PUBLIC OFFERING STATEMENT FOR

The Canterbury Ridge Condominium, a Pennsylvania Condominium
The following statements are made in compliance with the Uniform
Condominium Act at 68 Pa. C.S.A § 3101 et seq. as amended, (hereinafter the
"Act"), specifically Section 3402:

- UNDER PENNSYLVANIA LAW, A PURCHASER OF A UNIT IN A CONDOMINIUM IS AFFORDED A FIFTEEN (15) DAY PERIOD FROM RECEIPT OF A PUBLIC OFFERING STATEMENT, OR ANY AMENDMENT THERETO THAT MATERIALLY AND ADVERSELY AFFECTS THE RIGHTS OR OBLIGATIONS OF THE PURCHASER, DURING WHICH THE PURCHASER MAY CANCEL AN EXECUTED SALE AGREEMENT WITHOUT PENALTY AND OBTAIN FULL REFUND OF ANY SUMS DEPOSITED IN CONNECTION WITH THE AGREEMENT. IF THE PURCHASER ELECTS TO CANCEL, THE PURCHASER MUST DELIVER NOTICE OF CANCELLATION TO THE DECLARANT BY HAND (IN WHICH CASE EVIDENCE OF RECEIPT SHOULD BE OBTAINED) OR BY UNITED STATES MAIL, RETURN RECEIPT REQUESTED. THIS CANCELLATION IS WITHOUT PENALTY AND ALL PAYMENTS MADE BY THE PURCHASER BEFORE CANCELLATION WILL BE PROMPTLY REFUNDED BY THE DECLARANT.
- B. IF THE DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT (AND ANY AMENDMENTS THERETO) TO A PURCHASER BEFORE CONVEYING A UNIT, THAT PURCHASER MAY RECOVER FROM THE DECLARANT AS PROVIDED IN SECTION 3406(C) OF THE ACT, IN ADDITION TO ANY OTHER RELIEF, AN AMOUNT EQUAL TO FIVE PERCENT (5%) OF THE SALE PRICE OF THE UNIT UP TO A MAXIMUM OF TWO THOUSAND DOLLARS (\$2,000.00), OR ACTUAL DAMAGES, WHICHEVER IS GREATER; PROVIDED, HOWEVER, THAT A MINOR OMISSION OF ERROR IN THE PUBLIC OFFERING STATEMENT THAT IS NOT WILLFUL SHALL ENTITLE THE PURCHASER TO RECOVER ONLY ACTUAL DAMAGES, IF ANY.
- C. IF A PURCHASER RECEIVES A PUBLIC OFFERING STATEMENT MORE THAN FIFTEEN (15) DAYS BEFORE SIGNING A SALE AGREEMENT, THE PURCHASER CANNOT CANCEL THE SALE AGREEMENT PURSUANT TO THE FOREGOING PROVISIONS, EXCEPT THAT A PURCHASER SHALL HAVE THE RIGHT TO CANCEL BEFORE CONVEYANCE WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF ANY AMENDMENT THAT WOULD HAVE A MATERIAL AND ADVERSE EFFECT ON THE RIGHTS OR OBLIGATIONS OF THAT PURCHASER.

- 1. The name of the Condominium is The Canterbury Ridge Condominium (hereinafter the "Condominium"). The Condominium is located in College Township, Centre County, Pennsylvania. The principal address of the Declarant is 2121 Old Gatesburg Road, Suite 200, State College, PA 16803.
- 2. This Condominium development is a sub-association under and subject to the Master Association for Canterbury Crossing Homeowners Association, together with the Declaration of Covenants and Restrictions, as amended and supplemented from time to time, as more fully set forth in the Declaration, Article XXII. Additional annual assessments will be due to the Canterbury Crossing Homeowners Association, Inc., which provide membership and voting privileges in the Canterbury Crossing Master Development.
- 3. The Condominium is intended to consist of a maximum of forty-nine (49) residential Units (the Units) on 6.979 +/- acres, each Unit consisting of a lot on which the Declarant will construct two or three story townhome units with accompanying improvements including a paved driveway and sidewalk pathway, utility lines, storm water drainage facilities, and landscaping. All Units are intended to be constructed in multiple phases.
- 4. The Builder shall be either S&A Home Builder, LLC, S&A Homes, Inc., or an affiliate of either.
- 5. The homes and other on-lot improvements will be constructed on each Unit before the Unit is conveyed by the Declarant to a Unit purchaser. However, the Declarant and/ or his successors or assigns reserves the right to convey the lots without improvements or dwellings constructed thereon. Subject to weather conditions and other factors, construction of the streets and the Common Elements will commence on or about August, 2021. All of the streets and the Common Elements will be substantially completed within ten (10) years after the first Unit is conveyed. The Declarant contemplates that all of the Units will be sold over the course of up to ten (10) years. The Declarant intends, and approvals issued by College Township to the Declarant contemplate, that that portion of Brandywine Drive transecting the Condominium will be dedicated to College Township. However, all interior roads

- shall remain private. All of the foregoing times are estimates based on the current intentions of the Declarant and are subject to weather conditions, performance of contractors, the availability of materials, market conditions, and other factors.
- 6. Notice is made that the Condominium is adjacent to the Centre Hills Country Club, and all Unit Owners assume the risk of being adjacent to a golf course. Centre Hills Country Club is not liable for damage to the Units during play.
- 7. No Units in excess of the 49 residential Units planned by the Declarant may be included in the Condominium and the Declarant currently does not intend to rent or market any in blocks to investors.
- 8. The Declarant has reserved the right to withdraw any Withdrawable Real Estate from the Condominium.
- 9. The Declarant has reserved the right to convert any Convertible Real Estate to the Condominium.
- 10. A homeowners association for the Condominium has been created and will be called The Canterbury Ridge Condominium Association, a Pennsylvania Non-profit Corporation (hereinafter the "Association"). The Association will manage the Common and Limited Common Elements and Expenses, as well as conduct those activities designated to it in the Declaration and the By-Laws.
- 11. The Common Elements for the Condominium shall include those detailed in the Declaration as amended, attached hereto as Exhibit "A". They include, but are not limited to, insurance of the structure and exterior of the buildings as defined in the Declaration, open spaces as depicted on the Declaration Plat as an exhibit to the Declaration, private access drives and parking areas, landscaping, storm water management facilities, mailbox kiosk and sidewalks.
- 12. The Limited Common Elements for the Condominium shall include those detailed in the Declaration as amended, attached hereto as Exhibit "A". They include, but are not limited to, porches, patios, decks, driveways and walking paths directly appurtenant to each Unit, together with the expense to maintain and repair the roof and siding of each building which shall be shared as a Limited Common Expense of those Units within the building.
- 13. Water is to be provided to the Units by State College Borough Water Authority. Sewer service is to be provided by University Area Joint Authority. Natural gas is to be provided by Columbia Gas. Electricity is to be provided to the Units by West Penn Power Company. Telephone is to be provided by Verizon. Cable is to be provided by Xfinity.

- 14. Declarant has obtained and reserved reciprocal easements for stormwater, utility and pedestrian access with the adjacent The Village at Canterbury Condominium. The condominiums will share the cost of maintenance of the stormwater.
- 15. Streets will be installed by the Declarant to provide access to the Units from Brandywine Drive. The Declarant intends, and approvals issued by College Township to the Declarant contemplate, that the portion of Brandywine Drive that transects the Condominium will be dedicated to College Township. These proposed streets and Common Elements are depicted on the Declaration Plat prepared in accordance with the Act and recorded with the Declaration. No sidewalks are intended to be dedicated to College Township, and their maintenance and repair as Common Elements and Limited Common Elements is detailed in the Declaration, attached hereto as Exhibit "A".
- 16. Attached as Exhibits to this Public Offering Statement are copies of the proposed Declaration for the Condominium, the proposed By-Laws of The Canterbury Ridge Condominium Association, and the proposed form of Agreement of Sale pursuant to which Units will be sold to purchasers. There are no contracts or leases or other agreements of a material nature to the Condominium that will or may be subject to cancellation by the Association under Section 3305 of the Act.
- 17. The Declaration, attached hereto as Exhibit "A", includes information required under the Act concerning the Condominium. The Declaration will be recorded by the Declarant in the Office of the Recorder of Deeds in and for Centre County before the conveyance by the Declarant of the first Unit in the Condominium. The significant features of the Declaration are as follows:
 - A. a description of the Condominium, its Units, and its Common and Limited Common Elements. The Declaration Plan is an exhibit to the Declaration and depicts a map of the Condominium, the Units, the Common Elements, and the Limited Common Elements;
 - B. the votes in The Canterbury Ridge Condominium Association and the percentage share of the Common Expenses of the Condominium are allocated to each Unit. Votes in the Association are allocated one vote per Unit. No cumulative voting (that is, giving a Unit Owner the same number of votes as the positions open in an election with the right to cast all of the votes for a single candidate), or class voting (that is, votes allocated by classes or types of Units) is permitted;
 - C. restrictions imposed by the Declarant against the Units and easements benefiting the Units are described in the Declaration; and

- D. a description of rights reserved by the Declarant.
- 18. The By-Laws of the Association, attached as Exhibit "B", govern the manner in which the Association functions and contains provisions governing the organization and operation of the Association, and includes sections dealing with meetings of Unit Owners, the qualifications for members of the Executive Board (the governing body of the Association) and officers of the Association, elections and removal of Executive Board members and Association officers, powers of the Executive Board, and officers meetings of the Executive Board.
- 19. The Agreement of Sale, attached as Exhibit "C", contains provisions dealing with the procedures to be followed by the Declarant, or Builder, and a Unit purchaser in connection with the sale and purchase of a Unit. The Agreement of Sale provides and identifies, among other things, the amount of the purchase price for a Unit, the manner in which the purchase price for a Unit is to be paid, any financing contingency, other conditions to be satisfied by the Declarant and the purchaser before settlement can be completed, by the date, time, and place of settlement, the procedure for the completion of settlement, any custom selections made by the purchaser, the procedure for pre-settlement inspection, warranties provided to a purchaser with respect to the Unit purchased, and rights and remedies available upon a default by the purchaser, Declarant or Builder.
- 20. Exhibit "D" illustrates the current balance sheet and projected budget of the Association containing information required by the Act.
- 21. Exhibit "E" is a warranty provided by the Declarant or Builder against any structural defects that appear within the first two years in either the Units or the Common and/or Limited Common Elements.
- 22. The Declarant may now or in the future, provide services which are not currently included in the Budget for the Association, but which may become a Common Expense of the Association in the future. Except for equipment owned by the Declarant and used for landscaping and maintenance, there is no other personal property provided by the Declarant that will be required by the Association for the use or enjoyment of the Common Elements. The Declarant shall notify all Unit Owners, regarding such additional Common Expenses, via written correspondence from the Declarant to the Unit Owners or in the form of regular Association business held at annual or special meetings of the Association, at which time, such business regarding the additional Common Expenses shall be documented as part of the meeting minutes.

- 23. An Initial Capital Expense Fee will be due from the purchaser at settlement to the Declarant or the Association. The Common and Limited Common Expense dues assessment will be prorated for the owner's Unit for the remainder of the year in which settlement is held including the day of settlement.
- 24. If at any time the Condominium is subject to financing in connection with the acquisition by the Declarant of the Real Estate in the Condominium and for construction of the Common Elements, the streets, and the homes and accompanying improvements in the Condominium, that financing will be released for each individual lot at settlement.
- 25. The Declarant is providing no financing to Unit purchasers.
- 26. The Declarant will provide the following warranties, attached hereto as Exhibit "E", in connection with the Condominium:
 - A. Pursuant to Section 3411(b) of the Act as amended, the Declarant warrants to each of Declarant's bona fide purchasers that the Declarant will correct:
 - i. any structural defects appearing in the Common Elements within the two (2) year period commencing upon the later of the time at which the work on, or improvement to, the Common Element in question was completed or the time at which the first Unit in the Condominium is conveyed to a bona fide purchaser. The term structural defect is defined in the Act as those defects in components constituting any Unit or Common Element which reduce the stability or safety of the structure below accepted standards or restrict the normal intended use of all or part of the structure and which require repair, renovation, restoration or replacement.
 - B. Declarant is not responsible for any items of maintenance relating to Units or Common Elements. With the sole exception of the warranties described in this paragraph, the Declarant or Builder is selling the Units, and any personal property in the Unit as-is and where-is.
 - C. The procedure for making warranty claims and the limitations with respect to such claims are also set forth in the Agreement of Sale. No claim arising out of any of the warranties set forth in the Agreement of Sale may be brought unless, prior to the expiration of the appropriate warranty period, the purchaser or the Association has delivered notice to the Declarant or Builder of alleged breaches of these warranties.

- D. The Declarant or Builder will provide to each purchaser at settlement copies of any warranty on any item of equipment or appliance that has been purchased new from the Declarant or Builder if such warranty has been provided to the Declarant or Builder by manufacturer thereof.
- 27. As of the effective date of this Public Offering Statement there are no judgments against the Association, nor is the Association a party to any pending litigation. The Declarant has no actual knowledge of any current pending litigation material to the Condominium.
- 28. Any deposit made in connection with the purchase of a Unit will be held in an escrow account in accordance with the provisions of Section 3408 of the Act and will be returned to the purchaser if the purchaser cancels his contract within the fifteen (15) day time period provided by the terms of Section 3406 of the Act (as explained more fully on the first page of this Public Offering Statement).
- 29. The Association will maintain a liability insurance policy on behalf of the Association and all Unit Owners to insure against liability arising out of the ownership or use of the Common Elements, complying with the applicable requirements of the Act. This policy will not insure Unit Owners against liability arising from an accident or an injury occurring within their Unit or from Unit Owners own negligence. The Association will maintain a property insurance policy on behalf of the Association and all Unit Owners covering the project facilities, including the buildings, but excluding the Unit and any personal property of the Unit Owners.
- 30. Restrictions regarding the resale or lease of a Unit by its Owner shall be in accordance with Article X, Section 10.1 and Article XII, Section 12.1 of the Declaration, as well as Section 3407 of the Act. The Declarant has no right of first refusal with respect to the resale of any Units.

31. The Condominium is subject to:

- A. The instruments, easements and restrictions described in Article I, Section 1.2, Article IV, Article VI and Article IX of the Declaration attached hereto as Exhibit "A", including, without limitation, and the final approved plans for the Condominium prepared by PennTerra Engineering; and
- B. Statutory easements granted by the Act. These include:
 - i. The easement provided by Section 3216 of the Act, which provides that the Unit or Common Element is subject to a valid easement to the extent that any other Unit or Common Element encroaches upon it;

- ii. The provisions of Section 3217 of the Act, which provide that the Declarant may maintain sales offices, management offices and models in portions of the Condominium; and
- iii. An easement provided for in Section 3218 of the Act permitting the Declarant to use the Common Elements as may be reasonably necessary in order to facilitate the completion of the Condominium or the exercise of any Declarant Special Rights.
- 32. The following governmental approvals and permits have been obtained or will be obtained and are required for the use and occupancy of the Condominium:
 - 1. Canterbury Crossing Phase IV and V, Lots 32 and 22, Phase 1C Final Land Development Plan was approved by the College Township Supervisors and recorded in the Office of the Recorder of Deeds in and for Centre County in Subdivision Plat Book 96 at Page 140;
 - 2. Zoning and Building Permits for all phases to be obtained prior to the development of the Units; and
 - 3. All permits and approvals required for the use and occupancy of the Units in the Condominium will be obtained by the Declarant or Builder prior to the conveyance of the Unit and shall be at Declarant's or Builder's expense.
- 33. The Declarant has no knowledge of any outstanding and uncured notices of violation of governmental requirements.
- 34. Section 3402 of the Act requires the Declarant to provide you with the addresses and telephone numbers set forth below for the Pennsylvania Department of Environmental Resources and the United States Environmental Protection Agency where you may obtain information about the environmental conditions of the Property.

Pennsylvania Department of Environmental Resources South Central Regional Office 909 Elmerton Ave., Harrisburg, PA 17110-8200 (717) 705-4700

United States Environmental Protection Agency Region III 1650 Arch Street (3PM52), Philadelphia PA 19103 (215) 814-2900, (215) 814-5000 or 1-800-438-2474 The Declarant did not cause an investigation to be performed to confirm the absence of hazardous conditions. The Declarant has no knowledge of any hazardous condition, whether contamination or otherwise, which presently exist at the Condominium.

- 35. There are no fees or charges presently expected for the use of the Common Elements or the Common Facilities. As a member of the Association you will receive as part of your Assessment charges for costs attributable to maintenance of the Common and Limited Common Elements which may include recreation improvements, as well as repairs and maintenance to the open space, private roads, and stormwater management system.
- 36. Brandywine Drive will be offered for dedication to the College Township after it is completed and the maintenance and repair will be the obligation of the College Township. The interior private access drives will not be dedicated and will be maintained by the Association as a Common Element.
- 37. This Public Offering Statement is subject to change without notice in order to reflect any material changes in the information set forth herein or as otherwise required by the Act. The Declarant or Builder will mail copies of all such amendments to any persons who are parties to valid and binding Sale Agreements respecting any Unit or Units.
- 38. Should there be any discrepancies or conflicts in language between this Public Offering Statement, the Declaration, and the By-laws for the Association, the Declaration shall be the controlling document.
- 39. ANY INFORMATION OF DATE REGARDING THE CONDOMINIUM NOT INCLUDED IN THIS PUBLIC OFFERING STATEMENT MUST NOT BE RELIED UPON. NO PERSON HAS BEEN AUTHORIZED BY THE DECLARANT TO MAKE ANY STATEMENT, REPRESENTATION OR WARRANTY NOT EXPRESSLY CONTAINED HEREIN. THIS OFFERING STATEMENT MAY NOT BE CHANGED OR MODIFIED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY THE DECLARANT.

List of Exhibits to Public Offering Statement:

Exhibit "A" - Declaration

Exhibit "B" - By-Laws of Association

Exhibit "C" - Agreement of Sale Form

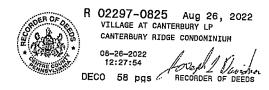
Exhibit "D" - Balance Sheet and Budget of the Association

Exhibit "E" - Warranty

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CONDOMINIUM DECLARATION

for

THE CANTERBURY RIDGE CONDOMINIUM, a Pennsylvania Flexible Condominium.

PURSUANT TO THE PROVISIONS OF THE PENNSYLVANIA UNIFORM CONDOMINIUM ACT, 68 Pa. C.S. §3101 et. seq.

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CONDOMINIUM DECLARATION FOR CANTERBURY RIDGE

This Declaration is made this day of day of day of 2022, by Village at Canterbury, LP, a Pennsylvania limited partnership, with its principal office at 2121 Old Gatesburg Road, Suite 200, State College, PA 16803.

ARTICLE I SUBMISSION; DEFINED TERMS

- Section 1.1 Declarant; Property; County; Name. Village at Canterbury, LP, ("Declarant"), owner in fee simple of the Real Estate described on Exhibit "A" attached hereto, located in College Township, Centre County, Pennsylvania hereby submits the Real Estate, including all easements, rights and appurtenances thereunto belonging and the Buildings and improvements erected or to be erected thereon (collectively, the "Property") to the provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S. §3101 et seq. (the "Act"), and hereby creates with respect to the Property a condominium, to be known as The Canterbury Ridge Condominium, a Pennsylvania Flexible Condominium.
- Section 1.2 <u>Easements and Licenses</u>. Included among the easements, rights and appurtenances referred to in Section 1.1 above are the following recorded easements and licenses, and the Real Estate is hereby submitted to the Act:
 - 1.2.1 That part of the premises in question in the bed of any public or private roads is subject to the public and private rights therein.
 - 1.2.2 Declaration of Covenants, Conditions and Restrictions for Canterbury Crossing PRD recorded 5/2/1989 in Record Book 483 at Page 370.
 - 1.2.3 First Supplemental Declaration of Covenants and restrictions for Canterbury Crossing PRD as recorded 5/2/1989 in Record Book 483 at Page 395.
 - 1.2.4 Amendment to Declaration of Covenants, Conditions and Restrictions for Canterbury Crossing recorded 9/30/2003 in Record Book 1607 at Page 1093.
 - 1.2.5 Amendment to First Supplemental Declaration of Covenants and Restrictions for Canterbury Crossing PRD as recorded 11/30/2003 in Record Book 1607 at Page 1100.
 - 1.2.6 Declaration Plat of the Canterbury Crossing Homeowners Association, Inc.
 - 1.2.7 Matters contained in a Declaration of Condominium for The Hamlet At Canterbury Crossing recorded 12/7/2001 and recorded in Record Book 1304 at Page 816, together with the Declaration Plan recorded 12/7/2001 in Plat Book 64 at Page 138, as amended in Record Book 1701 at Page 632.
 - 1.2.8 Matters contained in a Declaration of Condominium for the St. Ives Condominium recorded 8/2/1994 in Record Book 772 at Page 383, as amended in Record Books 1054 at Page 351 and 1262 at Page 212 and the By-Laws of St. Ives Condominium Association recorded 8/2/1994 in Record Book 772 at Page 454.

- 1.2.9 Matters in a Plot Plan recorded in Plan Book 48 at Page 157 and Plan Book 39 at Page 199.
- 1.2.10 Right-of-way for water pipe line with right and privilege to maintain said lines as recorded 12/15/1949 in Miscellaneous Book 41 at Page 34.
- 1.2.11 Right-of-way to West Penn Power Company as recorded 11/14/1957 in Miscellaneous Book 56 at Page 438.
- 1.2.12 Right-of-way to West Penn Power Company as recorded 10/25/1957 in Miscellaneous Book 56 at Page 388.
- 1.2.13 Right-of-way to West Penn Power Company as recorded 6/16/60 in Miscellaneous Book 66 at Page 57.
- 1.2.14 Right-of-way to Bell Telephone Company as recorded 5/8/1941 in Miscellaneous Book 32 at Page 247.
- 1.2.15 College-Harris Joint Authority right-of-way for sewer line as recorded 5/1/1969 in Miscellaneous Book 106 at Page 233.
- 1.2.16 Coal and/or mineral rights, the right of surface support and subsidence.
- 1.2.17 Right-of-way to Bell Telephone Company recorded 3/23/1989 in Record Book 478 at Page 918.
- 1.2.18 Drainage and Detention Basin Right-of-way and Easement Agreement recorded 5/8/1989 in Record Book 483 at Page 1160.
- 1.2.19 Right-of-way to Columbia Gas recorded 5/22/1989 in Record Book 485 at Page 216.
- 1.2.20 Reimbursement Agreement recorded 9/26/1989 in Record Book 500 at Page 1051.
- 1.2.21 Right-of-way to West Penn Power recorded 10/2/1989 in Record Book 501 at Page 857.
- 1.2.22 Right-of-way to Bell Telephone recorded 10/10/1991 in Record Book 593 at Page 247.
- 1.2.23 Right-of-way to Columbia Gas recorded 7/15/1993 in Record Book 706 at Page 573.
- 1.2.24 Right-of-way to State College Borough Water Authority recorded 12/6/1993 in Record Book 733 at Page 1093.
- 1.2.25 Right-of-way to West Penn Power recorded 6/1/1994 in Record Book 761 at Page 333.
- 1.2.26 Agreement with College Township recorded 12/31/1998 in Record Book 1055 at Page 852.
- 1.2.27 Right-of-way to West Penn Power recorded 5/6/1999 in Record Book 1083 at Page 710.
- 1.2.28 Matters contained in Plat Book 85 at Page 165. (Phase 1A)
- 1.2.29 Easement in favor of the Centre Hills Country Club for an existing golf cart path.
- 1.2.30 Amendment to the Declaration of Covenants and Restrictions for Canterbury Crossing PRD to Recognize Transfer of Special Declarant and Development Rights for Phase IV and V dated September 30, 2014 and recorded in Record Book 2156 at page 379.
- 1.2.31 Record Plan for Lot 33, Phase 1B recorded in Plan Book 90 at Page 25.

- 1.2.32 Record Plan for Lots 32 and 33, Phase 1C Final Land Development Plan recorded in Plan Book 96 at Page 140.
- 1.2.33 Any restrictions on use, occupancy and alienations contained within this Declaration and the By-Laws of The Canterbury Ridge Condominium Association.
- Section 1.3 <u>Defined Terms</u>. Capitalized terms not otherwise defined herein or in the Plats and Plans shall have the meanings specified or used in the Act.
 - 1.3.1 The following terms are used or defined in general terms in the Act and shall have specific meanings herein as follows:
 - a. "Association" means the Unit Owners Association of the Condominium and shall be known as "The Canterbury Ridge Condominium Association"
 - b. "Assessments" means an expense issued by the Association and allocated to the Unit Owners for repair, maintenance, replacement or insurance of Common or Limited Common Elements, and the operation of the Association itself, as well as any Special Assessments, Initial Capitalization Fee.
 - c. "Building(s)" means any structures depicted on the Plats and Plans of this Declaration.
 - d. "Common Elements" means each portion of the Condominium other than conveyed with a Unit.
 - e. "Common Expenses" means the expenses or financial liabilities for the operation of the Common Elements and the Association. These include:
 - (i) Expenses of administration, maintenance, repair or replacement of the Common Elements;
 - (ii) Expenses declared to be Common Expenses by the Condominium Documents or the Act:
 - (iii) Expenses agreed upon as Common Expenses by the Association;
 - (iv) Such reasonable reserves, as may be established by the Association, whether held in trust or by the Association for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.
 - f. "Common Facilities" means any Real Estate within the Condominium which is owned by the Association or leased to the Association.
 - g. "Condominium" means the Condominium described in Section 1.1 above.

- h. "Condominium Documents" consist of this Declaration, including the Plats and Plans, the By-Laws, the Public Offering Statement and any Rules and Regulations.
- "Convertible Real Estate" means a portion of a Flexible Condominium not within a building containing a Unit, within which additional Units or Limited Common Elements, or both, may be created.
- "Declarant" means the Declarant described in Section 1.1 above and all successors to any Special Declarant Rights and as further defined under the Act.
- k. "Declarant Control Period" means the time period commencing on the date of recordation of this Declaration and ending on the earlier of:
 - (i) Seven (7) years after the date of the first conveyance of a Unit to a Unit Owner other than the Declarant; or
 - (ii) One hundred eighty (180) days after the conveyance of seventy-five percent (75%) of the Units to Unit Owners other than the Declarant.
- I. "Declaration" means this document, as the same may be amended from time to time.
- m. "Eligible Mortgage" means a first mortgage to
 - (i) the Declarant;
 - (ii) the Seller of a Unit;
 - (iii) a bank, trust company, savings bank, savings and loan association, mortgage service company, insurance company, credit union, pension fund, real estate investment fund or like institutional investor or lender; and
 - (iv) any other mortgage approved by the Executive Board, or a junior mortgage which is approved by the Executive Board.

A holder, insurer or governmental guarantor of an Eligible Mortgage is referred to herein as an "Eligible Mortgagee"

- n. "Executive Board" means the Executive Board of the Association.
- o. "Flexible Condominium" means a condominium containing withdrawable or convertible real estate, a condominium to which additional real estate may be added, or a combination thereof.
- p. "Horizontal Boundaries" means the upper and lower boundaries of a Unit.

- q. "Identifying Number" means a symbol that identifies only one Unit in a Condominium.
- r. "Limited Common Elements" means the portion of the Condominium designated herein as shown on the Plats and Plans. The portions of the Common Elements allocated for the exclusive use of one or more but fewer than all of the Units by the Declaration or the Act.
- s. "Limited Common Expenses" means the Common Expenses incurred for maintenance, repair and/or replacement of certain Limited Common Elements which, pursuant to Section 4.1 and 4.2 of this Declaration, are to be assessed against all Unit Owners of the Association who are allocated an interest in that Limited Common Element.
- t. "Limited Common Facility" means a portion of the Common Facilities allocated by or pursuant to the Declaration for the exclusive use of all or fewer than all of the Units of the Condominium.
- u. "Majority or Majority of Unit Owners" mean the owners of more than fifty percent (50%) of the votes in the Association.
- v. "Party Wall" means a wall located at the perimeter of a Unit, which is a common wall shared with an adjacent Unit.
- w. "Percentage Interest" means the allocation of a fraction or percentage of undivided ownership interest in the Common Elements and in the Common Expenses of the Association appurtenant to each Unit as set forth in Exhibit "E" attached hereto.
- x. "Perimeter Wall" means any wall located at, or within, the perimeter of a Unit, which wall is part of the Unit and which coincides with the exterior of a building.
- y. "Plats and Plans" means the Plats and Plans attached hereto as Exhibit "D" and made a part hereof.
- z. "Property" means the land and all improvements, easements, rights and appurtenances which have been submitted to the provisions of the Act by this Declaration.
- aa. "Public Offering Statement" means the current document prepared pursuant to Section 3402 of the Act as it may be amended from time to time and provided to purchasers prior to the time of execution of a binding purchase agreement.

- bb. "Purchaser" means a person other than a Declarant who, by means of disposition, acquires a legal or equitable interest in a Unit, other than either a leasehold interest of less than 20 years, including renewal options, or a security for an obligation.
- cc. "Real Estate" means any fee, leasehold, or other estate or interest in, over or under land, including structures, fixtures, and other improvements and interests which by custom, usage, or law pass with a conveyance of land though not described in the contract of sale or instrument of conveyance.
- dd. "Reserved Common Elements" means portions of the Common Elements of the Condominium which the Executive Board may designate as such from time to time pursuant to Section 3.3 hereof.
- ee. "Special Declarant Rights" means Special Declarant Rights as defined in Section 3103 of the Act and such additional rights reserved for the benefit of the Declarant as set forth in the "Condominium Documents".
- ff. "Unit" means an improved Unit as described herein.
- gg. "Unit Owner" means the Declarant or other individual, corporation, trust, estate, partnership, association or other legal or commercial entity (herein "Person"). Unit Owner does not include a person having an interest in a Unit solely as a security for an obligation. The Declarant is the initial owner of any Unit created by this Declaration.
- hh. "Withdrawable Real Estate" means Real Estate that may be withdrawn from a Flexible Condominium.

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

- Section 2.1 Percentage Interests. Attached as Exhibit "E" hereto is a list of all Units by their Identifying Numbers and the Percentage Interest appurtenant to each Unit, determined by dividing the Unit by the number of all currently converted Units in the Condominium. The Percentage Interests as so computed have been rounded out to four (4) significant figures so that the sum of the Percentage Interest of all Units shall equal at least one hundred percent (100%). The Percentage Interest shall determine the share of Common Expense Liability appurtenant to each Unit.
- Section 2.2 <u>Unit Boundaries</u>. The title lines or boundaries of each Unit are situated as shown on the Plats and Plans. Each Unit consists of the area between party walls, floors and ceilings, and does not include any portion of the exterior of the building Unit.

The title boundaries shall be allowed to extend over designated Common or Limited Common Area(s) as easements.

The Plats and Plans, attached hereto as Exhibit "D", illustrate the maximum Unit boundary size allowed under this Declaration.

Each Unit includes all utility and service pipes, lines, drains, cables, conduits or other facilities, located within the boundaries of the Unit, and serving only that Unit. Each Unit shall include the items within the title lines described in Section 3202 of the Act which are appurtenant to the Unit, as follows:

- a. From stud walls out, all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces of such boundary walls, floors or ceilings are a part of the Unit, and all other portions of such Party and Perimeter walls are a part of the Common Elements.
- b. If any chute, flue, duct, wire, conduit, bearing wall, bearing column or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to those Unit(s).
- c. Subject to the provisions of subparagraph (b), all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit.
- d. Any shutters, window boxes, balconies, porches, patios, terraces (including railings), doors and windows or other fixtures (including sills, frames and hardware) designed to serve a single Unit, but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to the Unit.

There is also included within a Unit (by way of illustration and not limitation):

- a. The air space enclosed within the title lines described above.
- b. All partitions which are wholly contained within such title lines, including (but not limited to), all doors, door frames, hardware, electrical outlets and wiring, telephone outlets and conduits, and other equipment and devices in such partitions serving only such Unit.

- c. All plumbing fixtures located within such title lines and serving only such Unit, and their water and waste connections.
- d. All items of kitchen equipment located within such title lines and serving only such Unit, and such equipment's water, waste and electrical connections.
- e. Exhaust fans and the grilles, registers, ventilation ducts and related fixtures which serve only such Unit, whether or not any of the foregoing is located in any portion of the Common Elements.
- f. Lighting devices (including, by way of illustration and not limitation, lamps and bulbs which are surface mounted on, recessed in, or suspended from, ceilings, walls and partitions within or on the perimeter of such Unit) serving only such Unit whether or not such lighting devices are themselves located entirely within the title lines of such Unit.
- g. Outlets, wires, cables, conduits, circuits and related equipment transmitting electricity for lighting and power or transmitting electrical impulses and signals (including, but not limited to, impulses and signals for telephone, internet, telegraph and television transmission, except to the extent otherwise specifically provided herein) which serve only such Unit and which are located entirely within the title lines of such Unit.
- h. Surface-mounted and recessed medicine cabinets (including, by way of illustration and not limitation, all associated lighting fixtures and accessories).
- i. Refrigerators, ranges, dishwashers, clothes washers and dryers, garbage disposals units and other appliances (if any), and the portions of their water, waste, electrical and exhaust connections located within such title lines and serving only such Unit.
- j. Notwithstanding the foregoing, the sprinkler system, if any, regardless of location and all drainpipes located outside the Unit shall be Common Elements.
- k. Windows and doors (including garage doors).
- 2.2.1 Declarant reserves the right to relocate the boundaries between adjoining Units owned by Declarant and to reallocate between Units their Common Element Interest, votes in the Association and Common Expense Liabilities by amendment to the Declaration in accordance with Section 3214 of the Act.

- Allocation of Unit Owner's Voting Rights. Each Unit Owner shall be entitled to one (1) vote in the Association per Unit owned. Where the ownership of a Unit is in more than one (1) person, the person who shall be entitled to cast a vote of such Unit shall be the 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 person who shall be entitled to cast the vote of such Unit shall be the person owning such Unit who is present. If more than one person owning such Unit is present, then such a vote shall be cast only in accordance with their unanimous agreement pursuant to Section 3310(a) of the Act. 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 other Unit Owners. Such certificate shall be valid until revoked by a subsequent certificate similarly executed.
- Section 2.4 <u>Maximum Number of Units</u>. The maximum number of Units that may be created by the Declarant pursuant to Section 3215(c) of the Act is forty-nine (49) single-family attached Units on 6.979 acres +/-. The Units will be constructed and converted in multiple phases.

ARTICLE III ALLOCATION AND RESTRICTION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

Section 3.1 <u>Limited Common Elements.</u>

- 3.1.1 The following portions of the building are hereby designated as Limited Common Elements and their expense to maintain, repair and/ or replace shall be shared by those Units to which the Limited Common Element is allocated:
 - a. Porches, patios and decks;
 - b. The expense to maintain and repair the roof and siding of each Building shall be shared as a Limited Common Expense of those Units within the building. The Association shall be responsible for coordinating the maintenance and repair and allocating the costs to those Units within the Building.
 - c. Driveways and walking paths directly appurtenant to each Unit; and
 - d. Any other area shown and identified as such on the Plats and Plans attached hereto as Exhibit "D", and any amendments subsequently created.
- Section 3.2 <u>Common Elements</u>. The Common Elements of the Condominium include, but are not limited to, the following:
 - a. Private access drive and parking area;

- b. Sidewalks:
- c. Mailbox kiosk;
- d. All utility and access easements as identified on the Plats and Plans;
- e. Mowing and landscaping throughout the Condominium, including mowing (but excluding landscaping on the Units) within the Unit boundaries. The Association will be responsible for removing all snow from all walkways, driveways and parking areas within the Condominium.
- f. Property insurance on the Units and Common Elements as set forth in Article XVIII.
- g. All Storm Drainage easements and Detention Basins as depicted on the Declaration Plat attached hereto as Exhibit "D."
- h. All Sanitary and Sewer easements as depicted on the Declaration Plat attached hereto as Exhibit "D."
- i. Any other area shown and identified as such on the Plats and Plans attached hereto as Exhibit "D", and any amendments subsequently created.
- Section 3.3 Reserved Common Elements. Reserved Common Elements are those parts of the Common Elements which the Executive Board may designate from time to time for use by less than all of the Unit Owners or non-Owners of any Units for specified periods of time, or by only those persons paying applicable fees or satisfying other reasonable charges or conditions for use as may be established by the Executive Board.

ARTICLE IV MAINTENANCE, REPAIR AND REPLACEMENT

- Section 4.1 <u>Maintenance Responsibilities</u>. The Units, including all improvements constructed therein shall be maintained and repaired by each Unit Owner, and the Common Elements and Limited Common Elements shall be maintained and repaired by the Association in accordance with the provisions of Section 3307 of the Act, except as expressly set forth to the contrary in this Declaration or the By-Laws.
- Section 4.2 Common Elements and Limited Common Elements. The Condominium Association shall maintain, repair and replace all of the Common or Limited Common Elements in good order and repair and in an attractive condition. The Association shall continually keep and maintain, or cause to be continually kept and maintained, all Common and Limited Common Elements together with all improvements thereon in a safe, sightly and serviceable condition, which repair and maintenance shall include: replacement, cleaning, lighting, painting, striping, landscaping, removing garbage and trash, removing obstructions, snow, water and ice, repairing and servicing the parking areas, curbs, walks, driveways, alley-way, utilities and drainage facilities, and directional signs and lighting facilities as necessary from time to time. Maintenance of the Common Elements by the Association includes the payment of all utility charges applicable to the Common

Elements, including sewer, water and electric. Any Unit Owner may, at his expense, provide additional cleaning, sweeping or other maintenance of Common or Limited Common Elements, such as sidewalks adjacent to his Unit.

- Section 4.3 Rights of Unit Owners if Common or Limited Common Elements Not Properly Maintained. If any Unit Owner believes that the Association is not maintaining the Common or Limited Common Elements in accordance with the requirements of this Section, then such Unit Owner, after reasonable prior notice to the Executive Board, may take such steps on its behalf and not on behalf of the Association, to cause the Common or Limited Common Elements to be maintained in accordance with the requirements of this Section, and if such Unit Owner obtains a final unappealable decision of a court of competent jurisdiction determining that the Common or Limited Common Elements have not been maintained in accordance with the requirements of this Section, then the Executive Board shall, within sixty (60) days after the date of such decision (or otherwise in compliance with the decision), levy Special Assessment against all Unit Owners of the Condominium Association for the reasonable costs incurred by such Unit Owner to maintain the Common or Limited Common Elements in accordance with the requirements of this Section and for reasonable costs such Unit Owner incurred in obtaining such court decision, including without limitation, reasonable attorney's fees. Special Assessment shall be made against all Unit Owners of the Condominium Association, including the Unit Owner who obtained such court decision.
- Section 4.4 <u>Units and Limited Common Elements</u>. Each Unit Owner shall maintain, repair and replace, at his own expense, all portions of his Unit, including that portion of the Limited Common Elements allocated to their Unit, in a safe, clean and tenantable condition and in good order and repair and in an attractive condition except the portions thereof which are required by this Declaration or the By-Laws to be maintained, repaired or replaced by the Association.
- Section 4.5 Repairs Resulting from Negligence. Each Unit Owner shall reimburse the Association and any Unit Owners whose Units were damaged or any damages to the Common or Limited Common Elements or to any other Unit caused intentionally, negligently or by that Unit Owner(s) failure to properly maintain, repair or make replacements to their Unit or to Common and/or Limited Common Elements which are the responsibility of such Unit Owner.
- Action by Executive Board to Remedy Unsatisfactory Conditions. Any person authorized by the Executive Board shall have the reasonable right of access to all portions of the Property, including a Unit, for the purpose of correcting any condition threatening any other Unit, Common or Limited Common Elements, and for the purpose of performing installations, alterations or repairs; for the purpose of reading, repairing, replacing utility meters and related pipes, valves, wires and equipment; and for other proper purposes provided that all requests for entry are made in advance and that any such entry is at a time reasonably convenient to the affected Unit Owner. In case of an emergency, reasonable attempts to notify a Unit

Owner shall be made, however, such right of entry shall be immediate with such force as is apparently necessary to gain entrance, whether or not the Unit Owner is present at the time.

ARTICLE V SUBSEQUENTLY ALLOCATED LIMITED COMMON ELEMENTS

Section 5.1 <u>Parking Space Allocations</u>. Those portions of the Common Elements shown as parking spaces on the Plats and Plans may be subsequently allocated as Limited Common Elements in accordance with Article III of this Declaration or may be assigned by rule of the Executive Board or may be limited by rule to visitors only.

ARTICLE VI ALLOCATION AND REALLOCATION OF LIMITED COMMON ELEMENTS

Section 6.1 <u>Designation of Limited Common Elements</u>. A Common Element not previously allocated as a Limited Common Element may be so allocated only pursuant to the provisions of this Article VI. All allocations will be made by Amendment to the Declaration specifying to which Unit or Units the Limited Common Element is allocated. Such Amendment shall require the approval of all holders of mortgages in the affected Units, which approval shall be endorsed thereon. The person executing the Amendment shall provide an executed copy thereto to the Association, which, if the Amendment complies with the provisions of this Declaration and the Act, shall record it. The Amendment shall contain words of conveyance and must be recorded and indexed in the names of the parties and the Condominium. The parties executing the Agreement shall reimburse the Association for its reasonable attorneys' fees in connection with the review of the Amendment and for the recording costs.

ARTICLE VII EASEMENTS

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

7.1.1 Declarant's Use for Sales Purposes

a. Declarant shall have an easement to maintain sales offices, management offices and models throughout the Property and to maintain one (1) or more advertising signs on the Common Elements while the Declarant is selling Units in the Condominium, even after Declarant Control has ended. Declarant reserves the right to place models, management offices and sales offices in any Units owned by Declarant and on any portion of the Common Elements in such number, of such size and in such locations as Declarant deems appropriate. The models,

management offices and sales offices constituting a portion of the Common Elements shall be subject to the following requirements:

- i. The number of models maintained by the Declarant within the Common Elements shall not exceed two (2). The size of each such model shall not exceed the size of a comparable Unit.
- ii. In addition to the models maintained by the Declarant on the Common Elements, Declarant shall have the right to maintain within the Common Elements not more than one (1) office for sales and management purposes. Each such sales or management office may not exceed the size of the largest Unit.
- b. Declarant may from time to time relocate models, management offices and sales offices to different locations within the Property. Upon the relocation of a model, management office or sales office constituting a Common Element, Declarant may remove all personal property and fixtures therein. Any fixtures not so removed shall be deemed Common Elements, and any personal property not so removed shall be deemed the property of the Association.
- Utility Easements. The Unit, Common and Limited Common Elements 7.1.2 shall be, and are hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies, and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 7.1.2 shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electric wires, internet wires and cables, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common and Limited Common Elements. Notwithstanding the foregoing provisions of this Section 7.1.2, unless approved in writing by the Unit Owner or Unit Owners affected thereby, any such easement through a Unit shall be located either in substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Unit by the Declarant, or so as not to materially interfere with the use or occupancy of the Unit by its occupants.
- 7.1.3 <u>Street and Sidewalk Easements</u>. The Common Elements illustrated as sidewalks and streets are made subject to easements in favor of all Unit Owners and their guests for pedestrian and vehicular traffic accordingly.

7.1.4 <u>Declarant's Easements</u>.

- a. Declarant reserves an easement (until Declarant shall have satisfied all of its obligations under the Condominium Documents and all commitments in favor of any Unit Owner and the Association, including after Declarant Control has ended) on, over and under those portions of the Common or Limited Common Elements not located within a Building for the purposes of maintaining and correcting drainage of surface, roof or storm water in order to maintain reasonable standards of health, safety and appearance. The easement created by this Section 7.1.4 expressly includes the right to cut, trim or permanently remove any trees, bushes or shrubbery, to grade the soil, or to take any other action reasonably necessary to achieve this purpose, following which Declarant shall restore the affected property as closely to its original condition as practicable.
- b. Declarant reserves an easement (until Declarant shall have satisfied all of its obligations under the Condominium Documents and all commitments in favor of any Unit Owner and the Association, including after Declarant Control has ended) to use any and all portions of the Common or Limited Common Elements and any Units owned by Declarant for construction or renovation related purposes, including, but not limited to, the storage of tools, machinery, equipment, building materials, appliances, supplies and fixtures, and the performance of work respecting the Property.
- c. During the Declarant Control Period and while Declarant is selling Units in the Condominium, the Declarant shall have an easement through the Condominium for any access necessary to complete any renovations or modifications to be performed by Declarant.

7.1.5 Easement for Ingress and Egress Through Common Elements; Access to Units and Supports.

- a. Each Unit Owner is hereby granted an easement in common with each other Unit Owner for ingress and egress through all Common Elements, subject to such reasonable Rules and Regulations as may be imposed by the Association. Each Unit is hereby burdened with and subject to any easement for ingress and egress through all Common Elements by persons lawfully using or entitled to the same.
- b. To the extent necessary, each Unit shall have an easement for structural support over every Unit in the building, the Common Elements and the Limited Common Elements; and each Unit and the Common Elements shall be subject to an easement for structural support in favor of every

other Unit in the building, the Common Elements and the Limited Common Elements.

- 7.1.6 Common Elements in Favor of the Association. The Common Elements (including the Limited Common Elements) shall be and are hereby made subject to an easement in favor of the Association and the agents, employees and independent contractors thereof for the purpose of inspection, upkeep, maintenance, repair and replacement of the Common Elements (including the Limited Common Elements).
- 7.1.7 Common Elements in Favor of the Units. The Common Elements (including the Limited Common Elements) shall be and are hereby made subject to the following easements in favor of the Units benefited:
 - a. For the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are a part of or serve any Unit and which shall pass across or through a portion of the Common Elements.
 - b. For the installations, repair, maintenance, use, removal and/or replacement of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are a part of or serve any Unit but which encroach into a part of a Common Element adjacent to such Unit; provided that the installations, repair, maintenance, use, removal or replacement of any such item does not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of the building or impair or structurally weaken the building.
 - c. For driving and removing nails, screws, bolts and other attachment devices into the Unit side surface of the stone, block, brick or other masonry walls bounding the Unit and the Unit side surface of the studs which support the drywall or plaster perimeter walls bounding the Unit, the bottom surface of floor joist above the Unit and the top surface of the bottom surface of floor joists below the Unit to the extent such nails, screws, bolts and other attachment devices may encroach into a part of Common Elements adjacent to such Unit; provided that any such action will not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of the building, or impair or structurally weaken the building.
 - d. For the maintenance of the encroachment of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grills, and similar fixtures which serve only one Unit but which encroach into any part of any Common Elements or Limited Common

Elements on the date this Declaration is recorded or was thereafter installed by Declarant during the Declarant Control Period or within two (2) years after the termination thereof.

- 7.1.8 <u>Units and Limited Common Elements Easement in Favor of Association</u>. The Units and the Limited Common Elements are hereby made subject to the following easements in favor of the Association and its agents, employees, and independent contractors:
 - a. For inspection of the Units and Limited Common Elements in order to verify the performance by Unit Owners of all items of maintenance and repair for which they are responsible.
 - b. For inspection, maintenance, repair and replacement of the Common Elements or the Limited Common Elements situated in or accessible from such Units or Limited Common Elements, or both.
 - c. For correction of emergency conditions in one or more Units or Limited Common Elements, or both, or casualties to the Common Elements, the Limited Common Elements and/or the Units.
- 7.1.9 <u>Easements in favor of The Village at Canterbury Condominium</u>. The following are reciprocal easements in favor of the adjacent Village Canterbury Condominium.
 - 7.1.9.1 Reciprocal Stormwater Easement in favor of The Village at Canterbury Condominium. Declarant reserves an easement for the flow and retention of stormwater onto the Property in favor of the adjacent Village at Canterbury Condominium. The Village at Canternbury Condominium shall provide a reciprocal stormwater easement in favor of the Condominium for the flow and retention of stormwater. To the extent any repairs or maintenance is necessary in any shared stormwater easement area or devices set forth therein, the cost shall be allocated between The Village at Canterbury Condominium and the Condominium in proportion to the total proposed Units in the respective condominiums (e.g. 49 Units for the Condominium and 46 Units in The Village at Canterbury Condominium equates to a 52% cost share for the Condominium and 48% cost share for the Village at Canterbury Condominium).
 - 7.1.9.2 <u>Reciprocal Pedestrian Access Easement in favor of The Village at Canterbury Condominium</u>. An easement is reserved for pedestrian access to the sidewalks, roads and parking areas within the Property in favor of the adjacent The Village at Canterbury Unit Owners. The Village at Canterbury Condominium shall provide a reciprocal pedestrian access easement in favor of Unit Owners in

Condominium. Regardless of the use or frequency of visits, the respective Condominiums shall be responsible to maintain all of the sidewalks, roads and parking areas within their respective Property without contribution from the other Condominium.

- 7.1.9.3 Reciprocal Utility and Development Easement in favor of The Village at Canterbury Condominium. An easement is reserved for utility and development access to the Property in favor of the adjacent Village at Canterbury Condominium. The Village at Canterbury Condominium shall provide a reciprocal utility and development access easement in favor of Condominium. Regardless of the use, the respective Condominiums shall be responsible to maintain their respective Property without contribution from the other Condominium.
- 7.1.10 <u>Record Easements</u>. The Condominium is subject to those additional record easements and title exceptions as shown on the Plats and Plans or as listed in Section 1.2 hereof.

ARTICLE VIII INITIAL CONSTRUCTION AND MODIFICATION OF BUILDINGS; DESIGN STANDARDS; ADDITIONS AND ALTERATIONS

- Section 8.1 Modifications of Party Walls or Other Improvements Shared by Two or More Unit Owners. No Unit Owner may remove or cause to remove any Party Wall, nor portion thereof including insulation or paneling, nor affix any object that may damage or impair the structural integrity, soundproofing or design of any Party Wall.
- Section 8.2 <u>Application for Governmental Permits and Approvals</u>. The Association shall be responsible for the submission of any and all government permits required for construction, rehabilitation or improvement and submit such permit only after the Association approves or initiates the proposed construction, rehabilitation or improvement.
- Section 8.3 Indemnification. Each Unit Owner shall repair, at its own expense, any and all damage to the Common or Limited Common Elements caused by any construction upon its Unit and shall defend, indemnify and hold harmless the Association, all other Unit Owners and occupants of the Property, from and against all injury, loss, claims or damage to any person or property arising out of, or in any way connected with, any claims or action or proceeding brought thereof, including reasonable attorneys' fees. Further, such Unit Owner shall reimburse the Association for any costs incurred by the Association because of such Unit Owner's construction and use of the Common or Limited Common Elements and such reimbursement shall constitute a payment under Section 3302(a)(10) of the Act.

ARTICLE IX BUDGETS; COMMON EXPENSES; ASSESSMENTS AND ENFORCEMENT

- Section 9.1 Budget Adoption and Ratification. Within thirty (30) days after adoption of the proposed budget for the Condominium by the Executive Board, the Executive Board shall provide a summary of the annual budget to each Unit Owner, and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. Unless at that meeting a majority of all Unit Owners rejects the budget, the budget is ratified whether or not a quorum is present. If the proposed budget is rejected the periodic budget last ratified by the Unit Owners continues until the Unit Owners ratify a budget proposed by the Executive Board.
- Section 9.2 <u>Ratification of Non-Budgeted Common Expense Assessments</u>. If the Executive Board votes to levy a Common Expense assessment not included in the current budget other than one enumerated in Section 9.18 of this Declaration in an amount greater than fifteen percent (15%) of the current annual operating budget, the Executive Board shall submit such Common Expense to Unit Owners for ratification in the same manner as the budget under Section 9.1.
- Section 9.3 <u>Statements of Unpaid Assessments</u>. The Association upon written request shall furnish to a Unit Owner a statement in recordable form setting out the amount of unpaid assessments against their Unit. The statement shall be furnished within ten (10) days after receipt of the request and is binding on the Association Executive Board and each Unit Owner.
- Section 9.4 Monthly Payment of Common, Limited Common and Special Assessments. All Common and Limited Common Expense annual assessments shall be due and payable in equal monthly installments, in advance, on the first day of each month. Special assessments shall be due and payable in equal monthly installments, in advance, on the first day of each month, during such period of time as established by the Executive Board, but not less than six (6) months.
- Section 9.5 <u>Initiation Fee.</u> During the Declarant Control Period, Declarant reserves the right to charge an initial capitalization fee, or Initiation Fee, for each Unit sold, resold, or transferred in the Condominium. At the conclusion of the Declarant Control Period, the Executive Board may determine the amount or application of Initiation Fees.

The Initiation Fee shall be paid immediately upon transfer of the Deed for a Unit and shall be a one-time fee used by the Association for capital expenses and improvements in starting and maintaining the Association.

The amount of Initiation Fee shall be set by the annual Association Budget, and disclosed in a Public Offering Statement or Resale Certificate provided by the Declarant or the Association.

- Section 9.6 Acceleration of Assessments. In the event of default by the Unit Owner for a period of ten (10) days in the payment of any assessment levied against the Unit Owner's Unit, the Executive Board of the Association shall have the right to declare all unpaid assessments for the pertinent fiscal year to be immediately due and payable. Further, a late fee of fifteen percent (15%) of the total fee on the delinquency, and a penalty of Five Dollars (\$5.00) per day will be assessed. In addition, attorney's fees equal to fifteen percent (15%) of the total due and payable shall be assessed.
- Section 9.7 Confessions of Judgment. IN ORDER TO EXPEDITE THE EXECUTIVE BOARD'S COLLECTION OF ANY DELINQUENT ASSESSMENT, EACH UNIT OWNER (BY ACCEPTANCE OF THE DEED TO THEIR UNIT) SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE EXECUTIVE BOARD MEMBERS, THE ATTORNEY-IN-FACT FOR SUCH UNIT OWNER TO CONFESS JUDGMENT AGAINST SUCH UNIT OWNER IN ANY COURT OF COMPETENT JURISDICTION IN PENNSYLVANIA, FOR ANY SUCH UNPAID ASSESSMENTS, WHICH APPOINTMENT (BEING SECURITY) SHALL BE IRREVOCABLE; AND FOR SO DOING A COPY OF THIS SECTION 9.7 AND SAID DEED, BOTH VERIFIED BY AFFIDAVIT, SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED HEREIN TO CONFESS JUDGMENT SHALL NOT BE EXHAUSTED BY ANY EXERCISE THEREOF BUT SHALL CONTINUE FROM TIME TO TIME AND ALL TIMES UNTIL THIS DECLARATION SHALL BE TERMINATED.
- Section 9.8 Commencement of Common and Limited Common Expense Assessments. Common and Limited Common Expense assessments shall commence upon conveyance of a Unit to a third-party purchaser for value from the Declarant. The Declarant will not be responsible for dues on Units not yet sold to a third-party purchaser for value unless the Declarant uses a Unit as a model home or sales office. The Declarant will only be responsible to pay dues during the period that a Unit is being used as a model or office, and should the Declarant stop using the Unit as a model or office, dues will not be paid.
- Section 9.9 No Waiver of Liability for Assessments. No Unit Owner may exempt themselves from liability or for payment of the Assessments by waiver of the use or enjoyment of the Common or Limited Common Elements or by abandonment of the Unit against which the assessments are made.
- Section 9.10 Personal Liability of Unit Owners. The Unit Owner of a Unit at the time a Common or Limited Common Expense Assessment or a portion thereof is due and payable, is personally liable for the Assessment. Personal liability for the Assessment shall not pass to a successor in title to the Unit unless they agree to assume the obligation.
- Section 9.11 <u>Subordination of Certain Charges</u>. Any fees, charges, late charges, fines and interest which may be levied by the Executive Board, pursuant to Section 3302(a)(10), (11) and (12) of the Act, shall be subordinate to the lien of an Eligible Mortgage on a Unit.

- Section 9.12 <u>Limitation on Expenditures</u>. All expenses, charges and costs of maintenance, repair, or replacement of the Common or Limited Common Elements, and any other expenses, charges or costs which the Executive Board may insure or expend pursuant hereto, shall be approved by the Executive Board, and a written memorandum thereof prepared and signed by the Treasurer.
- Section 9.13 Reserve. Each annual budget may include an amount reasonably considered by the Executive Board to be sufficient as a reserve for replacements and contingencies. To initiate such reserve, the Declarant may collect from each of its grantees, at the time of settlement, an amount equal to twice the estimated monthly assessment allocable to the Unit purchased by such grantee and shall remit such amount to the Executive Board. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserve. In addition, the Executive Board shall have the right to segregate all or any portion of the reserve for any specific replacement or contingency upon such conditions as the Executive Board deems appropriate.
- Section 9.14 Accounting. On or before February 28 of each year, the Executive Board shall have available for inspection by all Unit Owners an itemized accounting of the Common and Limited Common Expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected, pursuant to the annual budget or assessments and leases and sales of property owned or managed by the Executive Board on behalf of the Association, and showing the net excess or deficit of income over expenditures plus reserves.
- Section 9.15 Special Assessments. If any annual budget proves inadequate for any reason, including nonpayment of any Unit Owner's assessments, or any nonrecurring expense, or any expense not set forth in the annual budget as adopted, the Executive Board may at any time levy a further assessment, which shall be assessed to the Unit Owners according to each Unit Owner's Percentage Interest. Such further assessment shall be payable in such monthly installments as the Board may determine. The Executive Board shall serve notice of such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefore, and such further assessment shall become effective and shall be payable at such time or times as determined by the Executive Board.
- Section 9.16 Acceleration of Special Assessments. In the event of default by the Unit Owner for a period of ten (10) days in the payment of any Special Assessment levied against the Unit Owner's Unit, the Executive Board of the Association shall have the right to declare all unpaid assessments for the pertinent fiscal year to be immediately due and payable. Further, a late fee of fifteen percent (15%) of the total fee annually, on the delinquency, and a penalty of Five Dollars (\$5.00) per day will be assessed. In addition, attorney's fees equal to fifteen percent (15%) of the total due and payable shall be assessed.

Section 9.17 <u>Enforcement</u>.

- 9.17.1 Assessments shall be assessed against all Units in accordance with their Percentage Interest, and each Unit Owner shall be personally liable for the amount so assessed. The Assessment shall, until fully paid, together with interest thereof at the rate established by the Association, constitute a lien against such Unit enforceable as provided in Section 3315 of the Act.
- 9.17.2 Any Assessment against a Unit may be enforced by suit by the Executive Board acting on behalf of the Unit Owners in any appropriate action at law or equity. Any judgment against a Unit and the Unit Owner shall be enforceable in the same manner as is otherwise provided by law.
- 9.17.3 In the event that title to a Unit shall be transferred by sheriff's sale pursuant to execution upon any lien against the Unit, the Executive Board shall give notice in writing to the sheriff of any unpaid Assessments. The purchaser at such sheriff's sale and the Unit involved shall not be liable for unpaid Assessments which became due prior to the sheriff's sale of the Unit. Any such unpaid Assessment which cannot be promptly collected from the former Unit Owner shall be reassessed by the Executive Board to be collected from all the Unit Owners, including the purchaser who acquired title at the sheriff's sale. To protect the Executive Board's right to collect unpaid Assessments which are a lien against a Unit, the Executive Board may, on behalf of the Unit Owners, purchase the Unit at sheriff's sale, provided such action is authorized by a majority of the members of the Executive Board, and if the Executive Board does effect such purchase, the Executive Board shall thereafter have the power to sell, convey, mortgage or lease such Unit to any person whomsoever. Notwithstanding any foreclosure, tax sale, judicial or other forced sale of a Unit, all applicable provisions of the Condominium Documents shall be binding upon any purchaser at such sale to the same extent as they would bind a voluntary grantee, except that such purchaser shall not be liable for unpaid Assessments chargeable to such Unit which became due prior to such sale, except as otherwise provided in this paragraph 9.17.3.
- 9.17.4 Upon the voluntary sale or conveyance of a Unit by a Unit Owner other than the Declarant, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments which are a charge against the Unit as of the date of the sale or conveyance. Such joint and several liability shall be without prejudice to the grantee's right to recover from the grantor the amount of any such unpaid Assessments, but until such Assessments are paid, they shall continue to be a lien against the Unit which may be enforced in the manner set forth in Section 3315 of the Act.

Section 9.18 Lien.

- 9.18.1 The Association has a lien on a Unit for an assessment levied against a Unit or fines imposed against its Unit Owner from the time the Assessment or fine becomes due. Fees, charges, late charges, fines and interest charges pursuant to the Act and the Declaration and the By-laws are enforceable as Assessments under this section. If an Assessment is payable in installments, the full amount of the Assessment is a lien from the time the first installment thereof becomes due.
- 9.18.2 A lien under this section is prior to all other liens and encumbrances on a Unit except:
 - i. a lien and encumbrance recorded before the recordation of the Declaration;
 - ii. a first mortgage on the Unit recorded before the date on which the Assessment sought to be enforced became delinquent; and
 - iii. liens for real estate taxes and other governmental assessments or charges against a Unit. A lien under this section is also prior to all mortgages described in Article XI to the extent of the assessments based on the periodic budget adopted by the Association pursuant to Section 9.1 of this Article which would have become due in the absence of acceleration during the six (6) months immediately preceding institution of an action to enforce either the Association's lien or a security interest described in subsection (ii) of this Section 9.18.2. This subsection does not affect the priority of mechanics or materialmens liens or the priority of a lien for other assessments made by the Association. A lien under this section is not subject to the provision of dower or curtesy or other exemptions excluded in subsection 3315(b) of the Act.
- 9.18.3 Recording of the Declaration constitutes record notice and perfection of the lien. Further recording of a claimant lien for assessment under this section is not required.
- 9.18.4 A lien for an unpaid Assessment is extinguished unless proceedings to enforce a lien are instituted within three (3) years after the full amount of the Assessment becomes due; provided, that if an owner of a Unit subject to a lien under this section files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the Association's lien shall be tolled until thirty (30) days after the automatic stay of proceedings under Section 362 of the Bankruptcy Code is lifted.
- 9.18.5 This Section does not prohibit an action to recover sums for which this section creates a lien or prohibit the Association from taking in lieu of foreclosure.

- 9.18.6 A judgment or decree in any action brought under this section shall include costs and reasonable attorneys' fees for the prevailing party.
- 9.18.7 A judgment or decree in an action brought under this section is enforceable by execution under the Commonwealth of Pennsylvania statute on judgment executions.
- 9.18.8 The Association lien may be foreclosed as a mortgage, or foreclosed as a lien under the Commonwealth of Pennsylvania non-judicial foreclosure proceedings.
- 9.18.9 In any action by the Association to collect Assessments or to foreclose a lien for unpaid Assessments, the court may appoint a receiver of the Unit Owner to collect all sums alleged to be due from that Unit Owner prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's Assessments based on a periodic budget adopted by the Association pursuant to section 9.1 of this Declaration.
- 9.18.10If a holder of a first or second mortgage on a Unit forecloses that security interest, the purchaser at the foreclosure sale is not liable for any unpaid assessments against that Unit which came due before the sale, other than the assessments which were prior to that mortgage in accordance with the provisions of the Act. Any unpaid assessments not satisfied from the proceeds of the sale become Common Expenses collectible from all the Unit Owners, including the purchaser.
- 9.18.11In the case of foreclosure under Commonwealth of Pennsylvania nonjudicial foreclosures, the Association shall give reasonable notice of its action to each of the lien holders of a Unit whose interest would be affected.
- 9.18.12Any payments received by the Association in discharge of a Unit Owners obligation must be applied to their oldest balance due.

Section 9.19 Common or Limited Common Expenses Attributable to Fewer Than All Units.

- 9.19.1 Any Common or Limited Common Expenses for services provided by the Association to an individual Unit at the request of the Unit Owner shall be assessed against the Unit which benefits from such service.
- 9.19.2 Any insurance premium increase attributable to a particular Unit by virtue of activities or construction of the Unit shall be assessed against that Unit.

- 9.19.3 An assessment to pay a judgment against the Association may be made only against the Units in the Condominium at the time the judgment was entered in proportion to their Common Expense liabilities.
- 9.19.4 If a Common or Limited Common Expense is caused by the misconduct of a Unit Owner, the Association may assess that expense exclusively against that Unit Owner's Unit.
- 9.19.5 Fees, charges, late charges, fines, collections, costs and interest charged against a Unit Owner pursuant to the Declaration, the By-Laws, Rules and Regulations, and the Act are enforceable as Assessments.

ARTICLE X USE RESTRICTIONS

- Section 10.1 <u>Use and Occupancy of Units and Common Elements</u>. The occupancy and use of the Units, as well as the Common and Limited Common Elements, shall be subject to the following Rules, Regulations and Restrictions:
 - 10.1.1 Prohibited Uses and Nuisances.
 - A. <u>Itemization.</u> Except for the activities of Declarant during original development:
 - 1. No Unit Owner shall permit their Unit or that portion of the Limited Common Element allocated to their Unit to be used or occupied for any prohibited purpose.
 - 2. Only Buildings containing up to seven (7) single family dwellings shall be constructed for residential purposes Said Buildings shall not exceed three (3) stories in height. Each Unit shall be at least seventeen hundred sq. ft. (1,700 sq. ft.) of livable space.
 - 3. The Declarant shall maintain architectural control over the initial construction on or in the Units during and after the Declarant Control Period.

At the end of the Declarant Control Period, the Association, by and through the Architectural Review Committee, shall maintain architectural control over the construction on or in the Units and shall require all Unit Owners, excepting any Units constructed by the Declarant, to contract with an architectural firm as determined by the Architectural Review Committee

- which is capable of conforming to the architectural specifications of the Condominium.
- 4. Each structure within the Condominium must meet the minimum set back requirements as established by College Township, Centre County, Pennsylvania as well as statutory or current case law pertaining to the condominium form of ownership.
- 5. The erection and maintenance of any structure of a temporary and/or permanent character, such as a tent, trailer, barn, shed or any other type of out building, is prohibited, unless constructed by the Declarant for use in the construction of Units.
- 6. No fences or exterior walls shall be permitted in the Condominium unless such fences or walls are required as part of the development plan by College Township.
- 7. Said Units, as herein above provided, shall be used for residential or dwelling purposes and no business, mercantile, commercial or manufacturing enterprise or activity of any kind shall be conducted thereon with the exception of such home occupations as permitted by the zoning ordinances established by the governing municipality and approved by the Declarant.
- 8. The erection and maintenance of any type of sign (ex. Billboards, signboards or other advertising contrivance or medium) is prohibited, with the exception of the entrance sign and signs for professional purposes, not to exceed in area one square foot, or a sign advertising the property for sale or rent, not exceeding five square feet, or signs used by the builder to advertise the property during the construction and sales period. All signage must be in compliance with the College Township Ordinances for signage. At no time will "for sale" signs be permitted at the entrance sign areas or other Common Areas within the Condominium.
- 9. No animals, livestock, horses or poultry of any kind shall be kept for breeding or commercial use. No Unit Owner shall be allowed to have more than three (3) domestic animals, which shall be defined as dogs and cats, also referred to as pets. All pets must be on a leash when outside and Unit Owners with pets must

- carry a sanitary utensil to clean up after their pets. Domestic animals are to be housed inside the dwelling; no exterior pet houses will be allowed.
- 10. All trash, garbage and refuse shall be stored in covered metal or plastic receptacles and concealed from view inside the Unit. Trash may be visible only on the day of or night before the day of trash pickup by the municipality.
- 11. The use of any Unit or part thereof as a dumping ground for garbage and rubbish is strictly prohibited. All Units shall be kept neat and clean and free from refuse and weeds and nothing shall be placed, kept. stored or maintained thereon, which may constitute a nuisance or annoyance to Unit Owners. Responsibility shall commence from time of Unit purchase. Unit Owners shall comply with municipal ordinances. All porches and patios must be kept neat and clean and free from trash and items that would create clutter. Items permitted on the porches and patios shall be in accordance with the Rules and Regulations set forth by the Executive Board and the Architectural Review Committee. All excess fill from Unit construction shall be required to be dumped in such areas as indicated by the Declarant.
- 12. The landscaping will be maintained by the Association pursuant to Section 3.2 herein upon transfer of a Unit Owners are prohibited from any landscaping or land maintenance without approval from the Association.
- 13. Any activity which is noxious or offensive and inconsistent with the residential character of the neighborhood is strictly prohibited and is herewith declared to be a public nuisance and abatable as such.
- 14. No permanent or temporary clothesline or any structure used for the drying of clothing or housewares may be installed or used on any Unit.
- 15. No rooftop or other type of antennas shall be permitted to be installed on any exterior portion of any structure. However, satellite dishes no larger than twenty-four (24) inches in diameter are permitted if attached to building Unit at rear. Satellite dishes are subject to

- approval from the Architectural Review Committee as to location and color, which may not be unreasonably withheld.
- 16. No unlicensed, uninspected or unregistered motor vehicle may be maintained or kept on any Unit or parking area of the said Condominium unless contained in the garage with the garage door down. In addition, no repair work will be done on any motor vehicle outside of the Unit.
- 17. No recreational vehicles (i.e. campers, trailers, golf carts, ATV's, dirt bikes, jet skis, boats, etc.) may be kept on the Unit or within the Condominium development unless contained in the garage with the garage door down.
- 18. No trampolines, game courts, hoops, nets or children's play equipment will be permitted in the Common Areas.
- 19. Solar collection panels shall not be permitted.
- 20. Developer and Declarant shall have the sole right to erect, maintain and operate real estate sales. management and/or construction offices on any part of the Property and/or in any dwelling house now or hereinafter erected on any Unit provided such offices are solely used and operated in connection with the development of the Property or the building of structures on the Units, or the management, rental or sale of any part of the Unit, or of structures now or hereafter erected thereon, but no part of the Property, nor any part of any dwelling now or hereafter erected thereon, shall be used for any of the aforesaid purposes set forth in this paragraph without written consent and approval of Declarant, in his sole, reasonable discretion, being first had and obtained. Successor Declarant shall not enjoy the rights granted by this paragraph unless an instrument is signed by Declarant expressly granting such right and has been recorded in the Centre County Recorder of Deeds.
- 21. These conditions, reservations, covenants and restrictions shall apply to all Units shown on the aforesaid Condominium plan whether vacant or

- improved and to all structures erected or to be erected thereon as well as to the alteration or improvement of or addition to any such structures.
- 22. Enforcement of these covenants shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages. Noncompliance to violations shall be assessed violation fees of up to \$50.00 per day and fifteen percent (15%) interest, plus any court or magistrate costs, penalties, fines and attorney fees incurred by the Association in the process of enforcing compliance of the violation.
- 23. Reasonable rules and regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Common and Limited Common Elements within the Condominium, may be promulgated from time to time by the Executive Board, subject to the right of the Association to change such Rules and Regulations. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such Rules and Regulations or any amendments thereto.
- 24. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.
- 10.1.2 <u>Survival of Article 10.</u> The uses, restrictions and architectural standards as set forth in this Article X shall survive the termination of the Condominium. It is the intent of Declarant that the use restrictions shall run with the land.

ARTICLE XI MORTGAGES

Section 11.1 Requirements.

11.1.1 Any mortgage or other lien on a Unit and the obligations secured thereby shall be deemed to provide, generally, that the mortgage or other lien instrument and the rights and obligations of the parties thereto shall be subject to the terms and conditions of the Act and this Declaration shall be deemed to provide specifically, but without limitation, that the mortgagee or lien holder shall have no right (i) to participate in the adjustment of losses with insurers or in the decision as to whether or not or how to repair or restore damage to or destruction of the property; or (ii) to receive or apply

the proceeds of insurance to the reduction of the mortgage debt or otherwise, except in the event and to the extent either a distribution of such proceeds to Unit Owners pursuant to Section 3312(g) of the Act or of insurance proceeds in excess of the cost of repair or restoration being received by the Owner of the Unit encumbered by such mortgage; or (iii) to accelerate the mortgage debt or to have any other remedies on the property other than within the affected Unit, and the obligation secured shall be pre-payable, without penalty, upon the happening of any termination of the Condominium or determination not to restore or replace the affected Unit.

Nothing contained in this Section 11.1.1 hereinabove or elsewhere in this Declaration shall give a Unit Owner, or any other party, priority over any rights of the mortgagee of a Unit pursuant to its mortgage in case of a distribution to such Unit Owner of insurance proceeds or condemnation awards for loss to or a taking of one or more Units and/or Common Elements.

11.1.2 No Unit Owner or purchaser of a Unit shall deliver any mortgage or other lien instrument secured by a Unit, or any obligation to be secured hereby, unless it has first notified the Executive Board of the name and address of the proposed mortgagee or lien holder, the amount of the debt proposed to be so secured, and has submitted to the Executive Board a copy of the form of the proposed mortgage and note or other instrument of obligation. When a mortgage to the Declarant or Seller of a Unit is delivered to the Executive Board, the Executive Board shall promptly notify the proposed mortgagee whether such mortgage has been approved by the Executive Board as an Eligible Mortgage.

Section 11.2 Eligible Mortgagees.

- 11.2.1 When an Eligible Mortgage is delivered to the Eligible Mortgagee or other lien holder, the Unit Owner shall simultaneously provide executed or conformed copies to the Executive Board. Upon receipt of such copy of an Eligible Mortgage, the Secretary of the Executive Board shall instruct the insurer of the Property to add the name of the Eligible Mortgagee to the mortgagee loss payable provision of the hazard insurance policy covering the Property and to provide such Eligible Mortgagee with a Certificate of Insurance showing that the Eligible Mortgagee's name has been so added.
- 11.2.2 The Secretary shall maintain a register of Eligible Mortgages, showing the names and addresses of the Eligible Mortgages, the amount secured by each Eligible Mortgage and whether it is a first mortgage.
- 11.2.3 An Eligible Mortgagee shall have the affirmative right of timely notice in the following events:

- Any condemnation or casualty loss that affects either a material portion of the project or the Unit securing its mortgage;
- Any sixty (60) day delinquency in the payment of assessments or charges owed by the owner of any Unit on which it holds the mortgage;
- 11.2.3.3 A lapse, cancellation or material modification of any insurance policy maintained by the Association; and
- 11.2.3.4 Any proposed action that requires the consent of a specified percentage of mortgagees.
- 11.2.4 Upon the specific written request of a holder of an Eligible Mortgage of a Unit or its servicer to the Executive Board, the Eligible Mortgagee shall be entitled to receive some or all of the following as designated in the request:
 - a. Copies of budgets, notices of assessments or any other notices or statements provided under this Declaration by the Executive Board to the Owner of the Unit covered by the mortgage.
 - b. Any audited or unaudited financial statements of the Executive Board, which are prepared for the Executive Board and distributed to Unit Owners. The holder of any mortgage on a Unit shall be entitled to have an audited statement prepared at its own expense if one is not otherwise available.
 - c. Copies of notices of meetings of the Unit Owners and the right to be represented at any such meetings by a designated representative.
 - d. Notice of any decision by the Executive Board to terminate professional management and assume self-management of the Property.
 - e. Such other financial data as such Eligible Mortgagee shall reasonably request in writing.
- 11.2.5 The request of an Eligible Mortgagee or its servicer shall be written and specify which of the above items it desires to receive and shall indicate the address to which any notice or documents shall be sent by the Executive Board. The Executive Board shall be under no obligation to inquire into the validity of any request made hereunder by an Eligible Mortgagee. The Executive Board may refuse to honor any request where, after reasonable inquiry, it shall determine that the person making such request is not entitled to the material so requested and may establish reasonable rules to implement this Section 11.2.5.
- 11.2.6 Failure to comply with the requirements set forth above shall in no way invalidate the otherwise proper actions of the Association and the Executive Board.

- 11.2.7 Any Eligible Mortgagee shall have the right, exercisable upon written request to the Executive Board, to examine the books and records of the Association at any reasonable time.
- Section 11.3 <u>Approval of Mortgagees</u>. Subject to the limitations imposed by Section 3221 of the Act:
 - 11.3.1 The prior written approval of holders of first mortgages of Units representing at least sixty-seven percent (67%) of the votes of Units subject to first mortgages shall be required to terminate the condominium status of the Property for reasons other than substantial destruction or condemnation of the Property.
 - 11.3.2 The prior written approval of at least sixty-seven percent (67%) of the holders of first mortgages on Units (based on one (1) vote for each first mortgage owned) shall be required for any of the following:
 - a. the termination or abandonment of the condominium status of the Property except for termination or abandonment as a result of condemnation or substantial loss to the Units and/or Common Elements;
 - b. a change in the schedule of Percentage Interests set forth in Exhibit "E" allocated to each Unit, except those changes resultant from the conversion of Convertible Real Estate;
 - c. the abandoning, encumbering, selling or transferring of the Common Elements (the granting of easements for public utilities or for other public purposes consistent with the intended uses of the Common Elements shall not be deemed a transfer within the meaning of this subsection); and
 - d. the use of hazard insurance proceeds for losses to any Condominium Property (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such Condominium Property.
 - 11.3.3 The prior written approval of holders of first mortgages of Units representing at least fifty-one percent (51%) of the votes of the Units subject to first mortgages shall be required to make an amendment of a material nature to the Condominium Documents. A change to the provisions of any Condominium Document directly relating to any of the following shall for this purpose be considered material:
 - a. voting rights;
 - b. assessments, assessment liens or subordination of assessment liens;

- c. reserves for maintenance, repair and replacement of the Common Elements;
- d. responsibility for maintenance and repairs;
- e. reallocation of interest in the Common Elements or Limited Common Elements or rights to their use;
- f. boundaries of any Unit;
- g. convertibility of Units into Common Elements or of Common Elements into Units;
- h. expansion or contraction of the project or the addition, annexation or withdrawal of property to or from the project;
- i. insurance or fidelity bonds;
- j. leasing of Units by the Declarant;
- k. imposition of any restrictions on a Unit Owner's right to sell or transfer his Unit;
- a decision by the Association to establish self-management when professional management had been required previously by an Eligible Mortgagee;
- m. restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents;
- n. actions to terminate the legal status of the project after substantial destruction or condemnation occurs; or
- o. provisions that expressly benefit holders, insurers or guarantors of Eligible Mortgages.
- 11.3.4 Notwithstanding anything to the contrary in this Section 11.3, written approval of holder's first mortgages on Units shall not be required for an amendment to this Declaration made pursuant to Section 14.2 hereof.

ARTICLE XII LEASING

- Section 12.1 <u>Leasing Units</u>. A Unit Owner may lease or sublease their Unit (but not less than their entire Unit) at any time and from time to time provided that (except for a lease or sublease made by (i) Declarant or (ii) an Eligible Mortgagee, which is either in possession or is a purchaser at a judicial sale):
 - 12.1.1 No Unit may be leased or subleased for transient or hotel purposes or for an initial term of less than ninety (90) days.
 - 12.1.2 No Unit may be leased or subleased without a written lease or sublease approved first by the Executive Board. Upon Executive Board approval, a copy of such lease or sublease shall be furnished to the Executive Board within ten (10) days after execution thereof. Any lease not approved prior to commencement is subject to a fine of up to \$50 per day at the discretion of the Association.
 - 12.1.3 At no time shall a Unit be leased to more than the number of unrelated parties permitted by College Township ordinance.
 - 12.1.4 The rights of any lessee or sublessee of the Unit shall be subject to, and each such lessee or sublessee shall be bound by the covenants, conditions and restrictions set forth in this Condominium Declaration and the By-Laws 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 Assessments on behalf of the Owner of that Unit.
 - 12.1.5 All leases of a Unit shall be deemed to include a provision that the tenant will recognize and attorn to the Association as landlord, solely for the purpose of having the power to enforce a violation of the provisions of the Condominium Documents against the tenant, provided the Association gives the landlord notice of its intent to so enforce and/or reasonable opportunity to cure the violation prior to the commencement of an enforcement action.

ARTICLE XIII UNITS SUBJECT TO CONDOMINIUM DOCUMENTS; EMINENT DOMAIN

Section 13.1 General. Every Unit Owner shall, and by his acceptance of his Unit deed does, covenant on behalf of himself, his heirs, successors and assigns, that he will comply strictly with the terms, covenants and conditions set forth in this Condominium Declaration and the By-Laws of this Condominium, as well as the rules, regulations, resolutions and decisions adopted pursuant thereto, and the Unit deeds, in relation to the use and operation of the Units, the Common and Limited Common Elements and the Property. Failure to comply with any of the foregoing shall be grounds for an action to recover sums due for damages, or injunctive relief or any or all of them. Such action may be maintained by an aggrieved Unit Owner or the

Executive Board on its own behalf or on behalf of the Unit Owners or by any person who holds a lien upon a Unit and is aggrieved by any such non-compliance. In the case of flagrant or repeated violations by a Unit Owner, he may be required by the Executive Board to give sufficient surety or sureties for his future compliance with the terms, covenants and conditions set forth in the Condominium Documents and Rules and Regulations. In any such action the prevailing party shall be entitled to recover from the adverse party all costs and expenses, including legal fees, incurred.

Section 13.2 Eminent Domain. Whenever all or part of the Condominium shall be taken, injured or destroyed by eminent domain, the Association shall represent the Unit Owners in negotiations, settlements and agreements with the condemning authority. Each Unit Owner appoints the Association as attorney-in-fact for this purpose. Each Unit Owner shall be entitled to notice thereof; but in any proceedings for the determination of damages, such damages shall be determined for such taking, injury or destruction as a whole and not for each Unit Owner's interest therein. The award or proceeds of settlement shall be payable to the Association for the use and benefit of the Unit Owners and their Mortgagees as their interests may appear.

ARTICLE XIV AMENDMENT OF DECLARATION

Amendment Generally. This Declaration, including the Plats and Plans, may be Section 14.1 amended only in accordance with the procedures specified in Section 3219 of the Act, by vote of at least sixty-seven percent (67%) of the Association, except unanimous consent of all Unit Owners affected shall be required to create or increase Special Declarant Rights, alter the terms or provisions governing the completion or conveyance or lease of Common Facilities or increase the number of Units or change in the boundaries of any Unit, the Common Expenses Liability or voting strength in the Association allocated to a Unit or the uses to which a Unit is restricted. No Declaration provisions pursuant to which any Special Declarant Rights have been reserved to a Declarant shall be amended without the express written joinder of the Declarant in such amendment. This section shall not apply to amendments executed by a Declarant under Section 3210(e) or (f) (relating to Plats and Plans), Section 3211(a) (relating to conversion and expansion of Flexible Condominiums), Section 3212(a) (relating to withdrawal of Withdrawable Real Estate) or amendments executed by the Association under Section 3107 (relating to eminent domain), Section 3209 (relating to Limited Common Elements), Section 3215 (relating to subdivision or conversion of Units), or amendments executed by certain Unit Owners under Section 3209(b) and Section 3214(a) (relating to relocation of boundaries between Units), Section 3215 and Section 3220(b) (relating to termination of Condominium).

Pursuant to Section 3219(b) of the Act, no action to challenge the validity of an amendment adopted by the Association may be brought more than one year after the amendment is recorded.

- Section 14.2 <u>Technical Corrections.</u> If any amendment to the Declaration is necessary in the judgment of the Executive Board to cure an ambiguity, correct or supplement any provision of the Declaration, including Plats and Plans, that is defective, missing or inconsistent with any other provision of the Declaration or Act or 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 a Condominium Community, such as Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, the Executive Board may effect an appropriate corrective amendment without approval of the Unit Owners or the holders of liens on the Condominium, upon receipt of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of Section 3219(f) of the Act.
- Section 14.3 Rights of Secured Lenders. Annexation of additional properties, mergers and consolidations, dedication of Common Areas and amendment of the Declaration does not require prior approval of HUD/VA as long as the Declarant exercises his Special Declarant Rights which extend for a period of time of seven (7) years from the date of the first conveyance of a Unit to a person other than the Declarant; provided, however, that the Declarant's Special Rights will terminate one-hundred and eighty (180) days after conveyance of seventy-five percent (75%) of the Units which may be created to Unit Owners other than Declarant. Further, Declarant's Special Rights which entitle it to unilaterally convert Convertible Real Estate, add Additional Real Estate and withdraw Withdrawable Real Estate, cause mergers and consolidations and appoint or remove the Executive Board, extended from the date of the first conveyance of a Unit to a person other than the Declarant for not more than seven (7) years; provided however, that the Declarant's Special Rights will terminate one-hundred and eighty (180) days after conveyance of seventy-five percent (75%) of the Units which may be created to Unit Owners other than Declarant.

<u>ARTICLE XV</u> DECLARANT'S RIGHTS; SPECIAL DECLARANT RIGHTS

Section 15.1 Declarant's Control of the Association.

- 15.1.1 There shall be a period of Declarant Control of the Condominium Association, during which the Declarant or persons designated by the Declarant may appoint and remove the officers and members of the Executive Board. The period of Declarant Control terminates no later than the earlier of:
 - a. One hundred eighty (180) days after conveyance of seventy-five percent (75%) of the Units that may be created, to Unit Owners other than Declarant; or

b. Seven (7) years after the first Unit is conveyed to a Unit Owner other than Declarant.

The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of that period, but in no event may the Declarant require, for the duration of the period of Declarant Control, that specified actions of the Association or Executive Board as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

- 15.1.2 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, one (1) additional Executive Board member, who shall comprise not less than twenty-five percent (25%) 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, which may be created to Unit Owners other than Declarant, one (1) additional Executive Board member, who shall comprise not less than thirty-three percent (33%) of the members of the Executive Board, shall be elected by Unit Owners other than Declarant.
- 15.1.3 The Executive Board shall elect the officers. The Executive Board members and officers shall take office upon election.
- 15.1.4 Notwithstanding any provision of this Declaration or the By-Laws to the contrary, following notice under Section 3308 of the Act, the Unit Owners by sixty-seven percent (67%) vote of all persons present and entitled to vote at a meeting of the Unit Owners at which a quorum is present, may remove a member of the Executive Board with or without cause, other than a member appointed by the Declarant.
- Section 15.2 <u>Declarant Rights.</u> Declarant reserves unto itself all Special Declarant Rights as defined in Section 3103 of the Act, now or as amended in the future.
- Section 15.3 <u>Disputes</u>. In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions or interpretation or application of the provisions of this Declaration (including the Plats and Plans), the By-Laws and/or the Rules and Regulations, the ultimate determination, with respect thereto, shall be given by the Executive Board following an appeal to such Executive Board from the Association body. The determination by the Executive Board in the first instance shall be final and binding on each and all such Unit Owners. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief or offer to assist it in fulfilling its responsibilities.

ARTICLE XVI TERMINATION

- Section 16.1 <u>Termination</u>. Termination of the Condominium may be accomplished only in accordance with Section 3220 of the Act.
 - 16.1.1 <u>Unit Owner Approval</u>. Except in the case of a taking of all the Units by eminent domain, the Condominium may be terminated only by agreement of Unit Owners of Units to which at least eighty percent (80%) of the votes in the association are allocated.
 - 16.1.2 Recordation of Termination Agreement. An agreement of Unit Owners to terminate the Condominium must be evidenced by the execution of a termination agreement or ratifications thereof, in the same manner as a deed, by the requisite number of Unit Owners who are owners of record as of the date preceding the date of recordation of the termination agreement. The termination agreement must specify the date it was first executed or ratified by a Unit Owner. The termination agreement will become null and void unless it is recorded on or before the earlier of:
 - i. the expiration of one year from the date it was first executed or ratified by a Unit Owner; or
 - ii. such date as shall be specified in the termination agreement.

ARTICLE XVII DAMAGE TO OR DESTRUCTION OF PROPERTY

- Section 17.1 <u>Duty to Restore</u>. The portion of the Condominium for which insurance is required by this Declaration, the Bylaws or Section 3312 of the Act, that is damaged or destroyed must be repaired or replaced promptly by the Association unless:
 - 17.1.1 The Condominium is terminated; or
 - 17.1.2 Repair or replacement would be illegal under state statute or municipal ordinance governing health or safety; or
 - 17.1.3 Eighty percent (80%) of the Unit Owners, including each Owner of a Unit or assigned Limited Common Element that will not be rebuilt, vote not to rebuild.
- Section 17.2 <u>Cost</u>. The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense.
- Section 17.3 <u>Plans</u>. The property must be repaired and restored in accordance with either the original plans and specifications or other plans and specifications which have been approved by the Executive Board, a majority of Unit Owners, and fifty-one percent (51%) of Eligible Mortgagees.
- Section 17.4 Replacement of Less than Entire Property.

- 17.4.1 The insurance proceeds attributable to the damaged property shall be used to restore the damaged property to a condition compatible with the remainder of the Condominium;
- 17.4.2 Except to the extent that other persons would be distributees:
 - a. the insurance proceeds attributable to a Unit and Limited Common Elements that are not rebuilt must be distributed to the Owner of the Unit and the Owner of the Unit to which the Limited Common Elements were allocated or to lien holders as their interest may appear; and
 - b. the remainder of the proceeds must be distributed to each Unit Owner or lien holder as their interests may appear in proportion to the Common Element interests of all the Units.
- 17.4.3 If the Unit Owners vote not to rebuild a Unit, the Percentage Interest of the Unit is reallocated upon the vote of the Unit Owners as if the Unit had been condemned under Section 3107 of the Act. The Association promptly shall prepare, execute and record an Amendment to the Declaration reflecting the reallocations.
- Section 17.5 <u>Insurance Proceeds</u>. The Trustee, or if there is no Trustee, then the Executive Board of the Association, acting by the President, shall hold any insurance proceeds in trust for the Association, Unit Owners and lien holder as their interests may appear. Subject to the provisions of Section 17.1.1 through 17.1.3 of this Declaration, the proceeds shall be disbursed for the repair and restoration of the damaged property, and the Association, Unit Owners and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completed, repaired or restored or the Condominium has been terminated.
- Section 17.6 <u>Certificates by the Executive Board</u>. The Trustee, if any, may rely on the following certification in writing made by the Executive Board:
 - 17.6.1 Whether damaged or destroyed property is to be repaired or restored.
 - 17.6.2 The manner and amounts to be paid for repairs or the restoration and the names and addresses of the parties to whom such amount should be paid.
- Section 17.7 <u>Certificates by Attorneys or Title Insurance Companies</u>. If payments are to be paid to Unit Owners or Eligible Mortgagees, the Executive Board and the Trustee, if any, shall obtain and may rely on a title insurance company or attorney's certificate of title or a title insurance policy based on a search of land records of the applicable Office of the Recorder of Deeds from the date of the recording of the original Declaration stating the names of the Unit Owners and the Eligible Mortgagees.

ARTICLE XVIII INSURANCE

Section 18.1 Coverage. To the extent reasonably available, the Executive Board, commencing no later than the time of the first conveyance of a Unit to a person other than the Declarant shall obtain and maintain insurance coverage as set forth in this Article. If such insurance is not reasonably available, and the Executive Board determines that any insurance described herein will not be maintained, the Executive Board shall cause notice of that fact to be hand delivered or be sent prepaid by United States mail to all Unit Owners and Eligible Mortgagees at their respective last known addresses.

Section 18.2 Property Insurance.

18.2.1 Property insurance covering:

- A, The project facilities, which term means all Buildings on the property, including the Units and all fixtures, equipment and any improvements and betterments whether a part of the Unit or a Common Element or a Limited Common Element, and such personal property of Unit Owners as is normally insured under building coverage, but excluding land, excavations, portions of foundations below the under surface of the lowest basement floors, underground pilings, piers, pipes, flues and drains and other items normally excluded from property policies; and
- b. All personal property owned by the Association.
- 18.2.2 <u>Amounts</u>. The project facilities for an amount (after application for any deductions) equal to ninety percent (90%) of their actual cash value at the time the insurance is purchased and at each renewal date. Personal property owned by the Association for an amount equal to its actual cash value.

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

- 18.2.3 <u>Risks Insured Against</u>. The insurance shall afford protection against all risks of direct physical loss commonly insured against.
- 18.2.4 Other Provisions. Insurance policies required by this Section shall provide that:
 - a. The insurer waives the right to subrogation under the policy against a Unit Owner or member of the household of Unit Owner;

- b. An act or omission by a Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association will not void the policy or be a condition to recovery under the policy;
- c. If, at the time of a loss under the policy, there is other insurance in the name of the Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance;
- d. Loss must be adjusted within the Association;
- e. Insurance proceeds must be paid to any insurance trustee designated in the policy for the purpose, and in the absence of such designation to the Association, in either case to be held in trust for each Unit Owner and each Unit Owner's Mortgagee;
- f. The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or a non-renewal has been mailed to the Association, each Unit Owner and each holder of a mortgage to whom a certificate or memorandum of insurance has been issued at their respective last known addresses; and
- g. The name of the insured shall be substantially listed as follows: The Canterbury Ridge Condominium Association, Inc., for the use and benefit of the individual Unit Owners.
- Section 18.3 <u>Liability Insurance</u>. Liability Insurance, including medical payments insurance, in an amount determined by the Executive Board, but in no event less than One Million (\$1,000,000.00) Dollars covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements, Limited Common Elements and the activities of the Association.
 - 18.3.1 Other Provisions. Insurance policies carried pursuant to this Section shall provide that:
 - a. Each Unit Owner is an insured person under the policy with respect to liability arising out of the Unit Owner's Percentage Interest in the Common Elements, Limited Common Elements or membership in the Association.
 - b. The insurer waives the right to subrogation under the policy against any Unit Owner or member of the household of Unit Owner.
 - c. An act or omission by any Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will not void the policy or be a condition to recovery under the policy.

- e. If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same residence covered by the policy, the policy of the Association provides primary insurance.
- Section 18.4 Fidelity Bonds or Employee Dishonesty Endorsement. A blanket fidelity bond or Employee Dishonesty Endorsement is required for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The bond or endorsement shall name the Association as obligee and shall cover the maximum funds that will be in the custody of the Association or the manager at any time while the bond or endorsement is in force, and in no event less than an amount equal to seven (7) months assessments for all Units plus reserve funds. The bond or endorsement shall include a provision that calls for ten (10) days written notice to the Association, to each holder of a mortgage in a Unit, to each servicer that services an FNMA-owned or FHLMC-owned mortgage on a Unit and to the insurance trustee, if any, before the bond or endorsement can be cancelled or substantially modified for any reason.
- Section 18.5 <u>Unit Owner Policies</u>. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for his or her own benefit.
- Section 18.6 Workers Compensation Insurance. The Executive Board shall obtain and maintain Workers Compensation Insurance, if applicable, to meet the requirements of the laws of the Commonwealth of Pennsylvania.
- Section 18.7 <u>Directors and Officers Liability Insurance</u>. The Executive Board shall obtain and maintain Directors and Officers Liability Insurance if available, covering all of the directors and officers of the Association in such limits as the Executive Board may from time to time determine. The Executive Board shall obtain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth above, if and to the extent available at reasonable cost.
- Section 18.8 Other Insurance. The Association may carry other insurance which the Executive Board considers appropriate to protect the Association or the Unit Owners.
- Section 18.9 <u>Premiums</u>. The premiums from any insurance policy obtained by the Executive Board shall be a Common Expense. The premiums from any insurance policy obtained by the Unit Owner for his or her own benefit shall be the Unit Owner's expense.

ARTICLE XIX LIMITATION OF LIABILITY FOR EXECUTIVE BOARD MEMBERS AND OFFICERS

Section 19.1 Standard of Conduct.

- 19.1.1 In the performance of their duties, the officers and members of the Executive Board shall stand in a fiduciary relation to the Association and shall perform their duties, including duties as members of any committee of the Board upon which they may serve, in good faith, in a manner they reasonably believe to be in the best interests of the Association and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.
- 19.1.2 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 Condominium is located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described above.
- 19.1.3 Absent a breach of fiduciary duty, lack of good faith or self-dealing, actions taken as an Executive Board member or officer or any failure to take any action shall be presumed to be in the best interest of the Association.
- Section 19.2 Good Faith Reliance. In performing his duties, an officer or Executive Board member shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:
 - 19.2.1 One or more other officers or employees of the Association whom the officer or Executive Board member reasonably believes to be reliable and competent in the matters presented.
 - 19.2.2 Counsel, public accountants or other persons as to matters which the officer or Executive Board member reasonably believes to be within the professional or expert competence of such person.
 - 19.2.3 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.
 - 19.2.4 An officer or Executive Board member shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause his reliance to be unwarranted.
- Section 19.3 <u>Limited Liability</u>. No Executive Board member or officer, 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 19.3 shall not apply to the responsibility or liability of an Executive Board member or officer pursuant to any criminal statute, or to the liability of an Executive Board member or officer for the payment of taxes pursuant to local, state or federal law.

Section 19.4 Indemnification. To the extent permitted under Pennsylvania law, each member of the Executive Board, in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorney's 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 any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged to be in breach of the standards of conduct described above; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he is then an Executive Board member and/or officer) 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 or proceeding is permitted only if such Executive Board member and/or officer had no reasonable cause to believe his conduct was unlawful. The indemnification by the Unit Owners set forth in this Section 19.4 shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

To the extent permissible under Pennsylvania law, expenses incurred by an Executive Board member and/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 and/or officer, after the Association has received an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association.

ARTICLE XX CONVERTIBLE REAL ESTATE

Section 20.1 Reservation. Declarant hereby explicitly reserves an option, until the tenth (10th) anniversary of the recording of this Declaration, to convert all or any portion of the Convertible Real Estate to Units, Common Elements, Limited Common Elements, Controlled Facilities, Limited Controlled Facilities, or any combination thereof from time to time in compliance with Section 3211 of the Act, without the consent of any Unit Owner or holder of a mortgage on any Unit. This option to convert may be terminated prior to such anniversary only upon the filing of an Amendment

to this Declaration by the Declarant. Declarant expressly reserves the right to convert any or all portions of the Convertible Real Estate at any time, at different times, in any order, without limitation, and without any requirement that any other Real Estate be converted, added, or withdrawn; provided, however, that the Convertible Real Estate shall not exceed the area described as such on Exhibit "C" attached hereto. There are no other limitations on this option to convert the Convertible Real Estate.

ARTICLE XXI OPTION TO WITHDRAW REAL ESTATE

Section 21.1 Declarant's Option to Withdraw Withdrawable Real Estate. Declarant hereby explicitly reserves an option, until the tenth (10th) anniversary of the recording of this Declaration, to withdraw Withdrawable Real Estate from the Condominium from time to time in compliance with Section 3212 of the Act, without the consent of any Unit Owner or holder of a mortgage on any Unit. This option to withdraw may be terminated prior to such anniversary only upon the filing of an amendment to this Declaration by the Declarant. Declarant expressly reserves the right to withdraw any or all portions of the Withdrawable Real Estate at any time, at different times, in any order, without limitation and without any requirement that any other Real Estate be withdrawn, added, or converted, except as set forth in Section 3212 of the Act; provided, however, that the Withdrawable Real Estate shall not exceed the area described as such on Exhibits "C" attached hereto. There are no other limitations on this option to withdraw the Withdrawable Real Estate from the Condominium.

IN WITNESS WHEREOF, the said V Declaration this May of May of	Village at Canterbury, LP, Declarant, has executed this, 2022.
WITNESS:	DECLARANT: VILLAGE AT CANTERBURY, LP By: The Village Manager, LLC, its General Partner
Integha a. Sal	By: Robert E. Poole, Jr., Member
Kan apparelles	By: Richard F. DeFluri, Member

COMMONWEALTH OF PENNSYLVANIA :
: SS.
COUNTY OF CENTRE :
_ th
On this, the 8th day of August, 2022, before me, a Notary public,
in and for said Commonwealth, personally appeared, Robert E. Poole, Jr, who, after being duly sworn
according to law, depose and say that he is a Member of The Village Manager, LLC, general partner of
Village at Canterbury, LP, and that he is authorized to execute the Condominium Declaration for the purpose therein contained.
purpose morem contained.
IN WITNESS WHEREOF, I hereunto set my hand and official seal.
,
Commonwealth of Pennsylvania - Notary Seal
Nicole M. Stocks, Notary Public Leoke M. Youko
Centre County NOTARY PUBLIC My commission expires June 20, 2026 My Commission Expires 1 20, 2026
Commission number 1422316 IVIY Commission Expires: 34446
Member, Pennsylvania Association of Notaries
COMMONITOR A CONTRACTOR AND
COMMONWEALTH OF PENNSYLVANIA :
COUNTY OF CENTRE : ss.
·
On this, the gth day of August, 2022, before me, a Notary
public, in and for said Commonwealth, personally appeared, Richard F. DeFluri, who, after being duly
sworn according to law, depose and say that he is a Member of The Village Manager, LLC, general
partner of Village at Canterbury, LP, and that he is authorized to execute the Condominium Declaration
for the purpose therein contained.
DI WITTING WITTING II
IN WITNESS WHEREOF, I hereunto set my hand and official seal.
Commonwealth of Pennsylvania - Notary Seal
Nicole M. Stocks, Notary Public NOTARY PUBLIC
My commission expires June 20, 2026 My Commission Expires: June 20, 2026
Commission number 1422316
Marshau Daniel Carlot C

 $s: worddocs \ \& A\ files/A-555.352\ Canterbury\ Ridge/A-555.352\ Canterbury\ Ridge\ Declaration$

Member, Pennsylvania Association of Notaries

EXHIBIT "A"

Legal Description of all Real Estate Submitted

ALL those certain lots or pieces of ground, lying, being and situate in the Township of College, County of Centre, Commonwealth of Pennsylvania, being more particularly bound and described as follows:

Tract One - PHASE 3

BEGINNING at a point of land being along the northern edge of the right-of-way for Brandywine Drive (50' R-O-W) and lands now or formerly of The Village at Canterbury Condominium (Phase 1-A), thence along said lands now or formerly of The Village at Canterbury Condominium (Phase 1-A) North 11 degrees 36 minutes 32 seconds West for a distance of 140.72 feet to a point; thence continuing along said lands now or formerly of The Village at Canterbury Condominium (Phase 1-B) North 30 degrees 25 minutes 01 seconds East for a distance of 94.20 feet to a point; thence from said point North 65 degrees 00 minutes 00 seconds East for a distance of 327.82 feet to a point; thence from said point; thence from said point South 82 degrees 10 minutes 52 seconds East for a distance of 299.97 feet to point; thence from said point South 29 degrees 34 minutes 57 seconds East for a distance of 84.07 feet to a point along the northern edge of the right-of-way for Brandywine Drive (50' R-O-W); thence along said right-of-way along a curve to the left having a radius of 268.63 feet, an arc of 144.96 feet, and a chord bearing of South 75 degrees 54 minutes 26 seconds West for a distance of 143.21 feet to a point; thence from said point South 60 degrees 26 minutes 52 seconds West for a distance of 289.29 feet to a point; thence from said point along the curve to the right having a radius of 444.12 feet, and arc of 204.83 feet, and a chord bearing of South 73 degrees 39 minutes 36 seconds West for a distance of 203.02 feet to a point; thence from said point along a curve to the left having a radius of 475.87 feet, an arc of 70.44 feet, and chord bearing of South 82 degrees 37 minutes 54 seconds West for a distance of 70.38 feet to a point along lands now or formerly of The Village at Canterbury Condominium, being the place of BEGINNING. CONTAINING 3.008 acres.

SAID legal description taken from the Condominium Plan for Restatement of Condominium Declaration Plan for The Village at Canterbury, prepared by PennTerra Engineering, Inc., dated September 16, 2021 and attached as Exhibit "D".

Tract Two - PHASE 5

BEGINNING at a point of land being along the southern edge of the right-of-way for Brandywine Drive (50' R-O-W) and the northeastern corner of land now or formerly of Mark A. & Kristen J. Koshko, thence in said right-of-way North 04 degrees 36 minutes 54 seconds West for a distance of 17.54 feet to a point; thence from said point North 49 degrees 03 minute 37 seconds East for a distance of 34.45 feet to a point; thence from said point along a curve to the right having a radius of 444.12 feet, an arc of 294.23 feet, and a chord bearing of North 67 degrees 53 minutes 36 seconds East for a distance of 288.88 feet to a point; thence from said

point along a curve to the left having a radius of 475.88 feet, an arc of 219.47 feet, and a chord bearing of North 73 degrees 39 minutes 36 seconds East for a distance of 217.53 feet to a point; thence from said point North 60 degrees 26 minutes 52 seconds East for a distance of 289.29 feet to a point; thence from said point along a curve the right having a radius of 236.46 feet, an arc of 276.70 feet, and a chord bearing of South 86 degrees 03 minutes 36 seconds East for a distance of 261.18 feet to a point along lands now or formerly of State College Area School District; thence along said lands now or formerly of State College Area School District South 60 degrees 25 minutes 58 seconds West for a distance of 1,043.25 feet to a point being the southeastern corner of lands now or formerly of Mark A. & Kristen J. Koshko; thence along said lands now or formerly of Mark A. & Kristen J. Koshko North 30 degrees 26 minutes 27 seconds West for a distance of 208.86 feet to a point along the right-of-way for Brandywine Drive (50' R-O-W), being the place of BEGINNING. CONTAINING 3.971 acres.

SAID legal description taken from the Condominium Plan for Restatement of Condominium Declaration Plan for The Village at Canterbury, prepared by PennTerra Engineering, Inc., dated September 16, 2021 and attached as Exhibit "D".

EXHIBIT "B"

Legal Description of Phase 1

ALL those certain lots or pieces of ground, lying, being and situate in the Township of College, County of Centre, Commonwealth of Pennsylvania, being more particularly bound and described as follows:

BEGINNING at a point of land being along the southern edge of the right-of-way for Brandywine Drive (50' R-O-W) and the northeastern corner of land now or formerly of Mark A. & Kristen J. Koshko, thence in said right-of-way North 04 degrees 36 minutes 54 seconds West for a distance of 17.54 feet to a point; thence from said point North 49 degrees 03 minute 37 seconds East for a distance of 34.45 feet to a point; thence from said point along a curve to the right having a radius of 444.13 feet, an arc of 294.23 feet, and a chord bearing of North 67 degrees 53 minutes 36 seconds East for a distance of 288.88 feet to a point; thence from said point along a curve to the left having a radius of 475.87 feet, an arc of 207.97 feet, and a chord bearing of North 74 degrees 21 minutes 09 seconds East for a distance of 206.32 feet to a point; thence from said point South 29 degrees 33 minutes 08 seconds East for a distance of 144.31 feet to a point along lands now or formerly of State College Area School District; thence along said lands now or formerly of State College Area School District South 60 degrees 25 minutes 24 seconds West for a distance of 524.65 feet to a point being the southeastern corner of lands now or formerly of Mark A. & Kristen J. Koshko; thence along said lands now or formerly of Mark A. & Kristen J. Koshko North 30 degrees 26 minutes 27 seconds West for a distance of 208.86 feet to a point along the right-of-way for Brandywine Drive (50' R-O-W), being the place of BEGINNING. CONTAINING 2.454 acres.

SAID legal description taken from the Condominium Declaration Plan for The Canterbury Ridge Condominium, prepared by PennTerra Engineering, Inc., dated July 32, 2022, and attached as Exhibit "D".

EXHIBIT "C"

Legal Description of Convertible/ Withdrawable Real Estate

Tract One - PHASE 3

BEGINNING at a point of land being along the northern edge of the right-of-way for Brandywine Drive (50' R-O-W) and lands now or formerly of The Village at Canterbury Condominium (Phase 1-A), thence along said lands now or formerly of The Village at Canterbury Condominium (Phase 1-A) North 11 degrees 36 minutes 32 seconds West for a distance of 140.72 feet to a point; thence continuing along said lands now or formerly of The Village at Canterbury Condominium (Phase 1-B) North 30 degrees 25 minutes 01 seconds East for a distance of 94.20 feet to a point; thence from said point North 65 degrees 00 minutes 00 seconds East for a distance of 327.82 feet to a point; thence from said point; thence from said point South 82 degrees 10 minutes 52 seconds East for a distance of 299.97 feet to point; thence from said point South 29 degrees 34 minutes 57 seconds East for a distance of 84.07 feet to a point along the northern edge of the right-of-way for Brandywine Drive (50' R-O-W); thence along said right-of-way along a curve to the left having a radius of 268.63 feet, an arc of 144.96 feet, and a chord bearing of South 75 degrees 54 minutes 26 seconds West for a distance of 143.21 feet to a point; thence from said point South 60 degrees 26 minutes 52 seconds West for a distance of 289.29 feet to a point; thence from said point along the curve to the right having a radius of 444.12 feet, and arc of 204.83 feet, and a chord bearing of South 73 degrees 39 minutes 36 seconds West for a distance of 203.02 feet to a point; thence from said point along a curve to the left having a radius of 475.87 feet, an arc of 70.44 feet, and chord bearing of South 82 degrees 37 minutes 54 seconds West for a distance of 70.38 feet to a point along lands now or formerly of The Village at Canterbury Condominium, being the place of BEGINNING. CONTAINING 3.008 acres.

SAID legal description taken from the Condominium Plan for Restatement of Condominium Declaration Plan for The Village at Canterbury, prepared by PennTerra Engineering, Inc., dated September 16, 2021 and attached as Exhibit "D".

Tract Two - Residuary of PHASE 5

BEGINNING at a point of land being along the southern edge of the right-of-way for Brandywine Drive (50' R-O-W) and the northeastern corner of land designated as Phase 1, thence along said right-of-way along a curve to the left having a radius of 475.88 feet, an arc of 11.50 feet, and a chord bearing of North 61 degrees 08 minutes 24 seconds East for a distance of 11.50 feet to a point; thence from said point North 60 degrees 26 minutes 52 seconds East for a distance of 289.29 feet to a point; thence from said point along a curve the right having a radius of 236.46 feet, an arc of 276.70 feet, and a chord bearing of South 86 degrees 03 minutes 36 seconds East for a distance of 261.18 feet to a point along lands now or formerly of State College Area School District; thence along said lands now or formerly of State College Area School District South 60 degrees 26 minutes 33 seconds West for a distance of 518.60 feet to a point along lands designated as Phase 1; thence

along said lands designated as Phase 1 North 29 degrees 33 minutes 08 seconds West for a distance of 144.31 feet to a point along the right-of-way for Brandywine Drive (50' R-O-W), being the place of BEGINNING. CONTAINING 1.516 acres.

SAID legal description taken from the Condominium Declaration Plan for The Canterbury Ridge Condominium, prepared by PennTerra Engineering, Inc., dated July 22, 2022, and attached as Exhibit "D".



R 02301-0825 Dec 13, 2022 Village at Canterbury LP

Canterbury Ridge Condominium Association

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AMEN 11pgs RECORDER OF DEEDS

Electronically Recorded / Submitted by Simplifi.

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19-606-,100B,504B-

RECORDING INSTRUCTIONS: Please index this document in the name of the condominium known as The Canterbury Ridge Condominium in both the Grantee and Grantor indices, as required by §3201 of the Pennsylvania Uniform Condominium Act (68 P.S. §3101 et seq.). Additionally, please index this document in the name of Village at Canterbury, LP and The Canterbury Ridge Condominium Association as Grantor and Grantee.

The Canterbury Ridge Condominium, a Pennsylvania Flexible Condominium Development 1st Amendment of the Declaration

WHEREAS, by a Condominium Declaration dated August 8, 2022 and recorded August 26, 2022 in the Office of the Recorder of Deeds for Centre County in Record Book 2297 at Page 825 (hereinafter "Declaration"), Village at Canterbury, LP (hereinafter "Declarant") caused to be created, and subject to Pennsylvania's Uniform Condominium Act at 68 Pa.C.S.A. Section 3101 et seq. (hereinafter "Act"), a Flexible Condominium Development known as The Canterbury Ridge Condominium, located in College Township, County of Centre, Commonwealth of Pennsylvania; and

WHEREAS, guidelines established by national and regional agencies or entities require a certain percentage of the Units in a Condominium to be sold as a financing condition; and

WHEREAS, pursuant to the Act at Section 3219(f) and Article XIV, Section 14.2 of the Declaration, it is the judgment of the Executive Board of The Canterbury Ridge Condominium Association, Inc. that the following amendment is necessary to conform to the requirements of an agency or entity that has established national or regional standards with respect to loans secured by mortgages or deeds of trust on Units in this Condominium Development based on an independent legal opinion; and

WHEREAS, pursuant to Sections 3219(a)(3)(i)(C), 3211, and 3212 of the Act, Declarant has the exclusive authority to amend the Declaration to convert or withdraw Convertible/ Withdrawable Real Estate from the Condominium; and

WHEREAS, pursuant to Section 3219(a)(3)(i)(B & C) and Article I, Section 1.3.1(hh), Article XIV, Section 14.1, Article XXI, Declarant desires to withdraw and redesignate as Convertible/ Withdrawable Real Estate part of the real estate designated in Exhibit "B" of the Declaration consisting of Building 21 (Units 21A, 21B, 21C, 21D and 21E) and Building 22 (Units 22A, 22B, 22C, 22D and 22E) of The Canterbury Ridge Condominium, a Flexible Condominium, as set forth in a Record Plan for Lots 32 and 33, Phase 1C Final Land Development Plan dated recorded May 3, 2021 in Plat Book 96 at Page 140, to comply with the banking standards with respect to the number of Units sold to qualify for Unit financing; and

WHEREAS, Declarant desires to amend the Declaration Plat to accommodate the withdrawal and redesignation of two (2) condominium buildings containing twelve (12) single-family detached condominium Units as future Convertible/ Withdrawable Real Estate; and

WHEREAS, Declarant desires to amend Exhibit "E" as filed to the Declaration to update the Units, Percentage Interest and Votes.

NOW THEREFORE, Declarant and the Association declare as follows:

- I. That Buildings 21 and 22, containing Unit Nos. 21A, 21B, 21C, 21D, 21E, 22A, 22B, 22C, 22D and 22E as set forth in Exhibit "A" attached hereto, which were part of Exhibit "B" as filed to the Declaration recorded in Record Book 2297 at Page 825, are withdrawn and shall hereafter become Convertible/ Withdrawable Real Estate of The Village at Canterbury Condominium, a Pennsylvania Flexible Condominium.
- II. Declarant specifically reserves the right to convert or withdraw said Building 21 (Units 21A, 21B, 21C, 21D and 21E) and Building 22 (Units 22A, 22B, 22C, 22D and 22E) at a subsequent time.
- III. That the original Exhibit "B" to the Declaration is amended to reflect the withdrawal and redesignation of Buildings 21 and 22 as set forth in Exhibit "A" to this 1st Amendment.
- IV. That the original Exhibit "C" to the Declaration is amended to reflect the withdrawal as set forth in Exhibit "B" to this 1st Amendment.
- V. That the original Declaration Plat, filed as Exhibit "D" to the Declaration, is amended, and a new Declaration Plat, identified as the Exhibit "C" to this 1st Amendment is substituted in its place.
- VI. That the original Exhibit "E" to the Declaration is amended to reflect the withdrawal and redesignation of additional Convertible/ Withdrawable Real Estate, and the new listing of Units, their identifying numbers and their percentage interest, attached hereto as Exhibit "D", is substituted in its place.
- VII. All other terms and conditions of the Declaration recorded in Record Book 2297 at Page 825 are not modified by this 1st Amendment and shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this 1st Amendment to be executed this 9th day of December, 2022.

WITNESS:

amanda FNebon

Village at Canterbury, LP

by: The Village Manager, LLC, its general partner

general partner

Robert E. Poole, Jr., Member

Richard F. DeFluri Member

The Canterbury Ridge Condominium Association

by: Chitch G. Son

Christopher A. Dochat, President

COMMONWEALTH OF PENNSYLVANIA

SS.

COUNTY OF CENTRE

On this, the 9th day of December, 2022, before me, a Notary Public, in and for said Commonwealth, personally appeared, Robert E. Poole, Jr, who, after being duly sworn according to law, depose and say that he is a Member of The Village Manager, LLC, general partner of Village at Canterbury, LP, and that he is authorized to execute the 1st Amendment for The Canterbury Ridge Condominium for the purpose therein contained.

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

Commonwealth of Pennsylvania - Notary Seal Alicia N. Cornali, Notary Public Centre County

My commission expires July 27, 2024 Commission number 1207963

Member, Pennsylvania Association of Notaries

Olicia N. Corrali
NOTARY PUBLIC
My Commission Expires: July 27, 2024

COMMONWEALTH OF PENNSYLVANIA

SS.

COUNTY OF CENTRE

On this, the 9th day of December, 2022, before me, a Notary Public, in and for said Commonwealth, personally appeared, Richard F. DeFluri, who, after being duly sworn according to law, depose and say that he is a Member of The Village Manager, LLC, general partner of Village at Canterbury, LP, and that he is authorized to execute the 1st Amendment for The Canterbury Ridge Condominium for the purpose therein contained.

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

Commonwealth of Pennsylvania - Notary Seai Alicia N. Cornali, Notary Public Centre County My commission expires July 27, 2024 Commission number 1207963 Member, Pennsylvania Association of Notaries

NOTARY PUBLIC/ My Commission Expires: July 27, 2024

5

COMMONWEALTH OF PENNSYLVANIA

SS.

COUNTY OF CENTRE

On this, the 9th day of December, 2022, before me, a Notary Public, in and for said Commonwealth, personally appeared, Christopher A. Dochat, who, after being duly sworn according to law, depose and say that he is a President of The Canterbury Ridge Condominium Association, and that he is authorized to execute the 1st Amendment for The Canterbury Ridge Condominium Association for the purpose therein contained.

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

Commonwealth of Pennsylvania - Notary Seal Alicia N. Cornali, Notary Public Centre County

My commission expires July 27, 2024 Commission number 1207963

Member, Pennsylvania Association of Notaries

Olicia M. Morrali
NOTARY PUBLIC
My Commission Expires: July 27, 2024

stworddocs/S&A/files/A-555.352 1st Amendment

EXHIBIT "A"

<u>Legal Description of Area to be Withdrawn and redesignated as Convertible/</u> <u>Withdrawable Real Estate into The Canterbury Ridge Condominium</u>

ALL those certain lots or pieces of ground, lying, being and situate in the **Township of College**, County of Centre, Commonwealth of Pennsylvania, being Building 21 (Units 21A, 21B, 21C, 21D and 21E) and Building 22 (Units 22A, 22B, 22C, 22D and 22E) as set forth in Plat Book 96 at Page 140.

EXHIBIT "B" Legal Description of Convertible/ Withdrawable Real Estate

Tract One - PHASE 3

BEGINNING at a point of land being along the northern edge of the right-of-way for Brandywine Drive (50' R-O-W) and lands now or formerly of The Village at Canterbury Condominium (Phase 1-A), thence along said lands now or formerly of The Village at Canterbury Condominium (Phase 1-A) North 11 degrees 36 minutes 32 seconds West for a distance of 140.72 feet to a point; thence continuing along said lands now or formerly of The Village at Canterbury Condominium (Phase 1-B) North 30 degrees 25 minutes 01 seconds East for a distance of 94.20 feet to a point; thence from said point North 65 degrees 00 minutes 00 seconds East for a distance of 327.82 feet to a point; thence from said point; thence from said point South 82 degrees 10 minutes 52 seconds East for a distance of 299.97 feet to point; thence from said point South 29 degrees 34 minutes 57 seconds East for a distance of 84.07 feet to a point along the northern edge of the right-of-way for Brandywine Drive (50' R-O-W); thence along said right-of-way along a curve to the left having a radius of 268.63 feet, an arc of 144.96 feet, and a chord bearing of South 75 degrees 54 minutes 26 seconds West for a distance of 143.21 feet to a point; thence from said point South 60 degrees 26 minutes 52 seconds West for a distance of 289.29 feet to a point; thence from said point along the curve to the right having a radius of 444.12 feet, and arc of 204.83 feet, and a chord bearing of South 73 degrees 39 minutes 36 seconds West for a distance of 203.02 feet to a point; thence from said point along a curve to the left having a radius of 475.87 feet, an arc of 70.44 feet, and chord bearing of South 82 degrees 37 minutes 54 seconds West for a distance of 70.38 feet to a point along lands now or formerly of The Village at Canterbury Condominium, being the place of BEGINNING. CONTAINING 3.008 acres.

SAID legal description taken from the Condominium Plan for Restatement of Condominium Declaration Plan for The Village at Canterbury, prepared by PennTerra Engineering, Inc., dated September 16, 2021 and attached as Exhibit "D" to the original Declaration.

Tract Two - Residuary of PHASE 5

BEGINNING at a point of land being along the southern edge of the right-of-way for Brandywine Drive (50' R-O-W) and the northeastern corner of land designated as Phase 1, thence along said right-of-way along a curve to the left having a radius of 475.88 feet, an arc of 11.50 feet, and a chord bearing of North 61 degrees 08 minutes 24 seconds East for a distance of 11.50 feet to a point; thence from said point North 60 degrees 26 minutes 52 seconds East for a distance of 289.29 feet to a point; thence from said point along a curve the right having a radius of 236.46 feet, an arc of 276.70 feet, and a chord bearing of South 86 degrees 03 minutes 36 seconds East for a distance of 261.18 feet to a point along lands now or formerly of State College Area School District; thence along said lands now or formerly of State College Area School District South 60 degrees 26 minutes 33 seconds West for a distance of 518.60 feet to a point along lands designated as Phase 1; thence

along said lands designated as Phase 1 North 29 degrees 33 minutes 08 seconds West for a distance of 144.31 feet to a point along the right-of-way for Brandywine Drive (50' R-O-W), being the place of BEGINNING. CONTAINING 1.516 acres.

SAID legal description taken from the Condominium Declaration Plan for The Canterbury Ridge Condominium, prepared by PennTerra Engineering, Inc., dated July 22, 2022, and attached to the original Declaration as Exhibit "D".

TOGETHER WITH Building 21 (Units 21A, 21B, 21C, 21D and 21E) and Building 22 (Units 22A, 22B, 22C, 22D and 22E).

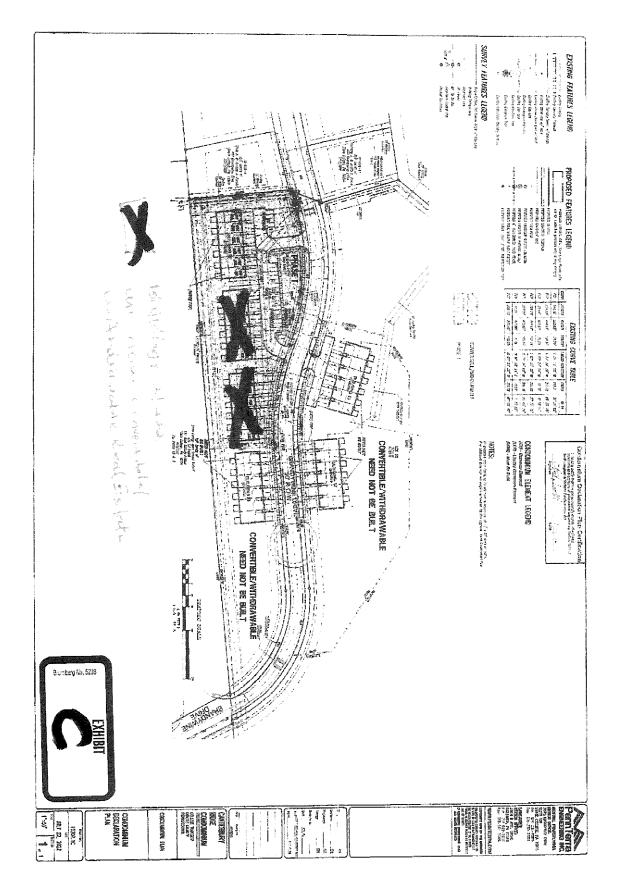


EXHIBIT "D"

Identifying Numbers, Percentage of Interest and Voting Interest of Units

Pursuant to Article 2, Section 2.1 of the Declaration of Condominium of The Canterbury Ridge Condominium.

		Building		
<u>Unit</u>	<u>t Number</u>	<u>Number</u>	Percentage Interest	Voting Interest
	20A	20	16.6667	1
	20B	20	16.6667	1
	20C	20	16.6667	1
	20D	20	16.6667	1
	20E	20	16.6667	1
	<u>20F</u>	20	16.6667	1
Total	6		100%	6

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COLUEGE



R 02302-0477 Jan 04, 2023 VILLAGE AT CANTERBURY LP CANTERBURY RIDGE CONDOMINIUM

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19-606-,100B,522B-

RECORDING INSTRUCTIONS: Please index this document in the name of the condominium known as The Canterbury Ridge Condominium in both the Grantee and Grantor indices, as required by §3201 of the Pennsylvania Uniform Condominium Act (68 P.S. §3101 et seq.). Additionally, please index this document in the name of Village at Canterbury, LP and The **Canterbury Ridge Condominium Association** as Grantor and Grantee.

The Canterbury Ridge Condominium, a Pennsylvania Flexible Condominium Development 2nd Amendment of the Declaration

WHEREAS, by a Condominium Declaration dated August 8, 2022 and recorded August 26, 2022 in the Office of the Recorder of Deeds for Centre County in Record Book 2297 at Page 825 (hereinafter "Declaration"), Village at Canterbury, LP (hereinafter "Declarant") caused to be created, and subject to Pennsylvania's Uniform Condominium Act at 68 Pa.C.S.A. Section 3101 et seq. (hereinafter "Act"), a Flexible Condominium Development known as The Canterbury Ridge Condominium, located in College Township, County of Centre, Commonwealth of Pennsylvania; and

WHEREAS, by the 1st Amendment to the Declaration dated December 9, 2022 and recorded December 13, 2022 in the Office of the Recorder of Deeds in and for Centre County, Pennsylvania in Record Book 2301 at Page 825 (hereinafter the "1st Amendment"), Building 21 (Units 21A, 21B, 21C, 21D, 21E and 21F) and Building 22 (Units 22A, 22B, 22C, 22D, 22E and 22F) were withdrawn and redesignated as Convertible/ Withdrawable Real Estate of the Condominium; and

WHEREAS, pursuant to Sections 3219(a)(3)(i)(B), 3211, and 3212 of the Act, Declarant has the exclusive authority to amend the Declaration to convert or withdraw Convertible/ Withdrawable Real Estate from the Condominium; and

WHEREAS, pursuant to Section 3219(a)(3)(i)(B) and Article I, Section 1.3.1(i), Article XIV, Section 14.1, Article XX, and Exhibit "C" of the Declaration, as amended, Declarant desires to convert part of the real estate designated in Exhibit "C", as amended, so as a result it becomes Phase 2, consisting of Building 21 (Unit Nos. 21A, 21B, 21C, 21D, 21E and 21F) of The

Canterbury Ridge Condominium, a Flexible Condominium, as set forth in a Record Plan for Lots 32 and 33, Phase 1C Final Land Development Plan dated recorded May 3, 2021 in Plat Book 96 at Page 140; and

WHEREAS, Declarant desires to amend the Declaration Plat to accommodate the conversion of six (6) single-family attached condominium Units located in the Convertible/Withdrawable Real Estate, being Building 21 (Unit Nos. 21A, 21B, 21C, 21D, 21E and 21F); and

WHEREAS, Declarant desires to amend Exhibit "E" as filed to the Declaration to update the Units, Percentage Interest and Votes.

NOW THEREFORE, Declarant declares as follows:

- I. That Phase 2, being Building 21 (Unit Nos. 21A, 21B, 21C, 21D, 21E and 21F) as set forth in Exhibit "A" attached hereto, which were part of Exhibit "C", as amended, as filed to the Declaration recorded in Record Book 2297 at Page 825, as amended, is converted and will hereinafter become a part of The Canterbury Ridge Condominium, a Pennsylvania Flexible Condominium.
- II. That the original Exhibit "B" to the Declaration, as amended, is further amended to reflect the conversion of part of additional Convertible/ Withdrawable Real Estate as set forth in Exhibit "A" to this 2nd Amendment.
- III. That the original Exhibit "C" to the Declaration, as amended, is further amended and reduced to reflect the conversion of a portion of the additional Convertible/Withdrawable Real Estate as set forth in Exhibit "A" to this 2nd Amendment.
- IV. That the original Declaration Plat, filed as Exhibit "D" to the Declaration, as amended, is further amended, and a new Declaration Plat, identified as the Exhibit "B" to this 2nd Amendment is substituted in its place.
- V. That the original Exhibit "E" to the Declaration, as amended, is further amended to reflect the conversion of additional Convertible/ Withdrawable Real Estate, and the new listing of Units, their identifying numbers and their percentage interest, attached hereto as Exhibit "C", is substituted in its place.
- VI. All other terms and conditions of the Declaration as recorded in Record Book 2297 at Page 825, as amended in Record Book 2301 at Page 825, are not modified by this 2nd Amendment and shall remain in full force and effect.

	hereto have caused this 2 nd Amendment to be , 2022.
WITNESS:	Village at Canterbury, LP by: The Village Manager, LLC, its general partner
Redoppull	by: Robert E. Poole, Jr., Member by: Richard F. DeFluri, Member

COMMONWEALTH OF PENNSYLVANIA	:

COUNTY OF CENTRE

On this, the 20th day of <u>December</u> , 2022, before me, a Notary

Public, in and for said Commonwealth, personally appeared, Robert E. Poole, Jr, who, after being duly sworn according to law, depose and say that he is a Member of The Village Manager, LLC, general partner of Village at Canterbury, LP, and that he is authorized to execute the 2nd Amendment for The Canterbury Ridge Condominium for the purpose therein contained.

SS.

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

Commonwealth of Pennsylvania - Notary Seal Nicole M. Stocks, Notary Public Centre County

My commission expires June 20, 2026 Commission number 1422316

Member, Pennsylvania Association of Notaries

Y) icole M Stocks NOTARY PUBLIC My Commission Expires: June 20. 2026

COMMONWEALTH OF PENNSYLVANIA

SS.

COUNTY OF CENTRE

On this, the 20th day of December, 2022, before me, a Notary Public, in and for said Commonwealth, personally appeared, Richard F. DeFluri, who, after being duly sworn according to law, depose and say that he is a Member of The Village Manager, LLC, general partner of Village at Canterbury, LP, and that he is authorized to execute the 2nd Amendment for The Canterbury Ridge Condominium for the purpose therein contained.

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

Commonwealth of Pennsylvania - Notary Seal Nicole M. Stocks, Notary Public Centre County

My commission expires June 20, 2026 Commission number 1422316

Member, Pennsylvania Association of Notaries

NOTARY PUBLIC
My Commission Expires: June 20. 2024

EXHIBIT "A" Legal Description of Area to be Converted into The Canterbury Ridge Condominium

ALL those certain lots or pieces of ground, lying, being and situate in the **Township of College**, County of Centre, Commonwealth of Pennsylvania, being Building 21 (Units 21A, 21B, 21C, 21D, 21E and 21F) as set forth in Plat Book 96 at Page 140.

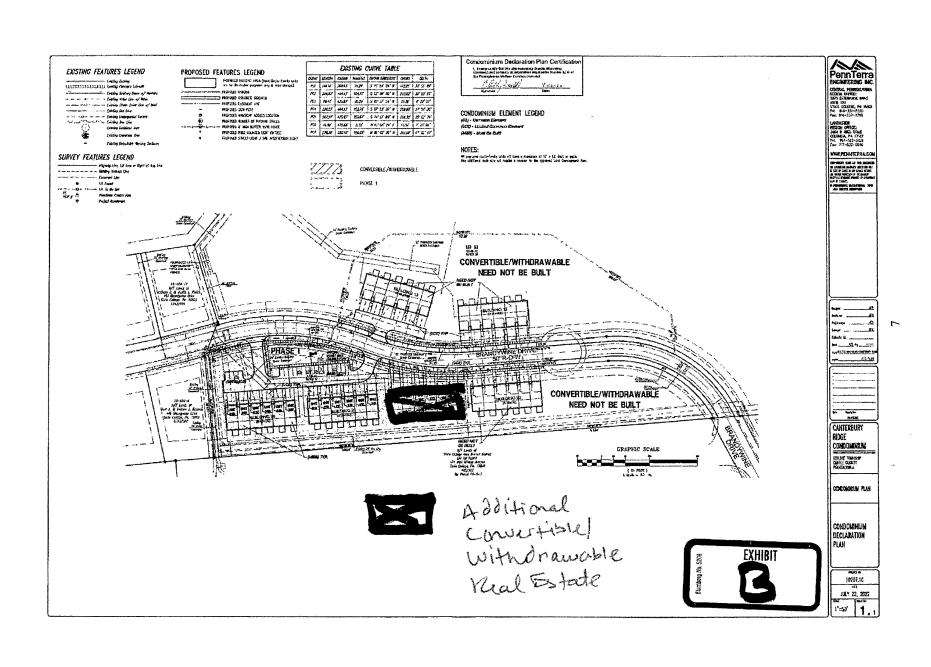


EXHIBIT "C"

Identifying Numbers, Percentage of Interest and Voting Interest of Units

Pursuant to Article 2, Section 2.1 of the Declaration of Condominium of The Canterbury Ridge Condominium.

Number	Percentage Interest	Voting Interest
20	8.3333	1
20	8.3333	1
20	8.3333	1
20	8.3333	1
20	8.3333	1
20	8.3333	1
21	8.3333	1
21	8.3333	1
21	8.3333	1
21	8.3333	1
21	8.3333	1
21	8.3333	1
	100%	12
	Number 20 20 20 20 20 20 21 21 21 21 21	20 8.3333 20 8.3333 20 8.3333 20 8.3333 20 8.3333 20 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333 21 8.3333

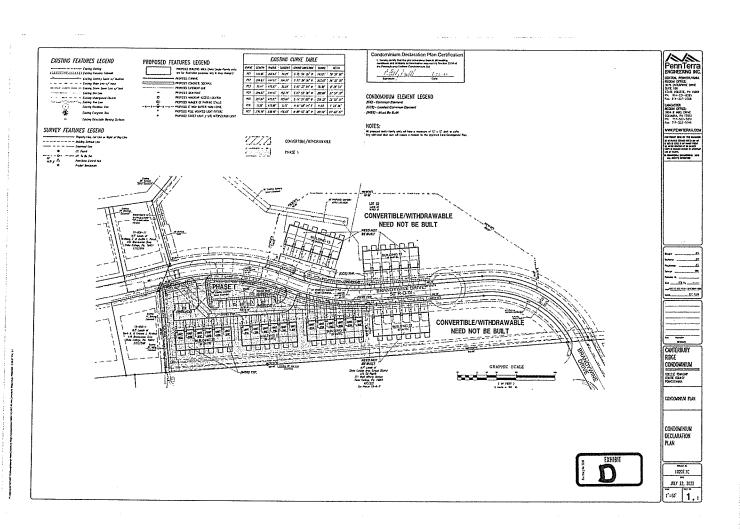


EXHIBIT "E"

<u>Identifying Numbers, Percentage of Interest and Voting Interest of Units</u>

Pursuant to Article 2, Section 2.1 of the Declaration of Condominium of The Canterbury Ridge Condominium.

	Building		
<u>Unit Number</u>	<u>Number</u>	Percentage Interest	Voting Interest
20A	20	5.5555	1
20B	20	5.5555	1
20C	20	5 . 5555	1
20D	20	5.5555	1
20E	20	5.5555	1
20F	20	5.5 555	1
21A	21	5.5555	1
21B	21	5 .5 555	1
21C	21	5.5555	1
21D	21	5.5555	î
21E	21	5.5555	1
21F	21	5.5555	î
22A	22	5.5555	1
22B	. 22	5.5 555	1
22C	22	5.5555	1
22D	22	5.5555	1
22E	22	5.5555	1
22F	22	5,5555	Î
Total 18		100%	18

BY-LAWS OF THE CANTERBURY RIDGE CONDOMINIUM ASSOCIATION,

A PENNSYLVANIA CONDOMINIUM ASSOCIATION.

PURSUANT TO THE PROVISIONS OF THE PENNSYLVANIA UNIFORM CONDOMINIUM ACT, 68 Pa. C.S.A § 3101 et. seq.

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BY-LAWS OF THE CANTERBURY RIDGE CONDOMINIUM ASSOCIATION

ARTICLE I IDENTIFICATION OF THE PROPERTY AND DEFINITIONS

- 1.2 <u>Definitions</u>. Capitalized terms when used in these By-Laws without definition shall have the same meanings ascribed to them in the Declaration to which these By-Laws pertain, or, if not defined therein, the meanings specified or used for such terms in the Act.

ARTICLE II ADMINISTRATION: APPLICABILITY

- Administration. The administration and management of **The Canterbury Ridge Condominium Association** (hereinafter "Association") and the Property and the actions of the Association and the Unit Owners shall be governed by these By-Laws.
- Applicability. All present and future Unit Owners, tenants, their licensees, servants, agents, employees and any other person or persons that shall be permitted to use the Property shall be subject to the By-Laws and to the Rules and Regulations made and promulgated by the Association. Acquisition, rental or occupancy of any Unit shall be conclusively deemed to mean that the Unit Owner, tenant or occupant accepted and ratified the By-Laws and the Rules and Regulations of the Association and will comply with them.
- 2.3 <u>Principal Office</u>. The principal office of The Canterbury Ridge Condominium and the Association shall be located initially at 2121 Old Gatesburg Road, Suite 200, State College, PA 16803, but thereafter may be located at such other suitable and convenient place or places as shall be permitted by law and designated by the Executive Board.

ARTICLE III THE ASSOCIATION

- Organization. The Association shall be organized, no later than the date of the Declaration of The Canterbury Ridge Condominium. Membership of the Association at all times shall consist exclusively of Unit Owners and shall initially be deemed an incorporated association. The management of the Association and its operation and organization shall be governed and exist according to the terms of the Act at Section 3301 through 3317 as applicable, which terms are incorporated herein by reference and made a part hereof.
- Annual Meetings. The Annual meeting of the Association shall be held in October each year, or such alternate date as the Executive Board shall decide. At such annual meetings the Executive Board shall be elected by ballot of the Unit Owners in accordance with the requirements of Sections 3.7 and 4.3 of these By-Laws (subject to Article XIV of the Declaration) and such other business as may properly come before the meeting may be transacted.
- 3.3 <u>Place of Meetings</u>. 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.
- Special Meetings. The President shall call a special meeting of the Association if so 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 twenty-five (25%) percent of the votes in the Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within forty-five (45) days after receipt by the President of such resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a budget or capital expenditure pursuant to Section 6.3.7 below, such meeting shall be held within fifteen (15) days after receipt by the President of such resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.
 - 3.4.1 Within sixty (60) days after conveyance of twenty-five (25%) percent of the Units to Unit Owners other than the Declarant, a special meeting of the Association shall be held at which time at least one (1) additional member who shall comprise not less than twenty-five percent (25%) of the Executive Board, shall be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty (50%) percent of the Units which may be created to Unit Owners other than the Declarant, one (1) additional Executive Board member, who shall comprise not less than thirty-three percent (33%) of the members of the Executive Board, shall be elected by Unit Owners other than the Declarant.

- 3.4.2 Not later than the termination of any period of Declarant control, the Unit Owners shall elect an Executive Board of at least five (5) members, at least a majority of whom shall be Unit Owners. Such successor members shall serve until the annual meeting of the Association following the meeting at which they were elected.
- 3.4.3 Notwithstanding the foregoing, if any meeting required pursuant to Sections 3.4.1 and 3.4.2 above could be held on the date an annual meeting of the Association is scheduled, then such meetings shall be held concurrently with such annual meeting.
- 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 twenty (20) days but not more than sixty (60) days prior thereto, and of each special meeting of the Unit Owners at least ten (10) days, but not more than forty-five (45) days, prior to such meeting, stating the time, place and purpose thereof. The giving of notice of meeting in the manner provided in this Section 3.5 and Section 11.1 of these By-Laws shall be considered service of notice.
- Adjournment of Meetings. If at any meeting of the Association a quorum is not present, the Unit Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight (48) hours after the time for which the original meeting was called.

3.7 <u>Voting</u>; Proxies.

- 3.7.1 <u>Multiple owners of a Unit</u>. If only one of the multiple owners of a Unit is present at a meeting of the Association, he or she is entitled to cast all the votes allocated to that Unit. If more than one of the multiple owners are present, the votes allocated to that Unit may be cast only in accordance with their unanimous agreement unless the Declaration expressly provides otherwise. There is unanimous agreement if any one of the multiple owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.
- 3.7.2 Proxies. Votes allocated to a Unit may be cast pursuant to proxy duly executed by a Unit Owner. If a Unit is owned by more than one, 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. A Unit Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one year after its date unless it specifies a shorter term.

- 3.7.3 <u>Cumulative and class voting</u>. The Declaration may provide for cumulative voting only for the purpose of electing members of the Executive Board and for class voting on specified issues affecting the class if necessary to protect valid interest of the class. A Declarant may not utilize cumulative or class voting for the purpose of evading any limitation imposed on Declarant by this subpart.
- 3.7.4 <u>Units owned by Association</u>. No votes allocated to Units owned by the Association may be cast.
- 3.7.5 One Unit, One Vote. Unless otherwise indicated, each Unit shall have one vote as provided in Section 2.3 of the Declaration.
- 3.7.6 <u>Changes to Common Elements</u>. Any change in the Common Elements shall require a 67% approval vote.

3.8 Quorums.

- 3.8.1 <u>Association</u>. Unless the By-Laws provide otherwise, a quorum is deemed present throughout any meeting of the Association if persons entitled to cast twenty percent (20%) or more of the votes which may be cast for election of the Executive Board are present in person or by proxy at the beginning of the meeting. The By-Laws may require a larger percentage or a smaller percentage but not less than ten percent (10%).
- 3.8.2 Executive Board. Unless the By-Laws specify a larger percentage, a quorum is deemed present throughout any meeting of the Executive Board if persons entitled to cast fifty percent (50%) of the votes on the Board are present at the beginning of the meeting.
- 3.9 <u>Powers</u>. The Association shall have the following powers, subject to provisions of the Declaration:
 - 3.9.1 Adopt and amend By-Laws and Rules and Regulations by a majority vote of the Unit Owners. 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 By-Laws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens, on all or any part of the property, upon receipt by the Executive Board of

- an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.
- 3.9.2 Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for Common and Limited Common Expenses from Unit Owners. Designate signatories on the Associations bank accounts.
- 3.9.3 Hire and terminate managing agents and other employees, agents and independent contractors. Duties of the managing agent shall be more clearly defined under Section 4.2 of these By-Laws.
- 3.9.4 Institute, defend or intervene in litigation or administrative proceedings in its own name and on behalf of itself or two or more Unit Owners on matters affecting the condominium.
- 3.9.5 Make and terminate contracts and incur liabilities. Borrow money on behalf of the Association.
- 3.9.6 Regulate the use, maintenance, repair, replacement and modification of Common and/or Limited Common Elements. Adopt, repeal or amend the Rules and Regulations.
- 3.9.7 Cause additional improvements to be made as a part of the Common Elements.
- 3.9.8 Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property. To acquire and mortgage Units.
- 3.9.9 Grant easements, leases, licenses and concessions through or over the Common Elements.
- 3.9.10 Impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements other than Limited Common Elements described in Sections 3202(2) and (4) (relating to boundaries) of the Act.
- 3.9.11 Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, By-Laws, and Rules and Regulations of the Association.
- 3.9.12 Impose reasonable charges for the preparation and/or recordation of amendments to the Declaration, other Association documents, resale certificates required by Section 3407 (relating to resale of units) or statements of unpaid assessments.

- 3.9.13 Provide for the indemnification of its officers and Executive Board and maintain directors' and officers' liability insurance.
- 3.9.14 Exercise any other powers conferred by the Declaration, Rules and Regulations or By-Laws.
- 3.9.15 Exercise all other powers that may be exercised in this Commonwealth of Pennsylvania by legal entities of the same type as the Association.
- 3.9.16 Exercise any other, powers necessary and proper for the governance and operation of the Association.

ARTICLE IV EXECUTIVE BOARD

- 4.1 <u>Executive Board</u>. The Executive Board shall be composed initially of three (3) members appointed by the Declarant, and shall have all the powers and duties granted by the Act and may act in all instances on behalf of the Association except for the following express limitations:
 - 4.1.1 Executive Board may not amend the Declaration or terminate the Condominium, except as allowed by law and the Condominium Documents.
 - 4.1.2 Executive Board may not elect new members of the Board or determine the qualifications, powers and duties or terms of office of Board members, except that the Board may fill vacancies in its membership for the unexpired portion of any term.
 - 4.1.3 A vote of seventy percent (70%) of all Unit Owners may reject any budget or capital expenditure approved by the Board within thirty (30) days after the approval.
 - 4.1.4 Declarant control of the Executive Board shall, unless voluntarily terminated earlier, not extend beyond **seven** (7) years from the date of the first conveyance of a Unit, except that Declarant control shall, automatically terminate one hundred eighty (180) days after conveyance of seventy-five percent (75%) of the Units contained in all sections to Unit Owners other than Declarant.
 - 4.1.5 Until the sixtieth (60th) day after conveyance of twenty-five (25%) of the Units to Unit Owners other than Declarant, Declarant shall have the right to appoint and remove any and all officers and/or members of the Executive Board. Declarant may not unilaterally

- remove any members of the Executive Board elected by Unit Owners other than Declarant.
- 4.1.6 Within sixty (60) days after conveyance of twenty-five percent (25%) of the Units to Unit Owners other than the Declarant, an additional person who is a Unit Owner shall be elected to the Executive Board. Only Unit Owners other than the Declarant may vote at such Transition Election.
- 4.1.7 Within sixty (60) days after conveyance of fifty percent (50%) of the Units to Unit Owners other than the Declarant, an additional person who is a Unit Owner shall be elected to the Executive Board. Only Unit Owners other than the Declarant may vote at such Transition Election.
- 4.1.8 All members of the Executive Board shall resign, and the Unit Owners (including Declarant to the extent of the Units owned by Declarant) shall elect a new five (5) member Executive Board, not later than the earlier of:
 - a. Seven (7) years after the date of first conveyance of a Unit to a person other than Declarant; or
 - b. One hundred eighty (180) days after seventy-five (75%) of the Units have been conveyed to Unit Owners other than Declarant.
- 4.2 <u>Delegation of Powers: Managing Agent</u>. The Executive Board may employ for the Condominium a "Managing Agent" at a compensation established by the Executive Board. The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these By-Laws, provided, however, where a Managing Agent does not have the power to act under the Act, the Declaration or these By-Laws, such duties shall be performed as advisory to the Executive Board. The Executive Board may delegate to the Managing Agent all of the powers granted to the Executive Board by the Act, the Declaration and these By-Laws other than the following powers:
 - 4.2.1 to adopt the annual budget, any amendment thereto or to assess any Common Expense;
 - 4.2.2 to adopt, repeal or amend Rules and Regulations;
 - 4.2.3 to designate signatories on Association bank accounts;
 - 4.2.4 to borrow money on behalf of the Association;

- 4.2.5 to acquire and mortgage Units;
- 4.2.6 to allocate Limited Common Elements.

Any contract with the Managing Agent must provide that this may be terminated with cause on no more than thirty (30) days written notice and without cause and without penalty or any termination fee on no more than ninety (90) days' written notice. The terms of any such contract may not exceed two (2) years.

4.3 <u>Election and Term of Office.</u>

- 4.3.1 At any annual meetings of the Association, subject to Article 15 of the Declaration, the election of members of the Executive Board shall be held. The term of office of any Executive Board Member to be elected (except as set forth in Section 3.4.1, 3.4.2 and 3.4.3; and Section 4.4 and 4.5 hereof) shall be fixed at two (2) years. Terms shall be staggered such that the first two (2) members elected shall serve a one (1) year term. The next three (3) members elected shall serve two (2) year terms. All subsequent terms shall be two (2) years in length. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. An Executive Board Member may serve an unlimited number of terms and may succeed themselves.
- 4.3.2 Persons qualified to be members of the Executive Board may be nominated as follows:
 - a. Nominations may be submitted prior to or from the floor at the meeting at which the election is held for each vacancy on the Executive Board.

4.4 Removal or Resignation of Members.

4.4.1 Except with respect to members appointed by Declarant at any regular or special meeting of the Association duly called and subject to the notice requirements set forth in Section 3.5 hereof any one or more of the members of the Executive Board may be removed with or without cause by Unit Owners entitled to cast a majority of all votes in the Association. A successor may then and there be elected to fill the vacancy thus created for the remainder of the term of the member being replaced. In case of multiple vacancies, the person receiving the greatest number of votes shall be elected for the longest term. Notwithstanding the foregoing, during the Declarant Control Period, an Executive Board Member elected by only the Unit Members other than the Declarant pursuant to Section 3.4 hereof, may be removed and

- a replacement elected only by a majority of all votes of Unit Owners other than the Declarant.
- 4.4.2 Any Unit Owner proposing removal of a member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit Owner shall be given at least twenty (20) 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.
- 4.4.3 A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to their Unit, if, as a result of such transfer, such member of the Executive Board has no ownership interest in any Unit.
- 4.4.4 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.

4.5 Vacancies.

- 4.5.1. Except with respect to members appointed by the Declarant, members elected by the Unit Owners other than the Declarant and serving during the Declarant Control Period pursuant to Section 3.4 and vacancies caused by the removal of an Executive Board member by a vote of the Unit Owners as set forth in Section 4.4 above, all vacancies in the Executive Board shall be filled by a vote of a majority of the remaining members of the Executive Board. Such vote shall be conducted 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. Any person so elected shall be a member of the Executive Board for the remainder of the term of the member being replaced. In the case of multiple vacancies, the person receiving the greatest number of votes shall be elected for the longest term.
- 4.5.2. During the Declarant Control Period, any vacancy created by the death, adjudication of incompetency, removal or resignation of a member of the Executive Board elected by only the Unit Owners other than the Declarant pursuant to Section 3.4 hereof shall be filled by the vote of only Unit Owners other than the Declarant. Except in the case of vacancy by removal and simultaneous replacement election pursuant to Section 4.4 above, the vote to fill a vacancy hereunder shall be conducted at a special meeting of the Association to be held for such purpose within twenty (20) days after the occurrence of such vacancy. The Secretary shall give each Unit Owner at least ten (10) days prior notice of this special meeting stating the time, place and purpose

thereof. Any person so elected shall be a member of the Executive Board for the remainder of the term of the member being replaced.

- 4.6 Organization Meeting. The first meeting of the Executive Board following each annual meeting of the Association (hereinafter referred to as "Organization Meeting") shall be held within ten (10) days thereafter at such time and place fixed by the President (even if they are the outgoing President) at the meeting at which such Executive Board shall have been elected. No notice shall be necessary to the newly elected members of the Executive Board in order legally to constitute such meeting, providing a majority of the whole Executive Board shall be present at such meeting.
 - 4.6.1 Regular Meetings. Regular meetings of the Executive Board may be held at such time and place as shall be determined from time to time by a majority of the members, but such meetings shall be held at least once every three (3) months. Notice of regular meetings of the Executive Board shall be given to each member, by mail or telefax, at least ten (10) business days prior to the day named for such meetings.
 - 4.6.2 <u>Special Meetings</u>. Special meetings of the Executive Board may be called by the President on at least three (3) business days' notice to each member, given by mail or telefax, which notice shall state the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or Secretary in like manner and on like notice on written request of at least two (2) members of the Executive Board.
- 4.7 <u>Waiver of Notice</u>. Any member may at any time, in writing, waive notice of any meeting of the Executive Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Executive Board shall constitute a waiver of notice by him of the time, place and purpose of such meeting. If all members are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.
- 4.8 Quorum of the Executive Board. At all meetings of the Executive Board a majority of the Members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, any business which might have been transacted at the meeting originally called may be transacted without notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar communication equipment pursuant to which all persons participating in the meeting can hear each other.

- 4.9 <u>Compensation</u>. No member of the Executive Board shall receive any compensation from the Association for acting as such, but may be reimbursed for any reasonable expenses incurred in the performance of their duties.
- 4.10 Conduct of Meetings. The President shall preside over all meetings of the Executive Board and the Secretary shall keep a minute book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. Such minute book shall be kept at the office of the Association and may be examined at any time by any member who may make copies of any provisions. The Secretary shall, upon request of any member, for a reasonable charge, supply such member with copies of such minutes as such member shall designate, certified by such Secretary as being true and correct. The then current edition of Robert's Rules of Order shall govern the conduct of the meeting of the Executive Board when not in conflict with the Declaration, these By-Laws or the Act.
- 4.11 <u>Action Without Meeting</u>. Any action by the Executive Board required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive Board shall individually or collectively consent in writing to such action. Such written consent shall be filed with the minutes of the proceedings of the Executive Board.
- 4.12 <u>Validity of Contracts With Interested Executive Board Members</u>. 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 of the Association 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 her votes are counted, if the circumstances specified in either of the following subparagraphs exists:
 - 4.12.1 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
 - 4.12.2 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.

- 4.13 <u>Inclusion of Interested Executive Board Members in the Quorum.</u> Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 4.14 hereof.
- 4.14 <u>Limited Liability of the Executive Board</u>. The Executive Board, and its members in their capacity as members, officers and employees:
 - 4.14.1 Shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another Unit Owner or Person on the Property, or resulting from electricity, gas, water, rain, dust or same which may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board;
 - 4.14.2 Shall not be liable to the Unit Owners as a result of the performance of the Executive Board members' duties for any mistake of judgment, negligence or otherwise;
 - 4.14.3 Shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties;
 - 4.14.4 Shall not be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, customers or guests, for loss or damage caused by the theft or damage to personal property left by such Unit Owner or their tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements, Limited Common Elements, except for the Executive Board members' own willful misconduct or gross negligence;
 - 4.14.5 Shall have no personal liability in tort to a Unit Owner or any other person or entity, direct or imputed, by virtue of acts performed by or for them, except for the Executive Board members' own willful misconduct or gross negligence in the performance of their duties;
 - 4.14.6 Shall have no personal liability arising out of the use, misuse or condition of the Buildings, or which might in any other way be assessed

against or imputed to the Executive Board members as a result of or by virtue of their performance of their duties, except for the Executive Board members own willful misconduct or gross negligence.

4.15 <u>Indemnification</u>. Each member of the Executive Board in his or her 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 them in connection with any proceeding in which they may become involved by reason of their being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not they are an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of their duties; 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 they are then an Executive Board member) approves such settlement and reimbursement as being in the best interests of the Association. indemnification by the Unit Owners set forth in this Section 4.15 shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

ARTICLE V OFFICERS

- 5.1 <u>Designation.</u> 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, Vice President, Secretary and Treasurer shall be members of the Executive Board. Any other officers may, but need not, be Unit Owners or members of the Executive Board. An officer other than the President may hold more than one office.
- 5.2 <u>Election of Officers</u>. 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.
- 5.3 <u>Removal of Officers</u>. Upon the affirmative vote of a majority of all members of the Executive Board, any officer may be removed, either with or without cause, and a successor may be elected at any meeting of the Executive Board called for this purpose.

- 5.4 <u>Compensation of Officers</u>. No officer who is also a member of the Executive Board shall receive any compensation from the Association for acting as an officer, but may be reimbursed for any out-of-pocket expense incurred in performing his duties; provided, however, the Secretary and Treasurer may be compensated for their services if the Executive Board determines the compensation to be appropriate.
- 5.5 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 shall have all of the general powers and duties which are incident to the office of the President of a corporation organized under the laws of the Commonwealth 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 or her discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall cease holding this office at such time as he or she ceases to be a member of the Executive Board.
- 5.6 <u>Vice President</u>. The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. 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 President, on an interim basis. The Vice President shall also perform any other duties as shall from time to time be delegated or assigned to him or her by the Executive Board or by the President. The Vice President shall cease holding this office at such time as he or she ceases to be a member of the Executive Board.
- 5.7 <u>Secretary</u>. The Secretary shall keep the minutes of all meetings of the Association and of the Executive Committee, have charge of such books and papers as the Executive Board may direct, maintain a register setting forth the place to which all notices to Unit Owners and holders of mortgages on any Units hereunder shall be delivered and, in general, perform all the duties incident to the office of the secretary of a corporation organized under the laws of the Commonwealth of Pennsylvania.
- Treasurer. The Treasurer shall have the 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 financial data, and be responsible for the deposit of all monies in the name of the Executive Board, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Executive Board and, in general, perform all the duties incident to the office of the treasurer of a corporation organized under the laws of the Commonwealth of Pennsylvania.

- 5.9 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of Five Thousand Dollars (\$5,000.00) shall be executed by any two (2) officers of the Association, except during the period of Declarant control. All such instruments for expenditures or obligations of Five Thousand Dollars (\$5,000.00) or less may be executed by any one (1) officer of the Association.
- 5.10 Other Provisions. Subject to the provisions of the Declaration and the Act, the By-Laws may provide for any other matters the Association deems necessary and appropriate.

ARTICLE VI COMMON EXPENSES- BUDGETS

- 6.1 <u>Fiscal Year</u>. 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 recordation of the Declaration.
- 6.2 <u>Preparation and Approval of Budget.</u>
 - 6.2.1 On or before the first day of November of each year, (or sixty (60) days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management operation, repair and replacement of the Common Elements and those parts of the Units which it is the responsibility of the Executive Board 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 By-Laws 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 also include such reasonable amounts as the Executive Board considers necessary for contingencies and replacements. The budget shall segregate General Common Expenses and Limited Common Expenses.
 - 6.2.2 On or before the 15th day of November of each year, the Executive Board shall make the budget available for inspection at the Association office and within ten (10) business days of the adoption of the budget shall send to each Unit Owner a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Unit Owner's assessment for General Common Expenses and Limited

Common Expenses of the Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 6.3.7 below.

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

6.3 Assessment and Payment of Common Expenses.

- 6.3.1 General Common Expenses. The Executive Board shall calculate the monthly assessments for General Common Expenses against each Unit by multiplying (a) the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Executive Board for the fiscal year in question, after deducting any Limited Common Expenses from the income expected to be received from sources other than Common Expense assessments and the operation of the Limited or Reserved Common Elements to which the Limited Common Expenses pertain, by (b) the Percentage Interest (express in decimal form) allocated to such Unit, and dividing the resultant product by (c) the number of calendar months in such fiscal year. Such assessments shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments, shall be due and payable on the first day of each calendar month, and shall be a lien against each Unit Owner's Unit as provided in the Act and the Declaration. Within one-hundred twenty (120) 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, Limited 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 promptly assessed against the Unit Owners in accordance with their Percentage Interests and shall be payable in one or more monthly assessments, as the Executive Board may determine.
- 6.3.2 Reserves. The Executive Board shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including nonpayment of any Unit Owner's assessments, the Executive Board may at any time levy further assessments for General Common Expenses and/or Limited Common

Expenses which shall be assessed against the Unit Owners either according to their respective Percentage Interests with regard to General Common Expenses or in accordance with the allocable shares of Limited Common Expenses with regard to Limited Common Expenses (whichever is appropriate) and shall be payable in one or more monthly assessments as the Executive Board may determine.

- 6.3.3 <u>Further Assessments</u>. The Executive Board shall serve notice on all Unit Owners of any further assessments pursuant to Section 6.3 or otherwise as permitted or required by the Act, the Declaration and these By-Laws by a statement in writing giving the amount and reasons therefore, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly assessment which is made more than thirty (30) days after the delivery of such notice of further assessments. Such assessments shall be a lien as of the effective date set forth in the preceding Section 6.3.
- 6.3.4 <u>Initial Budget</u>. At or prior to the time assessment of Common Expenses and Limited Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive Board determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessments shall be levied and become a 1ien against the Owners during such a period as is provided in Section 6.3 above.
- 6.3.5 Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay their allocable share of the Common Expenses and Limited Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly assessments at the rate established for the previous fiscal year until the new annual or adjusted budget is adopted.
- 6.3.6 Accounts; Audits. All sums collected by the Executive Board with respect to assessments against the 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 may be audited as the Executive Board decides.
- 6.3.7 Rejection of Budget; Limitation on Expenditures and Borrowing. The Association, by a majority vote of all votes in the Association, may reject any budget or capital expenditure approved by the Executive

Board, within thirty (30) days after approval by the Executive Board. The power of the Executive Board to expend funds, incur expenses or borrow money on behalf of the Association is subject to the requirement that the consent of Unit Owners entitled to cast at least two-thirds (2/3) of the votes in the Association obtained at a meeting duly called and held for such purpose in accordance with the provision of these By-Laws, shall be required to (i) expend funds or incur expenses that are reasonably anticipated will cause the aggregate amount of all expenses in the budget (including reserves) to be exceeded by more than thirty-three and one-third percent (33.3%) of such aggregate amount after taking into account any protected increases in income, and (ii) to borrow money so that loans of the Association then outstanding would exceed twenty percent (20%) of such aggregate amount.

6.3.8 Payment of Common Expenses and Limited Common Expenses. Each Unit Owner shall pay the Common Expenses and/or Limited Common Expenses assessed by the Executive Board pursuant to the provisions of this Article 6. No Unit Owner may exempt themselves from liability for their contribution toward Common Expenses and/or Limited Common Expenses by waiver of the use of enjoyment of any of the Common Elements and/or Limited Common Elements or by abandonment of their Unit. No Unit Owner shall be liable for any part of the Common Expenses and/or Limited Common Expenses assessed against his or her Unit subsequent to the date of recordation of a conveyance by them 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 their proportionate share of the Common Expenses and/or Limited Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefore; provided, however, that any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Unit Owner within ten (10) days following a written request therefore to the Executive Board or Managing Agent and such purchaser shall not be liable for, nor shall the Unit conveyed by subject to a lien for, any unpaid assessments in excess of the amount therein set forth. Subject to Section 3315(b)(2) of the Act, each record holder of a mortgage on a Unit who comes into possession of a Unit by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments or charges against such Unit which accrue prior to the time such holder comes into possession thereof, except for claims for a pro rata share of such assessments or charges resulting from a pro rate reallocation of such assessments or charges to all Units including the mortgaged Unit.

- 6.3.9 Collection of Assessments. The Executive Board or the Managing Agent at the request of the Executive Board, shall take prompt action to collect any Common Expenses and/or Limited Common Expenses due from any Unit Owner which remain unpaid for more than ten (10) days from the due date for payment thereof. Any assessment not paid within ten (10) days after its due date shall accrue a late fee of five (5%) percent of the overdue amount. In addition, attorney's fees equal to fifteen (15%) percent of the total due and payable shall be assessed if a collection matter is commenced. The Executive Board shall also have the right, by giving five (5) days written notice to any Unit Owner who is in default in the payment of a monthly assessment for a period of sixty (60) days, to accelerate the maturity of the unpaid monthly assessments for the remainder of the year and collect the same as if they were then presently due. As provided in the Act and Declaration, the Association shall have a lien on unpaid assessments.
- 6.3.10 IN ORDER TO EXPEDITE THE EXECUTIVE BOARD'S COLLECTION OF ANY DELINQUENT ASSESSMENT, EACH UNIT OWNER (BY THE ACCEPTANCE OF THE DEED TO THEIR UNIT) SHALL BE DEEMED TO HAVE APPOINTED ANY ONE OR MORE EXECUTIVE BOARD MEMBERS THE ATTORNEY-IN-FACT FOR SUCH UNIT OWNER CONFESS JUDGMENT AGAINST SUCH UNIT OWNER IN ANY COURT **OF COMPETENT JURISDICTION** IN **FOR** PENNSYLVANIA, **ANY** SUCH UNPAID ASSESSMENT(S), WHICH APPOINTMENT (BEING FOR SECURITY) SHALL BE IRREVOCABLE; AND FOR SO DOING A COPY OF THIS SECTION 6.3.10 AND SAID DEED. BOTH VERIFIED BY AFFIDAVIT, SHALL BE A SUFFICIENT THE AUTHORITY GRANTED HEREIN TO WARRANT. CONFESS JUDGMENT SHALL NOT BE **DEEMED** EXHAUSTED BY ANY EXERCISE THEREOF, BUT SHALL FROM CONTINUE TIME TO TIME UNTIL REGULATIONS SHALL BE TERMINATED.
- 6.3.11 Statement of Unpaid Assessments. The Executive Board shall promptly provide any Unit Owner, contract purchaser or proposed mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses and Limited Common Expenses due from each Unit Owner as required by the terms of Section 3315(g) of the Act, or the certificate and documents required by the terms of Section 3407 of the Act. To the extent permitted by the Act, the Executive Board may impose a reasonable charge for the preparation of such statement and/or certificate and the reproduction of

these documents in order to cover the cost of the preparation and reproduction.

ARTICLE VII ASSOCIATION RECORDS

7.1 <u>Association Records.</u> The Association shall maintain financial records sufficiently detailed to enable the Association to comply with Section 3407 (relating to resale of Units). All financial and other records shall be made reasonably available for examination by any Unit Owner and his authorized agents.

ARTICLE VIII ASSOCIATION AS TRUSTEE

Association as Trustee. With respect to a third person dealing with the Association in the Association's capacity as a trustee, the existence of trust powers and their proper exercise by the Association may be assumed without inquiry. A third person is not bound to inquire whether the Association has power to act as trustee or is properly exercising trust powers and a third person, without actual knowledge that the Association is exceeding or improperly exercising its powers, is fully protected in dealing with the Association as if it possessed and properly exercised the powers it purports to exercise. A third person is not bound to assure the proper application of trust assets paid or delivered to the Association in its capacity as trustee.

ARTICLE IX AMENDMENTS

9.1 Amendments to By-Laws. The By-Laws may be modified or amended only by vote of a majority of Unit Owners, except as otherwise expressly set forth herein or in the Act; provided, however, that until the date on which all Declarant-appointed Board members voluntarily resign or are required to resign pursuant to Article 14 of the Declaration and Sections 3.4 and 4.1 of these By-Laws, this Article 9 may not be amended without the written consent of the Declarant. Additionally, in the judgment of the Executive Board, if any amendment is necessary to cure any ambiguity, or to correct or supplement any provision of these By-Laws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time, the Executive Board may effect an appropriate corrective

amendment without the approval of the Unit Owners or the holders of any liens on all or part of the Property, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

- 9.2 <u>Material Amendments</u>. Amendments of material nature must be agreed to by Unit Owners representing at least sixty-seven percent (67%) of the total allocated votes in the Unit Owners Association. In addition, approval must be obtained from eligible mortgage holders representing at least fifty-one percent (51%) of the votes of Unit estates that are subject to mortgages held by eligible holders. A change to any of the following would be considered as material:
 - a. voting rights;
 - b. assessments, assessment liens, or subordination of assessment liens;
 - c. reserves for maintenance, repair, and replacement of Common Elements and/or Limited Common Elements;
 - d. responsibility for maintenance and repairs;
 - e. reallocation of interest in the Common Elements or Limited Common Elements, or rights to their use;
 - f. boundaries of any Unit;
 - g. convertibility of Units into Common Elements, and/or Limited Common Elements or, vice versa;
 - h. expansion or contraction of the project, or the addition, annexation, or withdrawal of property to or from the project;
 - i. insurance or fidelity bonds;
 - i. leasing of Units;
 - k. imposition of any restrictions on a Unit Owner's right to sell or transfer his Unit;
 - a decision by the Association to establish self-management when professional management had been required previously by an Eligible Mortgagee;
 - m. restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents:

- n. actions to terminate the legal status of the project after substantial destruction or condemnation occurs; or
- o. provisions that expressly benefit holders, insurers or guarantors of Eligible Mortgages.

When Unit Owners are considering termination of the legal status of the project other than after substantial destruction or condemnation of the property, all eligible mortgage holders must agree pursuant to the Declaration.

If an addition or amendment is not considered as a material change, such as the correction of a technical error or the clarification of a statement, the eligible mortgage holder's consent implied approval to amend is to be assumed.

Eligible mortgage holders are to be notified of any material changes and must submit any comments or concerns about material changes within ten (10) days of submission of the written proposal for an amendment.

ARTICLE X APPROVAL OF MORTGAGEES

- 10.1 <u>Approval of Mortgages</u>. These By-Laws contain provisions concerning various rights and interests of record holders of mortgages on Units. Such provisions in these By-Laws are to be construed as covenants for protection of such holders on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of these By-Laws impairing or affecting such rights, priorities, remedies, or interests of such holder shall be adopted without the prior written consent of such holders who have registered an address with the Secretary.
- 10.2 <u>Amendments to the Declaration</u>. Any two (2) Officers or Board Members of the corporation may prepare, execute, clarify, and record amendments to the Declaration on behalf of the Association.
- 10.3 <u>HUD/VA Rights</u>. HUD/VA has the right to veto amendments while there is a Special Declarant.

ARTICLE XI MISCELLANEOUS

11.1 <u>Notices</u>. All notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly

given if delivered personally or if sent by registered or certified mail, return receipt, postage prepaid, or otherwise as the Act may permit if:

- a. to a Unit Owner, at the single 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
- b. if to the incorporated association, the Board, or the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section.

If a Unit is owned by more than one person, each such person who so designates a single address in writing to the Secretary, shall be entitled to receive all notices hereunder.

- 11.2 <u>Captions</u>. The captions herein are inserted only as a matter of convenience and for reference, and in no way defines, limits, or describes the scope of these By-Laws or the intent of any provision thereof.
- 11.3 <u>Gender</u>. The use of the masculine gender in these By-Laws shall be deemed to include the feminine and neutral genders and the use of the singular shall be deemed to include the plural and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, we, be Canterbury Ridge Condominium Associated But day of figure	•		
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Cindy Well	By: Jma Secre	mda Julebon etary/Treasurer	_
County of Centre On this, the before me, the undersigned officer, person and Amanda Nelson, who acknowledged Canterbury Ridge Condominium Associate being authorized to do so, executed the foresigning the name of The Canterbury Ridge Directors/ Officers.	nally appeared themselves to be tion, and that the egoing instrume	Christopher A. Dochat, Alicope the Initial Directors/ Office they as such Initial Director cont for the purposes therein co	cers of The ss/ Officers ontained by
IN WITNESS WHEREOF, I hereu	nto set my hand	I and official seal. Notary Public My commission expires: J	20,2020
s:worddocs/s&a/files/A-555.352 Canterbury Ridge/A-555.352 F	Bylaws	Cemmonwealth of Pennsylvan Nicole M. Stocks, Nota Centre County My commission expires Ju Commission number 1 Member, Pennsylvania Associa	ary Public y une 20, 2026 1422316