ELAM G. STOLTZFUS JR., INC MEMORANDUM FROM ANDY DULA CHIEF FINANCIAL OFFICER

BRADFORD ESTATES HOMEOWNERS ASSOCIATION BOARD MEMBERS (PAUL ZOOK, BILL RITTENHOUSE, KEN HUEBSCH SR., JAMES ST. HILAIRE, FORREST TROUTMAN)
BRADFORD ESTATES HOMEOWNERS ASSOCIATION DOCUMENTS
12/23/2002
JIM DENLINGER – ELAM G STOLTZFUS JR., INC

I am enclosing a complete set of Bradford Estates Homeowners Association documents which include the Amended and Restated Declaration, Bylaws, Public Offering Statement, Operating Budget and Capital Budget.

Bradford Estates Homeowners Association Board

Our Property Management Firm is:
Sowers Realty Services
Attn: Bill Rittenhouse
2961 Spangler Road
Manheim, PA 17545
Thanks for your willingness to serve on the

Elam G. Stoltzfus Jr., Inc. – 474 Sidney Road, Lancaster, PA 17602 – 717-393-0212 www.egsjr.com

BRADFORD ESTATES, A PLANNED COMMUNITY

PUBLIC OFFERING STATEMENT

Fishing Creek Valley Associates, L.P., of 7100 Fishing Creek Valley Road, Harrisburg, Pennsylvania is the Declarant for Bradford Estates, a planned community ("Bradford"), located along Sarhelm Road, West Hanover Township, Dauphin County, Pennsylvania. As a new development, there is no principal address for Bradford at this time and all written communication should be addressed and sent to the Declarant.

STATEMENT TO PURCHASER

Pursuant to Pa.C.S.§5402(a) (13)

A. Within fifteen (15) days after receipt of this Public Offering Statement, or an amendment to this Public Offering Statement that materially and adversely affects the rights or obligations of the purchaser, the purchaser, before conveyance, may cancel any contract of a Unit from a declarant.

B. If a declarant fails to provide this Public Offering Statement and any amendments to purchaser before conveying a Unit to the purchaser, the purchaser may recover from the declarant damages as provided in Pa.C.S,§5406(c) of an amount equal to five percent (5%) of the sales price of the Unit up to a maximum of \$2,000.00 or actual damages, whichever is greater, in addition to any other relief provided at law. A minor omission or error in the Public Offering Statement or an amendment thereto that is not willful shall entitle the purchaser to recover only actual damages, if any.

C. If a purchaser receives the Public Offering Statement more than fifteen (15) days before signing a contract, the purchaser cannot cancel the contract unless there is an amendment to the Public Offering Statement that would have a material and adverse effect on the rights or obligations of that purchaser.

ARTICLE I. Definitions

The following terms, when used in this public offering statement, shall have the meanings specified below:

"Act" means the Uniform Planned Community Act, 68 Pa.C.S.§5101 et seq.

"Association" means Bradford Estates Homeowners Association, Inc.

"Declarant" means Fishing Creek Valley Associates, L.P., or any successor or assign thereof designated as successor Declarant in the deed of conveyance or other duly recorded document.

"Initial purchaser" shall mean a Unit owner who purchases a Unit from Declarant.

"Subsequent purchaser" shall mean any Unit owner who purchases a Unit from an initial purchaser or a subsequent owner of a Unit.

ARTICLE II. The Planned Community

Section 1. Bradford is a residential flexible planned community within the meaning of the Act and will consist of single family detached and townhome type Units, and townhome type units will be grouped together in multiple buildings. Construction is designed to occur in seven (7) phases beginning with Phase II and subsequent phases may follow in any order and will be located within Additional Real Property of Bradford Construction on Phase II, consisting of 52 town home type Units and 26 single-family detached type Units, is scheduled to begin during the summer of 2002 and all buildings, Units and amenities in the planned community are scheduled to be completed by the summer of 2010. Pursuant to the Act, Declarant reserves the right to extend construction on subsequent phases at Bradford as necessary and also reserves the right to add Additional Real Property to the planned community. Prior to conveyance of a Unit to a Purchaser, Declarant will complete construction of such Unit and any common element necessary for use and enjoyment of such Unit (e.g., driveway, parking area, etc.).

Section 2. The Final Subdivision Plan sheets or selected sheets for Bradford Estates - Phase II are attached to the Declaration, a copy of which Declaration is attached hereto as attachment "A". The number and type of units in each phase varies, but a maximum number of two hundred fifty (250) Units may be created in Bradford; 52 townhome type Units and 26 single family detached Units must be built in Phase II and a combined maximum number of one hundred seventy-two (172) Units may, but need not be built in the remaining Phases.

Section 3. Declarant does not intend to rent or market any blocks of units to the investors. Declarant will provide real estate for common elements, at no cost to the Association, but will construct improvements only on the portion of the common area which is the entrance to the community, or as otherwise specified herein or in the Declaration (see attachment "A") (e.g. detention ponds and roads).

Section 4. The planned community shall not become, nor become part of, a master association as defined in the Act.

Section 5. Bradford Estates Homeowners Association, Inc. shall manage the planned community in compliance with this Declaration, its Bylaws, and applicable laws.

ARTICLE III. Significant Features of Certain Documents

Section 1. Declaration: The Declaration (see Attachment "A") is a document recorded in public records maintained by the Dauphin County Recorder of Deeds. The content of the Declaration complies with the requirements of the Act and the significant features include: legally sufficient descriptions of real estate comprising Bradford; that seventy-eight (78) Units will be created in phase II in a combined maximum of an additional one hundred seventy-two (172) Units may, but need not be created in the Additional Real Property of Bradford, which maximum number is subject to change by Declarant pursuant to the Declaration until recording of the land development plans for each of the next Phases of Bradford; the obligations of the Association with respect to facilities, common to or controlled by the Association include snow removal, maintenance of lawns and shrubbery for all town home Units (but not for single-family detached Units), maintenance of the entrance area and detention basins or ponds, maintenance and snow removal of private roads and driveways for townhome Units (but not for driveways to single-family detached Units) (the Declarant will maintain other roads in the development until such maintenance is accepted by the Township); voting requirements and restrictions and allocation of one vote to each Unit and no cumulative or class voting; common expense allocations by fraction or percentage to each Unit; rules, regulations, and other restrictions applicable to Bradford (e.g. only animals allowed or domestic pets; restrictions for commercial and other nonpassenger vehicles, boats, and trailers; no fences (except as permitted for single-family detached Units as provided in Declaration); no unauthorized cutting or removal of trees or shrubs; no town home Unit may have a swimming pool; no business activity (except as permitted in Declaration); restricted use of signs; and, restrictions on placement of a satellite dish or other TV antenna devices); reference to use or existence of any easements including easements common to all Units for utility service; requirement for initiation fee to be collected at sale of any Unit; limited liability of Executive Board and Officers of the Association; and any rights reserved unto the Declarant.

Bylaws. The Bylaws of the Association (see Attachment "B") are Section 2. maintained by the Association and contain all provisions required by the Act, the significant features of which include: the number of Executive Board Members stating that initially, there will be five (5) Members appointed by the Declarant and providing the number of appointed Members to decline according to the predetermined quantities of Units sold; the number and title of Officers shall at least included President, Vice President, Secretary, and a Treasurer, providing that with the exception of President, a person may hold more than one office and no Officer shall be compensated as such (excluding reimbursement of the out-of-pocket expenses); the election of Officers by the Executive Board and the procedure for removal and filling of vacancies; identification of any powers to be delegated by the Executive Board and/or the Officers; identification of any Officer with specific authority to amend the Declaration; the procedure for amending the Bylaws; notice requirements for and conduct at Association meetings; obligations of the Association including preparation and distribution of Association's budget, assessment of common expense liabilities and other authorized fees against a Unit and collection thereof, payment of common expenses, and the obligation to maintain the Association's records: quorum and voting requirements; and, providing that failure to pay fees assessed against a Unit will subject such Unit to a lien

Section 3. <u>Rules and Regulations</u>: The Association shall promulgate rules and regulations from time-to-time, which shall be consistent with the Bylaws and the Declaration. A copy of the current Rules and Regulations is attached hereto as attachment "C".

Section 4. Agreement of Sale. The Bylaws of the Association (see Attachment "B") are maintained by the Association and contain all provisions required by the Act, the significant features of which include: the number of Executive Board Members stating that initially, there will be five (5) Members appointed by the Declarant and providing the number of appointed Members to decline according to the predetermined quantities of Units sold; the number and title of Officers shall at least included President, Vice President, Secretary, and a Treasurer, providing that with the exception of President, a person may hold more than one office and no Officer shall be compensated as such (excluding reimbursement of the out-of-pocket expenses); the election of Officers by the Executive Board and the procedure for removal and filling of vacancies; identification of any powers to be delegated by the Executive Board and/or the Officers; identification of any Officer with specific authority to amend the Declaration; the procedure for amending the Bylaws; notice requirements for and conduct at Association meetings; obligations of the Association including preparation and distribution of Association's budget, assessment of common expense liabilities and other authorized fees against a Unit and collection thereof, payment of common expenses, and the obligation to maintain the Association's records: guorum and voting requirements; and, providing that failure to pay fees assessed against a Unit will subject such Unit to a lien

ARTICLE IV. Declarant's Disclosures

Section 1. Bradford is subject to a series of mortgages in favor of Fulton Bank, all of which have been recorded as required by law and which terms provide for the release of a Unit from said mortgage before or contemporaneously with the sale of the Unit to a purchaser.

Section 2. There are no judgments against the Association, nor is the Association a party to any pending lawsuit. Declarant has no actual knowledge of any pending lawsuit material to Bradford.

Section 3. The following permits and approvals necessary for the use and occupancy of the property have been obtained:

See Attachment (E)

Additional permits or approvals may be required for the use of occupancy of the Units in Bradford and all permits will be obtained by Declarant, at the Declarant's expense, throughout construction of each phase of the development.

Section 4. Declarant has completed financial arrangements, including letters of credit were required, sufficient to allow the completion of all improvements labeled "MUST BE BUILT" on the plats and plans attached to the Declaration (see Final Subdivision Plan sheets, attached as an Exhibit to the Attachment "A" hereto).

Section 5. Declarant makes all warranties required by the Act, including but not limited to the warranty against structural defects stated in 68 Pa.C.S §5411. Warranties of title will be set forth in deeds of special warranty conveying ownership to Unit owners.

Section 6. Each Unit owner shell and sure the owner's unit. The following insurance coverage is provided or intended to be provided for the benefit of Unit owners:

(a) By Declarant: comprehensive general liability insurance on all property owned or controlled by Declarant; and,

(b) By Association: (i) Property insurance on common facilities, to the extent they can be insured separately; and (ii) Comprehensive general liability insurance on the common facilities, in an amount to be determined by the Executive Board, but not less than \$100,000.

Section 7. The structural components and utility installations on the Property consist of gas, water, sewer, and other lines to be installed throughout the Property during the course of construction. There are not now nor will there be electric power substations, water treatment plants, or other major utility installations on the Property. The only major structures to be constructed on the Property are the townhome type Units, the single-family type Units, associated detention basins and roadways as depicted on the plats and plans attached to the Declaration (see Final Subdivision Plan Sheets attached as an Exhibit to Attachment "A" hereto).

Section 8. There are no outstanding nor uncured notices of violations of governmental requirements.

Section 9. Except as otherwise stated below, Declarant has no knowledge of any of the following:

(a) Hazardous conditions, including contamination, affecting the planned community site, by hazardous substances, hazardous wastes or the like, or the existence of underground storage tanks for petroleum products or other hazardous substances.

(b) Any investigation conducted to determine the presence of hazardous conditions on or affecting the planned community site.

(c) Any finding or action recommended to be taken in the report of any such investigation or by any governmental body, agency, or authority, in order to correct any hazardous conditions or any action taken pursuant to those recommendations.

Information concerning environmental conditions affecting the planned community site, if any, may be obtained at:

U.S. Environmental Protection Agency Regional Office 841 Chestnut Street Philadelphia, PA 19107 (215) 566-5000

Pennsylvania Department of Environmental Protection (Regional Office) Rachel Carson State Office Building 400 Market Street P.O. Box 8472 Harrisburg, PA 17105 (717) 787-7381

ARTICLE V. Declarant's Obligations and Rights

Section 1. Deposits made in connection with the purchase of a Unit will be held in an escrow account in accordance with 68 Pa.C.S. §5408 and will be returned to the purchaser in the event a contract is canceled pursuant to §5406.

Section 2. Declarant it is obligated to complete the following amenities:

- (a) landscaping, signs and lighting at the entrance to the community located in a common area; and,
- (b) roads and rights of way; and,
- (c) sewer and stormwater management and other infrastructure.

The financing to complete the above has been obtained by Declarant and is included within a series of mortgages in favor of Fulton Bank as referenced in Article IV above. The common areas subsequently will be transferred to the Association, which will be responsible for the maintenance and all other aspects of these common areas including private drives and roads (except that maintenance of roads which are dedicated to the Township shall then be the responsibility of the Township). The roads, rights of way, sewer and stormwater management, and other infrastructure will be contained within appropriate easements and subsequently will be maintained by the Township and the various and respective utility companies.

Section 3. Declarant reserves the right in the Declaration to designate portions of the planned community as common elements. These portions shall be owned by Declarant until conveyed to the Association. They shall be conveyed at no monetary consideration (i.e. no cost) so as to have minimal impact on the budget of the Association and the common expenses paid by Unit owners. Declarant will convey the property, and the Association will accept delivery of a deed therefore, not later than the date of conveyance or lease of the last Unit which Declarant owns in the planned community. Declarant will not improve property to be designated as a common element, other than the entrance area, but will make suggestions for how the Association might improve the property when it takes possession. The conveyance of the unimproved property is expected to have a minimal impact on the budget of the Association and common expense liability of Unit Owners.

Section 4. Homeowners Association. An initial Executive Board of the Homeowners Association consisting of five (5) members shall be appointed by Declarant.

(a) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units which may be created to Unit Owners other than Declarant, at least one (1) member of the Executive Board and not less than 25% of the Executive Board shall be elected by Unit Owners other than Declarant.

(b) Not later than sixty (60) days after the conveyance of fifty percent (50%) of the Units which may be created to Unit Owners other than the Declarant, not less than 33% of the members of the Executive Board shall be elected by Unit Owners other than the Declarant.

(c) Not later than sixty (60) days after the conveyance of seventy-five percent (75%) of the Units which may be created to Unit Owners other than the Declarant, the members of the Executive Board shall be elected by Unit Owners, including the Declarant.

(d) Consistent with the foregoing, for a period of time not to exceed seven (7) years after the date of the first conveyance of a Unit to a person other than a Declarant, or the earlier of: one (1) sixty (60) days after the conveyance of seventy-five percent (75%) of the Units which may be created to Unit Owners other than a Declarant; or, (2) two (2) years after all declarants have ceased to offer Units for sale in the ordinary course of business; or, (3) two years after any development right to add new Units was last exercised; Declarant may, at its option, control the Association, and shall specifically have the power to appoint and remove officers and members of the Executive Board (the "Declarant Control Period"). Further, Declarant may voluntarily surrender such right to appoint and remove officers and members of the Declarant Control Period, and in that event, Declarant, by recording an instrument with the Dauphin County Recorder of Deeds, may require that certain specified future actions of the Board as specified in such recorded instrument shall not become effective unless approved by Declarant.

Section 5. A current balance sheet and a projected budget for the Association is attached hereto as attachment "F". During the Declarant Control Period, Declarant shall pay the difference, if any, between the Association's actual expenses and its actual revenues.

ARTICLE VI. Purchasers' Rights and Obligations

Section 1. All initial and subsequent purchasers of any Unit in Bradford will pay an initiation fee for the benefit of the Association. The Association may use this amount for any purpose for which the Association is authorized to incur expenses. The amount of the initiation fee is currently \$200.00 which was calculated by vote of the Executive Board. This fee may be changed from time to time by vote of the Executive Board.

Section 2. Declarant will not charge Unit owners any fees or charges for the use of the common elements relating to the planned community. The Executive Board may impose such fees and charges if and when it decides to improve the common elements.

Section 3. No Unit owner shall convey a Unit in Bradford without collecting the initiation fee for the benefit of the Association and paying said fee over to the Association.

Section 4. Each Unit shall have one vote. There shall be no cumulative or class voting.

Section 5. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the boundary descriptions, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Association, respectively, in accordance with the provisions of 68 Pa.C.S §5307, except as expressly set forth to the contrary herein.

Section 6. All units will be assessed a monthly fee ("common expense liability") for the maintenance of common elements, lawn and shrubbery maintenance (except that no lawn and shrubbery maintenance shall be provided for the single-family detached type Units) and snow removal for snow events in which the cumulative snowfall exceeds three (3) inches, and for other operations and activities of the Association as provided for in the Declaration. The Association has a lien on a Unit for any assessment levied against the Unit or fines imposed against its Unit Owner from the time the assessment or fine becomes due. Currently the monthly fee is as stated in the projected Budget (see attachment "F")

Section 7. Detention basins or ponds may be located in the community as a common element. Maintenance of these basins or ponds as is the responsibility of the Association. The Association shall have the right to enter upon the property for purposes of maintaining the detention basins or ponds.

ARTICLE VII. Amendments

Section 1. Declarant will amend the Public Offering Statement as required by 68 Pa.C.S. §5402 (c).

Executed this _____day of _____, 2002.

Fishing Creek Valley Associates, L.P. A Pennsylvania limited partnership

By: _

REY, Inc. a Pennsylvania corporation Managing General Partner By: Richard E. Yingst, Jr., President

Attachments "A" through "F" follow this page.

ATTACHMENT A. - DECLARATION

COPY

Received 2002 Dec 12 3:04pm

Recorders Office County of Dauphin Pennsylvania

BRADFORD ESTATES, A PLANNED COMMUNITY

AMENDED AND RESTATED

DECLARATION

Table of Contents

ATTACHMENT A DECLARATION 1
ARTICLE I. SUBMISSION OF REAL ESTATE; PURPOSE; DEFINITIONS 4 Section 1. Declarant, Property, County, Name
Section 2. Definitions
ARTICLE II ALLOCATION OF VOTES AND COMMON EXPENSE
LIABILITIES; ASSESSMENTS; UNIT IDENTIFICATION AND BOUNDARIES;
MAINTENANCE RESPONSIBILITIES
Section 1. Identification of Units; Boundaries; Subdivision and Conversion of
Units
Section 2. Plots and Plans
Section 3. Votes
Section 4. Initiation Fees
Section 5. Allocation of Common Expense Liabilities; Assessment
Section 6. Purpose of Assessments
Section 7. Maintenance Responsibilities
Section 8. Special Assessments for Capitol Improvements
Section 9. Supplemental Annual Assessments
Section 10. Assessment Obligations and Lien
Section 11. Due Date and Effect of Nonpayment of Assessments; Remedies of the Association
Section 12. Certificate of Payment
Section 12. Certificate of Payment
ARTICLE III COMMON ELEMENTS
Section 1. In addition to the Common
Section 2. Unimproved property
Section 2. Declarant shall notify the Executive Board
Section 4. The Common Elements
Section 5. The Planned Community
ARTICLE IV EASEMENTS
Section 1. Easements and Licenses
Section 2. Other Easements
Section 3. Common Elements
Section 4. Utilities, Pipes and Conduits
Section 5. Drainage Easement
Section 6. Declarant's Easement for Marketing; Signs
Section 7. Declarant's Easement for Construction
Section 8. Easements Appurtenant
ARTICLE V RESTRICTIONS ON USE, OCCUPANCY AND ALIENATION 17
Section 1. Use and Occupancy of Units and Common Elements
Section 2. Rules and Regulations
Section 3. Restriction on Alienation
Section 4. Leases
ARTICLE VI LOANS/ASSIGNMENT OF INCOME

Section 1. Assignment of Income Rights.	21	
ARTICLE VII THE ASSOCIATION, EXECUTIVE BOARD, AND QUORUMS.		21
Section 1. Association Membership		
Section 2. Association Powers		
Section 3. Notice and Quorum for Action Authorized	22	
Section 4. Executive Board Powers.		
Section 5. Executive Board Members; Original Term; and Removal		
ARTICLE VIII LIMITATION OF LIABILITY FOR EXECUTIVE BOARD		
MEMBERS 24		
Section 1. Standard of Conduct for Executive Board Members.	24	
Section 2. Good Faith Reliance by Executive Board Members		
Section 3. Limited Liability of Executive Board Members		
Section 4. Indemnification of Executive Board Members.		
Section 5. Director and Officer Insurance		
ARTICLE IX REPAIR, RESTORATION AND MAINTENANCE		26
Section 1. Owner's Obligation to Repair, Restore, and Maintain		
Section 2. Owner's Failure to Repair, Restore and Maintain		
ARTICLE X NOTICE		26
ARTICLE XI DECLARANT/SPECIAL DECLARANT RIGHTS		27
Section 1. Declarant Rights		
Section 2. Transfer of Special Declarant Rights		
Section 3. Restrictions on Declarant Related Actions.		
Section 4 Limitation of Liability for Declarant.	29	
ARTICLE XII CONVERTIBLE OR ADDITIONAL REAL ESTATE		30
Section 1 Reallocation.	30	
Section 2 Legal Descriptions	30	
Section 3. Timing and Boundaries.		
Section 4. Use, Density, Location, and Type of Units		
Section 5. Common Elements		
ARTICLE XIII AMENDMENT OF DECLARATION		31
Section 1	31	
Section 2.		
ARTICLE XIV GENERAL PROVISIONS		32
Section 1. Invalidity	32	
Section 2. Binding Covenants	32	
Section 3. Participation in Government Financing Programs	32	
Section 4. Waiver		
Section 5. Gender	32	
Section 6 Headings	32	
Section 7. Amendments to the Act	32	
Section 8. Effective Date	32	

BRADFORD ESTATES, A PLANNED COMMUNITY

AMENDED AND RESTATED

DECLARATION

ARTICLE I. Submission of Real Estate; Purpose; Definitions

Section 1. Declarant, Property, County, Name. Fishing Creek Valley Associates, L.P., a Pennsylvania limited partnership (hereinafter "Declarant"), and Buckley Drive Associates, L.L.C., owner in fee simple of the real estate described in Exhibit "A", located in West Hanover Township, Dauphin County, Pennsylvania (hereinafter the "Real Estate"). Declarant has submitted the Real Estate, including all easements, rights and appurtenances thereunto belonging and the buildings and improvements erected or to be erected thereon to the provisions of the Uniform Planned Community Act, 68 Pa.C.S. Section 5101 et seq. (hereinafter the "Act") and has created with respect to said Real Estate, Bradford Estates, a Planned Community (hereinafter "Bradford"). Bradford is a Flexible Planned Community. Pursuant to Section 5201 of the Act, Declarant and Buckley Drive Associates, L.L.C. are identified as the Grantor herein and Bradford Estates is identified as the Grantee herein. This amended and Restated Declaration have been prepared and submitted for the purpose of modifying and clarifying certain provisions contained herein.

Section 2. Definitions.

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

"Act" means the uniform Planned Community Act, 68 Pa. C.S. Section 5101, et seq.

"Additional Real Estate" means real estate that may be added to a Flexible Planned Community.

"Architectural Control Committee" or "Committee" shall refer to a three-member Committee to be appointed by the Board to effectuate the purposes of this Declaration.

"Assessment" means any charge or fee imposed by the Association against a Unit for the payment of Common Expenses and shall include, but is not limited to, Annual Assessments, Regular, and Special Assessments as provided for in the Declaration or in the Act.

"Association" means Bradford Estates Homeowners Association, Inc.

"Basic Service Package" means snow removal, lawn and shrubbery maintenance service, together with any other similar services as determined by the Executive Board.

"Bylaws" means the Association=s currently adopted Bylaws.

"Common Elements" means common facilities or controlled facilities within the Planned Community or any portion thereof.

"Common Expense Liabilities", means all those expenses for which Unit Owners are liable as provided for in this Declaration and/or in the Act and includes, but is no limited to, the following:

(a) Expenses of administration, management, operation, insurance, assessments, restoration, improvements, maintenance, repair or replacement of the Common or Controlled Facilities.

(b) Expenses declared Common Expenses by the Act or by this Declaration or by the Bylaws.

(c) Expenses agreed upon as Common Expenses by the Association and lawfully assessed against the Unit Owners in accordance with the Bylaws.

(d) Expenses of management and administration of the Planned Community by the Association, including, without limitation, compensation of all employees, managers, accountants, attorneys and other personnel hired by the Association whether as employees, independent contractors or otherwise.

(e) Expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserves.

"Common Expenses" means expenditures made or anticipated by, or financial liabilities of, the Association together with any allocations to reserves. The term includes General Common Expenses and Limited Common Expenses, but each shall be segregated as such for reporting or information purposes.

"Common Facilities" means any real estate within the Planned Community which is owned by the Association or leased to the Association. The term does not include a Unit.

"Controlled Facilities" means any real estate within the Planned Community, whether or not a part of a Unit, that is not a Common Facility but is maintained, improved, repaired, replaced, regulated, managed, insured or controlled by the Association.

"Convertible Real Estate" means a portion of a Flexible Planned Community not within a building containing a Unit, within which additional Units, Limited Common Facilities, or Limited Controlled Facilities, or any combination thereof may be created.

"Declarant" shall mean and refer to Fishing Creek Valley Associates, L.P., a Pennsylvania limited partnership, and such successors and assigns as shall acquire more than one undeveloped Unit (or any portion of Bradford which has not been subdivided into Units) from the Declarant for the purpose of development; provided, however, that an assignee of Declarant shall be deemed a declarant only with respect to that portion of Bradford conveyed to such assignee by a deed of conveyance or other document duly Recorded, which specifically grants to the assignee the rights of a declarant.

"Executive Board" or "Board" when referred to herein means a Board of natural individuals of the number stated herein and in the Bylaws, who shall manage the business, operation, and affairs of the Association for the benefit of the Unit Owners and in compliance with and subject to the provisions of the Act and the Declaration.

"Flexible Planned Community" means a planned Community containing Withdrawable or Convertible Real Estate or a Planned Community to which Additional Real Estate may be added or a combination thereof. Bradford is a Flexible Planned Community.

"General Common Expenses" means all Common Expenses other than Limited Common Expenses.

"Identifying Number" or "Unit Designation" means the symbol or address that identifies only one Unit in the Planned Community.

"Initial Purchaser" means a Unit Owner who purchases a Unit from Declarant for purposes other than development (e.g., a successor declarant is not an initial Purchaser.)

"Limited Common Element" means a Limited Common Facility or a Limited Controlled Facility."

"Limited Common Expense" means an expense associated with the maintenance, repair, or replacement of a Limited Common Element.

"Limited Common Facility" means a portion of the Common Facilities allocated by or pursuant to the Declaration or by the operation of the Act for the exclusive use of one or more but fewer than all of the Units.

"Limited Controlled Facility" means a portion of the Controlled Facilities, other than Controlled Facilities which are themselves part of a Unit, allocated by or pursuant to the Declaration or by operation of the Act for the exclusive use of one or more but fewer than all of the Units. "Non-Voting Class Unit" means a Unit which has not been conveyed to an Initial Purchaser and for which a certificate of occupancy has neither been issued nor obtained.

"Bradford Estates" or "Bradford" or Planned Community" or "Premises" means the Real Estate as described in Article I, Section I (see Exhibit "A"), including all improvements thereon or thereto, all owned in fee simple, and all easements, rights and appurtenances belonging thereto which by this Declaration (as amended from time to time) have been submitted to the provisions of the Act and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

"Owner" shall mean and refer to the record holder, whether one or more Persons, of fee simple title to any Unit or Units which is or are part of the Planned Community but excluding those having such interest merely as security for the performance of an obligation.

"Person" means a natural person, corporation, partnership, limited liability company, association; trust other entity or any combination thereof.

"Recorded" means that an instrument has been duly entered of record in the Office of the Recorder of Deeds in and for the county in which all or any part of the Planned Community is located.

"Special Declarant Rights" or "Declarant's Special Rights" means the rights reserved for the benefit of the Declarant as provided in Section 5103 of the Act, and such additional rights reserved for the benefit of the Declarant as set forth in this Declaration, the Plats and Plans, and/or the Bylaws.

"Subsequent Purchaser" means a Unit Owner who purchases a Unit from an Initial Purchaser or subsequent Owner of a Unit.

"Township Authority" means West Hanover Township and any successor township the Planned Community is located within.

"Unit" means a physical portion of the Planned Community designated for separate ownership or occupancy, the boundaries of which are described pursuant to the Act and a portion of which may be designated by the Declaration as part of the Controlled Facilities.

"Unit Designation" or "Identifying Number" means the symbol or address that identifies only one unit in the Planned Community.

"Unit Owner" means the person holding record title as an owner to a Unit, but excluding a person having an interest in a Unit solely as security for an obligation.

"Withdrawable Real Estate" means real estate that may be withdrawn from a Flexible Planned Community.

ARTICLE II. Allocation of Votes and Common Expense Liabilities; Assessments; Unit Identification and Boundaries; Maintenance Responsibilities

Section 1. Identification of Units; Boundaries; Subdivision and Conversion of Units. Exhibit "B" hereto is a list of all Units in the Planned Community by their Identifying Numbers. The boundaries of each Unit are shown as the Plats and Plans attached hereto as Exhibit "C". Units may be subdivided or converted in accordance with Section 5215 of the Act.

Section 2. Plots and Plans. Pursuant to section 5210 of the Act, Exhibit "C" hereto shows fully and accurately the Units in the Planned Community and the boundaries, the improvements thereon, the Unit Designation for each Unit shown thereon, the locations of the Common Elements and such other information as is required by the Act.

Section 3. Votes. Each Unit shall be allocated one vote in the Association. A Unit Owner has a right, subject to payment of Assessments, to cast the vote allocated to such Unit at all Association meetings and elections. In the event of multiple Unit Owners of a single Unit, such single vote may be cast by any one Unit Owner and the Owners of a single Unit, such single vote maybe cast by any one Unit Owner and the Executive Board may require a Unit Owner to designate in writing the person authorized to cast the vote for such Unit. A Unit Owner's right to cast such vote shall be temporarily suspended in the event such Unit Owner becomes delinquent in payment of Assessments to the Association for more than sixty (60) consecutive days and such suspension shall continue until such Unit Owner is no longer delinquent. There shall be no cumulative or class voting.

(a) Non-Voting Class Units: Until a certificate of occupancy is issued and obtained for a Unit <u>and</u> such Unit shall have been conveyed to an Initial Purchaser, such Unit shall be designated as a "Non-Voting Class Unit" and subject to the following: (1) such Unit shall not cast a vote at Association meetings or elections, (2) such Unit shall not be counted in determining quorums at Association meetings or elections, and (3) such Unit shall not be obligated to pay Assessments nor be part of the total number of Units used as the denominator in the formula for calculating Common Expense Liabilities (see Article II, Section 5, below.) Once a certificate of occupancy has been issued <u>and</u> obtained for such Unit and such Unit shall have been conveyed to an Initial Purchaser, such Unit shall thereafter cease to be designated as a Non-Voting Class Unit and shall be subject and entitled to exercise all rights, privileges, responsibilities, and obligations of other Units in the Planned Community.

Section 4. Initiation Fees. All initial and Subsequent Purchasers of any Unit in the Planned Community will pay an initiation fee to the Association. The Association may use this amount for any purpose for which the Association is authorized to incur

expenses. The amount of the initiation fee is \$200.00, which amount may be charged by action of the Executive Board of the Association according to the Bylaws.

Section 5. Allocation of Common Expense Liabilities; Assessment. Until changed by action of the Executive Board or is otherwise specifically set forth herein, all Units in the Planned Community shall be allocated a portion of the Associations Common Expense Liabilities according to the formula below. The amount of the Assessment shall vary according to the type of Unit.

(a) Formula. Pursuant to section 5208, the fraction or percentage of the Association's Common Expense Liabilities allocated to each Unit are established according to the following formulas: The applicable fractional share allocated to each Unit, regardless of type, for Common Expense Liabilities will be determined by using "1" as the numerator and the combined total number of existing Units, excluding any Non-Voting Class Units, as the denominator. The Executive Board shall apply that resulting fraction to the total actual or projected Common Expense Liability of the Association which will yield the Common Expense Liability allocated to each Unit. Such formulas may be amended upon majority vote of the Executive Board with notice of such amended formula thereafter being forwarded to all Unit Owners

(b) Assessment. The Common Expense Liability for each Unit, as derived from the application of the formulas stated in Article II, section 5 (a) above, is one of the factors used by the Executive Board in fixing the Assessment amount for each Unit. Until changed by action of the Board each Unit Owner shall pay in monthly installments, Regular Assessments to the Association for its share of Common Expense Liabilities, as follows:

Townhouse Unit:\$46.50Single Family Detached Unit\$27.50

Section 6. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively:

(a) To promote the health, safety, recreation and welfare of the residents of the Planned Community.

(b) To restore, improve, maintain, repair and replace the Common Elements located on and about the Planned Community including, without limitation:

(1) the storm water detention facilities as well as open space shown on the Plats and Plans attached hereto as exhibit "C";

(2) headwalls, inlets, grates, swales and subsurface storm water collection and conveyance systems as shown on the Plats and Plans that are not dedicated to the local Township;

(3) the landscaping at the entrances to the Planned Community as shown on the Plats and Plans attached hereto as Exhibit "C".

(4) any entrance signs and landscaping contained within any sign easement areas at the entrance to the Planned Community; and

(5) any private driveways not dedicated to the local Township (except that no restriction, improvements, maintenance, repairs or replacements shall be made by the Association to driveways located on the lots comprising single family detached typed Units); and

(6) any mailboxes located on common areas for the benefit of Unit Owners, whether they be kiosks containing a cluster of mailboxes or individual standalone mailboxes.

(c) To obtain comprehensive general liability insurance coverage, covering liability for loss or damage to Persons or property, ensuring to the extent available the Owners, the Declarant and the Association against any liability to the public or to the Owners, their tenants or invitees, relating in any way to the ownership, maintenance, and/or use of the Common Elements and/or any part thereof. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Board and may be increased or decreased in its discretion pursuant to ' 5312 of the act.

(d) To obtain fire and extended coverage insurance against all common risks of direct physical loss or damage to Common Elements for all of the property owned by the Association and such workmen's compensation insurance and other such insurance as applicable laws and the Act may require or as the Board may deem advisable. Pursuant to section 5312 of the Act, the total amount of property insurance after application of any deductibles shall not be not less than 80% of the actual cash value of the insured property, exclusive of land, excavations, foundations and other items normally excluded from property policies.

(e) To obtain officers and directors of liability insurance and fidelity bonds as the Board may deem necessary or advisable.

(f) To pay management fees and salaries or such expenses as the Board may deem necessary or desirable for the operation and maintenance of the Common Elements.

(g) To pay for legal, accounting, engineering or other professional fees and administrative costs necessary and proper for any one or more of operation and maintenance of Common Elements, conduct of the affairs of the Association, or enforcement of this Declaration or any Rules and Regulations.

(h) To pay for additions to the Common Elements, as the Board in its discretion may deem necessary and proper, as well as any materials, supplies, labor, services, structural alterations, insurance and tax assessments which apply thereto and/or which the Association is required to secure or pay by law, or by this Declaration.

(i) To clear any mechanics' and materialmen's liens arising as a result of maintenance of the Common Elements.

(j) To pay any amounts necessary to recover any deficits from operations of the Association in prior years.

(k) To provide adequate reserves, as determined by the Board: (1) to restore, improve, maintain, repair or replace the Common Elements; (2) for uncollectible accounts; and (3) any other contingency for which a reserve account reasonably may be established pursuant to sound accounting practices.

(I) To pay for other Common Expense Liabilities as set forth herein or as determined by the Executive Board.

(m) To provide snow removal for snow events in which the cumulative snowfall exceeds three (3) inches, lawn and shrubbery maintenance service for all Common Elements.

(n) To provide the basic service package (defined as snow removal for snow events in which the cumulative snowfall exceeds three (3) inches, lawn and shrubbery maintenance service, together with any other similar services as determined by the Executive Board) to Townhouse Units only.

Section 7. Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements in the Units by virtue of the Plats and Plans (see Exhibit "C") and this Declaration, the Common Elements shall be maintained and repaired as a Common Expense Liability by the Association in accordance with the provisions of Section 5307 and Section 5314 of the Act, except as expressly set forth to the contrary herein. All Townhouse Units (not Single Family Detached Units) shall receive the Basic Service Package by or through the Association as a maintenance obligation. Any maintenance obligation of the Association not performed, after thirty (30) days written notice, may be enforced and performable by the applicable Township Authority, which has no such duty or obligation with respect to such maintenance. In the event such maintenance obligations are performed by the applicable Township Authority, the cost for such performance, including applicable court costs and the attorney's fees, shall be charged to and become a lien against the Homeowners Association as a Common Expense Liability.

Section 8. Special Assessments for Capital Improvements. In addition to the Assessments authorized above, and provided that any such Special Assessment is levied promptly and has the assent of the Executive Board, as determined by vote and

presented to the members for vote in accordance with Section 5303 (b) of the Act and Article of VII, Section 3, below, the Association shall have the authority in any assessment year, to fix, determine, assess, and collect, in the same manner as with all Regular Assessments, a Special Assessment for capital improvements, in accordance with section 5302(a)(12) of the Act, applicable to that year only for the following purposes:

(a) To defray, in whole or in part, the cost of any new construction, reconstruction, upgrading, or replacement of any of the Common Elements, including fixtures and personal property related thereto; and,

(b) Any expenditure which the Association shall be required to make for the improvement or upgrading of all or any part of the undedicated roadways or other common areas located in the Planned Community.

Section 9. Supplemental Annual Assessments. If the cash requirement estimated at the beginning of any fiscal year shall prove to be insufficient to cover the actual Common Expense Liabilities for such fiscal year for any reason, including (by way of illustration and not limitation) any Owner's nonpayment of an Assessment, the Association may, at any time it deems necessary and proper, levy a Supplemental Annual Assessment against each Unit except that, in the event such Supplemental Annual Assessment is required because of the failure of one or more Owners to promptly pay an Annual Assessment, the Supplemental Annual Assessment against other Units may be determined based upon the anticipated failure of such defaulting Owner or Owners to pay his or their share of such Supplemental Annual Assessment.

Section 10. Assessment Obligations and Lien. Each Unit Owner, including Declarant or a successor declarant, whether or not it shall be so expressed in the Deed conveying a Unit to an Initial or Subsequent Purchaser, but excluding a Non-Voting Class Unit, is hereby obligated, covenants, and agrees to pay to the Association in monthly installments, all Assessments authorized by the Board pursuant to the Bylaws, the Act, where the Declaration, including, but not limited to, Regular Assessments, Special Assessments, and Supplemental Annual Assessments (Assessments to be paid in installments are sometimes referred to herein as "Regular Assessments" or "Monthly Assessments" and all Assessments other than "Regular" or "Monthly" Assessments are sometimes referred to herein as "Non-Regular Assessments") the Association shall have a lien on a Unit and an enforceable action for debt against Unit Owner, jointly and severely, from the time the Assessment becomes due. Said lien and personal obligation shall include not only the particular Assessment, but shall also include any fees, charges, late charges, fines, interest, and reasonable costs and expenses of the Association, including legal fees and court costs, incurred in connection with collection of any sums due to the Association by the Unit Owner or for enforcement of the provisions of the Declaration, Bylaws, and Rules and Regulations against the Unit Owner. If an Assessment is payable in installments and one or more installments are not paid when due, the entire outstanding balance of the Assessment becomes effective as a lien from the due date of the first delinquent installment. The Association's lien may be foreclosed in like manner as a mortgage on real estate and proceeds of any

such foreclosure or other sale shall be applied against sums owed to the Association in accordance with '5315 of the Act. No sale or transfer shall affect the Association's lien unless specifically provided for in the Act, but the personal obligation for delinquent Assessments shall not pass to successors in title unless expressly assumed.

(a) Priority of Lien. The Association's lien for Assessments will have priority over all other liens except as stated in Section 5315(b) (1) of the Act, which, among other things, subordinates the Association's lien for Assessments to first mortgages or deeds of trust on the Unit securing first mortgage holders and recorded before the due date of the Assessment.

Section 11. Due Date and Effect of Nonpayment of Assessments; Remedies of the Association. Monthly Assessments are due and payable on the first day of each month. Any Non-Regular Assessment bill levied hereunder shall be due and payable within thirty (30) days of the date billed. Any Assessment not paid within thirty (30) days after the due date shall be deemed delinquent and shall bear interest from the due date at the rate of twelve percent (12%) per annum or the maximum rate permitted by law, whichever is lower, until collected. The Association may bring an action at law against the Owner personally obligated to pay the delinquent Assessment and/or foreclose the lien against the Unit pursuant to the terms of Section 5315 of the Act. In addition, a delinquent Unit Owner's right to cast such Unit's vote at Association meetings shall be temporarily suspended in accordance with Article II, Section 3, above.

Section 12. Certificate of Payment. The Association shall, upon request of an Owner or his agent, and for a reasonable charge determined by the Executive Board, furnish a certificate signed by an officer of the Association setting forth whether the Annual and any Special Assessments on a specified Unit have been paid and other information required by Section 5407 of the Act. A properly executed certificate of the Association has to the status of Assessments on a Unit is binding upon the Association as of the date of its issuance.

Section 13. Failure of the Board to Fix Monthly Assessment. If the Monthly Assessment for Common Expense Liabilities for any fiscal year is not fixed before the expiration of the previous fiscal year, the Unit Owner's shall continue to pay the same Assessment amount they were paying in the fiscal year just ended as if such amount were the new Assessment, and such failure to fix a new Assessment shall not constitute a waiver, modification or release of any Unit Owner's obligation to pay. If the Board shall fix the Assessment at a date after the expiration of the previous fiscal year at an increased amount, such increased amount shall be treated as if it were a Supplemental Annual Assessment hereunder and shall be effective on the date it is assessed.

ARTICLE III. Common Elements

Section 1. In addition to the Common Elements identified on the Plats and Plans (see Exhibit C), Declarant reserves the right to designate Units or portions thereof as Common Elements in accordance with Section 5215 of the Act. Declarant will not improve these portions of the property, but may make suggestions for how the Association might improve the property when it takes possession. The conveyance of the unimproved property is expected to have a minimal impact on the budget of the Association and the common expense liability of Unit Owners.

Section 2. Unimproved property will be conveyed to the Association and the Association will accept delivery of the deed therefore when offered to the Association by the Declarant, but no later than the date of conveyance or lease by the Declarant of the last Unit Declarant owns in the Planned Community. Prior to the conveyance of any such portions of any unimproved property, they will be owned by Declarant, who will be solely liable for all expenses (including real estate taxes) associated with such unimproved property.

Section 3. Declarant shall notify the Executive Board **at** least thirty days in advance of conveyance or lease of the Common Elements identified above. The Executive Board may contact Declarant at any time to request conveyance or lease of the Common Elements.

Section 4. The Common Elements will be conveyed to the Association by of valid special warranty deed for no consideration other than the Association=s acceptance of the conveyance, free of all monetary liens not created by a majority of the Board, excluding Declarant's representatives.

Section 5. The Planned Community has no Controlled Facilities, Limited Common Facilities, or Limited Controlled Facilities as those terms are defined in the Act. Unit Owners therefore will not be charged for limited common expenses, unless such are added as provided herein.

ARTICLE IV. Easements

Section 1. Easements and Licenses. Included among the easements, rights and appurtenances referred to in Article I, Section 1 are the following:

(a) Rights of way, setback lines, etc., as set forth in the Final Subdivision Plan for Bradford Estates, Phase II, dated March 27, 2002, and revised May 28, 2002, Plan Book "G", Volume 8, Page 22, recorded in the office of the Recorder of Deeds in and for Dauphin County, Pennsylvania.

Section 2. Other Easements. Easements not indicated, referred to, or described in Article IV, Section 1 (a). above: (i) Easements are hereby reserved over and across lots numbered 1 and 225 for the installation and maintenance of signs identifying Bradford Estates and a contiguous area on such lots for the planting of shrubberies and/or flowers consistent with the aesthetic quality of the Planned Community.

Section 3. Common Elements. Each Unit Owner and each person lawfully residing in or on a Unit is hereby granted a non-exclusive perpetual right and easement of access to and enjoyment in common with others of the Common Elements. The rights and easements of access and enjoyment created hereby shall be subject to the following:

(a) The right of the Association to charge users (including guests) reasonable admission and other fees; and,

(b) The right of the Association to adopt reasonable rules and regulations governing the use of the Common Elements.

Section 4. Utilities, Pipes and Conduits. In connection with the development of the Planned Community certain sanitary sewer facilities, water facilities, underground electrical distribution facilities, gas, telephone, television cable and storm drainage facilities and other utilities may be constructed above, upon or under portions of the Units not occupied by buildings. There is hereby granted an easement and right of way upon, across, over and under all of the Premises for the purpose of installing maintaining, repairing or replacing such utilities or facilities and as are or may be installed from time to time to serve one or more of the Units. By virtue of this easement, it shall be expressly permissible for the providing utility company or other responsible party to erect to maintain other necessary equipment on the Premises, including but not limited to meters and service panels, and to affix and maintain utility wires, circuits, conduits and pipes on, above, across and under roof and exterior walls of the structures to be built on the Premises and to provide service of such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Premises and Unit Owners shall not block or impede such service, maintenance, or access to such equipment. Should any utility company furnishing a service covered by the easement herein provided or should the Declarant request a specific easement by separate recordable document, the Association shall have the right to grant such easement on the Premises without conflicting with the terms hereof. The easements provided for in this Article shall not impair any other recorded easement on the Premises.

Section 5. Drainage Easement. Certain surface drainage easements for recreation and maintenance of drainage facilities are shown on the Plats and Plans (see Exhibit "C"). Within these drainage easement areas, no structure, planting or other material shall be placed or permitted to remain which may change the direction of the flow of drainage channels in the easements or which may obstruct or retard the flow for water through drainage channels in the easements. All such drainage easements shall be maintained by the Association.

Section 6. Declarant's Easement for Marketing; Signs. The Declarant reserves the right with respect to its advertising and marketing all of Units to use the Premises for the ingress and egress of itself, its officers, employees, agents, contractors and subcontractors. The Declarant or its agent shall also have the right until the conveyance of the last Unit it owns to erect and maintain signs on the Premises in connection with its advertising and marketing of Units for sale or lease. The Declarant shall have the right from time to time to locate and relocate model Units for the marketing of Units and a sales office in connection with the marketing of Units. The rights reserved for the Declarant by this Section shall remain in effect for as long as the declarant shall remain a Unit Owner in the Planned Community in accordance with Section 5217 of the Act. This section shall not be amended without the prior written consent of the Declarant as long as a Declarant remains a Unit Owner in the Planned Community.

Section 7. Declarant's Easement for Construction. The Declarant reserves the right and privilege, without hindrance with respect to the construction of the Units, to go upon any and all of the Premises for the purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units (including without limitation, to change the grade of grounds and/or to install drainage control devices so as to control possible drainage and/or runoff of storm water in connection with the development of the Premises or any adjacent land.) The Declarant agrees to indemnify and hold the Association harmless from liabilities resulting from the exercise of this easement. This Section shall not be amended without the prior written consent of the Declarant as long as Declarant remains a Unit Owner in the Planned Community.

Section 8. Easements Appurtenant. All easements and rights described and mentioned in this Declaration are easements appurtenant, running with the land and the Units, perpetually in full force and effect, and at all times shall inure to the benefit of and to be binding upon Declarant, its successors and assigns, the Association, any Unit Owner, purchaser, mortgagee, lessee, occupant and any other Person having an interest in the Premises, Units, or any portion thereof.

ARTICLE V. Restrictions on Use, Occupancy and Alienation

Section 1. Use and Occupancy of Units and Common Elements. The occupancy and use of the Units and Common Elements shall be subject to the following restrictions:

(A) Architectural Control. Excepting any original construction by Declarant, no building, fence, wall or structure shall be commenced, erected or maintained upon the Units in the Planned Community nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kinds, shape, height, and other dimensions, materials, color and location of the same shall have been submitted to and approved in writing by Declarant. This Architectural Control shall pass to the Executive Board when Declarant ceases to be a Unit owner and the Executive Board shall from an Architectural Review Committee. This section shall not be amended without the prior written consent of the Declarant as long as the Declarant remains a Unit Owner in the planned community.

(B) Prohibited Uses. In addition to any prohibited uses stated in the Rules and Regulations enacted and amended by the Executive Board or the Association in accordance with the Bylaws, the following prohibited uses apply to the Planned Community:

(1) No tank for storage of ten (10) gallons or more of gas or liquids may be maintained on any unit.

(2) No animals, livestock, or poultry of any kind shall be raised, bred, or kept in any dwelling or on any Unit, except that dogs, cats or other domesticated household pets may be kept (provided that they are not kept, bred, or maintained for any commercial purpose.)

(3) No garbage, refuse, rubbish, or cutting shall be deposited on any Unit, street, sidewalk or parking area, except for trash and recycling containers placed at an appropriate location for collection, which containers shall not be placed at the curbside earlier than fourteen (14) hours prior to the regularly scheduled time for pickup and not allowed to remain curbside longer than eight (8) hours following the regularly scheduled time for pick up. The Executive Board or the Association in accordance with the Bylaws may require that all Units contract with a community trash hauler selected by the Executive Board, or the Association (or as designed by West Hanover Township,) as the case may be, and in such event no other trash hauler shall be permitted to make regularly scheduled trash pickups from any Unit.

(4) No non-passenger vehicle of any type and no unlicensed or nonoperational motor vehicle of any type shall be permitted to remain overnight on any property in the Planned Community, other than may be used by Declarant, its agents, or contractors in conjunction with building operations.

(5) Except delivery and service vehicles, or construction vehicles used by Declarant, its agents or contractors, no commercial vehicles are permitted in the Planned Community. Commercial vehicles are defined as those with signs or printed advertising exceeding an area of 18 inches by 18 inches.

(6) In addition to the foregoing, the following specific types of vehicles are prohibited from parking in the Planned Community (other than in connection with construction activities of Declarant): buses, step vans (not including handicapped accessible vans,) tractor trailers, flat-bed trucks, recreational vehicles, dual rear axle vehicles, tractors, straight-bed trucks, trailers (all types,) dump trucks, and tow trucks (except as required to tow disabled or prohibited vehicles.)

(7) No boats of any type shall be permitted to be parked in the Planned Community.

(8) No outside radio or television antennas shall be erected on the property of any unit within the Planned Community except that a reasonably small satellite dish is permitted provided that its location and size are first approved by the Architectural Review Committee. A satellite dish will not be permitted on the front elevation of a building or where visible when viewing the front elevation of a building.

(9) No noxious, unsightly, or offensive activity, including vehicle repairs (except that resolving minor emergencies, such as changing a flat tire, is permitted,) shall be conducted on a Unit or other property in the Planned Community nor shall anything be done on a Unit that is an annoyance or nuisance to other Unit Owners in the Planned Community.

(10) No sign of any kind shall be displayed to public view on any Unit or improvement thereon except for (i) directional signs, (ii) a one-family name sign of not more than 144 square inches and (iii) temporary REALTOR signs advertising the property for sale.

(11) No Townhouse Unit shall have a fence, except that buried electronic wire fences for dog control shall be permitted provided its location is first approved by the Architectural Review Committee consistent with Article V Sect 1 (a).

(12) Single family dwelling type Units may have fences subject to the following restrictions:

- (i.) Fences shall be limited to a height of four (4) ft, and be either wood, simulated wood or forged ornamental iron construction. Absolutely no chain link or wire materials shall be permitted.
- (ii.) Fences shall not be located any closer to the street than the rear of the residence constructed on such Unit.
- (iii.)Fences shall not extend any closer to the side yard property line than the nearest distance of the residential dwelling on such Unit is constructed to the side yard property line.
- (iv.) Fences shall not extend any nearer to the rear property line than twenty-five (5) feet
- (v.) In the event that a Unit owner desires to erect a fence not in conformity with the provisions in this subparagraph, upon request from such Unit Owner, the Executive Board may grant a variance to such Unit

Owner from the provision of this subparagraph. Notwithstanding the foregoing, in no event shall the Executive Board grant a variance unless and until the Unit Owner has obtained, in writing, from all Unit Owners whose land is immediately adjacent to such Unit.

- (vi.) Buried electronic wire fences for dog control shall be permitted its location is first approved by the Executive Board consistent with Article V, Section 1(a) A.
- (vii.) Invisible type fencing, for the control of home owner's pets, is allowed as long as West Hanover Township Code is followed with regard to installation and the location is approved by the Bradford Estates Architectural Review Committee. Article V Sect 1 (a) A
- (viii.) Swimming pool and tennis court fences may be allowed by the Executive Committee upon written application of such Unit Owner. The specific location and height of any such fence may be allowed to exceed the guidelines established in this subparagraph, but in no event shall any such fence be installed within twenty-five (25) feet of an adjoining property.
- (13) No townhouse unit shall have a swimming pool.

(14) No part of the premises herein described shall be used for any illegal, offensive, or obnoxious purpose. Any structure erected upon any of the Unites of any part of the land shall be so built to as near as possible harmonize with the type of construction throughout the Planned Community. No grocery store, meat dispensing store, no barber shop, beauty parlor, doctor's, dentist's, or chiropractor's office, confectionary or drug store, nor any other type of business or commerce of any kind, fashion, or nature, shall at any time now or in the future, be carried on upon in any Unit or other area included within the Planned Community. Nor shall any dwelling house, Unit, or other building erected upon said land or any part thereof be later converted for any of the uses hereinbefore prohibited, nor shall part of the same be used for warehousing or storage of articles of commerce, business or industry. Notwithstanding the foregoing, a Unit Owner may engage in a home-based business from a Unit to the extent provided for, defined, and allowed by local ordinances and/or rules, but in no event shall such home-based business create as outward appearance of its existence (e.g., no signs, no quest or customer traffic beyond that amount normally associated with a residential dwelling, etc..)

Section 2. Rules and Regulations. Reasonable rules and regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of property within the Planned Community, may be promulgated from time to time by the Association or its Executive Board. Copies of the then current Rules and Regulations and any other amendments thereto shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such Rules and Regulations or any amendments thereto.

Section 3. Restriction on Alienation. No Unit Owner shall convey a Unit in the Planned Community without collecting and paying over to the Association the

initiation fee reasonably determined by the Executive Board from time to time for the benefit of the Association as stated in Article II, Section 4, herein.

Section 4. Leases. The rights of any lessee or sub lessee of a Unit shall be subject to, and each lessee or sublessee shall be bound by, this Declaration, the Bylaws and Rules and Regulations, and a default thereunder shall constitute a default under the lease or sublease; provided, however, that the foregoing shall not impose any direct liability on any lessee or sublessee of a Unit to pay any Common Expense monthly Assessments, or Special Assessments on behalf of the Owner of that Unit. The Association shall have the right to enforce the provisions of any lease or sublease of a Unit directly against the tenant or subtenant if such tenant or subtenant defaults under any covenant, condition or restriction set forth in this Declaration, the Bylaws or the Rules and Regulations; provided, however, that the Association has first or simultaneously given written notice of such default to the Unity Owner subject to the lease or sublease, and such default has not been cured within the period specified in such notice.

ARTICLE VI. Loans/Assignment of Income

Section 1. Assignment of Income Rights. The Association may assign its rights to future income, to secure any loan obtained by the Association for repairs, replacements or capital improvements to the Common Elements, provided that any such assignment is authorized by the vote of not less than 75% of the members of the Executive Board.

ARTICLE VII. The Association, Executive Board, and Quorums

Section 1. Association Membership. Every Owner of a Unit including the Declarant shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit.

Section 2. Association Powers. An association of Unit Owners, defined herein and referred to as the Association, shall exist and shall have all the powers and duties as provided by the Act and this Declaration. The powers and duties of the Association shall include, but not be limited to, the following:

(a) To provide for the operation, care, upkeep and maintenance of the Common Elements and to provide for all reasonable and necessary insurance coverage and appropriate liability insurance, workman's compensation, officers and directors liability insurance and fidelity funds in a matter consistent with the law and with this Declaration and the Bylaws;

(b) To provide for the establishment and collection of Assessments and other charges from the Unit Owners and the enforcement of liens therefore in a manner consistent with the law and with this Declaration and Bylaws;

(c) To provide for the employment of personnel, contractors or others necessary to maintain, operate, renovated and improve the Common Elements to be maintained by the Association in a manner consistent with the law and with this Declaration and the Bylaws;

(d) To provide for the promulgation and enforcement of such Rules and Regulations, restrictions or requirements as the Association may deem proper, all of which shall be consistent with the law and with this Declaration and the Bylaws, but which may either supplement or elaborate upon the provisions of this Declaration and the Bylaws; and

(e) To take or cause to be taken any and all other actions which are required or permitted under the Act, this Declaration and the Bylaws.

Section 3. Notice and Quorum for Action Authorized. Written notice of any Association meeting shall be sent to all members in accordance with the Bylaws, but in no event less than 10 days nor more than 60 days in advance of such meeting. Such notice must contain all items required by section 5308 of the Act, including, but not limited to, the time and place of the meeting and the items on the agenda including the general nature of any proposed amendment to the Declaration or Bylaws and any budget or Assessment changes. At the first such meeting called, the combined presence of members and of proxies entitled to cast sixty (60%) percent of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting. With respect to any Association meeting called for the purpose of approving or rejecting any budget or capital expenditure pursuant to section 5303 (b), of the Act, the above notice and quorum requirements shall supersede and be in lieu of any notice and quorum requirements at any time hereafter adopted by the Association in its Bylaws, and may be modified only by an amendment to this Declaration. Notice and guorum requirements for all other meetings of the Association called for purposes not in any way including the purpose of approving or rejecting any budget or capital expenditure shall be governed by the above notice and perform requirements, or those stated in the Act and/or Bylaws, if any.

Section 4. Executive Board Powers. The Executive Board shall be vested with the authority, subject to the provisions of the Act, to act on behalf of the Association consistent with the law. The Board shall have the power to act on behalf of the Association, except that the Board may not, except as provided in section 5219 (f) of the Act, amend this Declaration, elect members of the Executive Board, or determine the qualifications, powers, duties or terms of the Board members, but the Executive Board may fill vacancies in its membership for unexpired portions of terms.

Section 5. Executive Board Members; Original Term; and Removal. The original Executive Board shall consist of five (5) individuals appointed by the Declarant. The term of the original Executive Board shall be for a term of one (1) year and shall commence on the date of recording of the original Declaration in the office of Recorder of Deeds in and for the county in which all or part of the Planned Community is located, and shall continue until December 31st of the year after the commencements of such original term. Not later than sixty (60) days after the conveyance of twenty-five percent (25%) of Units to Unit Owners other than a declarant (Declarant or a successor declarant), at least one (1) member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Owners other than Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units to Unit Owners other than a declarant. Not later than sixty (60) days after conveyance of seventy-five percent (33 1/3%) of the members of the Executive Board shall be elected by Unit Owners other than Declarant. Not later than sixty (60) days after the conveyance of seventy-five percent (75%) of Units to Unit Owners other than a declarant, the members of the

Executive Board shall be elected by Unit Owners, including the Declarant. Consistent with the foregoing, for a period of time not to exceed seven (7) years after the date of the first convenience of a Unit to a person other than a declarant, or the earlier of: (1) sixty (60) days after conveyance of seventy-five (75%) percent of the Units which may be created to Unit Owners other than Declarant; or, (2) two years after all Declarants have ceased to offer Units for sale in the ordinary course of business; or (3) two years after any development right to add new Units was last exercised; Declarant may, at its option, control the Association, and shall specifically have the power to appoint and remove officers and members of the Executive Board (he "Declarant Control Period"). Further, Declarant may voluntarily surrender such right to appoint and remove officers and members of the Board before expiration of the Declarant Control Period, and in that event, Declarant, by executing and Recording an instrument in the Office of the Recorder of Deeds in and for the county in which all or any portion of the Planned Community is located, may require for the remaining duration of the Declarant Control Period, that certain specified future actions of the Board as specified in such recorded instrument shall not become effective unless approved by Declarant. Notwithstanding the foregoing, if any meeting required by this Section could be held on the date and annual meeting of the Association is scheduled, then such meeting shall be held concurrently with such annual meeting. The Declarant reserves the right to send representatives to observe all meetings of the Executive Board while the Declarant holds legal title to a Unit in the Planned Community. Unit Owners, by a two-thirds (2/3) vote of all persons present in person or by proxy and entitled to vote at any meeting of the Unit Owners 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 during the Declarant Control Period.

ARTICLE VIII. Limitation of Liability for Executive Board Members

Section 1. Standard of Conduct for Executive Board Members.

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

(b) In discharging the duties of their respective positions, the Executive Board members and officers may, in considering the best interests of the Association, consider the effects of any action upon employees and upon suppliers of the Association and upon communities in which the Planned Community is located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described above.

(c) Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as an Executive Board member or officer or any failure to take action shall be presumed to be in the best interest of the Association.

Section 2. Good Faith Reliance by Executive Board Members. In performing his duties, an officer or Executive Board member shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(a) One or more other officers or employees of the Association whom the officer or Executive Board member reasonably believes to be reliable and competent in matters presented.

(b) Legal Counsel, certified public accountants or other persons as to matters which the officer or Executive Board member reasonably believes to be within the professional or expert competence of such person.

(c) A committee of the Executive Board upon which he does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the officer or Executive Board member reasonably believes to merit confidence.

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

Section 3. Limited Liability of Executive Board Members. No Executive Board member, in his capacity as such, shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless he has breached or failed to perform the duties of his office under the standards described above; provided, however, that the provisions of this Section shall not apply to the reasonability or liability of an Executive Board member or officer pursuant to any criminal statute, or to the liability of

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

Section 4. Indemnification of Executive Board Members. To the full extent permitted under Pennsylvania law, each member of the Executive Board, in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Executive Board, or for any settlement of any such proceeding, whether or not he is an Executive Board member, officer, or both at the time such expenses are incurred or settlement is reached, except in such cases wherein such Executive Board member and/or officer is adjudged to be in breech of the standards of conduct described above, provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he is then an Executive Board member) approves such settlement and reimbursement as being in the best interests of the Association, and provided further that indemnification hereunder with respect to any criminal action nor proceeding is permitted only if such Executive Board member and/or of the officer had no reasonable cause to believe his conduct was unlawful. To the extent permissible under Pennsylvania law, expenses incurred by an Executive Board member or officer in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit, or proceeding, upon the request of the Executive Board member or officer, but only after the Association has received a written promise by or on behalf of such Board member or officer to repay such amount if it shall ultimately be determined that such Board member or officer is not entitled to be indemnified by the Association. The indemnification set forth in this section shall be paid by the Association on behalf of the Unt Owners and shall constitute a Common Expense Liability and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or by agreement, or by vote of the Unit Owners, or otherwise.

Section 5. Director and Officer Insurance. The Executive Board shall obtain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth in this Article, if and to the extent available at reasonable cost.

ARTICLE IX. Repair, Restoration and Maintenance

Section 1. Owner's Obligation to Repair, Restore, and Maintain. Each Owner shall, at each Owner's sole cost and expense, repair, restore, and maintain the exterior of each Owner's Unit and the exterior of other improvements to an Owner's Unit keeping the same in the condition comparable to the condition of such improvements at the time of their initial construction, excepting only normal wear and tear.

Section 2. Owner's Failure to Repair, Restore and Maintain. In the event an Owner of any Unit in the Premises shall fail to repair, restore and maintain the Unit and the improvements situated thereon in a manner satisfactory to the Board or the Architectural Control Committee, the Board, after approval by two-thirds (2/3) vote of the Board, shall have the right, through its agents and employees, to enter upon said Unit and repair, maintain, and restore the Unit and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance, restoration, or repair shall be paid for by the Owner on demand, or, if not paid, shall be added to and become part of the Assessment against such Unit.

ARTICLE X. Notice

All notices, demands, bills, statements or other communications under this Declaration or pursuant to the Act, or the Bylaws, shall be in writing and shall be deemed to have been duly given if delivered personally or if sent prepaid by United States mail (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Owner, or (ii) if to the Association, the Executive Board or the Declarant, at the principal office of the Planned Community or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one Person, each such person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder until such designation is withdrawn in writing by such Person. The effective date of a notice shall be the date of personal delivery, a date five (5) days after deposit in the United States mail with proper postage, or in the case of actual delivery, the date of actual delivery to a Unit.

ARTICLE XI. Declarant/Special Declarant Rights

Section 1. Declarant Rights. For the time period not exceeding seven years after the Recording of the original Declaration, certain Special Declarants Rights as defined in Section 5103 of the Act, and the other Declarant rights stated herein, are hereinafter reserved unto Declarant, including, but not limited to, the right to subdivide Unites, merge Units, to convert Units, to add Additional Real Property and create additional Units or common Elements in the Planned Community, or otherwise alter the Unit boundaries shown on Exhibit "C". Notwithstanding any other provisions contained herein, the following provisions shall be deemed to be in full force and effect:

(a) Declarant shall have the right to relocate, enlarge, eliminate in whole or in part, change, vary or otherwise alter the easements as set forth herein in Article IV; provided, however, that any such relocation, enlargement, elimination, change, variance or alteration of the easements shall not be made without providing alternative access, flow area or other right-of-way or easement necessary to provide access and utilities to and storm drainage from any Unit in the Planned Community.

(b) Declarant shall have the right to transact any business on the Property necessary to complete the construction of Units and improvements and to consummate the sale of Units, including but not limited to, the right to maintain models, display signs, sales offices, management offices, employees in an office, the right to maintain and locate within the Planned Community construction equipment, including construction trailers, and to conduct construction activities on the Premises.

(c) Declarant shall have the absolute right to make any alterations in or improvements to any Unit owned by Declarant. Including the right, in compliance with Section 5214 of the Act, to alter the boundaries between two (2) or more Units owned by Declarant and the right to subdivide or convert such a Unit into two or more Units, Common Elements, or a combination of Units and Common Elements in compliance with Section 5215 of the Act, and to convert Convertible Real Estate and add Additional Real Estate, in compliance with Section 5211 of the Act, and in connection with any such alterations, improvements, subdivision, or conversion, the Declarant shall have the right and/or obligation to revise the Plats and Plans, in compliance with Section 5210 of the Act, provided that no such revision shall affect any Units not owned by the Declarant, except with the consent of the Unit Owners of such Units, and except as specifically provided for in the Act (e.g. reallocation of common expense liability after addition of Additional Real Estate under Section 5211). An appropriate amendment to this Declaration shall be Recorded and executed according to the Act (see Section 5219 of the Act).

(d) The Declarant shall have the absolute right to modify the location of proposed roadways, recreation areas, if any, or other improvements, and to dedicate any streets, sanitary sewers or other improvements offered for dedication on the Plats and Plans to the appropriate Township, municipal, or governmental authorities having jurisdiction.

(e) The Declarant reserves all of the following Special Declarant Rights as set fourth in Section 5103nof the Act, to wit:

(1) Complete improvements indicated on Plats and Plans filed with the Declaration under Section 5210 of the Act; and,

(2) Convert Convertible Real Estate in a Flexible Planned Community under Section 5211 of the Act; and,

(3) Add Additional Real Estate to a Flexible Planned Community under Section 5211 of the Act; and,

(4) Co Convert a Unit into two or more Units, Common Facilities or Controlled Facilities, or into two or more Units and Common Facilities or Controlled Facilities under Section 5215 of the Act; and,

(5) Maintain offices, signs and models, under Section 5217 of the Act;

(6) Use easements through the Common Facilities or Controlled Facilities for the purpose of making improvements within the Planned Community or within any Convertible or Additional Real Estate under Section 5218; and,

(7) Appoint or remove an officer of the Association or an Executive Board Member during any Declarant Control Period under Section 5303.

(f) Termination of Specific Right. Declarant's Rights, as set forth in this Declaration, may be terminated prior to the end of such stated period only upon the Recording of an amendment to this Declaration by the Declarant expressly terminating such Declarant Rights.

Section 2. Transfer of Special Declarant Rights.

(a) No Special Declarant Rights created or reserved under this Declaration may be transferred except by an instrument evidencing the transfer which is Recorded in the Office of the Recorder of Deeds in and for the county in which all or any portion of the Planned Community is located, in the same records as are maintained for the recording of Deeds of real property. The instrument shall be indexed in the name of the Planned Community in both the grantor and grantee indices. The instrument is not effective unless executed by the transferee.

(b) Upon transfer of any Special Declarant Right, the liability of the transferor Declarant and the liabilities and obligations of the successors to Special Declarant Rights shall be determined in accordance with Section 5304 of the Act.

Nothing in this subsection subjects any successor to a Special Declarant Right to any claims against or other obligations of a transferor Declarant other than claims and obligations arising under this Declaration or the Act.

Section 3. Restrictions on Declarant Related Actions.

(a) No Declarant-related amendment shall be made to this Declaration or to any other governing document, nor shall any Declarant-related governing document be executed, adopted or promulgated by the Executive Board or the Association, nor shall any such amendment or document be so executed, adopted, or promulgated, be

and,

effective, unless such Declarant-related amendment or governing document shall be specifically approved in writing by Declarant in accordance with Section 5219(d) of the Act.

(b) An amendment or governing document which does any of the following shall be considered to be Declarant-related.

(1) Discriminates or tends to discriminate against a Declarant as a Unit Owner or otherwise.

(2) Directly or indirectly, by its provisions or in practical application,, relates to any Declarant in a manner different from the manner in which it relates to other Unit Owners.

(3) Modifies the Declarant's Easements rights provided for herein by Article IV, the definitions provided for by Article I of this Declaration, the Special Declarant Rights provided for in this Article, or other rights reserved to the Declarant in this Declaration, in a manner, which alters Declarant's rights or status.

(4) Alters any previously Recorded or written agreement with any public or quasi-public agencies, utility companies, political subdivisions, public authorities or other similar agencies or bodies, respecting zoning suspension, streets, roads, drives, easements or facilities.

(5) Alters or repeals any of the Declarant's rights or any provision applicable to Declarant's rights as provided for by any provision of this Declaration or of any other governing document applicable to Declarant.

Section 4 Limitation of Liability for Declarant. Except as set forth in the Act, as the same applies to structural defects, the Declarant shall not be liable to any Unit Owner, their heirs, executors or assigns, the Association, the Executive Board, or the Architectural Control Committee, any officer, any committee member, any mortgagee and/or other lienholder, any guest or invitee, and/or other party whatsoever for any damage, loss or prejudice suffered or claimed whatsoever. Furthermore, any Unit Owner or Unit Owners, the Association, the Committee and/or other occupant and/or any other party and/or the Executive Board, or any member thereof, or any officer, or other committee member, or any other mortgagee and/or other lienholder, any guest or invitee, and/or other lienholder, any guest or any other mortgagee and/or other lienholder, any guest or invitee, and/or other party and/or the Executive Board, or any member thereof, or any officer, or other committee member, or any other mortgagee and/or other lienholder, any guest or invitee, and/or other party whomsoever who shall initiate or cause to initiate and/or bring and/or file any claim, demand, law suit or other legal proceeding against Declarant for any reason whatsoever, if unsuccessful in said claim, demand, lawsuit or other legal proceeding, shall pay to Declarant, on demand, the costs incurred by the Declarant, including attorney's fees and court costs incurred in the defense of any such claim, demand, lawsuit or other legal proceeding of any kind or nature whatsoever,

ARTICLE XII. Convertible or Additional Real Estate

Section 1 Reallocation. Article XI herein expressly reserves unto the Declarant the right to convert Convertible Real Estate and/or to add Additional Real Estate. Except as provided in the Act, there are no limitations on this Declarant Right. Should Declarant exercise this Declarant Right, the relative voting strength and share of Common Expense Liability for each Unit will be reallocated. Such reallocation shall be effective upon Recording the appropriate amendment to the Declaration pursuant to Sections 5211 and 5219. The formula for such reallocation will be as follows:

(a) Each new Unit created will be allocated one vote in the Association. When no longer designated as a Non-Voting Class Unit, each such Unit created will increase the total number of votes in the Association and proportionately increase the actual number of votes required for purposes of determining quorums and tallying votes at Association meetings and elections; and,

(b) For the new Common Expense Liability allocated to each Unit, the new applicable fractional share allocated to each Unit will be determined by using"1" as the numerator and the combined total number of Units, both newly created and already existing, but excluding and Non-Voting Class Units, as the new denominator. The Executive Board shall apply the new fraction to the total actual or projected Common Expense Liability of the Association, including any amount of Common Expense Liability projected for and attributable to the newly created Units, which will yield the Common Expense Liability for each Unit. At the sole discretion of the Executive Board, the Regular Monthly Assessment may be adjusted accordingly to reflect such new allocation.

Section 2. Legal Descriptions. Legally sufficient descriptions for the Convertible Real Estate or Additional Real Estate are attached hereto as Exhibit "D" and made a part hereof.

Section 3. Timing and Boundaries. The Convertible Real Estate or Additional Real Estate may be converted or added in portions, in any order, and at different times. Further, converting or adding a portion or Convertible Real Estate or Additional Real Estate will not then require any other and remaining portion to be converted or added. There are no assurances made as to the boundaries of any portions which may be converted or added.

Section 4. Use, Density, Location, and Type of Units. All Units created will be restricted to residential use under the same restrictions, Rules and Regulations, and Bylaws of the Association then existing in the planned Community. There are no assurances made as to the exact location of the buildings on the Units. The maximum number of Units will result in no further density of Units (as determined by Units per specified volume of space) as currently exist in the Planned Community and all such Units will be of the same or compatible architectural style and quality of construction and no further assurances are made in this regard.

Section 5. Common Elements. Limited Common Elements and Common Elements created, if any, will be compatible with any existing Common Elements and no other assurances are made with regard to Common Elements. Declarant will not

improve these portions of the property, but may make suggestions for how the Association might improve the property when it takes possession. The conveyance of the unimproved property is expected to have a minimal impact on the budget of the Association and the Common Expense Liability of Unit Owners.

ARTICLE XIII. Amendment of Declaration

Section 1. No amendment of this Declaration may be made without prior approval of the required number of votes of Unit Owners, if and to the extent that such approval is required by the Act. Any amendment of this Declaration shall be made in compliance with Section 5219 and pursuant to the Association's Bylaws. Any amendment of this Declaration shall be executed by the Declarant, the Board, and/or the Unit Owners, as required by Section 5219 of the Act and shall be Recorded by the Board and shall include a certification therein by the Board that the required number of votes, if any, were obtained. Any amendment must be Recorded and is effective only upon Recording.

(a) An amendment which has the effect of reducing or affecting the Township Authority's rights hereunder will be ineffective, null, and void, unless such amendment is made with the written consent of the Township Authority.

Section 2. Notwithstanding the foregoing provisions, the Executive Board has limited authority to amend the Declaration to effect technical corrections pursuant to and in compliance with Section 5219 (f) of the Act to do any of the following:

(a) cure an ambiguity;

(b) correct or supplement any provision of the Declaration, including the Plats and Plans, that is defective, missing or inconsistent with any other provision of the Declaration or the Act; or

(c) conform to the requirements of any agency or entity that has established national or regional standards with respect to loans secured by mortgages or deeds of trust or units in the planned community or so called "PUD" projects, such ads Housing and Urban Development, Federal National Mortgage Association, Federal Housing Authority, Veterans Administration, and the Federal Home Loan Mortgage Corporation.

ARTICLE XIV. General Provisions

Section 1. Invalidity. The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability, effect, or remainder of this Declaration, and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

Section 2. Binding Covenants. The covenants, easements, and restrictions of this Declaration are equitable servitudes, shall run with and bind the land which is the submitted real estate exhibited in Exhibit "A", and shall inure to the benefit of and be enforceable by the Association, or the Unit Owner, or the local Township, their respective legal representatives, heirs, successors, and assigns.

Section 3. Participation in Government Financing Programs. The Planned Community is intended to be in compliance with and approved by all governmental financing programs, standards, and requirements relating to a planned community or so called "PUD" projects (e.g., Housing and Urban Development, Federal Housing Authority, Federal National Mortgage Association, Veterans Administration, and the Federal Home Loan Mortgage Corporation).

Section 4. Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur.

Section 5. Gender. The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

Section 6 Headings. The headings herein are for reference purposes only and shall not affect the meaning or interpretation of this Declaration.

Section 7. Amendments to the Act. Any reference herein to a provision or provisions of the Act shall include any amendment thereto.

Section 8. Effective Date. This Declaration or any amendment thereof shall become effective when it has been duly Recorded.

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SIGNATURE SHEET

ACKNOWLEDGEMENT

ATTACHMENT B. - BYLAWS

BRADFORD ESTATES HOMEOWNER'S ASSOCIATION, INC. BYLAWS

ARTICLE I. Introductory Provisions

Section 1. Applicability. These Bylaws provide for the governance of the Association with respect to the flexible planned community known as BRADFORD ESTATES created by the recording of a Declaration in the Office of the Recorder of Deeds in and for Dauphin County, Pennsylvania at Record Book_____, Page_____, as amended.

Section 2. Definitions. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration to which these Bylaws pertain or, if not defined therein, the meanings specified or used for such terms in the Uniform Planned Community Act, 68 Pa.C.S§ 5101 *et seq.* (the "Act").

Section 3. Compliance. Every Unit Owner and all persons occupying a Unit shall comply with these Bylaws.

Section4. Office. The registered office of the Association shall be:

7100 Fishing Creek Valley Road Harrisburg, PA 17112

or such other place as may be designated from time to time by the Executive Board.

Section 5. Incorporation of Statutory Law. The Association is organized as a non-profit corporation. Except as expressly provided herein, in the Declaration, or in the Act, the Association shall be governed by the provisions of the Non-profit Corporation Law of 1988, 68 Pa.C.S§ 5101 *et seq.*, as it may be amended from time to time. The "Board of Directors" described therein shall be referred to herein and in the Declaration as the "Executive Board" or "Board".

ARTICLE II. The Association

Section 1. Composition and Responsibility. All owners of Units and the Declarant shall be members of the Association as stated in the Declaration. The Association shall have the responsibility of administering the Planned Community, establishing the means and methods of collecting assessments and charges, arranging for the management of the Planned Community and performing all other acts that may be required or permitted to be performed by the Association pursuant to the Act and the Declaration. The foregoing responsibilities shall be performed by the Executive Board as more particularly set forth in these Bylaws.

Section 2. Annual Meetings. The annual meetings of the Association shall be held on the last Wednesday of June each year unless such a date shall occur on a legal holiday, in which event the meetings shall be held on the next full business day. At such annual meetings the Executive Board shall be elected and such other business as may properly come before the meeting may be transacted.

Section 3. Place of meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Executive Board.

Section 4. Special Meetings

(A) The President may call a special meeting of the Association, and shall do so if directed by resolution of the Executive Board or upon a petition signed and presented to the Secretary by Unit Owners entitled to cast at least ten percent (10%) of the votes, in the Association. The notice of any special meeting shall state the time, place, and agenda items thereof. Such meeting shall be held within forty-five days after receipt by the President of such resolution or petition; provided, however if the purpose includes the consideration of a budget or capital expenditure pursuant to Article V, Section 10 below, such meeting shall be held within fifteen days after receipt by the President of such resolution. No business shall be transacted at a special meeting except as stated in the notice.

(B) Within sixty (60) days after the conveyance of twenty-five percent (25%) of the Units to Unit Owners other than Declarant, a special meeting of the Association shall be held at which at least one (1) of the five (5) Executive Board members and not less than 25% of the Executive Board shall be elected by Unit Owners other than Declarant.

(C) Within sixty (60) days after conveyance of fifty percent (50%) of the Units to Unit Owners other than Declarant, a special meeting of the Association shall be held at which not less than 33% of the members of the Executive Board shall be elected by Unit Owners other than Declarant.

(D) Within sixty (60) days after conveyance of seventy-five percent (75%) of the Units to Unit Owners other than Declarant, a special meeting of the Association shall be held at which members of the Executive Board shall be elected by Unit Owners, including the Declarant.

(E) Consistent with the forgoing, for a period of time not to exceed seven (7) years after the date of the first conveyance of a Unit to a person other than a declarant, or the earlier of: (1) sixty (60) days after conveyance of seventy-five percent (75%) of the Units which may be created to Unit Owners other than a declarant; or, (2) two (2) years after all declarants have ceased to offer Units for sale in the ordinary course of business; or (3) two (2) years after any development right to add new Units was last exercised; Declarant may, at its option, control the Association, and shall specifically have the power to appoint and remove officers and members of the Executive Board ("the Declarant Control Period").

(F) Notwithstanding the foregoing, if any meeting required pursuant to Sections 4(B) and/or 4(C) could be held on the date an annual meeting of the Association is scheduled, then such meeting(s) shall be held concurrently with such annual meeting.

Section 5. Notice of Meetings. The Secretary shall give to each Unit Owner a notice of each annual or regularly scheduled meeting of the Association at least ten but not more than sixty days, and of each special meeting of the Unit Owners at least ten but not more than forty-five days, prior to such meeting, stating the time, place an agenda items thereof, including, without limitation, any proposed budget or assessment changes, the general nature of any proposed amendment to the Bylaws or Declaration, and any proposal to remove an Executive Board member or Officer. The giving of notice in the manner provided in this Section and Article VIII, Section 1 herein, shall be considered service of notice.

Section 6. Adjournment of Meetings. If at any meeting of the Association quorum is not present, Unit Owners entitled to cast a majority of 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.

Section 7. Voting. Voting at all meetings of the Association shall be on the basis of one Unit, one vote. If the owner of a unit is a corporation, joint venture, partnership or unincorporated association, the natural person who shall be entitled to cast the vote for such Unit shall be the natural person named in a certificate executed by each entity pursuant to its governing documents. If the owner of a Unit is a trust, the trustee or trustees shall be deemed to be the owner for voting purposes. Where the ownership of a Unit is more than one Person, the Person who shall be entitled to cast the vote of such Unit shall be the natural person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting, the natural person who shall be entitled to cast the vote of such Unit shall be the natural person owning such Unit who is present. If more than one of the multiple Owners is present, then such a vote shall be cast only in accordance with their unanimous agreement. There shall be deemed to be unanimous agreement if any one of the multiple Owners casts the vote allocated to that Unit without protest being made promptly to the Person presiding over the meeting by any of the meeting by any of the other Owners of the Unit. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Subject to the requirements of the Act, wherever the approval or disapproval of a Unit Owner is required by the Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the natural person who would be entitled to cast the vote of such Unit at any meeting of the Association. Except with respect to election of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, a majority vote of Unit Owners 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 Association. In all elections for Executive Board members, each Unit shall be entitled to cast one vote for each vacancy to be filled at such election. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected and, if Executive Board members are being elected to unequal terms, the candidates receiving the highest number of votes shall be elected to the longest terms. Except as set Forth in Article II, Section 4, if the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled. No votes allocated to a Unit owned by the Association may be cast and no vote shall be cast by a Non-Voting Class Unit as set forth in the Declaration. There shall be no cumulative or class voting.

Section 8. Proxies. A vote may be cast in person or by proxy. If a Unit is owned by more than one person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. Such proxy may be granted by any Unit Owner in favor of another Unit Owner, a holder of a mortgage on a Unit, a Board member, 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. A proxy is void if it is not dated or purports to be revocable without notice.

Section 9. Quorum. Except as set forth below, the presence in person or by proxy of Unit Owners of twenty percent or more of the members of the Association at the commencement of all meetings shall constitute a quorum of the Unit Owners Association. If a meeting is adjourned pursuant to Article II, Section 6 above, the quorum at such second meeting shall be deemed present throughout any such second meeting of the Association if persons entitled to cast ten percent of the votes which may be cast for the election of the Executive Board are present in person or by proxy at the beginning of the meeting. With respect to any Association meeting called for the purpose of approving or rejecting any budget or capital expenditure pursuant to § 5303(b) of the Act, the above notice and quorum requirements shall be superseded as stated in the Declaration to require that combined presence of members and of proxies entitled to cast sixty (60%) percent of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the proceeding meeting and be in lieu of any notice or quorum requirements at any time hereafter adopted by the Association in its Bylaws, and may be modified only by an amendment to this Declaration.

Section 10. Conduct of Meetings. The President (or in the President's absence, the Vice President) shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws or the Act.

Section 11. Books and Records. The Association shall keep appropriate, complete and accurate books or records. Said books and records shall be available for

inspection and copying by participating Unit Owners, their agents or attorneys, upon three days written notice.

ARTICLE III. Executive Board

Section 1. Number and Qualification. The affairs of the Association shall be governed by an Executive Board. The Executive Board shall by composed of five natural persons, all of whom shall be Unit Owners or designees of the Declarant.

Section 2. Election and Term of Office

(A) At the annual meeting of the Association, subject to Article VII of the Declaration, the election of members of the Executive Board shall be held. Such members shall be elected by written ballot. The term of office of any Executive Board member to be elected (except as set forth in Article II, Section 4 and Article III, Sections 3 and 4, herein, and Article VII of the Declaration) shall be three years. The members of the Executive Board shall hold office until the earlier of the expiration of their term, the election of their respective successors or their death, adjudication of incompetency, removal, or resignation. An Executive Board member may serve an 7unlimited number of terms and may succeed himself.

(B) Persons qualified to be members of the Executive Board elected by the Unit Owners shall be nominated for election as follows:

(1) Any Unit Owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nominating petition signed by Unit Owners owning at least ten Units, together with a statement that the person nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. The Secretary shall mail or personally deliver the submitted items to every Unit Owner along with the notice of such meeting; and

(2) Nominations may be submitted from the Floor at the meeting at which the election is held for each vacancy on the Executive Board for which either no person nor more than one person has been nominated by petition.

Section 3. Removal or Resignation of Members of the Executive Board. The Unit Owners, by a two-thirds vote of all persons present and entitled to vote at the meeting of the Unit Owners at which a quorum is present, may remove any one or more of the members of the Executive Board with or without cause, other than a member appointed by the Declarant during the Declarant Control Period. A successor may then and there be elected to fill the vacancy created. Any Unit Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit Owner shall be given at least ten days' notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit. The Declarant shall have the right to remove and replace any or all members appointed by the Declarant at any time and from time to time until the expiration of the Declarant Control Period. Section 4. Vacancies. Except as set forth in these Bylaws with respect to members appointed by the Declarant, vacancies in the Executive Board caused by any reason other than the removal of a member by a vote of Unit Owners shall be filled by a vote of a majority of the remaining members at a special meeting of the Executive Board held for such purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Executive Board until the next annual meeting of the Association, at which time the Unit Owners shall elect a successor to serve the remainder of the term (if any). In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term.

Section 5. Organizational Meeting. The first meeting of the Executive Board following each annual meeting of the Association shall be held within ten days thereafter at such time and place as shall be fixed by the President (even the outgoing President) at the meeting at which such Executive Board members 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 the annual meeting.

Section 6. 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 every four months during each fiscal year.; Notice of regular meetings of the Executive Board shall be given to each member, personally or by mail or facsimile, at least three business days prior to the day specified for such meeting.

Section 7. 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 personally or 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 in like manner and on like notice on the written request of at least two members of the Executive Board.

Section 8. Waiver of Notice. Any member at any time, in writing, waive notice of any meeting of the Executive Board, and such waiver shall be deemed equivalent to the giving 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.

Section 9. Quorum of the Executive Board. At all meetings of the Executive Board, a quorum is deemed present throughout any meeting if the persons are entitled to cast 50% of the votes on the Board are present at the beginning of the meeting. 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 of the 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.

Section 10. Compensation. No member of the Executive Board shall receive any compensation from the Association for acting as such, but may be reimbursed for any expenses incurred in the performance of his duties.

Section 11. Conduct of Meetings. The President shall preside over all the meetings of the Executive Board and the Secretary shall keep a minute book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Executive Board if and to the extent not in conflict with the Act, the Declaration, or these Bylaws.

Section 12. 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 and collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board.

Section 13. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the 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 the minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board member or members; or

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

Section 14. Inclusion of Interested 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 approves, authorizes, or ratifies a contract or transaction of the type described in Section 13.

Section 15. Committees. The Executive Board may establish one or more permanent or temporary committees, as it deems necessary. These committees may be composed of Board members, officers, and/or other Unit Owners. Committees may submit recommendations and reports to the Executive Board, but may not take action on behalf of the Association unless the Board authorizes it to do so, consistent with the Act, the Declaration, and these Bylaws. Without amending these Bylaws and except for ministerial acts, the Executive Board may not delegate its powers to other persons or a managing agent.

ARTICLE IV. Officers

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

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organizational meeting of each new Board and shall hold office at the pleasure of the Executive Board.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Executive Board, any officer may be removed, with or without cause.

Section 4. Vacancies. Vacancies shall be filled by the Executive Board following the procedures and qualifications specified in Article III, Section 4, herein.

Section 5. President. The President shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Executive Board and have all of the general powers and duties which are incident to the office of president of a corporation organized under the laws of Pennsylvania including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall cease holding such office at such time as the President ceases to be a member of the Executive Board.

Section 6. Vice President. The Vice President shall take the place of the President and perform the duties of 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 some other member of the Executive Board to act in the place of the P)resident, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be delegated or assigned to the Vice President by the Executive Board or the President. The Vice President shall cease holding such office at such time as the Vice President ceases to be a member of the Executive Board.

Section 7. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Executive Board, have charge of such books and papers as the Executive Board may direct, maintain a register setting forth the place to which all notices to Unit Owners and holders of mortgages on any Units hereunder shall be delivered and, in general, perform all 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 Association pursuant to Section 5407 of the Act and/or these Bylaws.

Section 8. Treasurer. The Treasurer shall have responsibility for the safekeeping of 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 may be responsible for the deposit of all monies in the name of the Executive Board or the Association, in such depositories as may from time to time be designated by the Executive Board and, in general, perform all the duties incident to the office of treasurer of a corporation organized under the laws of Pennsylvania. The Treasurer shall prepare a statement of assets and liabilities of the Association as of the end of each fiscal year.

Section 9. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of \$5,000 shall be executed by any two officers of the Association. All such instruments for expenditures or obligations of \$5,000 or less may be executed by any one officer of the Association.

Section 10. Compensation of Officers. No officer who is also a member of the Executive Board shall receive any compensation from the Association for acting as such officer, but may be reimbursed for any out-of-pocket expenses incurred in performing such officer's duties; provided, however, that the Secretary and Treasurer may be compensated for their services if the Executive Board determines such compensation to be appropriate.

ARTICLE V. Common Expenses and Budgets

Section 1. Fiscal Year and Accounting Method. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board; provided, however, that the first fiscal year shall begin upon the recording of the Declaration in the Office of Recorder of Deeds in and for the county in which all or any part of the Planned Community is located. The Association shall maintain its book on the "cash" basis for accounting and not on the "accrual basis".

Section 2. Preparation, Approval, and Delivery of Budget and Notice of Capital Expenditure.

(A) Except for the Initial Budget as provided for below, on or before the first day of November of each year, the Executive Board shall adopt an annual budget for the Association containing as estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Association to maintain, repair and replace, 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 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 Unit Owners of all related services. Such Budget shall at least state all information required by \$5402(7) of the Act. Such budget may 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.

(1) Initial Budget. At or prior to that time that the Assessment of Common Expenses commences, the Executive Board shall adopt the Initial Budget, as described in the above Section, to include a current balance sheet and a projected budget for the Association for the earlier of (a) the period of one year commencing on the date the Executive Board determines the Assessments shall begin, or (b) the period of one year commencing on the date of the first conveyance to a purchaser.

(B) On or before the next succeeding fifth day of November, the Executive Board shall make the budget available for inspection at the Association office and shall send to each Unit Owner who is a member of the Association a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. The Board shall also send each participating Unit Owner a copy of the annual financial statement within 180 days of the close of its fiscal year which shall at least include a balance sheet and a statement of revenues and expenses for the Association, as required by §5316(b) of the Act. Such budget shall constitute the basis for determining each Unit Owner's Assessment for General Common Expenses for the Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section D 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. Notwithstanding the foregoing sections, the Executive Board shall deliver to all participating Unit Owners copies of each budget approved by the Executive Board and any notice of capital expenditure approved by the Executive Board promptly after each such approval. 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 participating Unit Owner's obligation to pay such Unit Owner's 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 participating Unit Owner shall continue to pay each Assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

(D) Rejection of Budget: Limitations on Expenditures and Burrowing. Anything herein to the contrary notwithstanding, the Association, by majority vote of all votes in the Association, may reject any budget or capital expenditure approved by the Executive Board, within thirty days after approval by the executive Board.

Section 3. Assessment and Payment of Common Expenses. The Executive Board shall calculate the Monthly Assessments for General Common Expenses against each Unit as follows:

(A) The Board shall estimate the amount of revenue needed to fund the Association and its activities during the fiscal year and the amount of revenue from initiation fees for the fiscal year.

(B) The Board shall determine the amount necessary from Monthly Assessments to balance the budget, including allocation for reserves, if any. Monthly Assessments shall be due and payable on the first day of each month and shall be a lien against each Unit as provided in the Act, except that the Board may elect to select a regular schedule for the payment of assessments by single family detached type Units on a quarter-annual basis. Within ninety days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner and to each record holder of a mortgage on a Unit who has registered an address with the Secretary an itemized accounting 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 by way of a Supplemental Annual Assessment, as the Executive Board may determine.

(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.

(D) Further Assessments. The Executive Board shall serve notice on all Unit Owners of any further Assessments ("Supplemental Annual Assessments") pursuant to this Article or otherwise permitted or required by the Act, the Declaration and these Bylaws by a statement in writing giving the amount and reason therefor, and such further Assessments shall, unless otherwise specified in the notice, become effective with the next Monthly Assessment which is due more than ten days after the delivery of such notice of further Assessments. All Unit Owners so assessed shall be obligated to pay the amount of such Assessments. Such Assessments shall be a lien as of the effective date. (E) Initiation Fees. All Units in the Planned Community shall be subject to an initiation fee each time the property in conveyed. The sum shall be paid to the Association and used for any purpose for which the Association is authorized to incur expenses.

(F) Accounts; Audits State of Common Expenses. All sums collected by the Executive Board with respect to Assessments against participating Unit Owners or from any other source may be commingled into a single fund. All books and records of the Association shall be kept in accordance with good and accepted accounting practices, and the same shall be audited at least once each year by an independent accountant retained by the Executive Board. The Executive Board shall promptly provide and participating Unit

Owner, contract purchaser or proposed mortgagee so requesting the same in writing with a written statement of all unpaid Assessments for Common Expense due from such Unit Owner.

Payment of Common Expenses. Each Unit Owner shall pay the Common (G) Expenses assessed by the Executive Board pursuant to the provisions of this Article. No Unit 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 Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recording of conveyance by him in fee of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid Assessments against the latter for his proportionate share of the Common Expenses up to the time of such recording, without prejudice for the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefor; provided, however, that any such purchaser shall be entitled to a statement setting forth the amount of unpaid Assessments against the selling Unit Owner within five days following a written request therefor to the Executive Board and such purchaser shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid Assessments with respect to the time period covered by such statement, in excess of the amount therein set forth.

(H) Collection of Assessments. The Executive Board shall take prompt action to collect any Assessments for Common Expenses due from any Unit Owner that remain unpaid more than thirty days from the due date for payment. Any Assessment not paid within five days after it is due date shall accrue a late charge in the amount of five percent of the overdue Assessment in addition to the interest at the rate of fifteen percent per annum or such other rate as may be determined by the Executive Board.

Section 4. Obligation of Declarant. Until the expiration of the Declarant Control Period, Declarant will pay any difference between the amount of the Association's annual actual expenses and the amount of its actual revenues.

ARTICLE VI. Compliance and Default

Section 1. Relief Each participating Unit Owner shall be governed by, and shall comply with, all terms of the Act, the Declaration, these Bylaws, and the Rules and Regulations as any of the same may be amended from time to time. In addition to the remedies provided in the Act and the Declaration, a default by a participating Unit Owner shall entitle the Association, acting through its Executive Board, to the following relief:

(A) Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness 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 Units or its appurtenances. Nothing contained herein, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

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

(C) No Waiver of Rights. The failure of the Association, the Executive Board or a participating Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Act, the Declaration, these Bylaws or Rules and Regulations shall not constitute a waiver of the right of the Association, the Executive Board or the participating Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Executive Board or any participating Unit Owner pursuant to any term, provision, covenant or condition of the Act, the Declaration, the Bylaws or the Rules and Regulations 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 Act, the Declaration, these Bylaws, or Rules and Regulations at law or in equity.

(D) Abating and Enjoining Violations by Unit Owners. The violation of the Rules and Regulations adopted by the Executive Board, the breach of any Bylaw or the breach of any provision of the Declaration or the Act shall give the Executive Board the right, in addition to any other rights, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

ARTICLE VII. Amendments.

Section 1. Amendments to Bylaws. These Bylaws may be modified or amended only by a 67% vote of Unit Owners voting in person or by proxy at a meeting duly called and attended by a quorum, except as otherwise expressly set forth herein or in the ACT or in the Declaration; provided, however, that until the date on which all Declarant-appointed Board members voluntarily resign or are required to resign pursuant to Article VII of the Declaration, the following Bylaw sections may not be amended without consent in writing of the Declarant: (i) Article II, Section 4, (ii) Article III, Section 1, and (iii) this Section. 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, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from independent legal council to the effect that the proposed amendment is permitted by the terms of this sentence. The Executive Board may amend these Bylaws to clarify that the Planned Community is intended to be compatible with all requirements and standards of governmental financing programs including, but not limited to Housing and Urban Development, Federal Housing Authority, Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation.

Section 2. Approval of Mortgagees. These Bylaws contain provisions concerning various rights and interests of record holders of mortgages on Units. Such provisions in these Bylaws are to be construed as covenants for the protection of such holders on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of these Bylaws impairing or affecting such rights, priorities, remedies or interests of such a holder shall be adopted without the prior written consent of such holders who have registered an address with the Secretary.

Section 3. Amendments to the Declaration. Any two officers or Executive Board members of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association consistent with the requirements of the Declaration, the Act, and these Bylaws.

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ARTICLE VIII. Miscellaneous

Section 1. Notices. All notices, demands, bills, statement 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 prepaid by united States mail (i) if to a unit Owner, at the address which the Unit Owner shall designate in writing and file with the secretary or, if no such address is designated, at the address of the Unit of such Owner, or (ii) if to the association, the Executive Board or the Declarant, at the principal office of the planned community or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one Person, each such Person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder. The effective date of a notice shall be the date of personal delivery or the date of delivery to a Unit, in the case of actual delivery to a Unit, and a date five (5) days after deposit in the mail.

Section 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.

Section 3. Gender. The use of the masculine gender in these bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

Executed this the _____day of _____, 2002.

Printed Name of Board Member and Signature

ATTACHMENT C. – RULES AND REGULATIONS

NO SUCH RULES EXIST AS OF THE DATE OF THIS DECLARATION

ATTACHMENT D. – AGREEMENT OF SALE (SAMPLE)

See Your Specific Agreement

The following exhibits are available at West Hanover Township building:

- Exhibit A. Submitted Real Estate
- Exhibit B. Schedule of Unit Identifying Numbers
- Exhibit C. Certified Plats and Plans

Exhibit D. Convertible or Additional Real Estate

LEGAL DESCRIPTION FOR "Bradford Estates"

ALL THAT CERTAIN lot or tract of land situate in West Hanover TOWNSHIP, Dauphin County, Pennsylvania and shown on a plan titled "Final Subdivision Plan for Bradford Estates- Phase II" which is recorded in Plan Book G, Volume 8, Page 22 at the office of the recorder of deeds in the Dauphin County Court House. Plan prepared by Navarro & Wright Consulting Engineers, Inc. dated March 27, 2002 and last revised on May 28, 2002, and being more particularly bounded and described as follows, to wit:

BEGINNING at a point on the eastern right-of-way line of Sarhelm Road (T-518) at the intersection of Sterling Road (T-451) and herein described tract of land;

THENCE along the aforementioned right-of-way line of Sarhelm Road, having a varying width, the following four (4) courses and distances:

- 0. North 11 degrees 12 minutes 11 seconds West, a distance of 578.96 feet to a point;
- 1. North 09 degrees 00 minutes 16 seconds West, a distance of 243.55 feet to a point;
- 2. North 11 degrees 12 minutes 11 seconds West, a distance of 1136.67 feet to a point;
- 3. North 11 degrees 26 minutes 47 seconds West, a distance of 4.63 feet to a point being a corner in common with lands of N/F Richard E. Yingst, Jr.;

THENCE leaving the aforementioned right of way of Sarhelm Road along lands of N/F Richard E. Yingst Jr., other lands of N/F Richard E. Yingst Jr., lands of N/F West Hanover Township (Bradford Boulevard), and lands of N/F I.F.R. Associates, L.P. North 74 degrees 57 minutes 46 seconds East a distance of 1665.54 feet to a point in the line of the lands of N/F Revered George L. Leech.;

THENCE along the aforementioned lands of N/F Reverend George L. Leech and other lands of Reverend George L. Leech the following five (5) courses and distances:

- 1. South 04 degrees 43 minutes 18 seconds East , a distance of 4.70 feet to a point;
- 2. South 03 degrees 11 minutes 14 seconds East a distance of 817.70 feet to a point;
- 3. South 15 degrees 09 minutes 55 seconds West, a distance of 688.01 feet to an iron pin;
- 4. North 73 degrees 44 minutes 43 seconds West a distance of 231.00 feet to an iron pin;
- 5. South 15 degrees 58 minutes 30 seconds West, a distance of 575.43 feet to an iron pin being a corner in common with lands of N/F Salem M. Essis;

THENCE along the aforementioned lands of N/F Salem M. Essis the following two (2) courses and distances:

1. South 82 degrees 07 minutes and 03 seconds West, a distance 0f 448.72 feet to an iron pin;

 South 09 degrees 02 minutes 08 seconds East, a distance of 300.14 feet to a point being on the northern right –of-way line of Sterling Road, being 41.50 feet wide;

THENCE along the aforementioned right-of-way of Sterling Road South 79 degrees 47 minutes 48 seconds West a distance of 294.46 feet to a point at the intersection of Sarhelm Road;

THENCE leaving the right-of-way of Sterling Road by a line curving to the right having a radius of 30.00n feet are arc length of 46.60 feet and a chord bearing of North 55 degrees 42 minutes 11 seconds West and a distance of 42.05 feet to the place of the **BEGINNING.**

CONTAINING 2,559.334 square feet or 58.75 acres.

ATTACHMENT E. – PERMITS AND APPROVALS

ATTACHMENT F. – BUDGET FOR THE ASSOCIATION