manner other than that specified in the Condominium Documents;
- (m) Termination of the Condominium after occurrence of substantial destruction or condemnation; and

(n) Any provision that expressly benefits mortgage holders, insurers or guarantors.

11.4.2. Actions. Notwithstanding any lower requirement permitted by this Declaration or the Act, the Association may not take any of the following actions other than rights reserved to the Declarant pursuant to Articles XIX, XX, XXI or XXV, and Article XVII and as set forth in Section 16.8 of this Declaration, without notice to all Eligible Mortgagees, and Eligible Insurers as required by Section 11.3 above, and approval of at least 51% (or the indicated percentage, if higher) of the Eligible Mortgagees:

(a) The conveyance or encumbrance of the Common Elements or any portion thereof, as to which an 80% Eligible Mortgagee approval is required. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements for the benefit of the Condominium will not be deemed a transfer within the meaning of this clause;

(b) The termination of the Condominium for reasons other than substantial destruction or condemnation, as to which sixty-seven percent (67%) of the votes of Eligible Mortgagees is required;

(c) The alteration of any partition or creation of any aperture between adjoining Units (when Unit boundaries are not otherwise being affected), in which case only the owners of Units affected and Eligible Mortgagees of those Units need approve the action;

(d) The establishment of self-management when professional management had been required previously by an Eligible Mortgagee;

(e) The restoration or repair of the Property after hazard damage or a partial condemnation in a manner other than that specified in the Condominium Documents;

(f) The merger of this Condominium with any other condominium;

(g) The granting of any easements, leases, licenses and concessions through or over the Common

Elements excluding, however, any utility easements serving or to serve the Condominium and excluding any leases, licenses or concessions for no more than one year;

(h) The assignment of the future income of the Association, including its right to receive Common Expense assessments; and

(i) Any action taken not to repair or replace the Property.

11.4.3. Monthly Payment of Common Expenses. The Association may not change the period for collection of regularly budgeted Common Expense assessments to other than monthly without the consent of all Eligible Mortgagees.

11.4.4. Implied Approval. The failure of an Eligible Mortgagee or Insurer to respond within thirty (30) days to any written request of the Association delivered by certified or registered mail, return receipt requested, for approval of an addition or amendment to the Condominium Documents wherever Eligible Mortgagee or Insurer approval is required, shall constitute an implied approval of the addition or amendment.

Section 11.5. Special Declarant Rights. No Special Declarant Rights may be exercised or voluntarily abandoned or terminated by the Declarant unless all persons holding Security Interests in the Special Declarant Rights consent to the exercise, abandonment, or termination.

Section 11.6. Inspection of Books. The Association must maintain current copies of the Declaration, Bylaws, Rules and Regulations, books and records and financial statements. The Association shall permit any Eligible Mortgagee or Eligible Insurer or other first mortgagee of Units, to inspect the books and records of the Association during normal business hours.

Section 11.7. Financial Statements. The Association shall provide any Eligible Mortgagee or Eligible Insurer who submits a written request, with a copy of an annual financial statement within ninety (90) days following the end of each fiscal year of the Association. Such financial statement shall be audited by an independent certified public accountant if:

11.7.1. the Condominium contains fifty or more Units, in which case the cost of the audit shall be a Common Expense; or

11.7.2. any Eligible Mortgagee or Eligible Insurer requests it, in which case the Eligible Mortgagee or Eligible Insurer shall bear the cost of the audit.

Section 11.8. Enforcement. The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors, and may be enforced by any of them by any available means, at law, or in equity.

Section 11.9. Attendance at Meetings. Any representative of an Eligible Mortgagee or Eligible Insurer may attend and address any meeting which a Unit Owner may attend.

Section 11.10. Appointment of Trustee. In the event of damage or destruction to the Property or condemnation of all or a portion of the Condominium, any Eligible Mortgagee may require that such proceeds be payable to a Trustee established pursuant to Section 15.5 of this Declaration. Such Trustee may be required to be a corporate trustee licensed by the Commonwealth of Pennsylvania. Proceeds will thereafter be distributed pursuant to Article XV or pursuant to a condemnation award. Unless otherwise required, the members of the Executive Board, acting by majority vote through the president, may act as Trustee.

ARTICLE XII

SPECIAL DECLARANT RIGHTS AND DECLARANT'S CONTROL

Section 12.1. Control.

12.1.1. Until the one hundred eightieth (180th) day after conveyance of seventy-five percent (75%) of the Units which may be constructed on the Property to Unit Owners other than Declarant, Declarant shall have the right to appoint and remove any and all officers and members of the Executive Board, except that Declarant may not unilaterally remove any members of the Executive Board elected by Unit Owners other than Declarant.

12.1.2. Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units which may be constructed on the Property to Unit Owners other than

Declarant, one (1) of the three (3) members of the Executive Board shall be elected by Unit Owners other than Declarant.

12.1.3. Not later than the earlier of (i) seven (7) years after the date of the recording of this Declaration, or (ii) one hundred eighty (180) days after seventy-five percent (75%) of the Units which may be constructed upon the Property have been conveyed to Unit Owners other than Declarant, all members of the Executive Board shall resign, and the Unit Owners (including Declarant to the extent of Units owned by Declarant) shall elect a new three (3) member Executive Board.

12.1.4. Following the transfer of control of the Executive Board by the Declarant to the Unit Owners pursuant to Section 12.1.3 above, the Unit Owners shall have the right to increase or decrease from time to time the number of members comprising the Executive Board.

Section 12.2. Special Declarant Rights. The Declarant reserves unto itself all Special Declarant Rights as defined in the Act for as long as Declarant owns any Unit or any Convertible Real Estate exists within the Condominium. These Special Declarant Rights include, inter alia, the right to transfer any or all of Declarant's Special Declarant Rights to one or more successors, provided that the transfer(s) shall be effected in accordance with the provisions of this Declaration and Section 3304 of the Act.

ARTICLE XIII

LIMITATION OF LIABILITY

Section 13.1. Limited Liability of the Executive Board Members of the Association. To the fullest extent permitted by Pennsylvania law, as now in effect and as modified from time to time, an Executive Board Member of the Association shall not be personally liable for monetary damages for any action taken or any failure to take any action.

Section 13.2. Indemnification of Executive Board Members and Officers of the Association.

13.2.1. Third Party Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the

Association) by reason of the fact that the person is or was an Executive Board member or officer of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by the person in connection with such threatened, pending or completed action, suit or proceeding.

13.2.2. Derivative Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that the person is or was an Executive Board member or officer of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by the person in connection with such threatened, pending or completed action or suit by or in the right of the Association.

13.2.3. Procedure for Effecting Indemnification. Indemnification under Subsections 13.2.1 and 13.2.2 shall be automatic and shall not require any determination that indemnification is proper, except that no indemnification shall be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

13.2.4. Expenses Advanced. The Association shall advance expenses incurred by an Executive Board member or officer of the Association who is entitled to be indemnified pursuant to the provisions of this Section 13.2 in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that such person is not entitled to be indemnified by the Association.

13.2.5. Indemnification of Other Persons. The Association may, at the discretion of, and to the extent and for such persons as determined by the Executive Board of the Association, (i) indemnify any person who neither is nor was an Executive Board member or officer of the Association but who is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (and whether brought by or in the right of the Association), by reason of the fact that the person is or was a representative of the Association, against expenses (including attorneys'

fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by the person in connection with such threatened, pending or completed action, suit or proceeding and (ii) pay such expenses in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that such person is not entitled to be indemnified by the Association.

Section 13.3. Indemnification Insurance. The Executive Board may obtain insurance to satisfy the indemnification obligations set forth in Section 13.2 above, if and to the extent available.

ARTICLE XIV

INSURANCE

Section 14.1. Coverage. To the extent reasonably available, the Executive Board shall obtain and maintain insurance coverage as set forth in Section 14.2 and 14.3 of this Article and in accordance with the provisions of Section 3312 of the Act. If such insurance is not reasonably available, and the Executive Board determines that any insurance described herein will not be maintained, the Executive Board shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Unit Owners and Eligible Mortgagees at their respective last known addresses.

Section 14.2. Property Insurance.

14.2.1. Project Facilities. Property insurance covering:

(a) The Project Facilities (which term means all buildings on the Property, including the Units and all fixtures, equipment and any improvements and betterments whether part of a Unit or a Common Element, and such personal property of Unit Owners as is normally insured under building coverage), but excluding land, excavations, portions of foundations below the undersurfaces of the lowest basement floors, underground pilings, piers, pipes, flues and drains and other items normally excluded from property policies; and

(b) All personal property owned by the Association.

14.2.2. Amounts. The Project Facilities shall be insured for an amount equal to one hundred percent (100%) of their replacement cost at the time the insurance is purchased and at each renewal date. Personal property owned by the Association shall be insured for an amount equal to its actual cash value.

The Executive Board is authorized to obtain appraisals periodically for the purpose of establishing said replacement cost of the Project Facilities and the actual cash value of the personal property. The cost of such appraisals shall be a Common Expense.

14.2.3. Risks Insured Against. The insurance shall afford protection against "all risks" of direct physical loss commonly insured against.

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

(a) The insurer waives its right to subrogation under the policy against any Unit Owner or member of his or her household;

(b) No act or omission by any Unit Owner, unless acting within the scope of his or her authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.

(c) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

(d) Loss shall be adjusted with the Association.

(e) Insurance proceeds shall be paid to any insurance trustee designated in the policy for that purpose, and, in the absence of such designation, to the Association, in either case to be held in trust for each Unit Owner and such Unit Owner's mortgagee.

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

(g) The name of the insured shall be substantially as follows: Woodland View Condominium Association" for the use and benefit of the individual owners.

Section 14.3. Liability Insurance. Liability insurance, including medical payments insurance, in an amount determined by the Executive Board but in no event less than \$1,000,000, covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements.

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

(a) Each Unit Owner is an insured person under the policy with respect to liability arising out of his or her interest in the Common Elements or membership in the Association.

(b) The insurer waives its rights to subrogation under the policy against any Unit Owner or member of his or her household.

(c) No act or omission by any Unit Owner, unless acting within the scope of his or her authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.

(d) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

(e) The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each

holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.

Section 14.4. Fidelity Bonds. The Association shall maintain a blanket fidelity bond for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The bond shall name the Association as obligee and shall cover the maximum funds that will be in the custody of the Association or the manager at any time while the bond is in force, and in no event less than the sum of three months' assessments plus reserve funds. The bond shall include a provision that calls for thirty (30) days written notice to the Association, to each holder of a Security Interest in a Unit and to each servicer that services a FNMA-owned or FHLMC-owned mortgage on a Unit before the bond can be cancelled or substantially modified for any reason; except that if cancellation is for nonpayment of premiums, only ten (10) days' notice shall be required.

Section 14.5. Unit Owner Policies. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for his or her own benefit.

Section 14.6. Workmen's Compensation Insurance. The Executive Board shall obtain and maintain Workmen's Compensation Insurance to meet the requirements of the laws of the Commonwealth of Pennsylvania.

Section 14.7. Directors' and Officers' Liability Insurance. The Executive Board shall obtain and maintain directors' and officers' liability insurance, if available, covering all of the Executive Board members and officers of the Association in such limits as the Executive Board may, from time to time, determine to be advisable.

Section 14.8. Other Insurance. The Association may carry other insurance which the Executive Board considers appropriate to protect the Association or the Unit Owners.

Section 14.9. Premiums. Insurance premiums shall be a Common Expense.

ARTICLE XV

DAMAGE TO OR DESTRUCTION OF PROPERTY

Section 15.1. Duty to Restore. Any portion of the Property for which insurance is required under Section 3312 of the Act or for which insurance carried by the Association is in effect, whichever is more extensive, shall be repaired or replaced promptly by the Association unless:

15.1.1. The Condominium is terminated;

15.1.2. Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;

15.1.3. Eighty percent (80%) of the Unit Owners, including every owner of a Unit or assigned Limited Common Element that will not be rebuilt, vote not to rebuild.

Section 15.2. Cost. The cost of repair or replacement in excess of insurance proceeds shall be a Common Expense.

Section 15.3. Plans. The Property must be repaired and restored in accordance with either the original plans and specifications or other plans and specifications which have been approved by the Executive Board, a majority of Unit Owners and fifty-one percent (51%) of Eligible Mortgagees.

Section 15.4. Replacement of Less Than Entire Property.

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

15.4.2. Except to the extent that other persons will be distributees,

(a) The insurance proceeds attributable to Units and Limited Common Elements that are not rebuilt shall be distributed to the owners of those Units and the owners of the Units to which those Limited Common Elements were allocated, or to lien holders, as their interests may appear; and

(b) The remainder of the proceeds shall be distributed to all the Unit Owners or lien holders,

as their interests may appear, in proportion to the Common Expense liabilities of all the Units;

15.4.3. If the Unit Owners vote not to rebuild any Unit, that Units' Percentage Interest is automatically reallocated on the same basis as if the Unit has been condemned under Section 3107 of the Act, and the Association shall promptly prepare, execute and record an amendment to this Declaration reflecting the reallocations.

Section 15.5. Insurance Proceeds. The insurance trustee, or if there is no insurance trustee, then the Association, shall hold any insurance proceeds in trust for the Association, Unit Owners and lien holders as their interests may appear. Subject to the provisions of Subsection 15.1.1 through Subsection 15.1.3, the proceeds shall be disbursed first for the repair or restoration of the damaged Property, and the Association, Unit Owners and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Property has been completely repaired or restored, or the Condominium is terminated.

Section 15.6. Certificates by the Executive Board. A trustee, if any, may rely on the following certifications in writing made by the Executive Board:

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

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

Section 15.7. Certificates by Attorneys. If payments are to be made to Unit Owners or mortgagees, the Executive Board, and the trustee, if any, shall obtain and may rely on an attorney's certificate of title or a title insurance certificate based on a search of the land records of the county in which the Property is located from the date of the recording of the original Declaration stating the names of the Unit Owners and the mortgagees.

ARTICLE XVI

AMENDMENTS TO DECLARATION

Section 16.1. Amendment Generally. Except in cases of amendments that may be executed by the Declarant in the exercise of its Special Declarant Rights, including those rights described in Articles XIX, XX, XXI or XXV of this Declaration, or by the Association pursuant to Section 16.8 below, or as otherwise permitted by the Act or other provisions of this Declaration, and except as limited by Section 16.4 and Article XI of this Declaration, or by certain provisions of the Act, this Declaration, including the Plats and Plans, may be amended only by vote or agreement of Unit Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated.

Section 16.2. Limitation of Challenges. No action to challenge the validity of an amendment adopted by the Association pursuant to this Article may be brought more than one year after the amendment is recorded.

Section 16.3. Recordation of Amendments. Every amendment to this Declaration shall be recorded in the county in which the Property is located and is effective only on recording. An amendment shall be indexed in the name of the Condominium in both the grantor and grantee index.

Section 16.4. When Unanimous Consent Required. Except to the extent expressly permitted or required by other provisions of the Act and this Declaration, no amendment may create or increase Special Declarant Rights, increase the number of Units, change the boundaries of any Unit, the Percentage Interest of any Unit, or the uses to which any Unit is restricted, in the absence of unanimous consent of the Unit Owners.

Section 16.5. Execution of Amendments. Amendments to this Declaration required by the Act to be recorded by the Association, which have been adopted in accordance with this Declaration and the Act, shall be prepared, executed, recorded and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

Section 16.6. Special Declarant Rights. Provisions in this Declaration or in the Act creating Special Declarant Rights may not be amended without the consent of the Declarant.

Section 16.7. Consent of Holders of Security Interests. Amendments are subject to the consent requirements of Article XI.

Section 16.8. Corrective 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 that is defective, or with the Act, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Property, 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 subsection.

ARTICLE XVII

AMENDMENTS TO BYLAWS

Section 17.1. Amendments to Bylaws. The Bylaws may be amended only by vote of two-thirds (2/3) of the members of the Executive Board, following Notice and Comment to all Unit Owners, at any meeting duly called for such purpose.

ARTICLE XVIII

RIGHTS TO NOTICE AND COMMENT; NOTICE AND HEARING

Section 18.1. Right to Notice and Comment. Before the Executive Board amends the Bylaws or the Rules and Regulations, whenever the Condominium Documents require that an action be taken after "Notice and Comment", and at any other time the Executive Board determines, the Unit Owners have the right to receive notice of the proposed action and the right to comment orally or in writing. Notice of the proposed action shall be given to each Unit Owner in writing and shall be delivered personally or by mail to all Unit Owners at such address as appears in the records of the Association, or published in a newsletter or similar publication which is routinely circulated to all Unit Owners. The notice shall be given not less than five (5) days before the proposed action is to be taken. The

right to Notice and Comment does not entitle a Unit Owner to be heard at a formally constituted meeting.

Section 18.2. Right to Notice and Hearing. Whenever the Condominium Documents require that an action be taken after "Notice and Hearing", the following procedure shall be observed: The party proposing to take the action (e.g., the Executive Board, a committee, an officer, the manager, etc.) shall give written notice of the proposed action to all Unit Owners or occupants of Units whose interest would be significantly affected by the proposed action. The notice shall include a general statement of the proposed action and the date, time and place of the hearing. At the hearing, the affected person shall have the right, personally or by a representative, to give testimony orally, in writing or both (as specified in the notice), subject to reasonable rules of procedure established by the party conducting the meeting to assure a prompt and orderly resolution of the issues. Such evidence shall be considered in making the decision but shall not bind the decision makers. The affected person shall be notified of the decision in the same manner in which notice of the meeting was given.

Section 18.3. Appeals. Any Person having a right to Notice and Hearing shall have the right to appeal to the Executive Board from a decision of persons other than the Executive Board by filing a written notice of appeal with the Executive Board within ten (10) days after being notified of the decision. The Executive Board shall conduct a hearing within thirty (30) days, giving the same notice and observing the same procedures as were required for the original meeting.

ARTICLE XIX

CONVERTIBLE REAL ESTATE

Section 19.1. Reservation. Declarant hereby explicitly reserves an option, until the seventh (7th) anniversary of the recording of this Declaration, to convert all or any portion of the Convertible Real Estate to Units, Limited Common Elements or any combination thereof from time to time in compliance with Section 3211 of the Act, without the consent of any Unit Owner or holder or insurer of any Security Interest in any Unit. This option to convert may be terminated prior to such anniversary only upon the filing of an amendment to this Declaration by the Declarant. Declarant expressly reserves the right to convert any or all portions of the Convertible Real Estate at

any time, at different times, in any order, without limitation and without any requirement that any other real estate be converted, added or withdrawn; provided, however, that the Convertible Real Estate shall not exceed the area(s) described as such on Exhibit D hereto. There are no other limitations on this option to convert Convertible Real Estate.

Section 19.2. Assurances. If the Convertible Real Estate is converted, the Building(s) on the Convertible Real Estate will be located approximately as shown on the General Layout Plan for Woodland View recorded in York County Plan Book KK, Page 747, as the same may be amended or modified by Declarant from time to time in accordance with Manchester Township and other governmental requirements. At such time as the Convertible Real Estate is completely converted, the maximum number of Units in the Convertible Real Estate as an aggregate will be no more than ninety-five (95) Units. All Units that may be created within the Convertible Real Estate are restricted to residential use to the same extent as all other Units. Any Buildings to be constructed within the Convertible Real Estate and Units therein shall be consistent (but not necessarily the same) in quality of construction, materials and architectural style with the Buildings and Units on other portions of the Property. All restrictions in this Declaration affecting use, occupancy and alienation of Units and Limited Common Elements shall apply to Units and Limited Common Elements created within the Convertible Real Estate. No assurances are made as to any other improvements and Limited Common Elements to be made or created in the Convertible Real Estate, nor the proportion of Limited Common Elements to Units therein. The reallocation of Percentage Interests in the Convertible Real Estate and the Property shall be computed as required by Section 2.1 above.

ARTICLE XX

WITHDRAWABLE REAL ESTATE

Section 20.1. Reservation. Declarant hereby explicitly reserves an option, until the seventh (7th) anniversary of the recording of this Declaration, to withdraw all or any portion of the Withdrawable Real Estate in compliance with Section 3212 of the Act, without the consent of any Unit Owner or holder or insurer of any Security Interest in any Unit. This option to withdraw may be terminated prior to such anniversary only upon the filing of an amendment to this Declaration by the Declarant. Declarant expressly reserves the right to withdraw any or

all portions of the Withdrawable Real Estate at any time, at different times, in any order, without limitation and without any requirement that any other real estate be converted, added or withdrawn; provided, however, that the Withdrawable Real Estate shall not exceed the area(s) described as such on Exhibit D hereto. There are no other limitations on this option to withdraw Withdrawable Real Estate. The Percentage Interest, relative voting strength in the Association and share of Common Expense liability of each Unit in the Condominium as of the date this Declaration or any amendments thereto are recorded will be unaffected by the withdrawal of all or any part of the Withdrawable Real Estate. In the event that Declarant shall withdraw all or any portion of the Withdrawable Real Estate, the assurances, if any, contained in this Declaration shall not apply to the Withdrawable Real Estate withdrawn from the Condominium.

ARTICLE XXI

OPTION TO EXPAND THE CONDOMINIUM

Section 21.1. Reservation. Declarant hereby explicitly reserves an option, until the seventh (7th) anniversary of the recording of this Declaration, to add Additional Real Estate to the Condominium in compliance with Section 3211 of the Act, without the consent of any Unit Owner or holder or insurer of any Security Interest in any Unit. This option to expand may be terminated prior to such anniversary only upon the filing by Declarant of an amendment to this Declaration. Declarant expressly reserves the right to add the Additional Real Estate at any time, at different times, in any order, without limitation and without any requirement that any other real estate be added, converted or withdrawn; provided, however, that the Additional Real Estate shall not exceed the area described as such on Exhibit E hereto. There are no other limitations on this option to add Additional Real Estate to the Condominium. Any Additional Real Estate added to the Condominium shall be added as Convertible and Withdrawable Real Estate subject to all of the provisions of Articles XIX and XX, inter alia, of this Declaration.

Section 21.2. Assurances. Declarant hereby makes the assurance as to the location and description of improvements and Common Elements which may be made or created within the Additional Real Estate, namely that such improvements and Common Elements will be substantially as shown in the Plats and

Plans attached hereto. At such time as the Condominium is expanded, the maximum number of Units created within the Additional Real Estate as an aggregate will be ten (10) Units which are hereby restricted to residential use to the same extent as all other Units. An assurance is hereby given that any improvements to be constructed on the Additional Real Estate and the Units therein are and will be compatible in quality, size, materials and architectural style with the Units in the Property. Declarant expressly reserves the right to designate Common Elements in the Additional Real Estate which may be assigned subsequently as Limited Common Elements. Declarant makes no assurances as to type, size, maximum number of such Common Elements or Limited Common Elements or proportion of Limited Common Elements to the Unit. The reallocation of Percentage Interests in the Additional Real Estate and the Property shall be computed by use of the formula set forth in Section 2.1 herein. All restrictions in this Declaration affecting use, occupancy and alienation of Units shall apply to the Units created in the Additional Real Estate. In the event that Declarant does not add any portion of the Additional Real Estate, the assurances contained in this Article shall not apply.

ARTICLE XXII

INTERPRETATION

Section 22.1. Interpretation. The provisions of this Declaration shall be liberally construed in order to effectuate Declarant's desire to create a uniform plan for development and operation of a condominium project. The headings preceding the various paragraphs of this Declaration and the Table of Contents are intended solely for the convenience of readers of this Declaration.

ARTICLE XXIII

SEVERABILITY

Section 23.1. Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof unless such deletion shall destroy the uniform plan for development and operation of the condominium project which this Declaration is intended to create.

ARTICLE XXIV

EFFECTIVE DATE

Section 24.1. Effective Date. This Declaration shall become effective when it and the Plats and Plans have been recorded.

IN WITNESS WHEREOF, Declarant, intending to be legally bound hereby has duly executed this Declaration, as of this _____ day of _____, 1991.

WITNESS:

DECLARANT:
CAPITOL VIEW ASSOCIATES:

By _____ (SEAL)

David E. Dyson, James P. Stephens, Jr., John H. Rhodes, Michael K. Lau or Jeffrey D. Billman, Attorney-in-fact for Capitol View Associates pursuant to Power of Attorney dated March 13, 1991 recorded in York County Record Book 137, Page 961 and re-recorded in Record Book 180, Page 707.

EXHIBIT "A"

LEGAL DESCRIPTION OF THE REAL ESTATE

ALL THAT CERTAIN lot or tract of land situate in Manchester Township, York County, Pennsylvania, more particularly bounded and described in accordance with the Plats and Plans, as follows, to wit:

BEGINNING at a point on the east side of right-of-way line of Mayfield Street (50 feet wide); said point of BEGINNING being located 25 feet perpendicularly from a point in the centerline of said Mayfield Street, said point in centerline of said Mayfield Street being southeast a distance of approximately 140 feet from the centerline intersection of said Mayfield Street with the centerline of Woodward Road (50 feet wide), said point of BEGINNING also being the southwest property corner of not No. 199 of Section 2 Subdivision Plan for Woodlawn View Development (also known as Section G Woodlawn View Development); thence along the south of said Lot No. 199 North 58 degrees 39 minutes 40 seconds East the distance of 120 feet to a point; thence by a curve to the right having a radius of 675 feet an arc distance of 95.95 feet; thence North 22 degrees 01 minute 40 seconds West a distance of 50 feet; thence by a curve to the left having a radius of 805 feet an arc distance of 277.48 feet to a point; thence North 47 degrees 07 minutes 50 seconds East a distance of 255.87 feet; thence South 42 degrees 47 minutes 00 seconds East a distance of 197.96 feet; thence South 66 degrees 28 minutes 25 seconds East a distance of 140 feet; thence North 49 degrees 19 minutes 05 seconds East a distance of 314.10 feet; thence South 80 degrees 26 minutes 30 seconds East a distance of 103.98 feet; thence South 27 degrees 56 minutes 30 seconds East a distance of 370.08 feet; thence South 08 degrees 03 minutes 30 seconds West a distance of 452.61 feet; thence North 81 degrees 56 minutes 30 seconds West a distance of 160 feet; thence South 08 degrees 03 minutes 30 seconds West the distance of 45 feet; thence by a curve to the right having a radius of 322.5 feet an arc distance of 159.57 feet; thence North 53 degrees 17 minutes 30 seconds West a distance of 50 feet; thence North 53 degrees 38 minutes 55 seconds West a distance of 322.07 feet to a point; thence by a curve to the right having a radius of 675 feet an arc distance of 210.43 feet; thence South 58 degrees 39 minutes 40 seconds West a distance of 120 feet; thence by a curve to the right having a radius of 795 feet an arc distance of 50.02 feet to a point, the place of BEGINNING.

CONTAINING 12.7269 acres.

BEING the same premises which Hayshire Limited Partnership, a Pennsylvania limited partnership, by deed dated March 13, 1991 and recorded in the Office of the York County Recorder of Deeds in Record Book 136, Page 552 granted and conveyed unto Capitol View Associates, Declarant herein.

EXHIBIT "B"

PERCENTAGE INTEREST IN COMMON ELEMENTS,
 SHARE OF COMMON EXPENSES
 AND VOTES, APPURTENANT TO UNITS

<u>Unit Identifying Number</u>	<u>Percentage Interest (%)</u>	<u>Number of Votes</u>
Building A		
Unit 900	9.1	9.1
901	9.1	9.1
902	9.1	9.1
903	9.1	9.1
904	9.1	9.1
905	9.1	9.1
Building C		
Unit 906	9.1	9.1
907	9.1	9.1
908	9.1	9.1
909	9.1	9.1
910	<u>9.1</u>	<u>9.1</u>
GRAND TOTALS	<u>100.1</u>	<u>100.1</u>

EXHIBIT "C"

PLATS AND PLANS

The Plats and Plans for Woodland View, A Townhome Condominium, consisting of ten (10) pages, have been filed in the Office of the Recorder of Deeds in and for York County, Pennsylvania, concurrently with the filing of this Declaration, and said Plats and Plans are hereby incorporated herein and made an integral part hereof by this reference thereto.

EXHIBIT C

EXHIBIT "D"

LEGAL DESCRIPTION OF THE
CONVERTIBLE/WITHDRAWABLE REAL ESTATE

ALL THAT CERTAIN parcel or tract of land situate in Manchester Township, York County, Pennsylvania more particularly bounded and described on Exhibit "A" to this Declaration, excepting thereout and therefrom:

~~ALL THAT CERTAIN~~ tract or parcel of land situate in Manchester Township, York County, Commonwealth of Pennsylvania more particularly bounded and described in accordance with the Plats and Plans and labelled as Phase 1 thereon, as follows, to wit:

BEGINNING at a point in the centerline of the paved cartway of Skyview Drive (T-827), said point of beginning being located approximately 145.00 feet northeast of the intersection of Mayfield Street (T-948) and said Skyview Drive (T-827); thence from said point of beginning across said Skyview Drive (T-827) North 53 degrees 17 minutes 30 seconds West, a distance of 21.79 feet to a point on the northwest side right-of-way line of said Skyview Drive (T-827), said point also being the northeast property corner of lands now or formerly of Jennings W. and Shirley A. Hamilton; thence along the northeast property line of lands of said Jennings W. and Shirley A. Hamilton North 53 degrees 38 minutes 55 seconds West, a distance of 69.48 feet to a point on the northeast property line of lands of said Jennings W. and Shirley A. Hamilton; thence in and through lands of Capitol View Associates known as Woodland View, A Townhome Condominium North 07 degrees 56 minutes 01 second East, a distance of 210.82 feet to a point; thence by same North 07 degrees 43 minutes 57 seconds West, a distance of 120.10 feet to a point; thence by same North 40 degrees 24 minutes 55 seconds East, a distance of 114.17 feet to a point in the centerline of Skyview Drive extended (a private drive) and being lands of said Capitol View Associates known as Woodland View, A Townhome Condominium; thence in and along the centerline of said Skyview Drive extended along a curve to the right having a radius of 150.00 feet, an arc length of 131.91 feet, a chord bearing South 24 degrees 23

minutes 27 seconds East, a chord distance of 127.70 feet to a point in the centerline of said Skyview Drive extended; thence along the centerline of said Skyview Drive extended South 00 degrees 48 minutes 11 seconds West, a distance of 118.78 feet to a point in the centerline of said Skyview Drive extended; thence by same and along a curve to the right having a radius of 480.00 feet, an arc length of 245.28 feet, a chord bearing South 15 degrees 26 minutes 33 seconds West, a chord distance of 242.62 feet to a point in the centerline of the cartway of said Skyview Drive extended and said Skyview Drive (T-827) and point of BEGINNING.

BEING Phase 1 of Woodland View, A Townhome Condominium, containing 1.0625 acres.

EXHIBIT "E"

LEGAL DESCRIPTION OF THE ADDITIONAL REAL ESTATE

ALL THAT CERTAIN lot or tract of land situate in
Manchester Township, York County, Pennsylvania, identified as
Lot No. 15 on the Revised Final Subdivision Plan for Woodland
Hills Lot 15 as recorded in York County Plan Book KK, Page 928.

EXHIBIT E

BYLAWS

OF

WOODLAND VIEW CONDOMINIUM ASSOCIATION

(Pursuant to the provisions of the
Pennsylvania Uniform Condominium Act,
68 Pa. C.S. §3101, et seq.)

Date: July 26, 1991

BYLAWS
OF
WOODLAND VIEW
CONDOMINIUM ASSOCIATION

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Including in 2.1 - Membership Initial Common Assessment: A \$300.00 Initial Common Assessment shall be collected upon the initial sale of each Unit and upon the resale of each Unit. Each new Purchaser shall pay an initial \$300.00 payment to Woodland View Condominium Association, which payment shall be placed in an account established for the long-term maintenance of all major Common Elements, i.e. driveway repaving, roof replacement and siding replacement, or for such major repairs as so deemed by the Association.

Article XI -

11.7 - The word "audit" shall be changed to the word "review."

BYLAWS
OF
WOODLAND VIEW
CONDOMINIUM ASSOCIATION

BYLAWS

ARTICLE I

Introductory Provisions

1.1. Applicability. These Bylaws provide for the governance of the Woodland View Condominium Association (the "Association") pursuant to the requirements of Section 3306 of the Act with respect to the Condominium created by the recording of the Declaration among the land records of Cumberland County.

1.2. Definitions. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration to which these Bylaws pertain or, if not defined therein, the meanings specified or used for such terms in the Act.

1.3. Compliance. Pursuant to the provisions of the Act, every Unit Owner and all Persons entitled to occupy a Unit shall comply with these Bylaws.

1.4. Office. The office of the Condominium, the Association, and the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

1.5. Incorporation of Statutory Law. Except as expressly provided herein, in the Declaration, or in the Act, the Association shall be governed by the provisions of the Non-profit Corporation Law of 1988 of the Commonwealth of Pennsylvania, 15 Pa. C.S. §5101, et seq., as amended from time to time (the "Corporation Law"). The "Board of Directors" described therein shall be referred to herein and in the Declaration as the "Executive Board."

ARTICLE II

The Association

2.1. Membership. The Association is a Pennsylvania non-profit corporation established on a non-stock basis, all the members of which are the Unit Owners of the Property. The Declarant, being the initial owner of all Units, shall initially constitute all of the members of the Association. A Person shall automatically become a member of the Association at the time he acquires legal title to his Unit and he shall continue to be a member so long as he continues to hold title to such Unit. A Person shall automatically cease being a member at such time as he no longer holds legal title to his Unit. A Unit Owner shall not be permitted to resign from membership in the Association prior to the time at which he transfers title to his Unit to another. No membership may be transferred in any way except as an appurtenance to the transfer of title to the Unit to which that membership pertains. Transfer of membership shall be automatic upon transfer of title, but the Association may treat the prior Unit Owner as the member for all purposes until satisfactory evidence of the recording of the instrument transferring title shall be presented to the Secretary of the Executive Board. The date of recordation of an instrument of conveyance in the Office of the York County Recorder of Deeds shall be determinative of all disputes concerning the date of transfer of title to any Unit.

2.2. Purpose. Except as otherwise established by the Executive Board, the Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting assessments and charges, arranging for the management of the Condominium and performing all of the other acts that may be required or permitted to be performed by the Association pursuant to the Act and the Declaration. The foregoing responsibilities shall be performed by the Executive Board or Managing Agent as more particularly set forth in these Bylaws.

2.3. Annual Meetings. Except as otherwise established by the Executive Board, the annual meetings of the Association shall be held on the second Thursday of November of each year unless such date shall occur on a holiday, in which event the meeting shall be held on the succeeding Monday. At such annual meetings the Executive Board shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 3.5 of these Bylaws and such other business as may properly come before the meeting may be transacted.

2.4. Budget Meeting. Any meetings of Unit Owners to consider proposed budgets shall be called in accordance with Sections 10.5 and 10.6 of the Declaration. The budget may be considered at Annual or Special Meetings called for other purposes as well.

2.5. Special Meetings.

(a) Convened by Executive Board or Unit Owners. Special meetings of Unit Owners may be called by the President, a majority of the Executive Board, or upon a petition signed and presented to the Secretary by Unit Owners entitled to cast at least twenty percent (20%) of the votes in the Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within thirty (30) days after receipt by the President of said resolution or petition. No business shall be conducted at a special meeting except as stated in the notice.

(b) First Special Election Meeting. Within sixty (60) days after conveyance of twenty-five percent (25%) of the Units to Unit Owners other than the Declarant, a special meeting of the Association shall be held at which one (1) of the three (3) members of the Executive Board designated by the Declaration shall resign (such member to be selected by the Declarant), and the Unit Owners, excluding the Declarant as a Unit Owner, shall thereupon elect a successor member of the Executive Board to act in the place and stead of the member resigning. Such successor member shall serve until the second special election meeting of the Association to be held in accordance with subsection (c) below.

(c) Second Special Election Meeting. Not later than the earlier of (i) seven (7) years after the date of the recording of the Declaration, or (ii) one hundred eighty (180) days after seventy-five percent (75%) of the Units have been conveyed to Unit Owners other than Declarant, a special meeting of the Association shall be held at which all members of the Executive Board shall resign, and the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect successor members of the Executive Board to act in the place and stead of those resigning. The successor member receiving the highest number of votes shall serve until the fourth annual meeting of the Association following the meeting at which he or she was elected. The successor member receiving the second highest number of votes shall serve until the third annual meeting of the Association following the meeting at which he or she was elected. The successor member receiving

the third highest number of votes shall serve until the second annual meeting of the association following the meeting at which he or she was elected. The purpose of this format is to establish staggered terms so that one (1) of the three (3) Executive Board members will be elected each year. Notwithstanding the foregoing exceptions, pursuant to Section 3.5 below, a full regular term of office is three (3) years.

(d) Combining Special Election Meetings with Annual Meeting. Notwithstanding the foregoing, if any meeting required pursuant to subparagraphs (b) and (c) above could be held on the date an annual meeting of the Association is scheduled, then such meeting(s) may be held concurrently with such annual meeting.

2.6. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Executive Board.

2.7. Notice of Meetings. The Secretary shall give to each Unit Owner a notice of each annual, regularly scheduled or special meeting of the Association not less than ten (10) nor more than sixty (60) days in advance of any meeting, stating the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or the Bylaws. The giving of a notice of meeting in the manner provided in this Section and Section 10.1 of these Bylaws shall be considered service of notice.

2.8. Quorum and Adjournment of Meetings. Except as otherwise provided in these Bylaws, the presence in person or by proxy of twenty percent (20%) or more of the Unit Owners shall constitute a quorum at all meetings of the Association. If at any meeting of the Association a quorum is not present, Unit Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than twenty-four (24) hours after the time for which the original meeting was called.

2.9. Order of Business. The order of business at all meetings of the members of the Association shall be as follows:

- (a) Roll call (proof of quorum).
- (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 members of the Executive Board, if applicable to such meeting.

(f) Unfinished business.

(g) New business.

(h) Adjournment.

2.10. Conduct of Meetings. The President (or in his absence, the Vice President) shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws or the Act. All votes shall be tallied by tellers appointed by the President or other officer presiding over the meeting.

2.11. Voting.

(a) Number of Votes Held by Unit Owners. Voting at all meetings of the Association shall be on a percentage basis and the number of votes to which each Unit Owner is entitled is set forth in the Declaration.

(b) Multiple Owners of a Unit. Where the ownership of a Unit is in more than one (1) Person, and if only one of the multiple owners is present at a meeting of the Association, the Person who shall be entitled to cast the vote of such Unit shall be the Person owning such Unit who is present. If more than one (1) Person owning such Unit is present, then such vote shall be cast only in accordance with their unanimous agreement. There shall be deemed to be unanimous agreement if any one (1) of the multiple owners casts the votes allocated to that Unit without protest being made promptly to the Person presiding over the meeting by any of the other Owners of the Unit.

(c) Percentage of Votes Required to Adopt Decisions. Except with respect to election of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, a "Majority Vote" is required to adopt decisions at any meeting of the Association. A "Majority Vote" means a vote by Unit Owners vested with more than fifty percent of the votes (as allocated in the Declaration) actually voted in person or by proxy at a duly convened meeting at which a quorum is present.

(d) Election of Executive Board Members. In all elections for Executive Board members, each Unit Owner shall be entitled to cast for each vacancy to be filled at such election the number of votes allocated to the Unit or Units owned by such Unit Owner as provided in the Declaration. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected and, if Executive Board members are being elected to unequal terms, the candidates receiving the highest number of votes shall be elected to the longest terms.

(e) Declarant's Right to Vote Its Units. Except as set forth in Section 2.5(b), if the Declarant owns or holds title to one (1) or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled.

(f) Association Has No Vote. No votes allocated to a Unit owned by the Association may be cast.

(g) No Cumulative or Class Voting. There shall be no cumulative or class voting.

2.12. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner, a holder of a mortgage on a Unit or the Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the Person presiding over the meeting of written notice of revocation from the grantor(s) of the proxy.

2.13. Action Without Meeting. Any action required or permitted to be taken by a vote of the members of the Association may be taken without a meeting by unanimous written consent executed by all Unit Owners stating the action so taken. Any

such written consent shall be filed with the minutes of the proceedings of the Association.

ARTICLE III

Executive Board

3.1. Number and Qualification. The affairs of the Association shall be governed by an Executive Board. The Executive Board shall be composed of three (3) natural persons, all of whom shall be Unit Owners or designees of the Declarant. The size of the Executive Board is subject to change as provided in Article 12 of the Declaration.

3.2. Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, these Bylaws or the Act. The Executive Board shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Condominium which shall include, but not be limited to, the following:

- (a) Adopt and amend Bylaws, rules and regulations;
- (b) Adopt and amend budgets for revenues, expenditures and reserves;
- (c) Collect assessments for Common Expenses from Unit Owners;
- (d) Hire and discharge managing agents;
- (e) Hire and discharge employees and agents other than managing agents and independent contractors;
- (f) Institute, defend or intervene in litigation or administrative proceedings in the Association's name on behalf of the Association or two or more Unit Owners on matters affecting the Condominium;
- (g) Make contracts and incur liabilities;
- (h) Regulate the use, maintenance, repair, replacement and modification of the Common Elements;

(i) Cause additional improvements to be made as a part of the Common Elements;

(j) Acquire, hold, encumber and convey in the Association's name any right, title or interest to real property or personal property but Common Elements may be conveyed or subjected to a Security Interest only pursuant to the provisions of the Act;

(k) Grant easements for any period of time including permanent easements, and leases, licenses and concessions for no more than one year, to or over the Common Elements;

(l) Impose and receive payments, fees or charges for the use, rental or operation of the Common Elements, and for services provided to Unit Owners;

(m) Impose charges or interest or both for late payment of assessments and, after Notice and Hearing, levy reasonable fines for violations of the Declaration, Bylaws, rules and regulations of the Association;

(n) Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates or statements of unpaid assessments;

(o) Provide for the indemnification of the Association's officers and Executive Board and maintain directors' and officers' liability insurance;

(p) Maintain property and liability insurance in connection with the Condominium in accordance with the provisions of the Declaration and Section 3312 of the Act;

(q) Effectuate any merger of the Association with any other condominium association;

(r) Assign the Association's right to future income, including the right to receive Common Expense assessments;

(s) Exercise any other powers conferred by the Act, Declaration or Bylaws;

(t) Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association;

(u) Exercise any other powers necessary and proper for the governance and operation of the Association; and

(v) By resolution, establish committees of the Executive Board, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within thirty (30) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular or special meeting.

3.3. Standard of Care. In the performance of their duties, the officers and members of the Executive Board are required to exercise the care required of fiduciaries of the Unit Owners, if appointed by the Declarant, and ordinary and reasonable care if elected by the Unit Owners.

3.4. Delegation of Powers; Managing Agent. The Executive Board may employ for the Condominium a "Managing Agent" at a compensation established by the Executive Board to perform such duties and services as the Executive Board shall authorize. Where a Managing Agent does not have the power to act under the Act, the Declaration or these Bylaws, such duties shall be performed as advisory to the Executive Board. The Executive Board may delegate to the Managing Agent only the powers granted to the Executive Board by these Bylaws under subsections 3.2(c), (e), (g) and (h).

Any contract with the Managing Agent must provide that it may be terminated with cause on no more than thirty (30) days' written notice and without cause on no more than ninety (90) days' written notice. This right of termination shall not require the payment of any penalty by the Association. The term of any such contract may not exceed one (1) year.

3.5. Election and Term of Office. Subject to Article 12 of the Declaration, the election of members of the Executive

Board shall be held at the annual meetings of the Association. Nominations for members of the Executive Board may be submitted either in advance of the election meeting or from the floor at the meeting at which the election is held, or both. The term of office of any Executive Board member to be elected (except as set forth in Sections 2.5(b) and (c) and 3.7 hereof) shall be fixed at three (3) years. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal, or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

3.6. Removal or Resignation of Members of the Executive Board. Except with respect to members designated by Declarant, at any regular or special meeting of the Association duly called, any one (1) or more of the members of the Executive Board may be removed with or without cause by Unit Owners entitled to cast a majority of all votes in the Association and a successor may then and there be elected to fill the vacancy thus created. Any Unit Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit Owner shall be given at least ten (10) days' notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit. Declarant shall have the right to remove and replace any or all members appointed by Declarant at any time and from time to time until the required resignation date specified in Section 12.1 of the Declaration.

3.7. Vacancies. Except as set forth in Section 3.6 above with respect to members appointed by Declarant, vacancies in the Executive Board caused by any reason other than the removal of a member by a vote of the Unit Owners shall be filled by a vote of a majority of the remaining members at a special meeting of the Executive Board held for such purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Executive Board for the remainder of the term of the member being replaced. In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term.

3.8. Organization Meeting. The first meeting of the Executive Board following each annual meeting of the Associa-

tion shall be held within ten (10) days thereafter at such time and place as shall be fixed by the President (even if he is the outgoing President) at the meeting at which such Executive Board shall have been elected, and no notice shall be necessary to the newly elected members of the Executive Board in order legally to constitute such meeting, if a majority of the Executive Board members shall be present at such meeting.

3.9. Regular Meetings. Regular meetings of the Executive Board may be held at such time and place as shall be determined from time to time by a majority of the members, but such meetings shall be held at least once during each fiscal year. Notice of regular meetings of the Executive Board shall be given to each member, by personal delivery or by mail or telegraph, at least three (3) business days prior to the day named for such meeting.

3.10. Special Meetings. Special meetings of the Executive Board may be called by the President on at least three (3) business days' notice to each member, given by hand delivery or by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Executive Board.

3.11. Waiver of Notice. Any member may waive notice of any meeting in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Executive Board shall constitute a waiver of notice. If all members are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

3.12. Quorum of the Executive Board. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, the member present may adjourn the meeting. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One (1) or more members of the Executive Board may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar communications

equipment by means of which all persons participating in the meeting can hear each other.

3.13. Compensation. No member of the Executive Board shall receive any compensation from the Association for acting as such, but may be reimbursed for any reasonable expenses incurred in the performance of his duties.

3.14. Conduct of Meetings. The President shall preside over all meetings of the Executive Board and the Secretary shall keep a minute book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Executive Board if and to the extent not in conflict with the Declaration, these Bylaws or the Act.

3.15. Action Without Meeting. Any action by the Executive Board required or permitted to be taken at any meeting may be taken without a meeting if all the members of the Executive Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board.

3.16. Validity of Contracts With Interested Executive Board Members. No contract or other transaction between the Association and one (1) or more of its Executive Board members or between the Association and any corporation, firm, or association in which one (1) or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

(a) The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board, whether or not such interest is noted in the minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote of such Executive Board member; or

(b) The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

3.17. Inclusion of Interested Executive Board Members in the Quorum. Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association ~~may~~ be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.16 hereof.

3.18. Corporate Employees and Partners. Notwithstanding any other provision contained in the Condominium Documents, if an employee or officer of a corporate Unit Owner or a partner of a partnership Unit Owner serves as a member of the Executive Board, and such employee, officer or partner dies, or if his employment or partnership relationship is terminated, such individual shall thenceforth cease to be a member of the Executive Board and the corporate or partnership Unit Owner shall immediately designate another employee, officer or partner to succeed the former Executive Board member and to complete his term as such Executive Board member.

ARTICLE IV

Officers

4.1. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary. The President and Vice President shall be members of the Executive Board. Any other officers may, but need not, be Unit Owners or members of the Executive Board. An officer other than the President may hold more than one (1) office.

4.2. Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Board and shall hold office at the pleasure of the Executive Board.

4.3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Executive Board, any officer may

be removed, either with or without cause, and a successor may be elected at any meeting of the Executive Board called for such purpose.

4.4. President. The President shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Executive Board and have all of the general powers and duties which are incident to the office of president of a corporation organized under the laws of Pennsylvania including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

4.5. Vice President. The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be delegated or assigned him by the Executive Board or by the President.

4.6. Secretary.

(a) General Duties. The Secretary shall keep the minutes of all meetings of the Association and of the Executive Board, have charge of such books and papers as the Executive Board may direct, maintain a register setting forth the place to which all notices to Unit Owners and holders of mortgages on any Units hereunder shall be delivered and, in general, perform all the duties incident to the office of secretary of a corporation organized under the laws of Pennsylvania.

(b) Official List of Unit Owners. The Secretary shall make an attempt to compile and maintain at the principal office of the Association, an updated list of Unit Owners and their last known post office addresses. Such lists shall also show opposite each Unit Owner's name the address of the Unit owned by such Unit Owner. The list shall be revised by the Secretary to reflect changes in ownership of Units occurring prior to the date of each annual or special meeting of the Association. This list shall be open to inspection by all Unit Owners and other persons lawfully entitled to inspect the same during regular business hours up to the date of each such annual or special meeting.

4.7. Treasurer. The Treasurer shall be responsible for
(a) the safekeeping of the Association funds and securities,
(b) keeping full and accurate financial records and books of

account showing all receipts and disbursements, (c) the preparation of all required financial data, and (d) for the deposit of all monies in the name of the Executive Board or the Association, in such depositories as may from time to time be designated by the Executive Board and, in general, perform all the duties incident to the office of treasurer of a corporation organized under the laws of Pennsylvania.

4.8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in amounts greater than five percent (5%) of the annual budget of the Association shall be executed by two (2) officers of the Association designated for this purpose by the Executive Board. All such instruments for expenditures or obligations in amounts equal to or less than five percent (5%) of the annual budget of the Association may be executed by either the President or Vice President.

4.9. Compensation. No officer shall receive any compensation from the Association for acting as such officer, but may be reimbursed for any out-of-pocket expenses incurred in performing his duties; provided, however, the Secretary and Treasurer may be compensated for their services if the Executive Board determines such compensation to be appropriate.

4.10. Resale Certificates and Statements of Unpaid Assessments. The Treasurer, Assistant Treasurer, Secretary, or a manager employed by the Association, or, in their absence, any officer having access to the books and records of the Association, may prepare, certify, and execute resale certificates in accordance with Section 3407(b) of the Act and statements of unpaid assessments in accordance with Section 3315(g) of the Act. The form resale certificate attached as Exhibit B hereto shall be deemed to satisfy the foregoing provisions of the Act. The Association may charge a reasonable fee for preparing resale certificates and statements of unpaid assessments.

ARTICLE V

Maintenance

5.1. Maintenance Responsibilities. The maintenance, repair and replacement responsibility for Units and Common Elements shall be carried out by the Association and the Unit Owners in accordance with the provisions of the Act, by Article VI of the Declaration, and as set forth in Exhibit A to these Bylaws.

ARTICLE VI

Compliance and Default

6.1. Relief. Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Declaration, these Bylaws, the Rules and Regulations and the Act, as any of the same may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, a default by a Unit Owner to comply with any provisions of the Condominium Documents or the Act shall entitle the Association, acting through its Executive Board or the Managing Agent, to the following relief:

(a) Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or the act, neglect or carelessness of his tenants, guests, invitees or licensees, but only if and to the extent that such expense is not fully covered by the proceeds of insurance carried by the Association. Such liability shall include any increase in casualty insurance premiums occasioned by improper use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

(b) Costs and Attorney's Fees. In any proceedings arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of such proceeding and such reasonable attorney's fees as may be determined by the court.

(c) No Waiver of Rights. The failure of the Association, the Executive Board or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Executive Board, Rules and Regulations or the Act shall not constitute a waiver of the right of the Association, the Executive Board or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Executive Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, the Rules and Regulations or the Act shall be deemed to be cumulative and the exercise of any one (1) or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such

party by the Declaration, these Bylaws, the Rules and Regulations or the Act or at law or in equity.

(d) Abating and Enjoining Violations by Unit Owners. The violation of any of the Rules and Regulations adopted by the Executive Board, the breach of any Bylaw contained herein or the breach of any provision of the Declaration or the Act, shall give the Executive Board the right, ~~after~~ Notice and Hearing, in addition to any other rights: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass; (b) to levy fines pursuant to Section 6.2 below; and/or (c) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

See Amendment
6.2. Fine for Violation. By resolution, following Notice and Hearing, the Executive Board may levy a fine of up to \$25.00 per day for each day that a violation of the Condominium Documents or Act persists ~~after~~ such Notice and Hearing, but such amount shall not exceed that amount necessary to insure compliance with the rule or order of the Executive Board.

See Amendment
6.3. Late Charges and Interest on Delinquent Assessments. Any assessment not paid within five (5) days after its due date shall accrue a late charge in the amount of five percent (5%) of the overdue assessment in addition to interest at the rate of fifteen percent (15%) per annum or such other rate as may be determined by the Executive Board, shall constitute the personal liability of the Owner of the Unit so assessed and also shall, until fully paid, constitute a lien against such Unit pursuant to Section 3315 of the Act.

See Amendment
6.4. Disputes. In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions of interpretation or application of the provisions of this Declaration, the Plats and Plans, the Bylaws or the Rules and Regulations, the determination thereof by the Executive Board, after Notice and Hearing, shall be final and binding on each and all such Unit Owners. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief or order to assist it in carrying out its responsibilities under this Section. All costs of obtaining such a judgment shall be borne by the disputants, or

in the absence of disputants, by the Association as a Common Expense.

ARTICLE VII

Amendments

7.1. Amendments to Bylaws. These Bylaws may be amended only pursuant to the provisions of Article XVII of the Declaration.

ARTICLE VIII

Records

8.1. Records and Audit. The Association shall maintain accurate and complete financial records of the affairs of the Condominium, including such information as is required for the Association to provide resale certificates and statements of unpaid assessments as required by Section 3407(b) and 3315(g) of the Act. The financial records shall be maintained and audited in accordance with Article XI of the Declaration. The cost of the audit shall be a Common Expense unless otherwise provided in the documents.

8.2. Examination. All records maintained by the Association or by the Managing Agent shall be available for examination and copying by any Unit Owner, by any holder of a Security Interest in a Unit, or by any of their duly authorized agents or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

ARTICLE IX

Miscellaneous

9.1. Notices. All notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if hand delivered or if sent prepaid by United States mail (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owner, or (ii) if to the Association, the Managing Agent, or to the

Executive Board, at the principal office of the Association or Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one (1) Person, each such Person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

9.2. Interpretation. In the event of a conflict of interpretation between the provisions set forth in these Bylaws and the Declaration, the Declaration shall govern. 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 non-profit entities, it being the intention to preserve the lawful status of the Association as a bona-fide non-profit entity.

9.3. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

9.4. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

[Pursuant to Sections 6 and 7 of the within Certificate, attach the most recent regularly prepared balance sheet and income expense statement of the Association, if any, as well as the current operating budget of the Association.]

CHART OF MAINTENANCE RESPONSIBILITIES

EXHIBIT A

WOODLAND VIEW, A TOWNHOME CONDOMINIUM

Chart of Maintenance Responsibilities

I	II	III	IV	V
Items	Common Elements Under Association Responsibility	Limited Common Elements Under Association Responsibility	Unit Components Under Association Responsibility	Components Under the Owner's Responsibility Without Respect to Ownership of the Component
Plumbing & related systems & components thereof, including hot water heaters	All maintenance, repair & replacement of portions of plumbing servicing more than one Unit. Water damage to Common Elements or Units other than the one which is the primary source of the problem through negligence of the occupants of such Unit, at such Unit Owner's expense.	If any, same as in Column II, excepting that plumbing stoppages occurring on the Unit side of the waste stack shall be cleared by the Association at the Unit Owner's expense.	Only to the extent that a malfunction originates outside the Unit in which the malfunction occurs or may occur.	All portions within a Unit including fixtures & appliances attached to a Unit, when the primary source of such problems is through the negligence of the occupants of that Unit.

I	II	III	IV	V	Components
Items	Common Elements Under Association Responsibility	Limited Common Elements Under Association Responsibility	Unit Components Under Association Responsibility	Under the Owner's Responsibility Without Respect to Ownership of the Component	
Electrical & related systems & components thereof excluding appliances, fixtures & lights serving only one Unit.	All, in all regards.	--	--	All components on the Unit side of the Unit service panel (including the individual circuit breakers), in all regards, for items serving only one Unit.	
Heating & cooling systems & component thereof.	--	--	--	All, in all regards, for bathroom exhaust fan.	All, in all regards.
Fire places.	--	Flue cleaning at the Unit Owner's expense.	--	All components on the Unit-side.	

I	II	III	IV	V
Items	Common Elements Under Association Responsibility	Limited Common Elements Under Association Responsibility	Unit Components Under Association Responsibility	Components Under the Owner's Responsibility Without Respect to Ownership of the Component
Parking spaces.	All surface parking spaces in all regards.	If any, same as in Column II.		
Windows.	All which do not serve a Unit, in all regards.	All, in all regards except as shown in Column V.	All, in all regards except as shown in Column V.	Routine cleaning and glass replacement; Interior of window, interior trim, tracks, sills, weatherstripping hardware, including hinges, closures and locks, and all other minor maintenance items.
Doors, main entry Units.	All exterior surfaces.	All exterior surfaces.	All exterior surfaces.	Interior of door, interior trim, door panel, buck, sill, and weatherstripping. Hardware set including lock and deadbolt assembly, hinges/closure, and all other minor maintenance items.

I	II	III	IV	V
Items	Common Elements Under Association Responsibility	Limited Common Elements Under Association Responsibility	Unit Components Under Association Responsibility	Components Under the Owner's Responsibility Without Respect to Ownership of the Component
Courtyards.	--	All, in all regards except items listed in Column V.	--	Routine cleaning, snow removal and plant maintenance.
Patios and privacy fences.	--	In all regards except routine cleaning.	--	Routine cleaning.
Window and door screens.	--	--	--	All which serve the Unit in all respects. Replacements to be of same color, grade & style.
Appliances.	--	--	--	All, in all regards.

I	II	III	IV	V
<u>Items</u>	Common Elements Under Association Responsibility	Limited Common Elements Under Association Responsibility	Unit Components Under Association Responsibility	Components Under the Owner's Responsibility Without Respect to Ownership of the Component
Garage doors.	--	--	All exterior and structural main-tenance, repair and replacement, other than problems caused by negligence of a Unit Owner, which maintenance shall be done at the expense of the Unit Owner.	All routine interior maintenance, cleaning, repair and upkeep, including garage door opener and controls, hardware including locks, hinges, and tracks.

NOTES

CHART OF MAINTENANCE RESPONSIBILITIES:

This chart and the titles and headings used herein are not intended to describe or encompass all maintenance functions nor to delineate all respective responsibilities between the Unit Owners, severally, and the Association. The placement of responsibility under any specific column does not always accurately reflect the precise character and nature of ownership. The appropriate sections of the Declaration determine ownership. In many cases maintenance responsibility is allocated to the Association to ensure central maintenance responsibility, uniformity and quality of repair, and to protect community health and safety. Where such maintenance is required due to the negligent or wrongful act or omission of a Unit Owner (or his family, tenants, employees, agents, visitors, guests or pets), the Association will perform the necessary maintenance at the sole expense of the Unit Owner.

Column I: Items. Items appearing in this column are illustrative and not exhaustive.

Column II: Common Elements Under Association Responsibility. Responsibility for determining and providing for the maintenance, repair and replacement requirements of the Common Elements and determining the costs thereof shall be primarily the responsibility of the Executive Board and such designees to which it may delegate certain such responsibilities.

Column III: Limited Common Elements Under Association Responsibility. Responsibility for determining the maintenance, repair and replacement requirements of the Limited Common Elements shall be a shared responsibility between the Executive Board and the Unit Owner of a Unit to which a specific Limited Common Element is exclusively appurtenant; provided, however, that the Executive Board shall have the final responsibility for determining the need for and accomplishing such maintenance, repair and replacement activities.

Column IV: Unit Components Under Association Responsibility. The terms in this column are legally and by definition a part of a Unit but are attached or directly connected to or associated with the Common Elements and Common Expense items in such a way that a clear distinction between Unit Owner and Association responsibility cannot be made. Moreover, such items frequently involve matters of concern relative to the general health, safety and welfare of all of the occupants of the Building. Thus, certain costs which appear to benefit a single Unit Owner but which affect other Unit Owners and the general state of repair and attractiveness of the Condominium viewed as a whole are declared a Common Expense, especially when the correct functioning of an activity or element is integral to or supportive of the legally defined Common Elements and Common Expenses.

Column V: Components Under Unit Owner's Responsibility Without Respect to Ownership of the Component. The items in this column are not intended to be exclusive and all-encompassing and do not affect responsibilities expressly provided for otherwise.

Appliances: The Unit Owner is solely responsible for the maintenance, repair and replacement of all appliances located in his Unit, including any refrigerator, stove-oven, range, dishwasher, garbage disposal, trash compactor, hot water heater, washer and dryer, garage door opener, and heating, ventilating and air conditioning systems and components.

