

memo to: Cranberry Township
Attn: Ron Henshaw
2525 Rochester Rd.
Cranberry Twp PA 16016

Instr: 200802050002428 02/05/2008
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Michele Mustello T20080002068
Butler County Recorder MLCRANBERR

MASTER DECLARATION
FOR THE
PLANNED COMMUNITIES AT BELLEVUE PARK



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

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

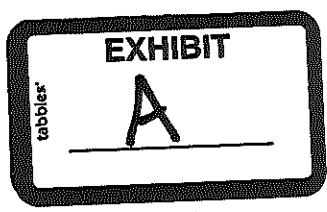


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BELLEVUE PARK

MASTER DECLARATION OF PLANNED COMMUNITY

BELLEVUE PARK PARTNERS, L.P., a Pennsylvania limited partnership, currently maintaining its principal place of business address at P.O. Box 449, Borough of Mars, Butler County, PA 16046 ("Declarant") hereby makes this Master Declaration of Planned Community (the "Declaration") with respect to certain real estate described herein.

PREAMBLE

WHEREAS, Declarant is the owner of real property located in Cranberry Township, Butler County, Pennsylvania, consisting of 121.074 Acres as shown on the BelleVue Park Plan – Phase 1, as recorded at Instrument No. 26080205000 2427 and Plan Book Volume 305, Pages 45-60, in the Office of the Recorder of Deeds of Butler County, Pennsylvania (the "Plan"); and

WHEREAS, pursuant to this Declaration, Declarant will create a master planned community known as "BelleVue Park Master Planned Community" ("Master Planned Community") with respect to those portions of the Plan designated as the Park Area, open spaces including Parcel "D-1", Parcel "D-2", Parcel "E-1", Parcel "E-2", Parcel "F", a public right-of-way known as Hamstead Lane, a public right-of-way known as Hounslow Road, a public right-of-way known as Isleworth Lane, a public right-of-way known as Lewisham Road, a public right-of-way known as Paddington Lane, a public right-of-way known as "Unknown road No. 1" (including the areas designated as "Green Space A" and "Green Space B"), a public right-of-way known as Graham Park Drive, a public right-of-way known as Wealdstone Road, a public right-of-way known as Westminster Lane (including the areas designated as Central Linear Boulevard Parks "A", "B", "C", "D", "Park Block Square A" and "Park Block Square B"), the area designated as "Rochester Road Right-of-Way, Dedication No. 1", and the area designated as "Rochester Road Right-of-Way Dedication No. 2". The streets are intended to be dedicated for public use and shall be included within the Master Planned Community as shown on the Plan until such time as such streets are accepted for dedication by Cranberry Township (the "Property"); and

WHEREAS, in connection with the development of the Property, certain improvements will be made by Declarant with respect to the Property, which improvements include entry monuments, streetlights and other various improvements; and

WHEREAS, Declarant hereby declares that the Property shall be held, improved, maintained and sold subject to the following covenants, conditions and restrictions which are for the purpose of protecting the value and desirability of the Property, which shall run as a covenant with the land subject to this Declaration, and which shall be binding on all parties having any right, title, or interest in the Property or any part thereof, and their heirs, successors, and assigns; and which shall inure to the benefit of each Owner (as hereinafter defined) and Cranberry Township.

NOW THEREFORE, Declarant hereby declares the following covenants, conditions and restrictions affecting the Property, with the intent to be legally bound hereby.

ARTICLE I
SUBMISSION

1.1 Declarant hereby makes the Property subject to the following covenants, conditions, reservations and restrictions. It is the intent of the Declarant that the Master Planned Community subject to this Declaration shall constitute a "planned community," as that term is defined in the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. §§ 5101, et seq. (the "Act").

1.2. Purposes.

a. To manage, own and maintain the Master Planned Community including, but not limited to: the maintenance, repair and replacement of entryways, the common area sidewalks (including snow and ice removal), the streetlights and fixtures, all improvements and landscaping in the Common Elements as shown on the Plan, and intended for the use and enjoyment of all residents of the Master Planned Community, all storm water facilities located within the Master Planned Community until such time, if ever, such facilities are dedicated and accepted by Cranberry Township, any walking trails and other recreational areas or amenities, intended for the use of all residents of the Master Planned Community, all streets intended for public dedication until such time as such streets are dedicated and accepted by Cranberry Township.

b. To own, purchase, manage, maintain, repair and replace any or all of the equipment, facilities and buildings used in connection with the operation of the Master Planned Community including.

c. To establish an orderly and efficient system of billing to pay for the expenses incurred in the furtherance of the purposes listed in 1.2 (a.) and (b.) above.

d. To promulgate such rules and regulations and perform such actions as are necessary to achieve the purposes listed in 1.2 (a.), (b.) and (c.) above.

ARTICLE II
DEFINITIONS

As used in this Declaration, the following terms shall have the meaning designated:

2.1. "Common Elements" shall mean all real and personal property located within the Property to be maintained by the Master Association for the common use and

enjoyment of all of the Members of the Master Association, including "Common Facilities" and "Controlled Facilities", including all entry monuments, all streets and storm water facilities until dedication to Cranberry Township.

2.2. "Declarant" shall mean BELLEVUE PARK PARTNERS, L.P., and its successors and assigns. The term "Declarant" does not include any other parties or entities, unless Special Declarant Rights are transferred through a signed and recorded instrument pursuant to the requirements of § 5304 of the Act.

2.3. "Declaration" shall mean this Declaration of Master Planned Community for the Property.

2.4. "Individual Associations" shall mean those associations which are made a part of this Master Association. Currently the planned communities of STRATFORD PARK / PADDINGTON SQUARE, WESTMINSTER ESTATES and EDMONTON COMMONS and the condominium of VILLAS AT ISLEWORTH are contemplated to be included within the Master Association.

2.5. "Lot" shall mean each single family lot included within a planned community, included within the Property, and as shown on the Plan and the various plans to be recorded in the future affecting the Property.

2.6. "Master Association" shall mean the BELLEVUE Park Master Association formed solely to own and operate the Master Planned Community.

2.7. "Master Planned Community" shall mean the Master Planned Community which was created by this Master Declaration.

2.8. "Master Association Representative" shall mean an elected Representative who is chosen by the Individual Associations who will serve as a Member of the Master Association Executive Board.

2.9. "Member" shall have the meaning described in Section 5.1.

2.10. "Mortgage" shall mean and refer to a permanent or construction mortgage, including any collateral security documents executed in connection therewith, secured by a mortgage on the Property or any part thereof.

2.11. "Mortgagees" shall mean and refer to a beneficiary or holder of a Mortgage.

2.12. "Owner" shall mean and refer to any owner of a Lot or a Unit in the Property.

2.13. "Pattern Book" shall mean those certain architectural guidelines proposed by the Declarant and as approved by Cranberry Township.

2.14. "Plan" shall mean and refer to the BelleVue Park Plan – Phase 1 as recorded on February 5, 2008, at Plan Book Volume 305, Page 45-100 in the Office of the Recorder of Deeds of Butler County, Pennsylvania, as the same may be amended from time to time

2.15. "Representative" shall have the meaning described in 2.8.

2.16. "Unit" shall mean each condominium unit, included within the Property, and as shown on the Plan and the various plans to be recorded in the future affecting the Property.

ARTICLE III EASEMENTS

3.1. Utility Easements. Declarant hereby reserves an easement over the Property, in favor of the Declarant, appropriate utility service companies and governmental agencies or authorities for such public and private utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 3.1 shall include, without limitation, the rights of the Declarant, governmental agencies or authorities 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, equipment, ducts and vents, over, under, through, along and on the Property. Declarant grants Ryan Homes the right to use such easements as necessary for the construction of improvements on the Property.

No storm sewers, sanitary sewers, electrical lines, water lines, or other utilities may be installed or relocated in the Property, except as may be approved by the Declarant.

Should any entity furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Declarant shall have the right to grant such easement over the Plan without conflicting with the terms hereof. The easements provided for in this Article shall in no way adversely affect any other recorded easement on the Plan.

The Declarant shall have the power to dedicate portions of the Common Elements to Cranberry Township, or to any other local, state or federal governmental entity and/or any utility supplier at any time.

3.2. Easement for Access to Common Elements. Declarant, on its behalf and on behalf of its successors and assigns, including future members of the Master Association, reserves a non-exclusive perpetual right of access and easement on, over and under those portions of the Common Elements for the purpose of pedestrian and vehicular ingress, egress and regress to all or any part of the Property, including the right

to modify the location of improvements to the Common Elements to facilitate such ingress, egress and regress, including without limitation the removal of obstructions to the exercise of such rights of ingress, egress and regress, and the grading or regarding of landscaped areas of the Common Elements.

3.3. Declarant's Easement to Correct Drainage. Declarant reserves an easement on, over and under those portions of the Common Elements for the purpose of maintaining and correcting drainage of surface water in order to maintain a reasonable standard of health, safety and appearance. The easement created by this Section 3.3 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 Common Elements as closely to its original condition as possible. Declarant grants the foregoing easement to correct drainage to Ryan Homes with respect to Lots and Units as required to maintain and correct drainage of surface water on the Property.

3.4. Declarant's Easement for Development of the Property in the Master Planned Community. Declarant reserves an easement on, over and under those portions of the Common Elements for all purposes relating to the construction, development, leasing and sale of improvements in the Master Planned Community. 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 directions and promotional signs. Declarant grants the rights to maintain models, sales offices and signs under Section 5217 of the Act to Ryan Homes, subject to the limitations and protections afforded pursuant to the provisions of Section 5304(e)(3) of the Act. All rights granted and reserved herein are subject to compliance with Cranberry Township ordinances.

3.5. Easement for Use of Common Elements.

- (a) Grant of Easement. Each Owner and each person lawfully on the Property is hereby granted a non-exclusive perpetual right and easement of access to and enjoyment in common with others of the Common Elements
- (b) Extent of Easement. The rights and easements of access and enjoyment created hereby shall be subject to the right of the Association to adopt Rules and Regulations governing the use of the Common Elements.

As a condition of the enjoyment of the easement created by Section 3.5, each Unit Owner shall pay to the Master Association each month an assessment levied exclusively for a proportionate share of the costs for the management, operation, repair, replacement and maintenance of the Property and for services and facilities related thereto. The

assessment payable by each such record owner shall equal the amount determined by multiplying the actual operational expenses and estimated reserves for replacements and capital improvements less any income for the Property by a fraction, the numerator of which shall be the number of occupied Lots and Units which such record owner owns and the denominator of which shall be the sum of the occupied Lots and Units within all Individual Associations. The assessment levied shall be adjusted annually by the Master Association to reflect changes in the number of occupied Lots and Units. All such assessments shall be deemed a General Common Expense, subject to collection as provided in Article VI of this Declaration. If the cash requirement estimated at the beginning of any fiscal year shall prove to be insufficient to cover the actual Common Expenses for such fiscal year, the Executive Board of the Master Association shall have the power, at any time (and from time to time) it deems necessary and proper, to levy one or more Special Assessments against each Unit Owner.

3.6. Easement for Reconstruction, Improvement, Repair or Maintenance of Common Facilities and Controlled Facilities. Easements to permit the doing of every necessary and proper act by the Declarant and/or the Master Association to properly maintain the Common Elements and Controlled Facilities are hereby granted and established. These acts shall include, but not be limited to, entry upon, over and under the Lots, Units or any part thereof, the right to use all necessary and usual equipment for the performance of such acts, the usual and common noise level associated with the use of such equipment, together with all the other common and usual activity associated with such activities.

3.7. Access Easement for Cranberry Community United Presbyterian Church. The Common Elements are hereby subject to an easement for access purposes in favor of Cranberry Community United Presbyterian Church for a roadway connecting the existing church parking lot to the BelleVue Park road system further connecting to Rochester Road.

ARTICLE IV MAINTENANCE AND RELATED EXPENSES RESPONSIBILITY

4.1. Master Association's Responsibility. The Master Association created by the Master Planned Community Declaration known as "BelleVue Park Master Planned Community" shall be responsible for the maintenance, repair and replacement of entryways, the common area sidewalks (including snow and ice removal), the streetlights and fixtures, all improvements and landscaping in the Master Common Elements as shown on the Plan and intended for the use and enjoyment of all Members of the Master Planned Community, all storm water facilities located within the Master Planned Community until such time, if ever, such facilities are dedicated and accepted by Cranberry Township, any walking trails and other recreational areas or amenities, intended for the use of all residents of the Master Planned Community, all streets intended for public dedication until such time as such streets are dedicated and accepted by Cranberry Township. The Master Association shall not be responsible for the cost of

maintenance of the Common Elements contained within the Individual Associations or within Lot 191 as shown on the Plan.

ARTICLE V
BELLEVUE PARK MASTER ASSOCIATION

5.1. Membership. In accordance with the provisions of §5222 of the Act and for the purpose of ownership and maintenance of the Common Elements and all common community services of every kind of nature required or desired within the Master Planned Community for the general use and benefit of all Owners, each and every Owner, in accepting a deed or contract for Lot or Unit in the Master Planned Community, agrees to and shall be subject to the obligations and duly enacted Bylaws and Rules and Regulations of the Master Association. The Members of the Master Association shall be the Declarant and all Owners. With respect to the affairs of the Master Association, the Owner of each Lot shall have one vote.

5.2. Succession. Upon the transfer of Declarant's control of the Master Association in accordance with Section 9.2(a), the Master Association shall succeed to the position of the Declarant with respect to the provisions of these covenants, conditions, reservations and restrictions, and the term "Declarant" herein shall then mean the "Master Association."

5.3. Powers of the Master Association. The Master Association shall have the following powers:

- (a) To adopt and amend Bylaws and Rules and Regulations; provided, however, the Master Association may amend the foregoing only after expiration of a period of seven (7) years after the date of recording of this Declaration, unless the Declarant otherwise consents.
- (b) To adopt and amend budgets for revenues, expenditures and reserves and collect assessments for Common Expenses from the Members.
- (c) To hire and terminate managing agents and other employees, agents and independent contractors.
- (d) To institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Members on matters affecting the Master Association.
- (e) To make contracts or incur liabilities.
- (f) To regulate the use, maintenance, repair, replacement and modification of the Common Elements.

- (g) To cause additional improvements to be made to the Common Elements.
- (h) To acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property, but the Common Elements may be conveyed or subjected to a security interest only in accordance with the provisions of §5318 of the Act.
- (i) To grant easements, leases, licenses and concessions through or over the Common Elements; provided, however, that any exercise of such power which would materially impair the quiet enjoyment of a Member shall require the prior written approval of the affected Member.
- (j) To impose and receive payments, fees or charges for the use, rental or operation of the Common Elements.
- (k) To impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of this Declaration and the bylaws and rules and regulations of the Master Association.
- (l) To impose reasonable charges for the preparation and recording of amendments to this Declaration, and for resale certificates required by the Act.
- (m) To provide for the indemnification of its officers and executive board and to maintain directors' and officers' liability insurance.
- (n) To exercise any other powers conferred by the Act, this Declaration or the bylaws of the Master Association.
- (o) To exercise all other powers that may be exercised in the Commonwealth of Pennsylvania by legal entities of the same type as the Master Association.
- (p) To exercise any other powers necessary and proper for the governance and operation of the Master Association.

5.4. Executive Board.

- (a) The Executive Board shall initially be composed of three natural persons, all of whom shall be designees of the Declarant. Not later than 60 days after conveyance of 25% of the Lots and Units which may be constructed within Master Planned Community to Owners other than the respective declarants of the Individual Associations, the number of members shall be increased to nine (9), five (5) of whom shall be designated by Declarant and four (4) of whom shall be elected by the Lot Owners (one from each Individual Association) If this alteration to the number of representatives shall result in an even number of members to the Executive Board, the Declarant shall choose one additional representative to sit on the Executive Board. Such members shall serve until the annual meeting of the Master Association following the meeting at which they were elected. Following this initial election, the election of representatives following the transfer of control in accordance with Section 9.2(a) hereof is to be determined in accordance with the Bylaws of the Master Association. Necessary elections shall be held to ensure that one representative will be elected to represent every fifty (50) Lots, or a portion thereof, within each of the Individual Associations.
- (b) The Executive Board shall elect the officers of the Master Association. The members of the Executive Board and the officers shall take office upon election. The Executive Board shall not have power to determine the qualifications, powers and duties or terms of office of the members of the Executive Board. Vacancies in membership of the Executive Board from the Declarant appointed members shall be filled designation of Declarant. Vacancies in membership of the Executive Board from members appointed from the Individual Associations shall be filled by the Executive Board of the Individual Association from which the removed Member made came (for the unexpired portion of any term). The Members, by a two-thirds (2/3) vote of all persons present and entitled to vote at any meeting of the Members at which a quorum is present, may remove any member of the Executive Board with or without cause, other than a member appointed by the Declarant.

5.5. Bylaws. The Bylaws of the Master Association shall provide for all of the following:

- (a) The number of members of the Executive Board and the titles of the officers of the Master Association.

- (b) Election by the Executive Board of a President, Treasurer, Secretary and any other officers of the Master Association the Bylaws specify.
- (c) The qualifications, powers and duties, terms of office and manner of electing and removing members of the Executive Board and officers and filling vacancies.
- (d) Which, if any, of its powers the Executive Board or officers may delegate to other persons or to a managing agent.
- (e) Which of its officers may prepare, execute, certify and record amendments to this Declaration on behalf of the Master Association.
- (f) The method of amending the Bylaws.

Subject to the provisions of this Declaration and the Act, the Bylaws may provide for any other matters that the Master Association deems necessary and appropriate.

ARTICLE VI
BUDGETS; COMMON EXPENSES; ASSESSMENTS AND ENFORCEMENT

6.1. Budgets; Capital Expenditures. The Executive Board shall adopt a budget for revenues, expenditures and reserves at least annually. The Executive Board shall deliver to all Members copies of each budget approved by the Executive Board and notice of any capital expenditure approved by the Executive Board promptly after such approval. The Members, by affirmative vote of sixty percent (60%) of all Members, pursuant to procedures applicable to voting by members of the Master Association as set forth in the Bylaws of the Master Association, may reject any budget or capital expenditure approved by the Executive Board within thirty (30) days after approval.

6.2. Monthly Assessments. All Common Expenses assessments made in order to meet the requirements of the Master Association's annual budget shall be deemed to be adopted and assessed on an annual basis payable in monthly installments, and shall be due and payable in advance on the first day of the month. Each Lot and Unit within the Master Planned Community shall be responsible for its pro-rata share of the Common Expense Assessments determined by dividing the number 100 by the number of Lots and Units having individual separate ownership existing within the Master Planned Community from time to time (which share will be adjusted with the creation of any Lots or Units within the Additional Real Estate as defined within the Individual Association Declarations). Declarant shall be responsible for all costs of the Master Association until such time as the Executive Board of the Master Association establishes an assessment against Lots and Units. For assessment purposes, a Lot or Unit is deemed to be created, and thus subject to the payment of assessments, only upon issuance of an occupancy

permit for that Lot or Unit or possession of such Lot or Unit, whichever first occurs. Declarant shall not be assessed on unsold Lots or Units that have not yet been created, but shall only be responsible for any actual costs incurred by the Master Association with respect to such Lots and Units to which Declarant holds title (upon an equal cost basis with Lots and Units that are sold and occupied).

6.3. Special Assessments. The Board may adopt special assessments relating to each distinct Individual Association or relating to the Planned Community in its entirety. Special Assessments shall be due and payable in one or more installments as determined by the Executive Board. Special Assessments may be subject to special allocation in accordance with the Act.

6.4. Lien for Assessments, Fines and Interest. The Master Association shall have a lien against each Lot and Unit for any Common Expense assessments levied against that Member or fines imposed against that Member from the time the assessment or fine becomes due. Fees, charges, late charges, fines and interest charged under Sections 5.3(j), 5.3(k) and 5.3(l) and the reasonable the costs and expenses of the Master Association, including legal fees, incurred in connection with collection of any sums due to the Master Association by a Member or enforcement of the provisions of this Declaration or the Bylaws, Rules or Regulations of the Master Association against a Member are collectable as assessments under this Section.

6.5. Limitation on Expenditures. All expenses, charges and costs of the maintenance, repair or replacement of the Common Elements, and any other expenses, charges or costs which the Master Association may incur or expend pursuant hereto, shall be approved by the Executive Board, and a written memorandum thereof prepared and signed by the Treasurer of the Master Association. There shall be no structural alterations, capital additions to, or capital improvements on the Common Elements (other than for purposes of repairing, replacing and restoring portions of the Common Elements) requiring an expenditure in excess of Ten Thousand Dollars (\$10,000) without the prior approval of sixty percent (60%) of the Members.

6.6. Reserve. Each annual budget for monthly assessments of Common Expenses shall include an amount reasonably considered by the Executive Board to be sufficient as a reserve for replacements and contingencies. Extraordinary expenditures not originally included in the annual budget that may become necessary during the year may be charged first against such reserve, as the Executive Board shall determine. The Master Association shall have the right to segregate all or any portion of the reserve for any specific replacement or contingency upon such conditions as the Executive Board deems appropriate. The Master Association shall also have the right to apply any reserve amounts to Common Expenses as the Executive Board deems appropriate.

6.7. Master Association Records. The Master Association shall keep financial records sufficiently detailed to enable the Master Association to comply with §5407 of the Act. All financial and other records shall be made reasonably available for examination by any Member and authorized agents. Within one hundred and eighty

(180) days after the close of its fiscal year, the Master Association shall prepare annual financial statements consisting of at least a balance sheet and a statement of revenues and expenses for the Master Association. The cost of preparing the financial statements shall be a Common Expense. Each Member shall be entitled to receive from the Master Association, within thirty (30) days after submitting a written request to the Master Association, a copy of the annual financial statements and, if such financial statements are audited, reviewed or compiled by an independent certified public accountant or independent public accountant, a copy of the independent accountant's report on the financial statements. The Master Association may charge a fee not to exceed the cost of producing copies of records other than the financial statement.

6.8. Further Assessments. If any annual budget proves inadequate for any reason, including nonpayment of any Member's monthly assessments, or any nonrecurring Common Expense or any Common Expense not set forth in the annual budget as adopted, the Executive Board may at any time levy further monthly assessments. Such further monthly assessments shall be payable over such period of time as the Executive Board may determine. The Executive Board shall serve notice of such further assessments on all Members by a statement in writing giving the amount and reasons therefore, and such further monthly assessments shall become effective as determined by the Executive Board.

6.9. Surplus. Any amounts accumulated from assessments for Common Expenses and income from the operation of the Common Elements in excess of the amount required for actual Common Expenses and reserves for future Common Expenses as allocated by the Executive Board shall be credited to each Member in proportion to the share of Common Expenses payable by each such Member. These credits shall be applied to the next monthly assessments of Common Expenses due from each Member under the current fiscal year's budget, and thereafter, until exhausted.

6.10. Acceleration. If a Member is in default in the payment of the aforesaid charges or monthly assessments for sixty (60) days, the Executive Board may, in addition to all other remedies set forth in this Declaration, accelerate all other monthly assessments to become due for the fiscal year in which such default occurs.

6.11. Interest and Charges. All sums assessed by the Master Association against any Member that remain unpaid shall bear interest thereon at a rate determined by the Executive Board (but not more than fifteen (15%) percent per annum) from the thirtieth (30th) day following the due date for payment. Initially the interest rate on unpaid assessed amounts shall be 8% percent per annum. Any delinquent Member shall also be obligated to reimburse (i) all expenses of the Master Association, including reasonable attorney's fees, incurred in the collection of the delinquent assessments by legal proceedings or otherwise; (ii) any amounts paid by the Master Association for taxes or on account of superior liens or otherwise to protect its liens, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessments and shall be collectible as such, subject to Section 6.2 above.

6.12. Independent Covenant. The obligation to pay assessments is a separate and independent covenant on the part of each Member. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Master Association or the Executive Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements or from any other action it takes.

6.13. Implementation. The Master Association shall adopt in its Bylaws such additional or other procedures and requirements as it deems necessary and desirable to implement the provisions of this Article 6, and to otherwise provide for the efficient fiscal operation and management of the Common Elements.

6.14. Violations and Assessments. If a Member violates any of the terms of this Declaration, the Declarant and/or the Master Association shall have the right to undertake correction of the violation and the costs incurred by Declarant and/or the Master Association in correcting such violation so shall be immediately due and payable by the Member in the form of an assessment.

6.15. Subordination to the Lien of Mortgages. The lien of the assessment, provided for herein, shall be subordinate to any first lien mortgage placed upon a Lot. The sale or transfer of the Lot pursuant to or in lieu of mortgage foreclosure shall extinguish the lien of such assessment as to payment that became due prior to such sale or transfer. No such sale or transfer shall relieve such Owner or Lot from the obligation or liability for any assessments thereafter coming due or from the lien on any such subsequent assessments.

ARTICLE VII INSURANCE OF COMMON ELEMENTS

7.1. Coverages. The Master Association's duly authorized agent shall have the authority to and shall obtain, blanket, all-risk, casualty insurance, if reasonably available, for all insurable improvements comprising the Common Elements. If blanket all risk coverage is not reasonably available, then at a minimum an insurance policy providing fire and extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

The Master Association shall also obtain a public liability policy covering the Common Elements and the Members for all damage or injury caused by the negligence of Master Association, or any of the Members or their agents. The public liability policy shall have at least a One Million and No/100 Dollars (\$1,000,000.00) minimum property damage limit.

7.2. Premiums. Premiums for all insurance on the Common Elements shall be paid by the Master Association. Such policies may contain a reasonable deductible, and in the case of casualty insurance, the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The deductible shall be paid by the Master Association.

7.3. Contracts. All insurance coverage obtained by the Master Association shall be written in the name of the Master Association as trustee for the respective benefited parties, as further identified in subsection (a) below. Such insurance shall be governed by the provisions hereinafter set forth:

- (a) All policies on the Common Elements shall be for the benefit of the Declarant, the Master Association, the Members and Mortgagees, as their interest may appear, providing financing on the Common Elements.
- (b) Exclusive authority to adjust losses under policies obtained by the Master Association shall be vested in the Master Association; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
- (c) In no event shall the insurance coverage obtained and maintained by the Master Association hereunder be brought into contribution with insurance purchased by the Members, occupants, or their Mortgagees.

7.4. Workers Compensation. In addition to the other insurance required by this Article, the Master Association shall obtain worker's compensation insurance, if and to the extent required by law.

ARTICLE VIII GENERAL PROVISIONS

8.1 Amendments. Prior to the transfer of Declarant control pursuant to Section 9.2(a), Declarant may amend this Declaration so long as the amendment, in the reasonable discretion of the Declarant, has no material adverse effect upon the development of the Master Planned Community. No amendment required by any state or local government authority or agency will be deemed material. After the transfer of Declarant control, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of eighty percent (80%) of the Members, unless unanimous consent of the Members is required by the Act. Any amendment to be effective must be recorded in the public records of Butler County, Pennsylvania. No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or of the assignee of such right or privilege. No amendment may impair the validity or priority of the lien of any Mortgage held by a Mortgagee or impair the rights granted to Mortgagees herein without the prior written consent of such Mortgagees.

8.2. Limitation of Liability. The Declarant, its successors, administrators, executors, assigns, members, officers and employees [(i) through (iv) below shall be effective only from and after the Declarant's transfer of control of the Master Association in accordance with Section 9]:

- (i) Shall not be liable for the failure of any service obtained or the failure to so obtain any service needed or for any injury or damage to persons or property, however and wheresoever caused, except for any injury or damage caused by the willful misconduct or gross negligence of the Declarant, its members, officers or employees;
- (ii) Shall not be liable as a result of the performance of the Declarant for any mistake of judgment, negligence or otherwise except for the Declarant's willful misconduct or gross negligence;
- (iii) Shall have no personal liability to any person for any loss or damage caused by theft of or damage to personal property in or on the Common Elements or other places within the Plan and shall have no liability arising out of the use, misuse, or condition of the Common Elements, except for the Declarant's willful misconduct.
- (iv) The Declarant and its principals and officers shall be indemnified by the Master Association against all expenses and liabilities, including attorney's fees incurred by or imposed in connection with any proceedings, except for liability arising out of the willful misconduct or gross negligence of the Declarant;
- (v) The Declarant may obtain such insurance as it deems appropriate, where available and in such amounts and on such terms as the Declarant deems advisable, to satisfy the liability requirements of this Declaration.

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

8.4. Use of the Words "BelleVue Master Planned Community" and "BELLEVUE Park". No person shall use the words "BelleVue Master Planned Community" and "BelleVue Park" or any derivative thereof in any printed or promotional material without the prior written consent of the Declarant. However, Members and Ryan Homes may use the terms "BelleVue Master Planned Community" and "BelleVue Park" in printed or promotional matter where such term is used solely to specify particular property or Lots or Units located within the Plan.

8.5. Incorporation of Recitals. The recitals set forth in the Preamble section of this document are hereby incorporated herein as if fully set forth and repeated herein.

8.6. Conflicts with Cranberry Township Ordinances. In the event that any of the provisions, terms, conditions or covenants contained in this Declaration conflict with any provisions of the Ordinances of Cranberry Township, the Tentative Approval with Conditions dated March 8, 2007, the Final Approval with Conditions dated May 3rd, 2007, or the Developer's Agreement dated September 14, 2007 (individually and collectively the "Township Requirements"), the applicable provisions, terms and conditions of the Township Requirements shall prevail for all matters involved in any conflicts.

8.7. Conflicts with the Uniform Planned Community Act. In the event that any of the provisions, terms, conditions or covenants contained in this Declaration conflict with any provisions of the Uniform Planned Community Act, the applicable provisions, terms, conditions and provisions of the Uniform Planned Community Act shall prevail.

ARTICLE IX DECLARANT'S RIGHTS

9.1. Any or all of the special rights and obligations of the Declarant may be transferred by the Declarant to other persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is a written instrument signed by the Declarant and duly recorded in the public records Butler County, Commonwealth of Pennsylvania.

9.2. Control.

(a) Subject to Section 9.2(b), for a period of seven (7) years from the date of the recording of this Declaration, the Declarant shall have sole power and authority to appoint and remove the officers and members of the Executive Board of the Master Association, unless the Declarant earlier voluntarily surrenders the right to Appoint and remove the officers and members of the Executive Board. However, this period of Declarant's control will terminate no later than the earlier of: (i) Sixty (60) days after the conveyance of seventy-five percent (75%) of the Lots and Units to Owners other than a Declarant (percentage of Units and Lots is based upon the total of Units and Lots that may be created, including the Additional Real Estate of each planned community and/or the condominium created within the Master Planned Community); (ii) two (2) years after a Declarant has ceased to offer Lots or Units for sale in the ordinary course of business; or (iii) two (2) years after any development right to add new Lots or Units (within the planned communities or the condominium created within the Master Planned Community) was last exercised.

(b) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Lots and Units (percentage of Units and Lots is based upon the total of Units and Lots that may be created, including the Additional Real

Estate of each planned community and/or the condominium created within the Master Planned Community) to Members, at least one member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by the Members. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots and Units (including Lots and Units created in the Additional Real Estate of each planned community and/or the condominium) to Members, not less than thirty-three percent (33%) of the members of the Executive Board shall be elected by the Members. Necessary elections shall be held to ensure that one representative will be elected to represent every fifty (50) Lots and/or Units, or a portion thereof, within each of the Individual Associations.

9.3. Conveyance of Common Elements to Association. No later than at transfer of Declarant's control of the Master Association in accordance with Section 9.2(a), the Declarant shall grant and convey to the Master Association title to the Common Elements by special warranty deed. No consideration will be paid for this conveyance and all costs of deed preparation and recording shall be borne by the Declarant. Notwithstanding the foregoing, Declarant shall not convey the Common Elements to the Master Association until all improvements to the Common Elements as may be required by Cranberry Township pursuant to any development approvals have been completed by Declarant. This obligation to convey title to the Common Elements shall be binding upon any successor in interest to the rights of the Declarant hereunder.

ARTICLE X TERMINATION

10.1. Means of Termination. The Master Planned Community may be terminated in the following manner:

a. By Statute. As provided by the Act.

b. Destruction. In the event there is substantial destruction of all of the Common Elements and eighty percent (80%) of the Owners directly affected by said destruction, voting as in all other instances, shall duly resolve not to proceed with repair or restoration, then and in that event, the Planned Community form of ownership will be thereby terminated. The determination not to reconstruct after casualty shall be evidenced by a certificate of the Executive Board executed by the President and Secretary certifying as to the facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Butler County, Pennsylvania.

c. General Provisions. The termination of the Master Planned Community shall be evidenced by a certificate of the Executive Board executed by its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Butler County, Pennsylvania. When the Property has been removed from the provisions of the Act, the former Owners shall, at the time such removal becomes

effective, become tenants in common of the Property. The undivided interest in the Property owned in common which shall appertain to each Owner following such removal shall be in the same proportion of the fair market value of such Owner's interest to the fair market value of the interest of all Owners determined in accordance with §5220 of the Act. All funds held by the Executive Board and all insurance proceeds, if any, shall be and continue to be held for the Owners in proportion to the amount of their respective Percentage Interests determined as aforesaid in accordance with §5220 of the Act. The costs incurred in connection with such termination shall be a Common Expense.

d. Removal from Act. If the Property shall be removed from the provisions of the Act, then the Property may be subject to an action for partition by any Owner or lien holder as if owned in common in which event the net proceeds of sale shall be divided among all the Owners in proportion to the fair market value of their respective Interests determined in accordance with §5220 of the Act; provided, however, that no payment shall be made to a Owner until there has first been paid from his share of such net proceeds all liens or charges on his Lot or Unit. Such removal of the Property from the provisions of the Act shall not preclude its subsequent submissions to the provisions thereof in accordance with the terms of the Act.

[signature page attached]

BELLEVUE PARK MASTER PLANNED COMMUNITY
SCHEDULE OF VIOLATIONS AND PENALTIES

<u>CATEGORY/ VIOLATION</u>	<u>1ST NOTICE</u>	<u>2ND NOTICE</u>	<u>3RD NOTICE</u>
Pets (general)	Written request to pet owner for compliance and notice of consequences for subsequent violations	A \$25.00 fine will be imposed for a second violation	A \$100 fine will be imposed for each subsequent violation
Pets (damage to lawn and shrubs)	Written request to pet owner for damage repair within 30 days and notice of consequences for inaction	A \$25.00 fine will be imposed	A \$100 fine and costs will be imposed
Stored/unmoved vehicle	Vehicle ticketed and/or written request for compliance within 72 hours	After 72 hours Municipality Police will be notified to tow, vehicle owner will be billed	

BYLAWS
OF
BELLEVUE PARK MASTER ASSOCIATION

BYLAWS
OF
BELLEVUE PARK MASTER ASSOCIATION

ARTICLE I

Introductory Provisions

1.1. Applicability. These Bylaws provide for the governance of the Master Association created by the recording of the Declaration of Master Association for the Planned Communities at Bellevue Park, in the office of Recorder of Deeds of Butler County, Pennsylvania at Deed Book Volume ____, page ____, pursuant to the requirements of Section 5306 of the Pennsylvania Uniform Planned Community Act ("the Act").

1.2. Definitions. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration of the Master Association 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 Owner and all Persons entitled to occupy a Lot and/or Unit shall comply with these Bylaws.

1.4. Office. The office of the Master 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.

ARTICLE II

The Master Association

2.1. Composition. The Master Association is hereby organized on the date hereof as an unincorporated association. The Master Association shall consist of all of the Owners of the Individual Associations, as the the responsibility of term is defined in the Bellevue Park Declaration of Master Planned Community. Currently the planned communities of **STRATFORD PARK / PADDINGTON SQUARE, WESTMINSTER ESTATES** and **EDMONTON COMMONS** and the condominium of **VILLAS AT ISLEWORTH** are contemplated to be included within the Master Association. The Master Association shall have administering the Property, establishing the means and methods of collecting assessments and charges, arranging for the management of and performing all of the other acts that may be required or permitted to be performed by the Master 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.

2.2. Annual Meetings. An annual meeting of the Master Association shall be held each year in the same month as the first annual meeting (of the first of the Individual Associations to hold an annual meeting) at a date and time to be designated by the Executive Board. At such annual meetings, the Executive Board, whose members are to be elected in accordance with the

Bylaws of the Individual Associations, shall transact such business as may properly come before the meeting.

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

2.4. Special Meetings. The President shall call a special meeting of the Master Association if so directed by resolution of the Executive Board or upon a petition signed and presented to the Secretary by Owners entitled to cast at least 25% of the votes in the Master Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within 45 days after receipt by the president of said resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a budget or capital expenditure pursuant to Section 5.9 below, such meeting shall be held within 15 days after receipt by the President of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

2.5. Notice of Meetings. The Secretary shall give to each Owner a notice of each annual or regularly-scheduled meeting of the Master Association at least twenty but not more than sixty days, and of each special meeting of the Owners at least ten but not more than forty-five days, prior to such meeting, stating the time, place and purpose thereof. The giving of a notice of meeting in the manner provided in this Section and Section 9.1 of these Bylaws shall be considered service of notice. The Notice of Meeting must state the time and place of the meeting, the items on the agenda, including the general nature of any proposed amendment to the declaration or bylaws, any budget or assessment changes and any proposal to remove an executive board member or officer.

2.6. Adjournment of Meetings. If at any meeting of the Master Association a quorum is not present, Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight hours after the time for which the original meeting was called.

2.7. Voting.

(a) In General. Voting at all meetings of the Master Association shall be on a Lot and/or Unit basis, with each Owner entitled to one (1) vote.

(b) Multiple Owners. Where the ownership of a Lot or Unit is in more than one Owner, the Owner who shall be entitled to cast the vote of such Lot or Unit shall be the Owner named in a certificate executed by all of the Owners of such Lot or Unit and filed with the Secretary (the "Designated Owner"). Such certificate shall be valid unless revoked by a subsequent certificate similarly executed. In the absence of such named Designated Owner from the meeting, the Owner who shall be entitled to cast the vote of such Lot or Unit shall be the Owner owning such Lot or Unit who is present. If the Designated Owner is not present, and

more than one other Owner or Owners owning such Lot or Unit is present, then such vote shall be cast only in accordance with their unanimous agreement pursuant to Section 5310(a) of the Act. There shall be deemed to be unanimous agreement if any one of the multiple owners casts the votes allocated to that Lot or Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot or Unit. Any certificate executed by all Owners shall be valid until revoked by a subsequent certificate similarly executed. Except where execution by owners of a Lot or Unit in the same manner as a deed is required, and subject to the provisions of the Act, the Declaration and these Bylaws, wherever the approval or disapproval of a Owner is required by this subpart, the Declaration or the Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Lot or Unit at any meeting of the Master Association.

(c) Ownership by an Entity other than an Individual. If the Owner of a Lot or Unit is a corporation, joint venture, partnership or unincorporated association, the natural person who shall be entitled to cast the vote for such Lot or Unit shall be the person named in a certificate executed by such entity pursuant to its governing documents. If the Owner of a Lot or Unit is a trust, the trustee or trustees shall be deemed to be the Owner for the voting purposes, however the Trustees shall designate one Trustee to cast the vote of such Lot or Unit. The natural person who shall be entitled to cast the vote of such Lot or Unit shall be the person named in a certificate executed by all of the Owners of such Lot or Unit and filed with the Secretary or, in the absence of such named person from the meeting or the failure to execute and file such a certificate, the person who shall be entitled to cast the vote of such Lot or Unit shall be the person owning such Lot or Unit who is present. If more than one of the multiple Owners are present, the votes allocated to that Lot or Unit may be cast only in accordance with their unanimous agreement unless the declaration expressly provides otherwise. There shall be deemed to be unanimous agreement if any one of the multiple Owners casts the votes allocated to that Lot or Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Lot or Unit. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Except where execution by Owners of a Lot or Unit in the same manner as a deed is required, and subject to the provisions of the Act, the Declaration and these Bylaws, wherever the approval or disapproval of a Owner is required by this subpart, the Declaration or the Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Lot or Unit at any meeting of the Master Association.

(d) Votes Required. Except where a greater number is required of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, the Owners of more than fifty (50%) percent of the aggregate number of Lots and Units, voting in person or by proxy at one time at a duly convened meeting at which a quorum is present, is required to adopt decisions at any meeting of the Master Association.

(e) Declarant's Votes. If the Declarant owns or holds title to one or more Lots and/or Units, the Declarant shall have the right at any meeting of the Master Association to cast the votes to which such Lot/s and/or Unit/s are entitled.

(f) Master Association Votes No votes allocated to a Lot and/or Unit owned by the Master Association may be cast.

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

2.8. Election by Mail. All matters which might be voted upon at a meeting of the Owners may also be submitted, at the election of the Executive Board, to the Owners by a mail ballot. The Executive Board shall prepare for distribution an official ballot form and shall circulate a ballot to each Owners authorized to vote pursuant to paragraph 2.7 above as if a meeting were being held on the date of the ballot. All Owners shall be required to execute the ballot unless a certificate has been filed with the Secretary naming Designated Owner. Ballots shall be distributed and counted in accordance with Rules and Regulations to be adopted by the Executive Board.

2.9. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Owner or in case of multiple Owners, by the Designated Owner, in favor of only another Owner, a Permitted Mortgagee 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. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

2.10. Quorum. Except as set forth below, the presence in person or by proxy of Owners of one-third (1/3) or more of the aggregate Percentage Interests at the commencement of a meeting shall constitute a quorum at all meetings of the Owners Master Association . If a meeting is adjourned pursuant to Section 2.6 above, the quorum at such second meeting shall be deemed present throughout any meeting of the Master Association if persons entitled to cast ten (10%) percent of the votes are present in person or by proxy at the beginning of the meeting.

2.11. Conduct of Meetings. The President (or in his absence, the Vice-President) shall preside over all meetings of the Master 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 at each meeting. The President may appoint a person to serve as parliamentarian at any meeting of the Master Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Master Association when not in conflict with the Declaration, these Bylaws or the Act. All votes shall be tallied by tellers appointed by the President.

ARTICLE III

Executive Board

3.1. Number and Qualification. The affairs of the Master Association shall be governed by an Executive Board. Each Individual Association shall independently vote for its own representatives. The Executive Board shall initially be composed of three natural persons, all of whom shall be designees of the Declarant. Not later than sixty (60) days after the conveyance of twenty-five percent (25%) of the total number of Lots to Lot Owners other than the Declarant, the number of members shall be increased to nine (9), five of whom shall be designated by Declarant and four (4) of whom shall be elected by the Lot Owners (one from each Individual Association). At such time, a special meeting of the Master Association shall be held at which the Executive Board shall transact such business as may properly come before the meeting. If the number of then-existing Individual Associations shall result in an even number of members to the Executive Board; the Declarant shall choose one additional representative to sit on the Executive Board. Within sixty (180) days after conveyance of seventy-five (75%) percent of the total Lots and Units within all Individual Associations to Owners other than the Declarant, one representative will be elected for each fifty (50) Lots or Units, or a portion thereof, created within each of the Individual Associations. No more than one member shall be elected from any Lot and/or Unit. The number of Executive Board members may be increased to accommodate the number of Lots and/or Units in an Individual Association at any annual meeting of the Owners by a vote of a majority of the Owners within said Individual Association.

3.2. Delegation of Powers; Managing Agent. The Executive Board may employ a "Managing Agent" at a compensation established by the Executive Board. The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, 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 all of the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers:

- (a) to adopt the annual budget and any amendment thereto or to assess any Common Expenses;
- (b) to adopt, repeal or amend Rules and Regulations;
- (c) to designate signatories on Master Association bank accounts;
- (d) to borrow money on behalf of the Master Association ;

Any contract with the Managing Agent must provide that it may be terminated with cause on no more than thirty days' written notice and without cause on no more than ninety days' written notice. The term of any such contract may not exceed one year.

3.3. Election and Term of Office.

(a) Following the transfer of control of the Association (in accordance with Article IX of the Declaration) from the Declarant, at the annual meetings of the Individual Associations, and subject to the Declaration of each Individual Association, the separate Individual Associations will hold elections to appoint Master Association Representatives who will make up the Master Association Executive Board. One representative will be elected to represent each fifty (50) Lots and/or Units, or a portion thereof, created within each of the Individual Associations. At the first annual meeting following transfer of control from the Declarant, the board members elected shall serve staggered terms. One-half or less (if an odd number) of the board members elected, those receiving the most votes from their respective Individual Associations shall serve two year terms and the remaining board members shall serve one year terms. Thereafter, the term of office of any Executive Board member to be elected (except as set forth in Section 3.5 hereof) shall be two years. The members of the Executive Board shall hold office until the earliest 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.

(b) Within sixty (60) days after conveyance of twenty-five (25%) percent of the Lots and Units to Owners other than the Declarant, a special meeting of each of the Individual Associations shall be held at which the Owners of each Individual Association shall elect one representative for their respective Individual Associations to the Executive Board. If this alteration to the number of representatives shall result in an even number of members to the Executive Board, the Declarant shall choose one additional representative to sit on the Executive Board. Such members shall serve until the annual meeting of the Master Association following the meeting at which they were elected.

(c) Within 180 days after conveyance of seventy-five (75%) percent of the Lots and Units to Owners other than Declarant, a special meeting of each of the Individual Associations shall be held at which time the remaining Declarant-appointed Board members shall resign and the Owners, including the respective declarants, if the declarant owns more than one Lot and/or Unit, shall thereupon elect successor members of the Executive Board for their respective Individual Associations to act in the place and stead of those resigning. Necessary elections shall be held to ensure that one representative will be elected to represent every fifty (50) Lots and/or Units, or a portion thereof, created within each Individual Association. The term of each member of the Executive Board shall be established pursuant to the provisions of Section 3.3(a) hereof.

(d) Notwithstanding the foregoing, if any meeting required pursuant to subparagraphs (a), (b) or (c) above could be held on the date an annual meeting of the

(d) Notwithstanding the foregoing, if any meeting required pursuant to subparagraphs (a), (b) or (c) above could be held on the date an annual meeting of the Individual Association is scheduled, then such meeting(s) shall be held concurrently with such annual meeting.

3.4. Removal or Resignation of Members of the Executive Board.

(a) Except with respect to members designated by Declarant, at any regular or special meeting of the Master Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Owners entitled to cast a majority of all votes in the Master Association and a successor may then be elected to fill the vacancy thus created in accordance with the terms of Section 3.5. Any Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Owner shall be given at least ten 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.

(b) A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Lot and/or Unit if the Owner is other than a person. 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 this Section III.

3.5. Vacancies. Except as set forth in Section 3.4 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 Owners shall be filled by a vote of a majority of the members at a special meeting of Individual Association Executive Board, from which such vacancy occurred, 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 Master Planned Community Representative for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Association at which such seat is to be filled upon expiration of the term of his predecessor. In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term.

3.6. Organization Meeting. The first meeting of the Executive Board following each annual meeting of the Master Association shall be held within ten 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.

meetings of the Executive Board shall be given to each member, by mail or telegraph, at least five (5) business days prior to the day named for such meeting.

3.8. Special Meetings. Special meetings of the Executive Board may be called by the President on at least three business days' notice to each member, given by mail or facsimile, 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 members of the Executive Board.

3.9. Waiver of Notice. Any member may at any time, in writing, waive notice of any meeting of the Executive Board, 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 by him of the time, place and purpose of such meeting. If all members are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.

3.10. 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, a majority of those present may adjourn the meeting from time to time. 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 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 communication equipment by means of which all persons participating in the meeting can hear each other.

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

3.12. 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 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.

3.13. 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 of 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. Action may also be taken by conference, telephone or similar electronic means where all Board members can participate simultaneously.

3.14. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Master Association and one or more of its Executive Board members or between the Master Association and any corporation, firm, or association in which one 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 and is noted in minutes, 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 or votes of such Executive Board member or members with a financial interest; or

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

3.15. 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 3.14 hereof.

ARTICLE IV

Officers

4.1. Designation. The principal officers of the Master Association shall be the President, the Secretary and the Treasurer, all of whom shall be members of and elected by the Executive Board. The offices of Secretary and Treasurer may be held by one person. The Executive Board may appoint a vice-president, assistant treasurer, assistant secretary and such other officers as in its judgment may be necessary.

4.2. Election of Officers. The officers of the Master 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. The resulting vacancy shall be filled, from the pool of potential candidates of the Individual Association from which the vacancy occurs, by a vote of a majority of the Executive Board of the Individual Association from which the vacancy occurred, at a special

meeting 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 and until a successor shall be elected at the next annual meeting of the Individual Association, from which the vacancy occurred, at which such seat is to be filled upon expiration of the term of his predecessor.

4.4. President. The President shall be the chief executive officer of the Master Association, shall preside at all meetings of the Master 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 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 Master Association. The President shall cease holding such office at such time as he ceases to be a member of the Executive Board.

4.5. Vice President. The Vice President (if any) shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint another member of the Executive Board to act in the place of the President on an interim basis. 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. The Secretary shall keep the minutes of all meetings of the Master 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 Owners and holders of mortgages on any Lots and/or 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. The Secretary shall, upon request, provide any person, or cause to be provided, to any person entitled thereto a written statement or certification of the information required to be provided by the Master Association pursuant to Sections 5315(g), 5407(b) of the Act and Sections 5.10 and 5.12 below, upon payment of the fee set by the Executive Board for such service.

4.7. Treasurer. The Treasurer shall have the responsibility for the safekeeping of Master Association funds and securities, be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data, and be responsible for the deposit of all monies in the name of the Executive Board, the Master Association or the Managing Agent, 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 the Commonwealth of Pennsylvania.

4.8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Master Association for expenditures or obligations in excess

of \$2,500 shall be executed by two officers of the Master Association . All instruments for expenditures or obligations of \$2,500 or less may be executed by any one officer of the Master Association .

4.9. Compensation of Officers. No officer who is also a member of the Executive Board shall receive any compensation from the Master 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.

ARTICLE V

Common Expenses; Budgets

5.1. Fiscal Year. The fiscal year of the Master Association shall be the calendar year unless otherwise determined by the Executive Board; provided, however, that the first fiscal year shall begin upon the recordation of the Declaration.

5.2. Preparation and Approval of Budget.

(a) On or before the first day of December of each year (or thirty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt any annual budget for the Master Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or a resolution of the Master Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Owners of all related services. Such budget shall also include such reasonable amounts as the Executive Board considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements.

(b) On or before the fifth day of December (or twenty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall make the budget available for inspection at the Master Association office and shall send to each Owner a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Owner's assessments for General Common Expenses of the Master Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 5.9 below.

(c) The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

5.3. Assessment and Payment of Common Expenses.

(a) Common Expenses. The Executive Board shall calculate the monthly assessments for Common Expenses against each Lot and/or Unit by multiplying (i) the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Executive Board for the fiscal year in question, after deducting income expected to be received from sources other than Common Expenses assessments and the operation of the Reserved Common Elements to which the Common Expenses pertain, by (ii) the Percentage Interest (expressed in decimal form) allocated to such Lot and/or Unit, and dividing the resultant product by (iii) the number of months in such fiscal year. Such assessments shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments, shall be due and payable on the first day of each month and shall be a lien against each Owner's Lot and/or Unit as provided in the Act and the Declaration. Within ninety days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Owner an itemized account of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to General Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Owners in accordance with their Percentage Interests and shall be payable in one or more monthly assessments, as the Executive Board may determine.

(b) Supplemental Assessments. If the Executive Board determines that the estimate of total charges for the current fiscal year is, or will become, inadequate to meet all Common Expenses for any reason, it shall immediately determine the approximate amount of the inadequacy. Subject to the provisions of Section 5.4, the Board shall have the authority to levy, at any time by a majority vote, a Supplemental Assessment, reflecting a revision of the total Common Expense Assessment. Written notice of any change in the amount of Supplemental Assessments levied by the Master Association through the Board shall be given to all Owners not less than thirty (30) days prior to the effective date of such Supplemental Assessment.

(c) Reserves. The Executive Board may build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including non-payment of any Owner's assessments, the Executive Board may at any time levy further assessments for Common Expenses which shall be assessed against the Owners according to their respective Percentage Interests with regard to Common Expenses and shall be payable in one or more monthly assessments as the Executive Board may determine. Payments for said purposes may be classified as capital contributions at the discretion of the Board.

5.4. Further Assessments. The Executive Board shall serve notice on all Owners of any further assessments pursuant to Sections 5.3(a) or (b) or otherwise as permitted or required by the Act, the Declaration and these Bylaws, including, but not limited to, the right to levy fines, by a statement in writing giving the amount and reasons therefore, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly assessment if pursuant to Section 5.3 which is due more than thirty (30) days after the delivery of such notice of further assessments. All Owners so assessed shall be obligated to pay the amount of such monthly assessments. Such assessments shall be a lien as of the effective date as set forth in the preceding Sections.

5.5. Fines. The Executive Board shall have the power to levy fines as set forth in the Act, which shall be considered as a further assessment against the Lot and/or Unit as set forth in Section 5.4 hereof.

5.6. Initial Budget. At or prior to the time assessment of Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive Board determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessments shall be levied and become a lien against the Owners during such period as is provided in Section 5.3 above.

5.7. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Owner shall continue to pay each monthly assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

5.8. Accounts. All sums collected by the Executive Board with respect to assessments against the Owners or from any other source may be commingled into a single fund. Reserves shall be maintained in a separate fund, although different types of reserves may be commingled in one fund. All books and records of the Master Association shall be kept in accordance with good and accepted accounting practices, and the same shall be reviewed and a compilation prepared at least once each year by an independent accountant retained by the Executive Board.

5.9. Rejection of Budget; Limitations on Expenditures and Borrowing. Anything herein to the contrary notwithstanding, the Master Association, by majority of all votes in the Master Association, may reject any budget or capital expenditure approved by the Executive Board, within thirty days after approval by the Executive Board. The power of the Executive Board to expend funds, incur expenses or borrow money on behalf of the Master Association is subject to the requirement that the consent of Owners entitled to cast at least two-thirds of the votes in the Master Association, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall

be required to (i) expend funds or incur expenses that it is reasonably anticipated will cause the aggregate amount of all expenses in the budget (including reserves) to be exceeded by more than 10% of such aggregate amount after taking into account any projected increases in income, and (ii) to borrow money so that loans of the Master Association then outstanding would exceed 10% of such aggregate amount.

5.10. Payment of Common Expenses. Each Owner shall pay the Common Expenses assessed by the Executive Board pursuant to the provisions of this Article V, provided that, for assessment purposes, a Lot is deemed to be created, and thus subject to the payment of assessments, only upon issuance of an occupancy permit for that Lot or occupancy of the improvements contained within such Lot, whichever first occurs. Declarant shall not be assessed on unsold Lots, but shall only be responsible for any actual costs incurred by the Association with respect to such Lots to which Declarant holds title on an equal basis with Lots that are sold and occupied. No Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Lot and/or Unit. No Owner shall be liable for the payment of any part of the Common Expenses assessed against his Lot and/or Unit subsequent to the date of recordation of a conveyance by him in fee of such Lot and/or Unit. The purchaser of a Lot and/or Unit shall be jointly and severally liable with the selling Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Owner amounts paid by the purchaser therefore; provided, however, that any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Owner within five days following a written request therefore to the Executive Board or Managing Agent and such a purchaser shall not be liable for, nor shall the Lot and/or Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth; and, provided further that, subject to Section 5315(b)(2) of the Act, each Permitted Mortgagee who comes into possession of a Lot and/or Unit by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Lot and/or Unit free of any claims for unpaid assessments or charges against such Lot and/or Unit which accrue prior to the time such holder comes into possession thereof, except for claims for a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all Lots and Units including the mortgaged Lot and/or Unit.

5.11. Collection of Assessments. The Executive Board, or the Managing Agent at the request of the Executive Board, shall take prompt action to collect any assessments for Common Expenses due from any Owner which remain unpaid for more than thirty days from the due date for payment thereof. Any assessment not paid within five days after its due date shall accrue a late charge in the amount of 5% of the overdue assessment in addition to interest at the rate of fifteen (15%) percent per annum (or such other rate as may be determined by the Executive Board) on the amount of the unpaid assessment through date of payment.

5.12. Statement of Common Expenses. Upon request, the Executive Board shall promptly provide any Owner, contract purchaser or proposed mortgagee with a written statement of all unpaid assessments for Common Expenses due. Further, the Executive Board may charge a reasonable fee for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

5.13. Surplus. Any amounts accumulated from Assessments for Common Expenses and income from the operation of the Common Elements, in excess of the amount required for actual Common Expenses and reserves for future Common Expenses shall be credited to each Lot and/or Unit in accordance with such Lot's and/or Units interests in Common Elements. These credits will be applied, unless the Declaration provides otherwise, to the next monthly Assessments of Common Expenses against that Lot and/or Unit under the then current fiscal year's budget and thereafter, until exhausted.

5.14. Negligence. If any Common Expense is caused by the negligence or misconduct of any Owner, the Master Association may assess that expense exclusively against his Lot and/or Unit.

ARTICLE VI

Compliance and Default

6.1. Relief. Each 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 forgoing may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, a default by an Owner shall entitle the Master Association, acting through its Executive Board or through the Managing Agent, to the following relief:

(a) Additional Liability. Each 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 to the extent that such expense is not covered by the proceeds of insurance carried by the Executive Board. Such liability shall include any increase in casualty insurance premiums occasioned by improper use, misuse, occupancy or abandonment of any Lot and/or 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 an Owner under the Declaration, these Bylaws, the Rules and Regulations or the Act, the Master Association shall be entitled to recover the reasonable costs and expenses of the Master Association, including attorney's fees.

(c) No Waiver of Rights. The failure of the Master Association, the Executive Board or of an Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Rules and Regulations or the

Act shall not constitute a waiver of the right of the Master Association, the Executive Board or the Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Master Association, the Executive Board or any 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 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 Owners. The violation of any of the Rules and Regulations adopted by the Executive Board, the breach of any Bylaws contained herein or of any provision of the Declaration or the Act shall give the Executive Board the right, in addition to any other rights: (i) to enter the Lot and/or Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting 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; or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

(e) Termination of Services. The Master Association shall have the right to terminate any services which it performs or provides to or for an Owner, including utility service to individual Lots and/or Units, in the event of delinquency. Prior to termination of any service, the Executive Board shall give at least ten (10) days written notice and an opportunity to appear at a meeting of the Executive Board to any delinquent Lot Owner.

(f) Suspension of Voting Rights. Any Owner who is more than thirty (30) days delinquent at the time of the annual meeting shall not be permitted to vote at any meeting or mail ballot.

ARTICLE VII

Amendments

7.1. Amendments to Bylaws. These Bylaws may be modified or amended only by vote of Owners entitled to cast a majority of the votes in the Master Association, except as otherwise expressly set forth herein or in the Act; provided, however, that until the date on which all Declarant-appointed Board members voluntarily resign or are required to resign pursuant to Article IX of the Declaration, and Section 3.1 hereof, this Section 7.1 may not be amended without the consent in writing of Declarant. Additionally, if any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is

defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the 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 sentence.

7.2. Approval of Mortgages. These Bylaws contain provisions concerning various rights and interests of Eligible Mortgagees. Such provisions in these Bylaws are to be construed as covenants for the protection of such Permitted Mortgagees on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of these Bylaws substantially impairing or affecting the rights, priorities, remedies or interests of a Permitted Mortgagee shall be adopted without its or their prior written consent.

7.3. Amendments to the Declaration. Any two officers or Executive Board members of the Master Association may prepare, execute, certify and record properly adopted amendments to the Declaration on behalf of the Master Association.

ARTICLE VIII

Maintenance, Repair, Replacement and Other Common Expenses

8.1. By the Master Association. The Master Association shall be responsible for the maintenance, repair and replacement (unless, if in the opinion of not less than two-thirds (2/3) of the Executive Board such expense was necessitated by the negligence, misuse or neglect of an Owner) of all of the Common Elements as defined herein or in the Declaration.

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 delivered personally or if sent by United States mail, postage prepaid, (or otherwise as the Act may permit), (i) if to a Owner, at the single address which the Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Lot and/or Unit of such Owner, or (ii) if to the Master Association, the Executive Board or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section. If a Lot and/or Unit is owned by more than one Person, each such Person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

9.2. 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.

9.3. Capitalized Terms. Capitalized Terms not otherwise defined herein shall be defined as set forth in the Declaration or in the Act, as applicable.

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

ARTICLE X

AMENDMENTS

10.1. Meetings. After termination of the period of Declarant control in accordance with Article 11 of the Declaration, these Bylaws may be amended at a regular or special meeting of the Members by a vote of a majority of a quorum of Members present in person or by proxy.

10.2. Conflicts. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

[signature page attached]

IN WITNESS WHEREOF, these Bylaws have been adopted this _____ day of _____, 2008.

**THE MASTER ASSOCIATION FOR THE
PLANNED COMMUNITIES AT BELLEVUE
PARK**

BY: _____

RULES AND REGULATIONS
OF
THE BELLEVUE PARK MASTER PLANNED COMMUNITY

Specifically defined herein, the terms used in these Rules and Regulations shall have the same meanings as defined in the Declaration of Condominium of the property known as THE BELLEVUE PARK MASTER PLANNED COMMUNITY, a master planned community created under and subject to the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. §§ 5101, et seq. (the "Act"). All present and future owners, mortgagees, lessees and occupants of the Units and of the Common Elements and their agents, employees, guests, and any other person or entity who or which may use the facilities of the Property are subject to and bound by these rules and all amendments thereof.

A. DEFINITIONS

1. "Association" is the master planned community which shall be known as the "BELLEVUE PARK MASTER ASSOCIATION".
2. "By-Laws" means By-Laws of the Association.
3. "Common Elements" are all portions of the Property as defined in the Declaration.
4. "Declaration" is the Declaration of the BELLEVUE PARK MASTER PLANNED COMMUNITY, as the same may be amended from time to time.
5. "Executive Board" is the Executive Board of the Association.

B. GENERAL

1. These Rules and Regulations are adopted pursuant to the Declaration and the By-Laws and may be enforced in accordance with those documents.
2. The Executive Board reserves the right to amend these Rules and Regulations at any time from time to time.

3. The Common Elements shall be used only for the purposes set forth in the Declaration and By-Laws.
4. Unit Owners are responsible for any property damage caused by the families, pets, guests or decorative items including wreaths or other door decorations.
5. Maintenance of the Common Elements and structural repair of the Limited Common Elements is the responsibility of the Association, but is charged as a General Common Expense or a limited Common Expense, as the Declaration provides.
6. The Association shall in no event be liable for the loss, destruction, theft or damage of personal property placed on any Common or Limited Common Elements.
7. Bicycle riding is permitted on paved areas only.
8. Playing games on driveway areas and streets is prohibited.
9. Statues, artificial plants and trees, and other decorative accessories, except planters, are not permitted. Planters should only be placed on stoops and not in the Common Elements.

C. SAFETY

1. Sidewalks shall not be obstructed.

D. STRUCTURAL

1. No Common Elements shall be altered without the prior written consent of the Executive Board.

E. REGULATION OF TRAFFIC AND PARKING

1. Only licensed motorized vehicles are allowed in driveways and streets of the Condominium. No parking in the private streets contained within the Condominium is permitted. On street parking is permitted in public streets in areas designated and approved by the Township.

2. No motor-homes, boats, or the like shall be parked in the driveways or streets in excess of one twenty-four (24) hour period during any six (6) month period.
3. No vehicles of any kind not utilized on a daily basis shall be "stored" in the driveways or streets. No autos shall be stored under protective coverings during the winter months in the driveways or streets.
4. No vehicle which is undrivable, due to damage or mechanical failure, or which is not bearing a valid registration plate or current inspection sticker, will be parked for more than seventy-two (72) hours in the driveways or parking areas. Such vehicles will be towed in accordance with the Schedule of Violations and Penalties set forth in these Rules and Regulations.

F. PETS

1. All pets must be registered and inoculated as required by law.
2. Each Unit Owner shall indemnify and hold harmless the Association from any claims of property damage and/or personal injury made as a result of the action of their (or their tenant's, guest's, etc.) pets.
3. Pets must be leashed and accompanied by a responsible adult at all times. Leashes may not exceed six (6) feet in length. No pet may be tied, staked, attached to run or be allowed outside the Unit unattended in any other way.
4. Unit Owners must comply with all ordinances of Cranberry Township governing pets.
5. Unit Owners must protect the property of others from damage by their pets and will be liable for any damages caused by their pets.
6. Unit Owners must promptly remove and properly dispose of their pets' droppings.
7. The Association may require the permanent removal of any pet violating these rules upon written notice to the Unit Owner.

BELLEVUE PARK MASTER PLANNED COMMUNITY
SCHEDULE OF VIOLATIONS AND PENALTIES

<u>CATEGORY/ VIOLATION</u>	<u>1ST NOTICE</u>	<u>2ND NOTICE</u>	<u>3RD NOTICE</u>
Pets (general)	Written request to pet owner for compliance and notice of consequences for subsequent violations	A \$25.00 fine will be imposed for a second violation	A \$100 fine will be imposed for each subsequent violation
Pets (damage to lawn and shrubs)	Written request to pet owner for damage repair within 30 days and notice of consequences for inaction	A \$25.00 fine will be imposed	A \$100 fine and costs will be imposed
Stored/unmoved vehicle	Vehicle ticketed and/or written request for compliance within 72 hours	After 72 hours Municipality Police will be notified to tow, vehicle owner will be billed	

MASTER ASSOCIATION BUDGET

OPERATING BUDGET

EXPENSES

ITEM	UNIT OF MEASURE	PROPOSED BUDGET
ADMINISTRATION		
Management Fees		\$ 750.00
Legal Fees		\$ 750.00
Accounting		\$ -
Postage		\$ 480.00
Copying/Printing		\$ -
Misc. Expenses		\$ 1,200.00
Bank Fees		\$ 250.00
Subtotal Administration		\$ 3,430.00
OPERATING EXPENSES		
Landscape Maintenance (grass strips both sides of Public ROW)		
Spring Cleanup		\$ 975.00
Grass cutting		\$ 14,300.00
Lawn fertil program		\$ 760.00
Fall Clean Up		\$ 350.00
Plant replacement		\$ 1,000.00
Subtotal Landscape Maint		\$ 17,385.00
Snow Removal		
Snow Removal (Public Streets)		\$ 1,900.00
Clearing of Walks		\$ 11,850.00
Ice Melter of Walks		\$ 4,500.00
Subtotal Snow Removal		\$ 18,250.00
Sidewalk Maintenance/Repair		
Unknown C-3		\$ 729.00
Westminster		\$ 157.50
Unknown C-1		\$ 58.50
Unknown C-2		\$ 355.50
Wealdstone		\$ 351.00
Hamstead		\$ 1,453.50
Rochester		\$ 1,072.80
Unknown A		\$ 2,128.50
Subtotal Sidewalk Maintenance/Repair		\$ 6,306.30
Street Lights		
Maintenance		\$ -
Repairs		\$ -
Operating Costs		\$ -
Subtotal Street Light Maintenance/Repair		\$ -

Park Maintenance

Neighborhood Park at Community Building	\$	1,000
Central Boulevard Park	\$	1,000
Park Block Square	\$	1,000
Neighborhood Park on Wealdstone at Hamstead	\$	1,000

Subtotal Park Maintenance \$ 4,000.00

Storm Water Facilities (ponds)

Pond No 1 @ Stratford Park	\$	500.00
Pond No. 2 @ Westminster Park	\$	560.00
Pond No. 3 @ Westminster Park	\$	290.00
Pond No. 4 @ Villas at Isleworth	\$	800.00
Pond No. 5 @ Villas at Isleworth	\$	600.00
Pond No. 6 @ Villas at Isleworth	\$	400.00
Pond No. 7 @ Future Commercial	\$	1,400.00
Routine Maintenance and Cleaning/ Mucking/ Testing	\$	7,000.00

Subtotal Storm Water Facilities Maintenance \$ 11,550.00

Street Sign Maintenance

Maintenance	\$	300.00
Repairs	\$	600.00

Subtotal Street Sign Maintenance \$ 900.00

Front Entrance Monuments (at Haine School and Dover)

Operation Costs	\$	650.00
Spring clean up	\$	150.00
Flowers	\$	500.00
Plant replacement	\$	500.00

Subtotal Entrance Maintenance \$ 1,800.00

FIXED EXPENSES

Insurance \$ 2,500.00

TOTAL EXPENSES \$ 66,121.30

	Type	Totals	Percentages	
Westminster Estates Contribution	Estates	33	11.26%	\$ 7,447.11
Stratford Park/Paddington Square	Neas	71	24.23%	\$ 16,022.57
Edmonton Commons	Towns	81	27.65%	\$ 18,279.27
Villas at Isleworth	Multi	108	36.86%	\$ 24,372.36
TOTAL		293	100.00%	\$ 66,121.30

RESERVES

Repairs and Replacement of Sidewalks \$ 84,500.00

mail to
Cranberry Township
Attn: Ron Henshaw
2625 Rochester Rd.
Cranberry Twp PA 16014

2

Instr: 200808020682429 07/06/2008
Pages: 20 F: \$50.50 2:57PM
Michele Mustello T20080802068
Butler County Recorder MEPGRANBER

DECLARATION OF RECREATION ASSOCIATION
FOR
THE PLANNED COMMUNITIES AT BELLEVUE PARK



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

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

tabbler
EXHIBIT
B

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DECLARATION OF RECREATION ASSOCIATION FOR THE PLANNED
COMMUNITIES AT BELLEVUE PARK

BELLEVUE PARK PARTNERS, L.P., a Pennsylvania limited partnership, currently maintaining its principal place of business address at P.O. Box 449, Borough of Mars, Butler County, PA 16046 ("Declarant") hereby makes this DECLARATION OF RECREATION ASSOCIATION FOR THE PLANNED COMMUNITIES AT BELLEVUE PARK (the "Declaration") with respect to certain real estate described herein.

PREAMBLE

WHEREAS, Declarant is the owner of real property located in Cranberry Township, Butler County, Pennsylvania, consisting of 121.074 Acres as shown on the BelleVue Park Plan - Phase 1, as recorded at Instrument No. 202005005 0427 and Plan Book Volume 305, Pages 15-10, in the Office of the Recorder of Deeds of Butler County, Pennsylvania (the "Plan"); and

WHEREAS, pursuant to this Declaration, Declarant will create a master association known as the "Recreation Association for the Planned Communities at BelleVue Park" ("Recreation Association") with respect to those portions of the Plan, being designated as Lot 191 (the "Property"); and

WHEREAS, in connection with the development of the Property, certain improvements will be made by Declarant with respect to the Property, which improvements include the clubhouse, the parking area and all appurtenances thereto; and

WHEREAS, Declarant hereby declares that the Property shall be held, improved, maintained and sold subject to the following covenants, conditions and restrictions which are for the purpose of protecting the value and desirability of the Property, which shall run as a covenant with the land subject to this Declaration, and which shall be binding on all parties having any right, title, or interest in the Property or any part thereof, and their heirs, successors, and assigns; and which shall inure to the benefit of each Owner (as hereinafter defined) and Cranberry Township.

NOW THEREFORE, Declarant hereby declares the following covenants, conditions and restrictions affecting the Property, with the intent to be legally bound hereby.

ARTICLE I
SUBMISSION

1.1 Declarant hereby makes the Property subject to the following covenants, conditions, reservations and restrictions. It is the intent of the Declarant that the Property subject to this Declaration shall constitute a "planned community," as that term is defined in the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. §§ 5101, et seq. (the "Act").

1.2. Purposes.

- a. To manage, own and maintain the Property including, but not limited to: the clubhouse building and appurtenant parking.
- b. To own, purchase, manage, maintain, repair and replace any or all of the equipment, facilities and buildings used in connection with the operation of the Recreation Association including.
- c. To establish an orderly and efficient system of billing to pay for the expenses incurred in the furtherance of the purposes listed in 1.2 (a.) and (b.) above.
- d. To promulgate such rules and regulations and perform such actions as are necessary to achieve the purposes listed in 1.2 (a.), (b.) and (c.) above.

ARTICLE II
DEFINITIONS

As used in this Declaration, the following terms shall have the meaning designated:

2.1. "Affiliated Planned Communities" shall mean the planned communities of "WESTMINSTER ESTATES", "STRATFORD PARK / PADDINGTON SQUARE" and "EDMONTON COMMONS" which are contemplated to be included within the Recreation Association.

2.2. "Common Elements" shall mean all real and personal property located within the Property to be maintained by the Recreation Association for the common use and enjoyment of all of the Members of the Recreation Association.

2.3. "Declarant" shall mean BELLEVUE PARK PARTNERS, L.P., and its successors and assigns. The term "Declarant" does not include any other parties or entities, unless Special Declarant Rights are transferred through a signed and recorded instrument pursuant to the requirements of § 5304 of the Act.

2.4. "Declaration" shall mean this document, as the same may be amended from time to time.

2.5. "Lot" shall mean each single family lot included within a planned community, included within the Property, and as shown on the Plan and the various plans to be recorded in the future affecting the Property.

2.6. "Lot Owner" or "Owner" means the fee simple owner or owners of a Lot.

2.7. "Member" shall have the meaning described in Section 5.1.

2.8. "Mortgage" shall mean and refer to a permanent or construction mortgage, including any collateral security documents executed in connection therewith, secured by a mortgage on the Property or any part thereof.

2.9. "Mortgagees" shall mean and refer to a beneficiary or holder of a Mortgage.

2.10. "Owner" shall mean and refer to any owner of a Lot or a Unit in the Property.

2.11. "Pattern Book" shall mean those certain architectural guidelines proposed by the Declarant and as approved by Cranberry Township.

2.12. "Plan" shall mean and refer to the BelleVue Park Plan -- Phase 1 as recorded on February 5, 2008, at Plan Book Volume 305, Page 45-103 in the Office of the Recorder of Deeds of Butler County, Pennsylvania, as the same may be amended from time to time.

2.13. "Recreation Association" shall mean the Recreation Association for the Planned Communities at BelleVue Park formed solely to own and operate the Recreation Association.

2.14. "Representative" shall have the meaning described in 2.8.

ARTICLE III EASEMENTS

3.1. Utility Easements. Declarant hereby reserves an easement over the Property, in favor of the Declarant, appropriate utility service companies and governmental agencies or authorities for such public and private utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 3.1 shall include, without limitation, the rights of the Declarant, governmental agencies or authorities 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, equipment, ducts and vents, over, under, through, along and on the Property. Declarant grants Ryan Homes the right to use such easements as necessary for the construction of improvements on the Property.

No storm sewers, sanitary sewers, electrical lines, water lines, or other utilities may be installed or relocated in the Property, except as may be approved by the Declarant.

Should any entity furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Declarant shall have the right to grant such easement over the Plan without conflicting with the terms hereof. The easements provided for in this Article shall in no way adversely affect any other recorded easement on the Plan.

The Declarant shall have the power to dedicate portions of the Common Elements to Cranberry Township, or to any other local, state or federal governmental entity and/or any utility supplier at any time.

3.2. Easement for Access to Common Elements. Declarant, on its behalf and on behalf of its successors and assigns, including future members of the Recreation Association, reserves a non-exclusive perpetual right of access and easement on, over and under those portions of the Common Elements for the purpose of pedestrian and vehicular ingress, egress and regress to all or any part of the Property, including the right to modify the location of improvements to the Common Elements to facilitate such ingress, egress and regress, including without limitation the removal of obstructions to the exercise of such rights of ingress, egress and regress, and the grading or regarding of landscaped areas of the Common Elements.

3.3. Declarant's Easement to Correct Drainage. Declarant reserves an easement on, over and under those portions of the Common Elements for the purpose of maintaining and correcting drainage of surface water in order to maintain a reasonable standard of health, safety and appearance. The easement created by this Section 3.3 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 Common Elements as closely to its original condition as possible. Declarant grants the foregoing easement to correct drainage to Ryan Homes with respect to Lots as required to maintain and correct drainage of surface water on the Property.

3.4. Declarant's Easement for Development of the Property in the Recreation Association. Declarant reserves an easement on, over and under those portions of the Common Elements for all purposes relating to the construction, development, leasing and sale of improvements in the Recreation Association. 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 directions and promotional signs. Declarant grants the rights to maintain models, sales offices and signs under Section 5217 of the Act to Ryan Homes, subject to the limitations and protections afforded pursuant to the provisions of Section 5304(e)(3) of the Act. All rights granted and reserved herein are subject to compliance with Cranberry Township ordinances.

3.5. Easement for Use of Common Elements.

- (a) Grant of Easement. Each Owner and each person lawfully on the Property is hereby granted a non-exclusive perpetual right and easement of access to and enjoyment in common with others of the Common Elements
- (b) Extent of Easement. The rights and easements of access and enjoyment created hereby shall be subject to the right of the Association to adopt Rules and Regulations governing the use of the Common Elements.

As a condition of the enjoyment of the easement created by Section 3.5, each Owner shall pay to the Recreation Association each month an assessment levied exclusively for a proportionate share of the costs for the management, operation, repair, replacement and maintenance of the Property and for services and facilities related thereto. The assessment payable by each such record owner shall equal the amount determined by multiplying the actual operational expenses and estimated reserves for replacements and capital improvements less any income for the Property by a fraction, the numerator of which shall be the number of occupied Lots which such record owner owns and the denominator of which shall be the sum of the occupied Lots within all Affiliated Planned Communities. The assessment levied shall be adjusted annually by the Recreation Association to reflect changes in the number of occupied Lots. All such assessments shall be deemed a General Common Expense, subject to collection as provided in Article VI of this Declaration. If the cash requirement estimated at the beginning of any fiscal year shall prove to be insufficient to cover the actual Common Expenses for such fiscal year, the Executive Board of the Recreation Association shall have the power, at any time (and from time to time) it deems necessary and proper, to levy one or more Special Assessments against each Owner.

3.6. Easement for Reconstruction, Improvement, Repair or Maintenance of Common Facilities and Controlled Facilities. Easements to permit the doing of every necessary and proper act by the Declarant and/or the Recreation Association to properly maintain the Common Elements and Controlled Facilities are hereby granted and established. These acts shall include, but not be limited to, entry upon, over and under the Lots, or any part thereof, the right to use all necessary and usual equipment for the performance of such acts, the usual and common noise level associated with the use of such equipment, together with all the other common and usual activity associated with such activities.

ARTICLE IV
MAINTENANCE AND RELATED EXPENSES RESPONSIBILITY

4.1. Recreation Association's Responsibility. The Recreation Association shall be responsible for the maintenance, repair and replacement of, all improvements and landscaping in the Common Elements as shown on the Plan and intended for the use and enjoyment of all Members of the Recreation Association. The Recreation Association shall not be responsible for the cost of maintenance of the Common Elements contained within the BelleVue Park Master Planned Community, the Affiliated Planned Communities or within the condominium of VILLAS AT ISLEWORTH (the "Condominium") as shown on the Plan.

ARTICLE V
BELLEVUE PARK RECREATION ASSOCIATION

5.1. Membership. In accordance with the provisions of §5222 of the Act and for the purpose of ownership and maintenance of the Common Elements and all common community services of every kind of nature required or desired within the Recreation Association for the general use and benefit of all Owners, each and every Owner, in accepting a deed or contract for a Lot in the Recreation Association, agrees to and shall be subject to the obligations and duly enacted Bylaws and Rules and Regulations of the Recreation Association. The Members of the Recreation Association shall be the Declarant and all Owners. With respect to the affairs of the Recreation Association, the Owner of each Lot shall have one vote.

5.2. Succession. Upon the transfer of Declarant's control of the Recreation Association in accordance with Section 9.2(a), the Recreation Association shall succeed to the position of the Declarant with respect to the provisions of these covenants, conditions, reservations and restrictions, and the term "Declarant" herein shall then mean the "Recreation Association."

5.3. Powers of the Recreation Association. The Recreation Association shall have the following powers:

- (a) To adopt and amend Bylaws and Rules and Regulations; provided, however, the Recreation Association may amend the foregoing only after expiration of a period of seven (7) years after the date of recording of this Declaration, unless the Declarant otherwise consents.
- (b) To adopt and amend budgets for revenues, expenditures and reserves and collect assessments for Common Expenses from the Members.
- (c) To hire and terminate managing agents and other employees, agents and independent contractors.

- (d) To institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Members on matters affecting the Recreation Association.
- (e) To make contracts or incur liabilities.
- (f) To regulate the use, maintenance, repair, replacement and modification of the Common Elements.
- (g) To cause additional improvements to be made to the Common Elements.
- (h) To acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property, but the Common Elements may be conveyed or subjected to a security interest only in accordance with the provisions of §5318 of the Act.
- (i) To grant easements, leases, licenses and concessions through or over the Common Elements; provided, however, that any exercise of such power which would materially impair the quiet enjoyment of a Member shall require the prior written approval of the affected Member.
- (j) To impose and receive payments, fees or charges for the use, rental or operation of the Common Elements.
- (k) To impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of this Declaration and the bylaws and rules and regulations of the Recreation Association.
- (l) To impose reasonable charges for the preparation and recording of amendments to this Declaration, and for resale certificates required by the Act.
- (m) To provide for the indemnification of its officers and executive board and to maintain directors' and officers' liability insurance.
- (n) To exercise any other powers conferred by the Act, this Declaration or the bylaws of the Recreation Association.
- (o) To exercise all other powers that may be exercised in the Commonwealth of Pennsylvania by legal entities of the same type as the Recreation Association.

- (p) To exercise any other powers necessary and proper for the governance and operation of the Recreation Association.

5.4. Executive Board.

- (a) The Executive Board shall initially be composed of three natural persons, all of whom shall be designees of the Declarant. Not later than 60 days after conveyance of 25% of the Lots which may be constructed within Recreation Association to Owners other than the respective declarants of the Affiliated Planned Communities, the number of members shall be increased to nine (9), five (5) of whom shall be designated by Declarant and four (4) of whom shall be elected by the Lot Owners (one from each Individual Association) If this alteration to the number of representatives shall result in an even number of members to the Executive Board, the Declarant shall choose one additional representative to sit on the Executive Board. Such members shall serve until the annual meeting of the Master Association following the meeting at which they were elected. Following this initial election, the election of representatives following the transfer of control in accordance with Section 9.2(a) hereof is to be determined in accordance with the Bylaws of the Master Association. Necessary elections shall be held to ensure that one representative will be elected to represent every fifty (50) Lots, or a portion thereof, within each of the Individual Associations.

- (b) The Executive Board shall elect the officers of the Recreation Association. The members of the Executive Board and the officers shall take office upon election. The Executive Board shall not have power to determine the qualifications, powers and duties or terms of office of the members of the Executive Board. Vacancies in membership of the Executive Board from the Declarant appointed members shall be filled designation of Declarant. Vacancies in membership of the Executive Board from members appointed from the Affiliated Planned Communities shall be filled by the Executive Board of the Individual Association from which the removed Member made came (for the unexpired portion of any term). The Members, by a two-thirds (2/3) vote of all persons present and entitled to vote at any meeting of the Members at which a quorum is present, may remove any member of the Executive Board with or without cause, other than a member appointed by the Declarant.

5.5. Bylaws. The Bylaws of the Recreation Association shall provide for all of the following:

- (a) The number of members of the Executive Board and the titles of the officers of the Recreation Association.
- (b) Election by the Executive Board of a President, Treasurer, Secretary and any other officers of the Recreation Association the Bylaws specify.
- (c) The qualifications, powers and duties, terms of office and manner of electing and removing members of the Executive Board and officers and filling vacancies.
- (d) Which, if any, of its powers the Executive Board or officers may delegate to other persons or to a managing agent.
- (e) Which of its officers may prepare, execute, certify and record amendments to this Declaration on behalf of the Recreation Association.
- (f) The method of amending the Bylaws.

Subject to the provisions of this Declaration and the Act, the Bylaws may provide for any other matters that the Recreation Association deems necessary and appropriate.

ARTICLE VI
BUDGETS; COMMON EXPENSES; ASSESSMENTS AND ENFORCEMENT

6.1. Budgets; Capital Expenditures. The Executive Board shall adopt a budget for revenues, expenditures and reserves at least annually. The Executive Board shall deliver to all Members copies of each budget approved by the Executive Board and notice of any capital expenditure approved by the Executive Board promptly after such approval. The Members, by affirmative vote of sixty percent (60%) of all Members, pursuant to procedures applicable to voting by members of the Recreation Association as set forth in the Bylaws of the Recreation Association, may reject any budget or capital expenditure approved by the Executive Board within thirty (30) days after approval.

6.2. Monthly Assessments. All Common Expenses assessments made in order to meet the requirements of the Recreation Association's annual budget shall be deemed to be adopted and assessed on an annual basis payable in monthly installments, and shall be due and payable in advance on the first day of the month. Each Lot within the Recreation Association shall be responsible for its pro-rata share of the Common Expense Assessments determined by dividing the number 100 by the number of Lots having individual separate ownership existing within the Recreation Association from time to time (which share will be adjusted with the creation of any Lots within the Additional Real Estate as defined within the Affiliated Planned Community Declarations). Declarant shall be responsible for all costs of the Recreation Association until such time as the Executive Board of the Recreation Association establishes an assessment against

Lots. For assessment purposes, a Lot is deemed to be created, and thus subject to the payment of assessments, only upon issuance of an occupancy permit for that Lot or possession of such Lot, whichever first occurs. Declarant shall not be assessed on unsold Lots that have not yet been created, but shall only be responsible for any actual costs incurred by the Recreation Association with respect to such Lots to which Declarant holds title (upon an equal cost basis with Lots that are sold and occupied).

6.3. Special Assessments. The Board may adopt special assessments relating to each distinct Individual Association or relating to the Planned Community in its entirety. Special Assessments shall be due and payable in one or more installments as determined by the Executive Board. Special Assessments may be subject to special allocation in accordance with the Act.

6.4. Lien for Assessments, Fines and Interest. The Recreation Association shall have a lien against each Lot for any Common Expense assessments levied against that Member or fines imposed against that Member from the time the assessment or fine becomes due. Fees, charges, late charges, fines and interest charged under Sections 5.3(j), 5.3(k) and 5.3(l) and the reasonable costs and expenses of the Recreation Association, including legal fees, incurred in connection with collection of any sums due to the Recreation Association by a Member or enforcement of the provisions of this Declaration or the Bylaws, Rules or Regulations of the Recreation Association against a Member are collectable as assessments under this Section.

6.5. Limitation on Expenditures. All expenses, charges and costs of the maintenance, repair or replacement of the Common Elements, and any other expenses, charges or costs which the Recreation Association may incur or expend pursuant hereto, shall be approved by the Executive Board, and a written memorandum thereof prepared and signed by the Treasurer of the Recreation Association. There shall be no structural alterations, capital additions to, or capital improvements on the Common Elements (other than for purposes of repairing, replacing and restoring portions of the Common Elements) requiring an expenditure in excess of Ten Thousand Dollars (\$10,000) without the prior approval of sixty percent (60%) of the Members.

6.6. Reserve. Each annual budget for monthly assessments of Common Expenses shall include an amount reasonably considered by the Executive Board to be sufficient as a reserve for replacements and contingencies. Extraordinary expenditures not originally included in the annual budget that may become necessary during the year may be charged first against such reserve, as the Executive Board shall determine. The Recreation Association shall have the right to segregate all or any portion of the reserve for any specific replacement or contingency upon such conditions as the Executive Board deems appropriate. The Recreation Association shall also have the right to apply any reserve amounts to Common Expenses as the Executive Board deems appropriate.

6.7. Recreation Association Records. The Recreation Association shall keep financial records sufficiently detailed to enable the Recreation Association to comply with §5407 of the Act. All financial and other records shall be made reasonably available

for examination by any Member and authorized agents. Within one hundred and eighty (180) days after the close of its fiscal year, the Recreation Association shall prepare annual financial statements consisting of at least a balance sheet and a statement of revenues and expenses for the Recreation Association. The cost of preparing the financial statements shall be a Common Expense. Each Member shall be entitled to receive from the Recreation Association, within thirty (30) days after submitting a written request to the Recreation Association, a copy of the annual financial statements and, if such financial statements are audited, reviewed or compiled by an independent certified public accountant or independent public accountant, a copy of the independent accountant's report on the financial statements. The Recreation Association may charge a fee not to exceed the cost of producing copies of records other than the financial statement.

6.8. Further Assessments. If any annual budget proves inadequate for any reason, including nonpayment of any Member's monthly assessments, or any nonrecurring Common Expense or any Common Expense not set forth in the annual budget as adopted, the Executive Board may at any time levy further monthly assessments. Such further monthly assessments shall be payable over such period of time as the Executive Board may determine. The Executive Board shall serve notice of such further assessments on all Members by a statement in writing giving the amount and reasons therefore, and such further monthly assessments shall become effective as determined by the Executive Board.

6.9. Surplus. Any amounts accumulated from assessments for Common Expenses and income from the operation of the Common Elements in excess of the amount required for actual Common Expenses and reserves for future Common Expenses as allocated by the Executive Board shall be credited to each Member in proportion to the share of Common Expenses payable by each such Member. These credits shall be applied to the next monthly assessments of Common Expenses due from each Member under the current fiscal year's budget, and thereafter, until exhausted.

6.10. Acceleration. If a Member is in default in the payment of the aforesaid charges or monthly assessments for sixty (60) days, the Executive Board may, in addition to all other remedies set forth in this Declaration, accelerate all other monthly assessments to become due for the fiscal year in which such default occurs.

6.11. Interest and Charges. All sums assessed by the Recreation Association against any Member that remain unpaid shall bear interest thereon at a rate determined by the Executive Board (but not more than fifteen (15%) percent per annum) from the thirtieth (30th) day following the due date for payment. Initially the interest rate on unpaid assessed amounts shall be 8% percent per annum. Any delinquent Member shall also be obligated to reimburse (i) all expenses of the Recreation Association, including reasonable attorney's fees, incurred in the collection of the delinquent assessments by legal proceedings or otherwise; (ii) any amounts paid by the Recreation Association for taxes or on account of superior liens or otherwise to protect its liens, which expenses and

amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessments and shall be collectible as such, subject to Section 6.2 above.

6.12. Independent Covenant. The obligation to pay assessments is a separate and independent covenant on the part of each Member. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Recreation Association or the Executive Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements or from any other action it takes.

6.13. Implementation. The Recreation Association shall adopt in its Bylaws such additional or other procedures and requirements as it deems necessary and desirable to implement the provisions of this Article 6, and to otherwise provide for the efficient fiscal operation and management of the Common Elements.

6.14. Violations and Assessments. If a Member violates any of the terms of this Declaration, the Declarant and/or the Recreation Association shall have the right to undertake correction of the violation and the costs incurred by Declarant and/or the Recreation Association in correcting such violation so shall be immediately due and payable by the Member in the form of an assessment.

6.15. Subordination to the Lien of Mortgages. The lien of the assessment, provided for herein, shall be subordinate to any first lien mortgage placed upon a Lot. The sale or transfer of the Lot pursuant to or in lieu of mortgage foreclosure shall extinguish the lien of such assessment as to payment that became due prior to such sale or transfer. No such sale or transfer shall relieve such Owner or Lot from the obligation or liability for any assessments thereafter coming due or from the lien on any such subsequent assessments.

ARTICLE VII INSURANCE OF COMMON ELEMENTS

7.1. Coverages. The Recreation Association's duly authorized agent shall have the authority to and shall obtain, blanket, all-risk, casualty insurance, if reasonably available, for all insurable improvements comprising the Common Elements. If blanket all risk coverage is not reasonably available, then at a minimum an insurance policy providing fire and extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

The Recreation Association shall also obtain a public liability policy covering the Common Elements and the Members for all damage or injury caused by the negligence of Recreation Association, or any of the Members or their agents. The public liability policy shall have at least a One Million and No/100 Dollars (\$1,000,000.00) minimum property damage limit.

7.2. Premiums. Premiums for all insurance on the Common Elements shall be paid by the Recreation Association. Such policies may contain a reasonable deductible, and in the case of casualty insurance, the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The deductible shall be paid by the Recreation Association.

7.3. Contracts. All insurance coverage obtained by the Recreation Association shall be written in the name of the Recreation Association as trustee for the respective benefited parties, as further identified in subsection (a) below. Such insurance shall be governed by the provisions hereinafter set forth:

- (a) All policies on the Common Elements shall be for the benefit of the Declarant, the Recreation Association, the Members and Mortgagees, as their interest may appear, providing financing on the Common Elements.
- (b) Exclusive authority to adjust losses under policies obtained by the Recreation Association shall be vested in the Recreation Association; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
- (c) In no event shall the insurance coverage obtained and maintained by the Recreation Association hereunder be brought into contribution with insurance purchased by the Members, occupants, or their Mortgagees.

7.4. Workers Compensation. In addition to the other insurance required by this Article, the Recreation Association shall obtain worker's compensation insurance, if and to the extent required by law.

ARTICLE VIII GENERAL PROVISIONS

8.1 Amendments. Prior to the transfer of Declarant control pursuant to Section 9.2(a), Declarant may amend this Declaration so long as the amendment, in the reasonable discretion of the Declarant, has no material adverse effect upon the development of the Recreation Association. No amendment required by any state or local government authority or agency will be deemed material. After the transfer of Declarant control, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of eighty percent (80%) of the Members, unless unanimous consent of the Members is required by the Act. Any amendment to be effective must be recorded in the public records of Butler County, Pennsylvania. No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or of the assignee of such right or privilege. No amendment may impair the validity or priority of the lien of any Mortgage held by a Mortgagee or impair the rights granted to Mortgagees herein without the prior written consent of such Mortgagees.

8.2. Limitation of Liability. The Declarant, its successors, administrators, executors, assigns, members, officers and employees [(i) through (iv) below shall be effective only from and after the Declarant's transfer of control of the Recreation Association in accordance with Section 9]:

- (i) Shall not be liable for the failure of any service obtained or the failure to so obtain any service needed or for any injury or damage to persons or property, however and wheresoever caused, except for any injury or damage caused by the willful misconduct or gross negligence of the Declarant, its members, officers or employees;
- (ii) Shall not be liable as a result of the performance of the Declarant for any mistake of judgment, negligence or otherwise except for the Declarant's willful misconduct or gross negligence;
- (iii) Shall have no personal liability to any person for any loss or damage caused by theft of or damage to personal property in or on the Common Elements or other places within the Plan and shall have no liability arising out of the use, misuse, or condition of the Common Elements, except for the Declarant's willful misconduct
- (iv) The Declarant and its principals and officers shall be indemnified by the Recreation Association against all expenses and liabilities, including attorney's fees incurred by or imposed in connection with any proceedings, except for liability arising out of the willful misconduct or gross negligence of the Declarant;
- (v) The Declarant may obtain such insurance as it deems appropriate, where available and in such amounts and on such terms as the Declarant deems advisable, to satisfy the liability requirements of this Declaration.

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

8.4. Use of the Words "BelleVue Recreation Association" and "BELLEVUE Park". No person shall use the words "BelleVue Recreation Association" and "BelleVue Park" or any derivative thereof in any printed or promotional material without the prior written consent of the Declarant. However, Members and Ryan Homes may use the terms "BelleVue Recreation Association" and "BelleVue Park" in printed or promotional matter where such term is used solely to specify particular property or Lots located within the Plan.

8.5. Incorporation of Recitals. The recitals set forth in the Preamble section of this document are hereby incorporated herein as if fully set forth and repeated herein.

8.6. Conflicts with Cranberry Township Ordinances. In the event that any of the provisions, terms, conditions or covenants contained in this Declaration conflict with any provisions of the Ordinances of Cranberry Township, the Tentative Approval with Conditions dated March 8, 2007, the Final Approval with Conditions dated May 3rd, 2007, or the Developer's Agreement dated September 14, 2007 (individually and collectively the "Township Requirements"), the applicable provisions, terms and conditions of the Township Requirements shall prevail for all matters involved in any conflicts.

8.7. Conflicts with the Uniform Planned Community Act. In the event that any of the provisions, terms, conditions or covenants contained in this Declaration conflict with any provisions of the Uniform Planned Community Act, the applicable provisions, terms, conditions and provisions of the Uniform Planned Community Act shall prevail,

ARTICLE IX DECLARANT'S RIGHTS

9.1. Any or all of the special rights and obligations of the Declarant may be transferred by the Declarant to other persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is a written instrument signed by the Declarant and duly recorded in the public records Butler County, Commonwealth of Pennsylvania.

9.2. Control.

(a) Subject to Section 9.2(b), for a period of seven (7) years from the date of the recording of this Declaration, the Declarant shall have sole power and authority to appoint and remove the officers and members of the Executive Board of the Recreation Association, unless the Declarant earlier voluntarily surrenders the right to Appoint and remove the officers and members of the Executive Board. However, this period of Declarant's control will terminate no later than the earlier of: (i) Sixty (60) days after the conveyance of seventy-five percent (75%) of the Lots to Owners other than a Declarant (percentage of Lots is based upon the total of Lots that may be created, including the additional Real Estate of each planned community created within the Recreation Association); (ii) two (2) years after a Declarant has ceased to offer Lots for sale in the ordinary course of business; or (iii) two (2) years after any development right to add new Lots (within the planned communities created within the Recreation Association) was last exercised.

(b) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Lots (percentage of Lots is based upon the total of Lots that

may be created, including the Additional Real Estate of each planned community created within the Recreation Association) to members, at least one member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by the Members. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots (including Lots created in the Additional Real Estate of each planned community) to Members, not less than thirty-three percent (33%) of the members of the Executive Board shall be elected by the Members. Necessary elections shall be held to ensure that one representative will be elected to represent every fifty (50) Lots, or a portion thereof, within each of the Affiliated Planned Communities.

9.3. Conveyance of Common Elements to Association. No later than at transfer of Declarant's control of the Recreation Association in accordance with Section 9.2(a), the Declarant shall grant and convey to the Recreation Association title to the Common Elements by special warranty deed. No consideration will be paid for this conveyance and all costs of deed preparation and recording shall be borne by the Declarant. Notwithstanding the foregoing, Declarant shall not convey the Common Elements to the Recreation Association until all improvements to the Common Elements as may be required by Cranberry Township pursuant to any development approvals have been completed by Declarant. This obligation to convey title to the Common Elements shall be binding upon any successor in interest to the rights of the Declarant hereunder.

ARTICLE X TERMINATION

10.1. Means of Termination. The Recreation Association may be terminated in the following manner:

- a. By Statute. As provided by the Act.
- b. Destruction. In the event there is substantial destruction of all of the Common Elements and eighty percent (80%) of the Owners directly affected by said destruction, voting as in all other instances, shall duly resolve not to proceed with repair or restoration, then and in that event, the Planned Community form of ownership will be thereby terminated. The determination not to reconstruct after casualty shall be evidenced by a certificate of the Executive Board executed by the President and Secretary certifying as to the facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Butler County, Pennsylvania.
- c. General Provisions. The termination of the Recreation Association shall be evidenced by a certificate of the Executive Board executed by its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Butler County, Pennsylvania. When the Property has been removed from the provisions of the Act, the former Owners shall, at the time such removal becomes

effective, become tenants in common of the Property. The undivided interest in the Property owned in common which shall appertain to each Owner following such removal shall be in the same proportion of the fair market value of such Owner's interest to the fair market value of the interest of all Owners determined in accordance with §5220 of the Act. All funds held by the Executive Board and all insurance proceeds, if any, shall be and continue to be held for the Owners in proportion to the amount of their respective Percentage Interests determined as aforesaid in accordance with §5220 of the Act. The costs incurred in connection with such termination shall be a Common Expense.

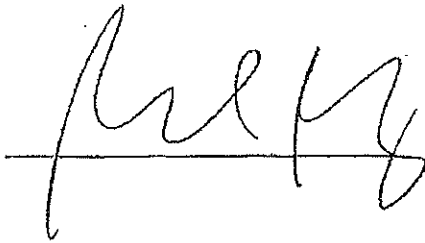
d. Removal from Act. If the Property shall be removed from the provisions of the Act, then the Property may be subject to an action for partition by any Owner or lien holder as if owned in common in which event the net proceeds of sale shall be divided among all the Owners in proportion to the fair market value of their respective Interests determined in accordance with §5220 of the Act; provided, however, that no payment shall be made to a Owner until there has first been paid from his share of such net proceeds all liens or charges on his Lot. Such removal of the Property from the provisions of the Act shall not preclude its subsequent submissions to the provisions thereof in accordance with the terms of the Act.

[signature page attached]

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration as of this 5th day of FEB, 2008.

ATTEST: *witness*

BELLEVUE PARK PARTNERS,
L.P., a Pennsylvania limited
partnership



By: Commercial Building
Corporation, its general partner

By: *William J. Weaver*
Name: WILLIAM J WEAVER
Title: PRES

ACKNOWLEDGEMENT

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF BUTLER) SS:

On this 5th day of February 2008, before me, a Notary Public, the undersigned officer, personally appeared William J. Weaver, who acknowledged himself to be the **President of Commercial Building Corporation, general partner of BELLEVUE PARK PARTNERS, L.P.** a Pennsylvania limited partnership, and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the limited partnership by himself as such officer of the general partner.

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

My Commission Expires:

Kathy M. Senay
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Kathy M. Senay, Notary Public
Monroeville Boro, Allegheny County
My Commission Expires Aug. 18, 2008
Member, Pennsylvania Association of Notaries

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Kathy M. Senay, Notary Public
Monroeville Boro, Allegheny County
My Commission Expires Aug. 18, 2008
Member, Pennsylvania Association of Notaries

BYLAWS
OF
THE RECREATION ASSOCIATION
FOR
THE PLANNED COMMUNITIES AT BELLEVUE PARK

**BYLAWS
OF
THE RECREATION ASSOCIATION FOR
THE PLANNED COMMUNITIES AT BELLEVUE PARK**

ARTICLE I

Introductory Provisions

1.1. Applicability. These Bylaws provide for the governance of the Recreation Association created by the recording of the Declaration of Recreation Association for the Planned Communities at BelleVue Park, in the office of Recorder of Deeds of Butler County, Pennsylvania at Deed Book Volume ____, page ____, pursuant to the requirements of Section 5306 of the Pennsylvania Uniform Planned Community Act ("the Act").

1.2. Definitions. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration of the Recreation Association 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 Lot Owner and all Persons entitled to occupy a Lot shall comply with these Bylaws.

1.4. Office. The office of the Master 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.

ARTICLE II

The Recreation Association

2.1. Composition. The Recreation Association is hereby organized on the date hereof as an **unincorporated** association. The Recreation Association shall consist of all of the Lot Owners of the planned communities which are known as "**WESTMINSTER ESTATES**", "**STRATFORD PARK / PADDINGTON SQUARE**" and "**EDMONTON COMMONS**". The Recreation Association shall have the responsibility of administering the Property, establishing the means and methods of collecting assessments and charges, arranging for the management of and performing all of the other acts that may be required or permitted to be performed by the Recreation 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.

2.2. Annual Meetings. An annual meeting of the Recreation Association shall be held each year in the same month as the first annual meeting of the Lot Owners at a date and time to be designated by the Executive Board. At such annual meetings, the Executive Board, whose members are to be elected in accordance with the Bylaws of the Sub-Associations, may transact such business as may properly come before the meeting.

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

2.4. Special Meetings. The President shall call a special meeting of the Recreation Association if so directed by resolution of the Executive Board or upon a petition signed and presented to the Secretary by Lot Owners entitled to cast at least 25% of the votes in the Recreation Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within 45 days after receipt by the President of said resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a budget or capital expenditure pursuant to Section 5.9 below, such meeting shall be held within 15 days after receipt by the President of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

2.5. Notice of Meetings. The Secretary shall give to each Lot Owner a notice of each annual or regularly-scheduled meeting of the Recreation Association at least twenty but not more than sixty days, and of each special meeting of the Lot Owners at least ten but not more than forty-five days, prior to such meeting, stating the time, place and purpose thereof. The giving of a notice of meeting in the manner provided in this Section and Section 9.1 of these Bylaws shall be considered service of notice. The Notice of Meeting must state the time and place of the meeting, the items on the agenda, including the general nature of any proposed amendment to the declaration or bylaws, any budget or assessment changes and any proposal to remove an executive board member of officer.

2.6. Adjournment of Meetings. If at any meeting of the Recreation Association a quorum is not present, Lot Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight hours after the time for which the original meeting was called.

2.7. Voting.

(a) In General. Voting at all meetings of the Recreation Association shall be on a Lot basis, with each Lot Owner entitled to one (1) vote.

(b) Multiple Owners. Where the ownership of a Lot is in more than one Owner, the Owner who shall be entitled to cast the vote of such Lot shall be the Owner named in a certificate executed by all of the Owners of such Lot and filed with the Secretary (the "Designated Owner"). Such certificate shall be valid unless revoked by a subsequent certificate similarly executed. In the absence of such named Designated Owner from the meeting, the Owner who shall be entitled to cast the vote of such Lot shall be the Owner owning such Lot who is present. If the Designated Owner is not present, and more than one other Owner or Owners owning such Lot is present, then such vote shall be cast only in accordance with their unanimous agreement pursuant to Section 5310(a) of the Act. There shall be deemed to be unanimous agreement if any one of the multiple owners casts the votes allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot. Any certificate executed by all Lot Owners shall be valid until revoked by a subsequent certificate similarly executed. Except where execution by owners of a Lot in the same manner as a deed is required, and subject to the provisions of the Act, the Declaration and these Bylaws, wherever the approval or disapproval of a Lot Owner is required by this subpart, the Declaration or the Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Lot at any meeting of the Recreation Association.

(c) Ownership by an Entity other than an Individual. If the Owner of a Lot is a corporation, joint venture, partnership or unincorporated association, the natural person who shall be entitled to cast the vote for such Lot shall be the person named in a certificate executed by such entity pursuant to its governing documents. If the Owner of a Lot is a trust, the trustee or trustees shall be deemed to be the Owner for the voting purposes, however the Trustees shall designate one Trustee to cast the vote of such Lot. The natural person who shall be entitled to cast the vote of such Lot shall be the person named in a certificate executed by all of the Owners of such Lot and filed with the Secretary or, in the absence of such named person from the meeting or the failure to execute and file such a certificate, the person who shall be entitled to cast the vote of such lot shall be the person owning such Lot who is present. If more than one of the multiple Owners are present, the votes allocated to that Lot may be cast only in accordance with their unanimous agreement unless the declaration expressly provides otherwise. There shall be deemed to be unanimous agreement if any one of the multiple Owners casts the votes allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other owners of the Lot. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Except where execution by Owners of a Lot in the same manner as a deed is required, and subject to the provisions of the Act, the Declaration and these Bylaws, wherever the approval or disapproval of a Lot Owner is required by this subpart, the Declaration or the Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Lot at any meeting of the Recreation Association.

(d) Votes Required. Except where a greater number is required of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, the Owners of more than fifty (50%) percent of the

aggregate number of Lots, voting in person or by proxy at one time at a duly convened meeting at which a quorum is present, is required to adopt decisions at any meeting of the Recreation Association.

(e) Declarant's Votes. If the Declarant owns or holds title to one or more Lots, the Declarant shall have the right at any meeting of the Recreation Association to cast the votes to which such Lot or Lots are entitled.

(f) Recreation Association Votes No votes allocated to a Lot owned by the Recreation Association may be cast.

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

2.8. Election by Mail. All matters which might be voted upon at a meeting of the Lot Owners may also be submitted, at the election of the Executive Board, to the Lot Owners by a mail ballot. The Executive Board shall prepare for distribution an official ballot form and shall circulate a ballot to each Lot Owners authorized to vote pursuant to paragraph 2.7 above as if a meeting were being held on the date of the ballot. All Lot Owners shall be required to execute the ballot unless a certificate has been filed with the Secretary naming Designated Owner. Ballots shall be distributed and counted in accordance with Rules and Regulations to be adopted by the Executive Board.

2.9. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Lot Owner or in case of multiple Owners, by the Designated Owner, in favor of only another Lot Owner, a Permitted Mortgagee 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. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

2.10. Quorum. Except as set forth below, the presence in person or by proxy of Lot Owners of one-third (1/3) or more of the aggregate Percentage Interests at the commencement of a meeting shall constitute a quorum at all meetings of the Lot Owners Recreation Association . If a meeting is adjourned pursuant to Section 2.6 above, the quorum at such second meeting shall be deemed present throughout any meeting of the Recreation Association if persons entitled to cast ten (10%) percent of the votes are present in person or by proxy at the beginning of the meeting.

2.11. Conduct of Meetings. The President (or in his absence, the Vice-President) shall preside over all meetings of the Recreation 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 at each meeting. The President may appoint a person to serve as parliamentarian at any meeting of the Recreation

Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Recreation Association when not in conflict with the Declaration, these Bylaws or the Act. All votes shall be tallied by tellers appointed by the President.

ARTICLE III

Executive Board

3.1. Number and Qualification. The affairs of the Recreation Association shall be governed by an Executive Board. Each Sub-Association shall independently vote for its own representatives. The Executive Board shall initially be composed of three natural persons, all of whom shall be designees of the Declarant. Not later than sixty (60) days after the conveyance of twenty-five percent (25%) of the total number of Lots to Lot Owners other than the Declarant, the number of shall be increased to seven (7), four (4) of whom shall be designated by Declarant, three (3) of whom shall be elected by the Lot Owners (one from each Individual Association). At such time, a special meeting of the Recreation Association shall be held at which the Executive Board shall transact such business as may properly come before the meeting. Within sixty (180) days after conveyance of seventy-five (75%) percent of the total Lots and Units within all Sub-Associations to Owners other than the Declarant, one representative will be elected for each fifty (50) Lots or Units, or a portion thereof, created within each of the Sub-Associations. No more than one member shall be elected from any Lot and/or Unit. The number of Executive Board members may be increased to accommodate the number of Lots and/or Units in a Sub-Association at any annual meeting of the Owners by a vote of a majority of the Owners within said Sub-Association.

3.2. Delegation of Powers; Managing Agent. The Executive Board may employ a "Managing Agent" at a compensation established by the Executive Board. The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, 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 all of the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers:

- (a) to adopt the annual budget and any amendment thereto or to assess any Common Expenses;
- (b) to adopt, repeal or amend Rules and Regulations;
- (c) to designate signatories on Recreation Association bank accounts;
- (d) to borrow money on behalf of the Recreation Association ;

Any contract with the Managing Agent must provide that it may be terminated with cause on no more than thirty days' written notice and without cause on no more than ninety days' written notice. The term of any such contract may not exceed one year.

3.3. Election and Term of Office.

(a) Following the transfer of control of the Association (in accordance with Article IX of the Declaration) from the Declarant, at the annual meetings of the Sub-Associations, and subject to the Declaration of each Sub-Association, the separate Sub-Associations will hold elections to appoint Recreation Association Representatives who will make up the Master Association Executive Board. One representative will be elected to represent each fifty (50) Lots, or a portion thereof, created within each of the Planned Communities. At the first annual meeting following transfer of control from the Declarant, the board members elected shall serve staggered terms. One-half or less (if an odd number) of the board members elected, those receiving the most votes from their respective Sub-Associations shall serve two year terms and the remaining board members shall serve one year terms. Thereafter, the term of office of any Executive Board member to be elected (except as set forth in Section 3.5 hereof) shall be two years. The members of the Executive Board shall hold office until the earliest 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.

(b) Within sixty (60) days after conveyance of twenty-five (25%) percent of the Lots to Lot Owners other than the Declarant, a special meeting of each of the Sub-Associations shall be held at which the Lot Owners of each Sub-Association shall elect one representative for their respective Sub-Associations to the Executive Board. If this alteration to the number of representatives shall result in an even number of members to the Executive Board, the Declarant shall choose one additional representative to sit on the Executive Board. Such members shall serve until the annual meeting of the Recreation Association following the meeting at which they were elected.

(c) Within 180 days after conveyance of seventy-five (75%) percent of the Lots to Lot Owners other than Declarant, a special meeting of each of the Sub-Associations shall be held at which time the remaining Declarant-appointed Board members shall resign and the Lot Owners, including the respective declarants, if the declarant owns more than one Lot, shall thereupon elect successor members of the Executive Board for their respective Sub-Associations to act in the place and stead of those resigning. Necessary elections shall be held to ensure that one representative will be elected to represent every fifty (50) Lots, or a portion thereof, created within each Planned Community. The term of each member of the Executive Board shall be established pursuant to the provisions of Section 3.3(a) hereof.

(d) Notwithstanding the foregoing, if any meeting required pursuant to subparagraphs (a), (b) or (c) above could be held on the date an annual meeting of the

Sub- Association is scheduled, then such meeting(s) shall be held concurrently with such annual meeting.

3.4. Removal or Resignation of Members of the Executive Board.

(a) Except with respect to members designated by Declarant, at any regular or special meeting of the Recreation Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Lot Owners entitled to cast a majority of all votes in the Recreation Association and a successor may then be elected to fill the vacancy thus created in accordance with the terms of Section 3.5. Any Lot Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Lot Owner shall be given at least ten 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.

(b) A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Lot if the Lot Owner is other than a person. 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 this Section III.

3.5. Vacancies. Except as set forth in Section 3.4 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 Lot Owners shall be filled by a vote of the members at a special meeting of the Sub-Association Executive Board, from which such vacancy occurred, 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 Recreation Association Representative for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Association at which such seat is to be filled upon expiration of the term of his predecessor. In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term.

3.6. Organization Meeting. The first meeting of the Executive Board following each annual meeting of the Recreation Association shall be held within ten 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.

3.7. 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 each fiscal year. Notice of regular

meetings of the Executive Board shall be given to each member, by mail or telegraph, at least five (5) business days prior to the day named for such meeting.

3.8. Special Meetings. Special meetings of the Executive Board may be called by the President on at least three business days' notice to each member, given by mail or facsimile, 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 members of the Executive Board.

3.9. Waiver of Notice. Any member may at any time, in writing, waive notice of any meeting of the Executive Board, 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 by him of the time, place and purpose of such meeting. If all members are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.

3.10. 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, a majority of those present may adjourn the meeting from time to time. 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 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 communication equipment by means of which all persons participating in the meeting can hear each other.

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

3.12. 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 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.

3.13. 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 of 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. Action may also be taken by conference, telephone or similar electronic means where all Board members can participate simultaneously.

3.14. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Recreation Association and one or more of its Executive Board members or between the Recreation Association and any corporation, firm, or association in which one 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 and is noted in minutes, 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 or votes of such Executive Board member or members with a financial interest; or

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

3.15. 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 3.14 hereof.

ARTICLE IV

Officers

4.1. Designation. The principal officers of the Recreation Association shall be the President, the Secretary and the Treasurer, all of whom shall be members of and elected by the Executive Board. The offices of Secretary and Treasurer may be held by one person. The Executive Board may appoint a vice-president, assistant treasurer, assistant secretary and such other officers as in its judgment may be necessary.

4.2. Election of Officers. The officers of the Recreation 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. The resulting vacancy shall be filled, from the pool of potential candidates of the Sub-Association from which the vacancy occurs, 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 and until a successor shall be elected at the next annual meeting of the Sub-Association, from which the vacancy occurred, at which such seat is to be filled upon expiration of the term of his predecessor.

4.4. President. The President shall be the chief executive officer of the Recreation Association, shall preside at all meetings of the Recreation 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 Lot 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 Recreation Association. The President shall cease holding such office at such time as he ceases to be a member of the Executive Board.

4.5. Vice President. The Vice President (if any) shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint another member of the Executive Board to act in the place of the President on an interim basis. 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. The Secretary shall keep the minutes of all meetings of the Recreation 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 Lot Owners and holders of mortgagees on any Lots 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. The Secretary shall, upon request, provide any person, or cause to be provided, to any person entitled thereto a written statement or certification of the information required to be provided by the Recreation Association pursuant to Sections 5315(g), 5407(b) of the Act and Sections 5.10 and 5.12 below, upon payment of the fee set by the Executive Board for such service.

4.7. Treasurer. The Treasurer shall have the responsibility for the safekeeping of Recreation Association funds and securities, be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data, and be responsible for the deposit of all monies in the name of the Executive Board, the Recreation Association or the Managing Agent, 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 the Commonwealth of Pennsylvania.

4.8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Recreation Association for expenditures or obligations in excess of \$2,500 shall be executed by two officers of the Recreation Association . All instruments for expenditures or obligations of \$2,500 or less may be executed by any one officer of the Recreation Association.

4.9. Compensation of Officers. No officer who is also a member of the Executive Board shall receive any compensation from the Recreation 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.

ARTICLE V

Common Expenses: Budgets

5.1. Fiscal Year. The fiscal year of the Recreation Association shall be the calendar year unless otherwise determined by the Executive Board; provided, however, that the first fiscal year shall begin upon the recordation of the Declaration.

5.2. Preparation and Approval of Budget.

(a) On or before the first day of December of each year (or thirty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt any annual budget for the Recreation Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or a resolution of the Recreation Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Lot Owners of all related services. Such budget shall also include such reasonable amounts as the Executive Board considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements.

(b) On or before the fifth day of December (or twenty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall make the budget available for inspection at the Recreation Association office and shall send to each Lot Owner a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Lot Owners' assessments for General Common Expenses of the Recreation Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 5.9 below.

(c) The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

5.3. Assessment and Payment of Common Expenses.

(a) Common Expenses. The Executive Board shall calculate the monthly assessments for Common Expenses against each Lot by multiplying (i) the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Executive Board for the fiscal year in question, after deducting income expected to be received from sources other than Common Expenses assessments and the

operation of the Reserved Common Elements to which the Common Expenses pertain, by (ii) the Percentage Interest (expressed in decimal form) allocated to such Lot, and dividing the resultant product by (iii) the number of months in such fiscal year. Such assessments shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments, shall be due and payable on the first day of each month and shall be a lien against each Lot Owner's Lot as provided in the Act and the Declaration. Within ninety days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Lot Owner an itemized account of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to General Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Lot Owners in accordance with their Percentage Interests and shall be payable in one or more monthly assessments, as the Executive Board may determine.

(b) Supplemental Assessments. If the Executive Board determines that the estimate of total charges for the current fiscal year is, or will become, inadequate to meet all Common Expenses for any reason, it shall immediately determine the approximate amount of the inadequacy. Subject to the provisions of Section 5.4, the Board shall have the authority to levy, at any time by a majority vote, a Supplemental Assessment, reflecting a revision of the total Common Expense Assessment. Written notice of any change in the amount of Supplemental Assessments levied by the Recreation Association through the Board shall be given to all Lot Owners not less than thirty (30) days prior to the effective date of such Supplemental Assessment.

(c) Reserves. The Executive Board may build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including non-payment of any Lot Owner's assessments, the Executive Board may at any time levy further assessments for Common Expenses which shall be assessed against the Lot Owners according to their respective Percentage Interests with regard to Common Expenses and shall be payable in one or more monthly assessments as the Executive Board may determine. Payments for said purposes may be classified as capital contributions at the discretion of the Board.

5.4. Further Assessments. The Executive Board shall serve notice on all Lot Owners of any further assessments pursuant to Sections 5.3(a) or (b) or otherwise as permitted or required by the Act, the Declaration and these Bylaws, including, but not limited to, the right to levy fines, by a statement in writing giving the amount and reasons therefore, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly assessment if pursuant to Section 5.3 which is due more than thirty (30) days after the delivery of such notice of further assessments. All Lot Owners so assessed shall be obligated to pay the amount of such monthly assessments. Such assessments shall be a lien as of the effective date as set forth in the preceding Sections.

5.5. Fines. The Executive Board shall have the power to levy fines as set forth in the Act, which shall be considered as a further assessment against the Lot as set forth in Section 5.4 hereof.

5.6. Initial Budget. At or prior to the time assessment of Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive Board determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessments shall be levied and become a lien against the Lot Owners during such period as is provided in Section 5.3 above.

5.7. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Lot Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Lot Owner shall continue to pay each monthly assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

5.8. Accounts. All sums collected by the Executive Board with respect to assessments against the Lot Owners or from any other source may be commingled into a single fund. Reserves shall be maintained in a separate fund, although different types of reserves may be commingled in one fund. All books and records of the Recreation Association shall be kept in accordance with good and accepted accounting practices, and the same shall be reviewed and a compilation prepared at least once each year by an independent accountant retained by the Executive Board.

5.9. Rejection of Budget; Limitations on Expenditures and Borrowing. Anything herein to the contrary notwithstanding, the Recreation Association, by majority of all votes in the Recreation Association, may reject any budget or capital expenditure approved by the Executive Board, within thirty days after approval by the Executive Board. The power of the Executive Board to expend funds, incur expenses or borrow money on behalf of the Recreation Association is subject to the requirement that the consent of Lot Owners entitled to cast at least two-thirds of the votes in the Recreation Association, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to (i) expend funds or incur expenses that it is reasonably anticipated will cause the aggregate amount of all expenses in the budget (including reserves) to be exceeded by more than 10% of such aggregate amount after taking into account any projected increases in income, and (ii) to borrow money so that loans of the Recreation Association then outstanding would exceed 10% of such aggregate amount.

5.10. Payment of Common Expenses. Each Lot Owner shall pay the Common Expenses assessed by the Executive Board pursuant to the provisions of this Article V, provided that, for assessment purposes, a Lot is deemed to be created, and thus subject to

the payment of assessments, only upon issuance of an occupancy permit for that Lot or occupancy of the improvements contained within such Lot, whichever first occurs. Declarant shall not be assessed on unsold Lots, but shall only be responsible for any actual costs incurred by the Association with respect to such Lots to which Declarant holds title on an equal basis with Lots that are sold and occupied. No Lot Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Lot. No Lot Owner shall be liable for the payment of any part of the Common Expenses assessed against his Lot subsequent to the date of recordation of a conveyance by him in fee of such Lot. The purchaser of a Lot shall be jointly and severally liable with the selling Lot Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Lot Owner amounts paid by the purchaser therefore; provided, however, that any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Lot Owner within five days following a written request therefore to the Executive Board or Managing Agent and such a purchaser shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth; and, provided further that, subject to Section 5315(b)(2) of the Act, each Permitted Mortgagee who comes into possession of a Lot by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid assessments or charges against such Lot which accrue prior to the time such holder comes into possession thereof, except for claims for a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all Lots including the mortgaged Lot.

5.11. Collection of Assessments. The Executive Board, or the Managing Agent at the request of the Executive Board, shall take prompt action to collect any assessments for Common Expenses due from any Lot Owner which remain unpaid for more than thirty days from the due date for payment thereof. Any assessment not paid within five days after its due date shall accrue a late charge in the amount of 5% of the overdue assessment in addition to interest at the rate of fifteen (15%) percent per annum (or such other rate as may be determined by the Executive Board) on the amount of the unpaid assessment through date of payment.

5.12. Statement of Common Expenses. Upon request, the Executive Board shall promptly provide any Lot Owner, contract purchaser or proposed mortgagee with a written statement of all unpaid assessments for Common Expenses due. Further, the Executive Board may charge a reasonable fee for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

5.13. Surplus. Any amounts accumulated from Assessments for Common Expenses and income from the operation of the Common Elements, in excess of the amount required for actual Common Expenses and reserves for future Common Expenses shall be credited to each Lot in accordance with such Lot's interests in Common Elements. These credits will be applied, unless the Declaration provides otherwise, to the

next monthly Assessments of Common Expenses against that Lot under the then current fiscal year's budget and thereafter, until exhausted.

5.14. Negligence. If any Common Expense is caused by the negligence or misconduct of any Lot Owner, the Recreation Association may assess that expense exclusively against his Lot.

ARTICLE VI

Compliance and Default

6.1. Relief. Each Lot 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 forgoing may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, a default by a Lot Owner shall entitle the Recreation Association, acting through its Executive Board or through the Managing Agent, to the following relief:

(a) Additional Liability. Each Lot 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 to the extent that such expense is not covered by the proceeds of insurance carried by the Executive Board. Such liability shall include any increase in casualty insurance premiums occasioned by improper use, misuse, occupancy or abandonment of any Lot 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 Lot Owner under the Declaration, these Bylaws, the Rules and Regulations or the Act, the Recreation Association shall be entitled to recover the reasonable costs and expenses of the Recreation Association, including attorney's fees.

(c) No Waiver of Rights. The failure of the Recreation Association, the Executive Board or of a Lot Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Rules and Regulations or the Act shall not constitute a waiver of the right of the Recreation Association, the Executive Board or the Lot Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Recreation Association, the Executive Board or any Lot 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 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 Lot Owners. The violation of any of the Rules and Regulations adopted by the Executive Board, the breach of any Bylaws contained herein or of any provision of the Declaration or the Act shall give the Executive Board the right, in addition to any other rights: (i) to enter the Lot in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Lot 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; or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

(e) Termination of Services. The Recreation Association shall have the right to terminate any services which it performs or provides to or for a Lot Owner, including utility service to individual Lots, in the event of delinquency. Prior to termination of any service, the Executive Board shall give at least ten (10) days written notice and an opportunity to appear at a meeting of the Executive Board to any delinquent Lot Owner.

(f) Suspension of Voting Rights. Any Lot Owner who is more than thirty (30) days delinquent at the time of the annual meeting shall not be permitted to vote at any meeting or mail ballot.

ARTICLE VII

Amendments

7.1. Amendments to Bylaws. These Bylaws may be modified or amended only by vote of Lot Owners entitled to cast a majority of the votes in the Recreation Association, except as otherwise expressly set forth herein or in the Act; provided, however, that until the date on which all Declarant-appointed Board members voluntarily resign or are required to resign pursuant to Article IX of the Declaration, and Section 3.1 hereof, this Section 7.1 may not be amended without the consent in writing of Declarant. Additionally, if any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, 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 planned community projects, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Lot 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 sentence.

7.2. Approval of Mortgagees. These Bylaws contain provisions concerning various rights and interests of Eligible Mortgagees. Such provisions in these Bylaws are to be construed as covenants for the protection of such Permitted Mortgagees on which

they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of these Bylaws substantially impairing or affecting the rights, priorities, remedies or interests of a Permitted Mortgagee shall be adopted without its or their prior written consent.

7.3. Amendments to the Declaration. Any two officers or Executive Board members of the Recreation Association may prepare, execute, certify and record properly adopted amendments to the Declaration on behalf of the Recreation Association.

ARTICLE VIII

Maintenance, Repair, Replacement and Other Common Expenses

8.1. By the Recreation Association. The Recreation Association shall be responsible for the maintenance, repair and replacement (unless, if in the opinion of not less than two-thirds (2/3) of the Executive Board such expense was necessitated by the negligence, misuse or neglect of a Lot Owner) of all of the Common Elements as defined herein or in the Declaration.

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 delivered personally or if sent by United States mail, postage prepaid, (or otherwise as the Act may permit), (i) if to a Lot Owner, at the single address which the Lot Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Lot of such Lot Owner, or (ii) if to the Recreation Association, the Executive Board or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Lot Owners pursuant to this Section. If a Lot is owned by more than one Person, each such Person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

9.2. 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.

9.3. Capitalized Terms. Capitalized Terms not otherwise defined herein shall be defined as set forth in the Declaration or in the Act, as applicable.

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

ARTICLE X

AMENDMENTS

10.1. Meetings. After termination of the period of Declarant control in accordance with Article 11 of the Declaration, these Bylaws may be amended at a regular or special meeting of the Members by a vote of a majority of a quorum of Members present in person or by proxy.

10.2. Conflicts. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

[signature page attached]

IN WITNESS WHEREOF, these Bylaws have been adopted this _____ day of _____, 2008.

**THE MASTER ASSOCIATION FOR THE
PLANNED COMMUNITIES AT BELLEVUE
PARK**

BY: _____

RULES AND REGULATIONS

OF

**THE RECREATION ASSOCIATION FOR THE PLANNED
COMMUNITIES AT BELLEVUE PARK**

RULES AND REGULATIONS OF THE RECREATION ASSOCIATION FOR THE PLANNED COMMUNITIES AT BELLEVUE PARK

Specifically defined herein, the terms used in these Rules and Regulations shall have the same meanings as defined in the RECREATION ASSOCIATION FOR THE PLANNED COMMUNITIES AT BELLEVUE PARK of the property known as Lot 191 (the "Property"), created under and subject to the Pennsylvania Uniform Planned Community Act. All present and future owners, mortgagees, lessees and occupants of the Lots and of the Common Elements and their agents, employees, guests, and any other person or entity who or which may use the facilities of the Property are subject to and bound by these rules and all amendments thereof.

A. DEFINITIONS

1. "Association" is the master recreation association which shall be known as the "RECREATION ASSOCIATION FOR THE PLANNED COMMUNITIES AT BELLEVUE" (hereafter "RECREATION ASSOCIATION").
2. "Building" or "Buildings" refers to any building located on the Property.
3. "By-Laws" means By-Laws of the RECREATION ASSOCIATION.
4. "Common Elements" are all portions of the Property except the Lots.
5. "Declaration" is the Declaration of the RECREATION ASSOCIATION, as the same may be amended from time to time.
6. "Executive Board" is the Executive Board of the RECREATION ASSOCIATION.
7. "Limited Common Element" are any portions of the Common Elements which are (a) described as such in the Act, and/or (b) identified as such in the Declaration, and or (c) identified as such in the Plats and Plans.
8. "Lot" is a Lot as described in the Declaration and shown in the Plats and Plans.

B. GENERAL

1. These Rules and Regulations are adopted pursuant to the Declaration of RECREATION ASSOCIATION and the By-Laws and may be enforced in accordance with those documents.
2. The Executive Board reserves the right to amend these Rules and Regulations at any time from time to time.
3. The Lots and Common Elements (including Limited Common Elements) shall be used only for the purposes set forth in the Declaration and By-Laws.
4. No resident shall make or permit any noise to be made that will disturb or annoy the occupants of any of the Lots in the RECREATION ASSOCIATION or do or permit anything to be done that will interfere with the rights, comfort, or convenience of other residents. This includes motorized vehicles, radios, fireworks, discharge of firearms, etc.
5. Lot Owners are responsible for any property damage caused by the families, pets, and/or guests.
6. Maintenance of the Common Elements and structural repair of the Limited Common Elements is the responsibility of the Association, but is charged as a General Common Expense or a limited Common Expense, as the Declaration provides.
7. The Association shall in no event be liable for the loss, destruction, theft or damage of personal property placed on any Common or Limited Common Elements.
8. Bicycle riding is permitted on paved areas only.
9. Playing games on driveway areas and streets is prohibited.

C. AESTHETICS

1. Residents shall not hang laundry, towels, rugs, etc. outdoors on lines, fences or deck railings.
2. No Owner or Tenant shall repair or restore any vehicle while on Common or Limited Common Elements.

D. SAFETY

1. Sidewalks and entrances to the Property shall not be obstructed.

E. STRUCTURAL

1. No Common Elements shall be altered without the prior written consent of the Executive Board.
2. No exterior changes or alterations, including painting, can be made to the Building unless approved by Executive Board.

F. USE RESTRICTIONS

1. No Lot Owner or occupier shall permit anything to be done or kept in the Common Elements which will violate any law, statute, ordinance or regulation of any governmental body.

G. REGULATION OF TRAFFIC AND PARKING

1. Only licensed motorized vehicles are allowed in driveways and streets of the Property.
2. No motor-homes, boats, or the like shall be parked in the Property.

H. PETS

1. All pets must be registered and inoculated as required by law.
2. Each Lot Owner shall indemnify and hold harmless the Association from any claims of property damage and/or personal injury made as a result of the action of their (or their tenant's, guest's, etc.) pets.
3. Pets must be leashed and accompanied by a responsible adult at all times. Leashes may not exceed six (6) feet in length. No pet may be tied, staked, attached to run or be allowed outside the Lot unattended in any other way.
4. Lot Owners must comply with all ordinances of the Township of Cranberry governing pets.

5. Lot Owners must protect the property of others from damage by their pets and will be liable for any damages caused by their pets.

6. Lot Owners must promptly remove and properly dispose of their pets' droppings.

I. RECREATIONAL FACILITIES

1. All persons using any of the recreational facilities do so at their own risk and sole responsibility. The Association does not assume any responsibility for any occurrence, accident or injury in connection with such use. No Lot Owner shall make any claim against the Association, its servants, agents, or employees, for or on account of any loss or damage to life, limb or property sustained as a result of or in connection with any such use of any of the recreational facilities. Each Lot Owner shall hold the Association harmless from any and all liabilities and any action of whatsoever nature by the tenants, guests, invitees, or licensees of such Lot Owner growing out of the use of the recreational facilities, except where such loss, injury or damage can be clearly proved to have resulted from and been proximately cause by direct negligence of the Association or its agents, servants or employees in the operation, care or maintenance of such facilities.

2. In addition to all other rights which the Executive Board has for nonpayment of assessments, the Executive Board shall have the right to bar the use by a Lot Owner of any of the recreational facilities for failure to make payment of any assessments or fees due.

3. The Executive Board shall have the right to suspend any Lot Owner from the privilege to use the recreational facilities for abusing the privilege to use same or for violation of the Rules and Regulations. (See Schedule of Violations and Penalties)

4. At the election of the Lot Owner, his lessee or sublessee in possession of a Lot, and the members of the family of such lessee and sublessee residing in the Lot, may use the recreational activities in the place of such Owner and his family and such lessee and sublessee shall be entitled to all the rights and be subject to all the restrictions that the Owner of such Lot would possess or bear; provided, however, that such Lot Owner and such lessee or sublessee shall be jointly and severally liable for, and shall indemnify and hold harmless the Association of, from and against any damage or injury suffered by reason of such use. Notwithstanding the

foregoing, use of recreational activities by the lessee or sublessee in possession of a Lot may be prohibited by the Executive Board (at its election) if and when the Executive Board receives written notice from either such lessee or sublessee or such Lot Owner that the person giving such notice refuses to accept the liability and duty of indemnification described in the immediately preceding sentence.

J. SWIMMING POOL

The pool is for the exclusive use of the residents and their guests. Any person who cannot be identified as a resident, or who is not accompanied by a resident, will be asked to leave the pool area. The pool rules are:

1. All persons using the pool and pool facilities do so at their own risk and sole responsibility. There is no lifeguard.
2. All children under the age of eighteen (18) must be accompanied by an adult resident age eighteen (18) or older.
3. Guests (non-residents) are limited to three (3) per household not to exceed six (6) total guests per month, and must be accompanied by a resident at all times. Guests will be asked to leave if the resident is not present. Pool passes may be required.
4. The following are prohibited in the pool area:
 - a. Animals or pets
 - b. Glass or other breakable items
 - c. Running, diving or disruptive behavior
 - d. Excessive noise, splashing or radios without headphones
 - e. Private pool parties
 - f. All rafts and body floats
 - g. Electrical devices
5. Swimming is permitted only in garments sold as swim wear. Infants must also wear swim suits - no diapers are permitted in the water.
6. Lounge chairs or tables may not be reserved by residents and must be repositioned in the order intended (orderly fashion), after use.
7. The pool will be open daily during swimming season until 9:00 p.m.

8. Wet swimwear is not permitted in the Clubhouse lounge area.
9. The gas grill is to be operated by adult residents only and cleaned after use.

K. COMMUNITY CENTER (CLUBHOUSE)

The Community Center is for private use of the residents. It is available for rental to residents only for non-profit parties or meetings. The following policy applies:

1. A \$175.00 refundable deposit is required. Reservations are granted on a first request basis.
2. Children and teenage parties are prohibited except as approved by the Executive Board as to time, number of guests, activities and extent of adult supervision. Children under the age of eighteen (18) must be accompanied by an adult resident.
3. The renting resident will have exclusive use of the party room **only**. The guests of the party room **may not** use the exercise equipment. No party items will be furnished by the Association. Dishes and supplies are available for use.
4. The renting resident is responsible for **all** clean-up and trash removal. Clean-up must be done (completely) the day of the party.
5. Damage to the Community Center or equipment and any (additional) follow-up cleaning done by the Association will be deducted from the deposit. If the deposit is an insufficient amount, the renting resident will be billed for the difference.

L. EXERCISE EQUIPMENT

1. The fitness center is for use by residents only.
2. Residents use the fitness equipment at their own risk.
3. No use is permitted by children under eighteen (18).

4. Residents should always consult a physician before beginning any exercise program.

RECREATION ASSOCIATION FOR THE PLANNED COMMUNITIES AT BELLEVUE PARK CONDOMINIUM ASSOCIATION
SCHEDULE OF VIOLATIONS AND PENALTIES

<u>CATEGORY/ VIOLATION</u>	<u>1ST NOTICE</u>	<u>2ND NOTICE</u>	<u>3RD NOTICE</u>
Pets (general)	Written request to pet owner for compliance and notice of consequences for subsequent violations	A \$25.00 fine will be imposed for a second violation	A \$100 fine will be imposed for each subsequent violation
Pets (damage to lawn and shrubs)	Written request to pet owner for damage repair within 30 days and notice of consequences for inaction After 30 days, fine of \$25.00/month until the lease is received	A \$25.00 fine will be imposed	A \$100 fine and costs will be imposed
Recreational Facilities	Written warning, request for compliance and/or reimbursement of costs of any damage, and notice of consequences of repeated violations.	30-day suspension of privilege to use recreational facilities (If damage, suspension will last until cost of damage is paid)	6-month suspension of privilege to use recreational (If damage, suspension will last until cost of damage is paid)