

Declaration of covenants, easements, restrictions, equitable servitudes, charges and liens

Kingswood Phase I

This declaration of covenants, easements, restrictions, equitable servitudes, charges and liens made this 10th day of June, 1987, by Pamay Development Co., Inc. (herein referred to as the "Declarant").

Witnesseth:

Whereas, Pamay Development Co., Inc. is the owner of certain real property more particularly described by notes and bounds description attached hereto as Exhibit A; and

Whereas, Declarant desires to create thereon a residential neighborhood to be named Hampden Square, Plan No., 5, Phase III, with the right to the use, enjoyment and recreation of Common Areas to be developed in later phases of Hampden Square and;

Whereas, Declarant desires to insure the attractiveness of the homes within Hampden Square, to prevent nuisances, to preserve, protect and enhance the values and amenities of said Hampden Square, and to provide for the maintenance of the Common Areas therein; and, to accomplish these purposes, desires to subject the real property described in Exhibit A attached hereto, each and all of which is and are for the benefit of said property and each Owner thereof; and

Whereas, a Preliminary Plan was approved by Hampden Township in 1978 for single family detached dwelling areas for various Phases of Hampden Square, but Declarant intends to propose for Phases IV, VII and a portion of Phase VIII a Planned Residential Development, a sketch plan of which has been submitted to the municipality, which if approved could include townhouses, apartments and commercial development, in addition to single family detached dwellings; and

Whereas, if Declarant does not develop a Planned Residential Development in Phases IV, VII and a portion of Phase VIII of Hampden Square, then it intends to develop the areas for single family detached dwelling areas; and

Whereas, Declarant has deemed it desirable, for the efficient preservation, protection and enhancement of the values and amenities in Hampden Square, to create an organization to which should be delegated and assigned powers of owning, maintaining and administering the Common Areas and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

Whereas, Declarant will incorporate a non-profit corporation for the purposes of exercising the powers and functions aforesaid within Hampden Square upon recording of an accepted Declaration of Covenants and Easements.

Now, therefore, Declarant declares that all of the lots and the Property herein described and such additional property as may be added hereto by supplement to this Declaration as hereinafter provided is held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and

improved, subject to the provisions of this Declaration, all of which are declared and agreed to be in furtherance of a plan for the development, improvement and conveyance of the Property and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness thereof. The provisions of this Declaration are intended to create mutual equitable servitudes upon each of the Lots in favor of all such Lots, with each Owner covenanting and agreeing with each other Owner and with Declarant, and for their mutual benefit, that the owners, their heirs, administrators, successors and assigns will faithfully keep, observe and perform the covenants and conditions hereof for the benefit of each other Owner; to grant each Owner the right to enforce, in law or in equity, the performance hereof by each other Owner; and to operate as covenants running with the land for the benefit of the Property and each Lot subject to this Declaration and the Owners thereof, present and future.

Article I

Definitions

Section 1. "Association" shall mean and refer to Hampden Square Homeowner's Association, its successors and assigns.

Section 2. "Hampden Square" means the residential community to be developed and constructed on the Property by Declarant, in phases, by subdivision of Lots and Common Areas, by acquisition and construction of residential dwellings thereon and other improvements, including roads, utility facilities and such other improvements deemed necessary or desirable by Declarant.

Section 3. "Board" means the Board of Directors of the Association elected pursuant to provisions hereof and the Bylaws.

Section 4. "Bylaws" means the Bylaws of the Association.

Section 5. "Common Area" means that portion of the Property designated on a Final Plan as Common Area, or as a right-of-way, open space, park, playground, pedestrian path, and any improvements thereon and any other property, real, personal or mixed, acquired by the Association.

Section 6. "Declarant" shall mean and refer to Pamay Development Co., Inc., and its assigns and successors and such of its assigns as shall acquire more than one undeveloped lot (or any portion of Hampden Square which has not been subdivided into Lots) from the Declarant for the purpose of development, provided, however, that an assignee of a Declarant shall be deemed a Declarant only with respect to that portion of Hampden Square conveyed to such assignee by a deed of conveyance which specifically grants to the assignee the rights of a Declarant and sets forth the number of Class B votes, as hereinafter set forth, which said assignee may be entitled to exercise.

Section 7. "Declaration" means this Declaration of Covenants, Easements, Restrictions, Equitable Servitudes, Charges and Liens, dated June 3, 1987, as amended or supplemented from time to time, which term sometimes is referred to in this document by use of such words as "hereto", "hereby", "herein", "hereof" and "hereunder", and other descriptive words or phrases having similar import.

Section 8. "Final Plan" means the Plan No. 5, Phase III for Hampden Square, dated September 18, 1986, and recorded in the Office for the Recording of Deeds, in and for Cumberland County, at Plan Book 52, Page 145, on May 6, 1987, and any subdivision or development plan for the Property, as adopted by Declarant and, if applicable, as submitted to and approved by the authorities of Hampden Township, Cumberland County, and recorded in Cumberland County, and any supplements or amendments thereto.

Section 9. "Lot" shall mean and refer to any plot of land shown as a lot upon any recorded subdivision plat of Hampden Square, but shall not include the Common Area.

Section 10. "Maintenance" means collectively and separately all maintenance, repair work, restoration work, reconstruction work, improvements, replacement, painting, landscaping, paving, cleaning, trash collection and any other general maintenance upkeep required to maintain the Common Area, and portions of Lots, as herein provided, in a good, sanitary condition and repair.

Section 11. "Owner" means any person or persons who hold legal title pursuant to any deed, or document of transfer or conveyance, in which case the seller under such document, shall cease to be an "Owner" with respect to such Lot or Dwelling Unit, and all other persons holding or owning a Lot by virtue of a deed, other instrument, devise, or any other means. This term shall not include, where applicable, the Declarant. In the event that one or more persons shall so hold or own a Lot or Dwelling Unit, this term shall mean all such persons collectively and the obligations of an Owner hereunder shall be the joint and several obligations of all such persons.

Article II

Property Subject to this Declaration

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is more particularly described by notes and bounds description attached hereto as Exhibit A.

Article III

Property Rights

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of use and enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following:

(a) the right of the Association to suspend the voting rights and the right to use Common Area or any facility thereon by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules;

(b) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority for such purposes and subject to such conditions as may be agreed upon by the

members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer is recorded. The effect of such declaration or transfer shall be to terminate the provisions of, and rights and obligations of all parties bound by this Declaration with respect to such dedicated or transferred area;

(c) the right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Areas and in aid thereof, to mortgage said properties and the rights of such Mortgagees in said properties shall be subordinate to the rights of the Owners hereunder;

(d) the right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure;

(e) the right of the Association to charge reasonable admission and other fees for the use of the common Areas;

(f) the right of the Declarant, and of the Association, to grant and reserve easements and rights-of-way through, under, over and across the Common Areas, with or without limitation as to the location thereof within the Common Areas, with or without limitation as to the location thereof within the Common Areas, for purposes of installing, maintaining, repairing, replacing and inspecting all lines and appurtenances for public or private water, sewer, drainage, utilities, with the right of the Grantees of such easements to have full access over and across all portions of the Common Areas consistent with the full exercise and enjoyment of such easements and rights-of-way.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the Association, his right of enjoyment to the Common Areas and any facility thereon to the members of his family, his tenants, or contract purchasers who reside on a Lot.

Section 3. Easement of Ingress, Egress, and Regress. Each Owner of a Lot, the members of his family, his tenants and all contract purchasers who reside on a lot and their respective guests and invitees shall have a right and easement of ingress, egress, and regress, over and across those portions of the Common Areas as shall be from time to time improved by roadways, streets or pathways, subject to the right of the Association to specify that such right and easement over certain of such areas shall be limited to pedestrian traffic or non-commercial motor vehicle traffic, as the case may be. Such easement and right, subject as aforesaid, shall be appurtenant to and shall pass with the title to every Lot.

Article IV

Membership and Voting Rights

Section 1. Membership. Every owner of a Lot or Dwelling Unit which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling Unit which is subject to assessment.

Section 2. Voting Rights: Classes.

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners and shall be entitled to one vote for each Lot or Dwelling Unit owned. When more than one person is the Owner, all such persons shall be members. The vote for such Lot or Dwelling Unit shall be exercised as they among themselves determine, but in no event shall more than one Class A membership vote be cast with respect to any Lot or Dwelling Unit. The Class A members shall not include the Declarant unless and until its Class B membership shall cease and be converted to Class A membership as hereinafter provided.

Class B. The Class B member shall be the Declarant and shall be entitled to a majority of the votes. The Class B membership together with said votes (or any additional Class B votes as hereinafter provided) shall cease and be converted to Class A membership with a right to one vote for each Lot or Dwelling Unit owned as aforesaid on the happening of either of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equal the total votes then outstanding in the Class B membership, or
- (b) Ten years after sale of first Lot, or
- (c) At any time deemed appropriate by Declarant.

Article 5

COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. Creation of the lien and personal obligation of assessments.

The Declarant, for each Lot owned by it upon which a completed private dwelling is erected and for which a certificate of occupancy has been issued within Hampden Square, hereby covenants, and each subsequent Owner or any Lot (other than an Owner deemed a Declarant for such lot) whether or not it shall be so expressed in the deed to such lot, is deemed to covenant and agreed to pay to the Association:

- (1) annual assessments or charges, and
- (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the lot (including all improvements thereon) against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fee, shall also be the personal obligation of the person who was the Owner of such lot at the time when the assessment became effective. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments.

The assessments levied by the association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of Hampden Square, for the restoration, improvement, maintenance and insurance of the Common Areas and all services and facilities relating to the use and enjoyment thereof.

Section 3. Initiation Fee.

There shall be an initiation fee charged to each property owner for each lot in the amount of \$50 to be paid upon conveyance of title. All initiation fees shall be held in escrow until the majority of the homeowners have control of the association, which fees shall be retained for improvements. Any expenditures from the initiation fees held in escrow shall be made only upon approval of 51% of the homeowners, without the necessity of receiving approval from declarant.

Section 4. Annual Assessments for Common Expenses.

The association shall levy and collect, in each Fiscal Year, an annual assessment upon each lot liable therefore to provide revenues to pay all common expenses, including inter alia, the following:

- (a) Maintenance of the common area and yards, driveways and other unimproved areas of lots, including repairs, replacement, reconstruction, snow removal, and cleaning of roadways, pathways, parking areas and recreation areas.
- (b) Trash collection, refuse and garbage removal, snow removal, landscaping, vermin extermination, or other similar services, if any, provided to any part of the property or common area.
- (c) Comprehensive liability insurance coverage, insuring to the extent available, the owners, the declarant and the association against any liability to the public or to owners, their tenants or invitees, relating in any way to the ownership and / or use of the common area and / or any part thereof; limits of liability shall be at least Five hundred thousand dollars (\$500,000.00) per occurrence. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the board and may be increased in its discretion.
- (d) Such workman's compensation insurance and other such insurance as applicable laws may require or as the board may deem advisable.
- (e) Management fees and salaries or such expenses as the association may deem necessary or desirable for the operation and maintenance of the common area.
- (f) Legal, accounting, engineering or other professional fees and administrative costs necessary and proper for any one or more of: operation and maintenance of the common area, conduct of the affairs of the association, or enforcement of the declaration, or any rules and regulations.
- (g) A fidelity bond or bonds as the association may deem necessary.
- (h) Maintenance, improvements and additions to the common areas, as the association may deem necessary and proper, as well as any materials, supplies, labor, services, structural alterations, insurance

and tax assessments which apply thereto and / or which the association is required to secure or pay by law, by this declaration or which the board deems necessary and proper in its discretion.

(i) Mechanic's and material men's liens arising as a result of maintenance of the common area or part of it.

(j) Real estate, sale and use and all other taxes or other governmental charges due or paid with respect to use, ownership or occupancy of the common area, provided, however, that real estate taxes on the common areas shall be paid only to the extent that such taxes are assessed against the association as the owner of record of the common area. Any portion of the common area included within the tax assessment of a particular lot by the appropriate taxing authorities shall be the responsibility of the owner of such lot and shall in no event be a responsibility of the association.

(k) Amounts necessary to recover any deficits from the operations of the association in prior years; and

(l) Adequate reserves, as determined by the board for: (i) Repair, replacement or depreciation of the common area, or any portion thereof; (ii) Uncollectable accounts and (iii) Any other contingency for which a reserve account reasonably may be established pursuant to sound accounting practices.

Section 5. Maximum Assessment.

Annual assessments shall begin January 1, 1988 at the rate of Twenty-five Dollars (\$25.00) per year.

(a) From and after January 1, 1989 the assessment may be increased by the board each year no more than 10% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1, 1989 the assessment may be increased above 10% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy; at a meeting duly called for this purpose.

(c) The association, through its board of directors, may fix the assessment at an amount not in excess of the maximum.

Section 6. Special Assessments for Capital Improvements.

In addition to the assessments authorized above, the association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 7. Supplemental Annual Assessments.

If the cash requirement estimated by the beginning of any Fiscal Year (commencing on or after the calendar year 1989) shall prove to be insufficient to cover the actual Common Expenses for such Fiscal

Year for any reason including (by way of illustration and not limitation) any Owner's non-payment of his assessment, the board may, at any time it deems necessary and proper, levy a supplemental annual assessment against each Lot except that in the event such supplemental annual assessment is required because of the failure of one or more Owners to promptly pay an annual assessment, the supplemental annual assessment against other lots may be determined based upon the anticipated failure of such defaulting owner or owners to pay its or their share of supplemental annual assessment.

Section 8. Billing Annual Assessments.

Annual assessments are due and payable on the first day of each Fiscal Year. Annual assessments may be billed in monthly, quarterly or in any other periodic installments as may be determined by the Board. Each owner shall pay any assessment bill levied hereunder within thirty (30) days.

Section 9. Failure of Board to Fix Annual Assessment.

If an annual assessment for Common Expenses for any Fiscal Year is not fixed before the expiration of the previous Fiscal Year, the Owners shall continue to pay the same sums they were paying in the Fiscal Year just ended as if such sums were the new annual assessment, and such failure to fix a new annual assessment shall not constitute waiver, modification or release of any owner's obligation. If the association shall change the annual assessment at a later date, an increase in the total assessment amount as a result of such new assessment shall be treated as if it were a supplemental assessment hereunder and be retroactive to the beginning of the Fiscal Year.

Section 10. Fiscal Year.

The Fiscal Year of the association shall be the calendar year unless otherwise determined by the Board.

Section 11. Other Special Assessments.

The Board shall have the authority to fix, determine, assess and collect special assessments for the following purposes:

(a) Any expenditure which the association shall be required to make for the Maintenance of all or any part of the Common Area because of any injury thereto or misuse thereof by one or more owners or their tenants, guests, invitees, or licensees or resulting from theft or in damage to any portion of the common area shall be assessed as a special assessment against the Lot owned by the Owner or Owners responsible for such injury, loss or misuse, or whose tenants, guests, invitees or licensees caused such injury, loss or misuse.

(b) If the Association shall have made any expenditures on behalf of any owner or owners for any reason deemed necessary by the board, the board shall levy such expenditures as a special assessment upon the lot owned by the owner so benefitted or who is responsible for the expenses. Such special assessments shall be levied promptly, and the debt arising from such special assessment shall be treated and due in the same manner as the assessment.

Section 12. Association Purchase of Lots.

To protect its right to collect unpaid assessments which are a charge against a lot as provided herein, the association may, in its own name or in the name of a designee, purchase such lot at a Sheriff's Sale or other sale, public or private. If the association does so purchase the lot, the association shall thereafter have the power to sell, convey, mortgage or lease such lot to any persons whatsoever upon any terms and conditions which it deems proper. Payment of such purchase price and the expenses or purchase by the association shall be a Common Expense, and income from any such resale, conveyance, mortgage or lease shall be placed in the Common Expense Fund for the benefit or loss of the Owners so their assessments may be reduced or increased by reason of such transaction. The defaulting owner shall be responsible for any loss and liable personally for the payment thereof. The provisions hereof shall not be construed to require the association to purchase any lot at a Sheriff's Sale nor shall they be construed to prevent declarant in its capacity as developer from purchasing the same.

Section 13. Notice and Quorum for Any Action Authorized Under Sections 3 and 4.

Written notice of the time and location of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all members not less than 10 days nor more than 60 days in advance of the meeting. At any such meeting called, the presence of members or of proxies entitled to cast thirty-three and one-third percent (33 1/3%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and there shall be no quorum requirement. No such subsequent meeting shall be held more than 60 days following the preceding meeting. The above notice and quorum requirement shall supersede and be in lieu of any notice or quorum requirements at any time hereafter adopted by the Association in its Bylaws, Articles or any resolution, and may be modified only by an amendment to this declaration. Notice and quorum requirements for all other meetings of the association called for purposes not in any way including the taking of any action authorized under Section 3 or 4 hereof shall be governed by the articles and bylaws of the association.

Section 14. Uniform Right of Assessment.

Both annual and special assessments must be fixed at a uniform rate for all lots.

Section 15. Effect of Non-Payment of Assessments; Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum to be compounded daily. The association may bring an action at law against the owner personally obligated to pay the assessment, or foreclose the lien against the property. In addition, owners shall likewise be responsible for payment of reasonable attorney's fees and costs if the assessment and interest is more than sixty (60) days in default. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his lot, or any other reason.

Section 16. Subordination of the Lien to Mortgages.

The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon Hampden Square, or any part thereof subject to the assessment. Sale or transfer of any lot will not affect the assessment lien, provided, however, that the sale or transfer of any lot pursuant to mortgage foreclosure or any other proceeding in lieu of foreclosure shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Article VI

Architectural Control; Protective Covenants

Section 1. Architectural Control.

(a) Excepting any original construction by the declarant, no building, fence, wall or other structure shall be commenced, erected or maintained upon the lots in Hampden Square, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures, topography and finished ground elevation by the declarant, or by an architectural committee appointed by declarant. Said written approval shall be obtained prior to the commencement of construction of any building on any lot. No changes shall be made in the approved plans prior to the occupancy of any dwelling house located on a lot without the prior written approval of declarant as above provided.

(b) After the initial occupancy of any dwelling house located on a lot, any erection of a structure (including but not limited to fences, walls and mailboxes), any addition or alteration to the exterior of a structure, or any change in the existing color or finish of any exterior surface of any building on a lot shall not be done until plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures, and finished ground elevation topography, by the board of directors of the association, or by an architectural committee composed of three (3) or more representatives appointed by the board. In the event said board, or its designated committee, fails to approve or disapprove such change, design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required in this article will be deemed to have been fully complied with.

Section 2. Protective Covenants.

Without intending to limit the generality of the foregoing provisions of Section 1, the following restrictions are imposed as a common scheme upon all lots:

a. Within nine (9) months of the commencement of construction of any dwelling located on a lot, concrete sidewalks within the public right-of-way as shown on the final subdivision plan, and a driveway of asphalt or concrete shall be installed.

b. Prior to the occupancy of any dwelling located on a lot a landscaping plan for the lot, showing the type, size and location of plants and materials shall be submitted to and approved in writing as to conformity and harmony with existing structures, topography and finished ground elevation by the declarant, or by a landscaping committee appointed by the declarant. The grass plot on the lot and the plants and materials as shown on the landscaping plan shall be installed within one (1) year of the commencement of construction of any building on the lot.

c. No building other than a single family dwelling solely for residential use, except as hereinafter provided, its auxiliary garage as provided in paragraph VI 2 g of this declaration and a tool shed as provided in paragraph VI 2 d of this declaration shall be erected or maintained upon any of the lots. No building blocks shall be used in the exterior walls of any building above the finished grade of the ground unless faced or covered with brick, natural stone, wood, aluminum siding, or such other materials as shall have the prior approval of the declarant or the board of directors of the association as above provided. Each single family dwelling shall have a minimum of 2,000 square feet of living space above ground elevation.

d. No trailer, tent, shack, shed or other outbuilding, except as hereinafter provided, shall be erected or maintained on any of the said lots, either temporarily or permanently, and no residence of a temporary character shall be erected or permitted on any of said lots. A construction trailer, or a shed for the housing of tools, incident to the erection of a dwelling house and its auxiliary garage upon a lot may be erected or placed on said lot but shall nor remain thereon for a period in excess of six (6) months.

e. No trade, business or profession shall be conducted or carried on upon any lot; and nothing shall be done or carried on on any lot which shall be, or may become, a nuisance or annoyance to the owners or occupiers of other lots or which may be considered an obnoxious or offensive use. Determination of any matters hereunder shall be by the board of directors of the association and shall be binding on all persons if made reasonably and in good faith. The approval of any lot for trade or business purposes or for any purpose allowed hereunder shall not operate to exempt the property from the provisions of this restriction and shall in no way derogate from the authority of the board of directors of the association to make a subsequent determination of the objectionableness of any usage or proposed usage.

f. Outside water closets shall not be erected or maintained on any of the said lots after construction has been completed on said lot.

g. One private garage to accommodate no less than two and no more than three automobiles may be erected and maintained on any of the said lots, either as an integral part of the dwelling house erected thereon or as a separate garage. If a separate garage is erected or maintained, it shall not exceed one (1) story in height, shall be accessory to the use of the dwelling house but not used as a dwelling, shall not be erected and maintained nearer to the front boundary line of the lot than the rear wall of the dwelling house erected and maintained on said lot and shall comply with all other setbacks as shown on the Final Subdivision Plan.

h. No tank for storage of ten (10) gallons or more of gas or liquids may be maintained outside of a building on any lot.

i. No animals, livestock or poultry of any kind shall be raised, bred or kept in any dwelling or on any lot, except that dogs, cats or other domesticated household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose and provided that not more than two pets in the aggregate may be kept on any lot. Each owner shall be responsible for the control of his or her domesticated household pets and shall be responsible for cleaning up after his or her pet. In the event of failure of owner to properly clean up after his or her pet, the association may take whatever action is necessary to clean up after the pet of owner and may surcharge owner for the reasonable costs thereof.

j. No garbage, refuse, rubbish or cutting shall be deposited on any lot, street, sidewalk or parking area. Containers provided by the lot owners shall not be placed on any street, sidewalk, parking area of common area except when necessary for collection and shall regularly be kept in a location on the lot which is unobtrusive to view from any other portion of land in Hampden Square, as provided by the rules of the association.

k. No commercial or other non-passenger vehicle of any type and no unlicensed or non-operational motor vehicles of any type shall be permitted to remain over night on any property of a lot owner within Hampden Square, other than as may be used by the declarant, or a builder approved by declarant, in conjunction with building operations.

l. No boats or campers of any type shall be permitted on the property of a lot owner unless stored within a building.

m. No radio or television antennas, or satellite dish antennas, shall be erected or maintained outside of a building on any lot.

n. No noxious, unsightly or offensive activity, including vehicle repairs shall be conducted on the property of a lot owner or on the streets, nor shall anything be permitted to be done thereon which may be or may become an annoyance or nuisance to the residence of Hampden Square.

o. No sign of any kind shall be displayed to the public view on any lot or improvement thereon except a one-family name sign of not more than 144 square inches, or one temporary sign of not more than 4 square feet, advertising the property for sale, rent or open house; provided, during the construction or sale of homes the builder's "under construction" and "model home" signs of not more than 4 square feet may be displayed. No such sign shall be illuminated.

p. No commercial or recreational vehicle or boat will be permitted in any area except areas which may be specifically designated by the board of directors of the association within the common area for said vehicles or boats.

q. Any further subdivision of any lot on the aforesaid plan is forbidden by a successor in title to the declarant, unless said subdivision is first approved by the board of directors of the association.

r. No ground shall be removed from any lot by any successor in title to the declarant, except as shall be hauled at the expense of the owner of said lot to a place within Hampden Square as designated by the declarant or otherwise, except as otherwise approved by the declarant.

s. No trees shall be planted within any street right-of-way or within ten (10) feet of the line of any street without the approval of the board of directors of the association; provided, that declarant hereby reserves the right, for up to thirty-six (36) months from this date, to plant trees up to five (5) feet inside any lot line which is the line of a street.

Article VII

Maintenance of Common Area

The Association shall be responsible for all garbage and trash removal, the cutting of grass, and any other maintenance required throughout the Common Area.

Article VIII

General Provisions

Section 1. Term.

The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time the same shall be automatically extended for successive periods of ten (10) years unless an amendment thereto has been duly adopted and recorded as hereinafter provided.

Section 2. Transfer of Common Area.

The Declarant shall convey the Common Area to the Association by special warranty deed, at anytime, after approval of a final plan by Hampden Township for a Phase containing common area, as determined by the Declarant, but in no event later than the date that Declarant's Class B membership in the association is converted to Class A membership as provided in Article IV, Section 2 hereof.

Section 3. Enforcement.

The association, or any owner, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this declaration. Any monies received by any owner from any other owner or former owner on account of assessments levied by the association, less all reasonable enforcement costs, shall be paid by such enforcing owner to the association. Failure by the association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability.

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

Section 5. Amendment.

The covenants and restrictions of this declaration shall run with and bind the land, for a term of twenty (20) years from the date this declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

This declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the lot owners, and thereafter by an instrument signed by not less than seventy-five (75%) of the lot owners. Any amendment must be recorded.

Section 6. Termination of Association.

In the event of the liquidation or dissolution of the association or its successors; the filing against it or voluntarily by it or a petition for reorganization or bankruptcy or for the appointment of a receiver of its assets; the suspension or termination of the association's rights to administer the use of the common area for any reason other than as a result of Merger, passage of control of the association to parties other than the declarant and the owners as herein defined; transfer of ownership or control of the common area, or any part thereof to parties other than the association, the declarant or the owners (unless such change of ownership or control is as a result of a dedication under Article III, Section 1 (b)), the common area shall be thereafter subject to the following use restriction which shall run with and be binding upon the land and be enforceable by any owner:

- a. no improvement or structure of any kind shall be thereafter placed upon the common area which is not available in every respect for the use and enjoyment of the lot owners in Hampden Square;
- b. no use or structure of any kind shall be permitted within the common area which is not primarily for the purpose of recreation for all of the lot owners of Hampden Square utility service to a lot owner, maintenance of the common areas or for use as a passageway for all lot owners and their families, guests, tenants and invitees and their passenger vehicles.

The foregoing provisions shall have no force or effect unless the common area has been initially conveyed to the association by the declarant.

Amendment to Declaration of Covenants, Easements, Restrictions, Equitable Servitudes, Charges and Liens

Kingswood Phase II

THIS DECLARATION OF COVENANTS, EASEMENTS, RESTRICTIONS, EQUITABLE SERVITUDES, CHARGES AND LIENS made this 9th Day of November, 1988, by Pamay Development Company Co., Inc. (Herein referred to as the "Declarant").

Witnesseth:

Whereas, on June 11, 1987, Pamay Development Co., Inc. filed a declaration of covenants in Miscellaneous Book 335, Page 119, of the Cumberland County Recorder of Deeds office;

and WHEREAS, the said declaration of covenants applied to a residential development known as Hampden Square, Plan No. 5, Phase III, which plan was recorded in Plan Book 52, Page 145; and

WHEREAS, by Resubdivision Plan recorded in plan book 54, page 95, on December 23, 1987, said Hampden Square Plan No. 5, Phase III was changed to Kingswood, Phase I; and

WHEREAS, the said Hampden Square Phase III was a part of a preliminary plan approved by Hampden Township in 1978 for single family detached dwellings; and

WHEREAS, the declaration of covenants recorded on June 11, 1987 referred to the possibility of a planned residential development for certain portions of Hampden Square; and

WHEREAS, Pamay Development Co., Inc. as the declarant has abandoned the plans for a planned residential development; and

WHEREAS, Pamay Development Co., Inc. on May 27, 1988 filed a final subdivision plan for Kingswood Phase II in Plan Book 55, page 93; and

WHEREAS, the Hampden Square homeowner's association, a non-profit corporation, incorporated by declarant on June 9, 1987 has been changed to the Kingswood Homeowner's association, by amendment filed with the Pennsylvania Corporation Bureau on August 2, 1988; and

WHEREAS, on August 3, 1988, Pamay Development Co., Inc., filed an amendment to the declaration of covenants, easements, restrictions, equitable servitudes, charges and liens in miscellaneous book 352, page 1122, of the Cumberland County Recorder of Deeds by adopting them as to the lots in Kingswood, Phase II and making certain amendments; and

WHEREAS, Pamay Development Co., Inc. desires to record the said declaration of covenants, easements, restrictions, equitable servitudes, charges and liens as amended and to further amend them; and

WHEREAS, Pamay Development Co., Inc. hereby further states that the land shown to the east of Kingswood, Phase II, in Plan Book 55, Page 93, as recreation land or park will not be shown as recreation land or park but will become residential lots; and

WHEREAS, Pamay Development Co., Inc. is the owner of all the lots in Kingswood, Phase II except lots 149 and 152; and

WHEREAS, the owners of lots 149 and 152 of Kingswood, Phase II, Zimmerman Homes, Inc., and Harry S. Claypool and Maybelle Claypool, join in this amendment to the covenants, easements, restrictions, equitable servitudes, charges and liens; and

WHEREAS, the declarant desires to insure the attractiveness of the homes within Kingswood, to prevent nuisances, to preserve protect and enhance amenities of said Kingswood, and to provide for the maintenance of the common areas therein; and to accomplish these purposes, desire to subject the real property in Kingswood Phase I, as has already been done for Kingswood, Phase I, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, declarant has deemed it desirable, for the efficient preservation, protection and enhancement of the values and amenities in Kingswood, to create an organization to which should be delegated and assigned the powers of owning, maintaining and administering the common areas and administering and enforcing the covenants and restrictions and collecting and dispersing the assessments and charges hereinafter created; and

NOW, THEREFORE, declarant declares that all of the lots and the property herein described and such additional property as may be added hereto by supplement to this Declaration as hereinafter provided is held and shall be held, conveyed hypothecated or encumbered, leased, rented, used occupied and improved, subject to the provisions of this Declaration, all of which are declared and agreed to be in furtherance of a plan for the development, improvement and conveyance of the Property and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness thereof. The provisions of this declaration are intended to create mutual equitable servitudes upon each of the Lots in favor of all such Lots, with each owner covenanting and agreeing with each other Owner and with Declarant, and for their mutual benefit, that the owners, their heirs, administrators, successors and assigns will faithfully keep, observe and perform the covenants and conditions hereof for the benefit of each other Owner; to grant each Owner the right to enforce, in law or in equity, the performance hereof by each other Owner; and to operate as covenants running with the land for the benefit of the Property and each Lot subject to this Declaration and Owners thereof, present and future.

Article I

Definitions

Section 1. "Association" shall mean and refer to the Kingswood Homeowners Association, its successors and assigns.

Section 2. "Kingswood" means the residential community to be developed and constructed on the Property by Declarant, in phases, by subdivision of Lots and Common Areas by acquisition and construction of residential dwellings thereon and other improvements, including roads, utility facilities and such other improvements deemed necessary or desirable by Declarant.

Section 3. "Board" means the Board of Directors of the Association elected pursuant to provisions hereof and the Bylaws.

Section 4. "Bylaws" means the Bylaws of the Association.

Section 5. "Common Area" means that portion of the Property designated on a Final Plan as Common Area, or as a right-of-way, open space, park, playground, pedestrian path, and any improvement thereon and any other property, real, personal or mixed, acquired by the Association.

Section 6. "Declarant" shall mean and refer to Pamay Development Co., Inc., and its assigns and successors and such of its assigns as shall acquire more than one undeveloped Lot (or any portion of Kingswood which has not been subdivided into Lots) from the Declarant for the purpose of

development, provided, however, that an assignee of a Declarant shall be deemed a Declarant only with respect to that portion of Kingswood conveyed to such assignee by a deed of conveyance which specifically grants to the assignee the rights of a Declarant and sets forth the number of Class B Votes, as hereinafter set forth, which said assignee may be entitled to exercise.

Section 7. "Declaration" means this Declaration of Covenants, Easements, Restrictions, Equitable Servitudes, Charges and Liens, dated November 9, 1988, as amended or supplemented from time to time, which term sometimes is referred to in this document by use of such words as "hereto", "hereby", "herein", "hereof" and "hereunder" or other descriptive words or phrases having similar import.

Section 8. "Final Plan" means the Plan for Kingswood, Phase II, and recorded in the Office for the Recording of Deeds, in and for Cumberland County, at Plan Book 55, Page 93, on May 27, 1988, and any subdivision or development plan for the Property, as adopted by Declarant and, if applicable, as submitted to and approved by the authorities of Hampden Township, Cumberland County, and recorded in Cumberland County, and any supplements or amendments thereto.

Section 9. "Lot" shall mean and refer to any plot of land shown as a lot upon any recorded subdivision plot of Kingswood, but shall not include the Common Area.

Section 10. "Maintenance" means collectively and separately all maintenance, repair work, restoration work, reconstruction work, improvements, replacement, painting, landscaping, paving, cleaning, trash collection and any other general maintenance upkeep required to maintain the Common Area, and portions of Lots, as herein provided, in a good, sanitary condition and repair.

Section 11. "Owner" means any person or persons who hold legal title pursuant to any deed, or document of transfer or conveyance, in which case the seller under such document, shall cease to be an "Owner" with respect to such Lot or Dwelling Unit, and all other persons holding or owning a Lot by virtue of a deed, other instrument, device, or any other means. This term shall not include, where applicable, the Declarant. In the event that one or more persons shall so hold or own a Lot or Dwelling Unit, this term shall mean all such persons collectively and the obligations of an Owner hereunder shall be the joint and several obligations of all such persons.

Article II

Property Subject to this Declaration

Section 1. Existing Property.

The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is more particularly described in Plan Book 55, Page 93 in the Cumberland County Office of the Recorder of Deeds.

Article III

Property Rights

Section 1. Owner's Easements of Enjoyment. Every owner shall have a right and easement of use and enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following:

(a) the right of the Association to suspend the voting rights and the right to use Common Area or any facility thereon by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days or any infraction of its published rules;

(b) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority for such purposes and subject to such conditions as may be agreed upon by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer is recorded. The effect of such declaration or transfer shall be to terminate the provisions of, and rights and obligations of all parties bound by this declaration with respect to such dedicated or transferred area;

(c) the right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purposes of improving the Common Area and in aid thereof, to mortgage said properties and the rights of such mortgagee in said properties shall be subordinate to the rights of the Owners hereunder;

(d) the right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure;

(e) the right of the Association to charge reasonable admission and other fees for the use of the Common Area;

(f) the right of the declarant and of the Association to grant and reserve easements and rights-of-way through, under, over and across the Common Areas, with or without limitation as to the location thereof within the Common Areas, with or without limitation as to the location thereof with the Common Area, for purposes of installing, maintaining, repairing, replacing and inspecting all lines and appurtenances for public or private water, sewer, drainage, utilities, with the right of the Grantees of such easements to have full access over and across all portions of the Common Areas consistent with the full exercise and enjoyment of such easements and rights-of-way.

Section 2. Delegation of Use.

Any owner may delegate, in accordance with the bylaws of the Association, his right of enjoyment to the Common Area and any facility thereon to the members of his family, his tenants, or contract purchasers who reside on a lot.

Section 3. Easement of Ingress, Egress and Regress.

Each Owner of a Lot, the members of his family, his tenants and all contract purchasers who reside on a Lot and their respective guests and invitees shall have a right and easement of ingress, egress, and regress over and across those portions of the Common Area as shall be from time to time improved by roadways, streets or pathways, subject to the right of the Association to specify that such right and

easement over certain of such areas shall be limited to pedestrian traffic or non-commercial motor vehicle traffic, as the case may be. Such easement and right, subject as aforesaid shall be appurtenant to and shall pass with the title to every Lot.

Article IV

Membership and Voting Rights

Section 1. Membership.

Every Owner of a Lot or Dwelling Unit which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling Unit which is subject to assessment.

Section 2. Voting Rights: Classes.

The Association shall have two classes of voting membership:

Class A. The Class A members shall be all Owners and shall be entitled to one vote for each Lot or Dwelling Unit owned. When more than one person is the Owner, all such persons shall be members. The vote for such Lot or Dwelling Unit shall be exercised as they among themselves determine, but in no event shall more than one Class A membership vote be cast with respect to any Lot or Dwelling Unit. The Class A members shall not include the Declarant unless and until its Class B membership shall cease and be converted to Class A membership as hereinafter provided.

Class B. The Class B member shall be the Declarant and shall be entitled to a majority of the votes. The Class B membership together with said votes (or any additional Class B votes as hereinafter provided) shall cease and be converted to Class A membership with the right to one vote for each Lot or Dwelling Unit owned as aforesaid on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes then outstanding in the Class B membership, or
- (b) ten years after sale of first Lot, or
- (c) at any time deemed appropriate by Declarant.

Article V

Covenant for Maintenance and Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each lot owned by it upon which a completed private dwelling is erected and for which a certificate of occupancy has been issued within Kingswood, hereby covenants, and each subsequent Owner or any Lot (other than an Owner deemed a Declarant for such Lot) whether or not is shall be so expressed in the deed to such Lot, is deemed to covenant and agree to pay to the

Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees shall be a charge on the land and shall be a continuing lien upon the Lot (including all improvements thereon) against which each assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall be also be the personal obligation of the person who was the owner of such Lot at the time when the assessment became effective. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments.

The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of Kingswood, for the restoration, improvement, maintenance and insurance of the Common Areas and all services and facilities relating to the use and enjoyment thereof.

Section 3. Initiation Fee.

There shall be an initiation fee charged to each property owner for each Lot in the amount of \$50.00 to be paid upon conveyance of title. All initiation fees shall be held in escrow until the Association, has been deeded any of the Common Areas.

Section 4. Annual Assessments for Common Expenses.

The Association shall levy and collect, in each Fiscal Year, an annual assessment upon each Lot liable therefore to provide revenues to pay all Common Expenses, including inter alia, the following:

- (a) Maintenance of the Common Area, any development sign at an entrance to Kingswood, any landscaping around any development sign or entrance area and any street or stop signs.
- (b) Trash collection, refuse and garbage removal, snow removal, landscaping, vermin extermination, or other similar services, if any, provided to any part of the Common Area.
- (c) Comprehensive liability insurance coverage, insuring to the extent available, the Owners, the Declarant and the Association against any liability to the public or to Owners, their tenants or invitees, relating in any way to the ownership and / or use of the Common Area and / or any part thereof; limits of liability shall be at least Five Hundred Thousand Dollars (\$500,000.00) per occurrence. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Board and may be increased in its discretion.
- (d) Such workman's compensation insurance and other such insurance as applicable laws may require or as the Board may deem advisable.
- (e) Management fees and salaries or such expenses as the Association may deem necessary or desirable for the operation and maintenance of the Common Area.

(f) Legal, accounting, engineering, or other professional fees and administrative costs necessary and proper for any one or more of: operation and maintenance of the Common Area, conduct of the affairs of the Association, or enforcement of the Declaration, or any rules and regulations.

(g) A fidelity bond or bonds as the Association may deem necessary.

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

(i) Mechanic's and materialmen's liens arising as a result of Maintenance of the Common Area or part of it.

(j) Real estate, sale and use and all other taxes or other governmental charges due or paid with respect to use, ownership or occupancy of the Common Area, provided, however, that real estate taxes on the Common Area shall be paid only to the extent that such taxes are assessed against the Association as the Owner of record of the Common Area. Any portion of the Common Area included within the tax assessment of a particular Lot by the appropriate taxing authorities shall be the responsibility of the Owner of such Lot and shall in no event be a responsibility of the Association.

(k) Amounts necessary to recover any deficits from the operations of the Association in prior years; and

(l) Adequate reserves, as determined by the Board for (i) repair, replacement or depreciation of the Common Area, or any portion thereof; (ii) uncollectable accounts and (iii) any other contingency for which a reserve account reasonably may be established pursuant to sound accounting practices.

Section 5. Maximum Assessment.

Annual assessments shall begin January 1, 1989 at an annual rate to be determined by the Board.

(a) From and after January 1, 1990 the assessment may be increased by the Board each year not more than 10% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1, 1990 the assessment may be increased above 10% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Association through its Board of Directors may fix the assessment at an amount not in excess of the maximum.

Section 6. Special Assessments for Capital Improvement.

In addition to the assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common

Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 7. Supplemental Annual Assessment.

If the cash requirement estimated at the beginning of any Fiscal Year (commencing on or after the calendar year 1990) shall prove to be insufficient to cover the actual Common Expenses for such Fiscal Year for any reason including (by way of illustration and not limitation) any Owner's non-payment of his assessment, the Board may, at any time it deems necessary and proper, levy a supplemental annual assessment against each Lot except that in the event such supplemental annual assessment is required because of the failure of one or more Owners to promptly pay an annual assessment, the supplemental annual assessment against other Lots may be determined based upon the anticipated failure of such defaulting Owner or Owners to pay its or their share of such supplemental annual assessment.

Section 8. Billing Annual Assessments.

Annual assessments are due and payable on the first day of each Fiscal Year. Annual assessments may be billed in monthly, quarterly or any other period installments as may be determined by the Board. Each Owner shall pay any assessment bill levied hereunder within thirty (30) days.

Section 9. Failure of Board to Fix Annual Assessment.

In an annual assessment for Common Expenses for any Fiscal Year is not fixed before the expiration of the previous Fiscal Year, the Owners shall continue to pay the same sums they were paying in the Fiscal Year just ended as if such sums were the new annual assessment, and such failure to fix a new annual assessment shall not constitute a waiver, modification or release of any Owner's obligation. If the Association shall change the annual assessment at a later date, an increase in the total assessment amount as a result of such new assessment shall be treated as if it were a supplemental assessment hereunder and be retroactive to the beginning of the Fiscal Year.

Section 10. Fiscal Year.

The Fiscal Year of the Association shall be the calendar year unless otherwise determined by the Board.

Section 11. Other Special Assessments.

The Board shall have the authority to fix, determine, assess and collect special assessments for the following purposes:

(a) Any expenditure which the Association shall be required to make for the Maintenance of all or any part of the Common Area because of any injury thereto of misuse thereof by one or more Owners or their tenants, guests, invitees or licensees or resulting from theft or in damage to any portion of the Common Area shall be assessed as a special assessment against the Lot owned by the Owner or Owners

responsible for such injury, loss or misuse, or whose tenants, guests, invitees or licensees caused such injury, loss or misuse.

(b) If the Association shall have made any expenditures on behalf of any Owner or Owners for any reason deemed necessary by the Board, the Board shall levy such expenditures as a special assessment upon the Lot owned by the Owner so benefitted or who is responsible for the expenses. Such special assessments shall be levied promptly, and the debt arising from such special assessment shall be treated and due in the same manner as the assessment.

Section 12. Association Purchase of Lots.

To protect its right to collect unpaid assessments which are a charge against a Lot as provided herein, the Association may, in its own name or in the name of a designee, purchase such Lot at a Sheriff's sale or other sale, public or private. If the Association does so purchase the Lot, the Association shall thereafter have the power to sell, convey, mortgage or lease such Lot to any persons whatsoever upon any terms and conditions which it deems proper. Payment of such purchase price and the expenses or purchase by the Association shall be a Common Expense, and income from any such resale, conveyance, mortgage or lease shall be placed in the Common Expense Fund for the benefit or loss of the Owners so that their assessments may be reduced or increased by reason of such transaction. The defaulting Owner shall be responsible for any loss and liable personally for the payment thereof. The provisions hereof shall not be construed to require the Association to purchase any Lot at a Sheriff's Sale nor shall they be construed to prevent Declarant in its capacity as developer from purchasing the same.

Section 13. Notice and Quorum for Any Action Authorized Under Sections 3 and 4.

Written notice of the time and location of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 shall be sent to all members not less than 10 days nor more than 60 days in advance of the meeting. At any such meeting called, the presence of members or of proxies entitled to cast thirty-three and one-third percent (33.3%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and there shall be no quorum requirement. No such subsequent meeting shall be held more than 60 days following the preceding meeting. The above notice and quorum requirement shall supersede and be in lieu of any notice or quorum requirements at any time hereafter adopted by the Association in its Bylaws, Articles or any resolution, and may be modified only by an amendment of this Declaration. Notice and quorum requirements for all other meetings of the Association called for purposes not in any way including the taking of any action authorized under Section 3 or 4 hereof shall be governed by the Articles and Bylaws of the Association.

Section 14. Uniform Rate of Assessment.

Both annual and special assessments must be fixed at a uniform rate for all Lots.

Section 15. Effect of Non-Payment of Assessments: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum to be compounded daily. The Association may bring an action at law against the Owner personally obligated to pay the assessment, or foreclose the lien against the property. In addition, owner shall likewise be responsible for payment of reasonable attorneys fees and costs if the assessment and interest is more than sixty (60) days in default. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot, or any other reason.

Section 16. Subordination of the Lien to Mortgages.

The Lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon Kingswood, or any part thereof subject to the assessment. Sale or transfer of any lot will not affect the assessment lien, provided, however, that the sale or transfer of any Lot pursuant to mortgage foreclosure or any other proceeding in lieu of foreclosure shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Article VI

Architectural Control: Protective Covenants

Section 1. Architectural Control.

(a) Excepting any original construction by the Declarant, no building, fence, wall or other structure shall be commenced, erected, or maintained upon the Lots in Kingswood, until the builder and the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures, topography and finished ground elevation by the Declarant, or by an architectural committee appointed by Declarant. In addition, a final site development plan showing the final grading for the Lot shall be approved by Declarant, or by Declarant's engineer. Said written approval shall be obtained prior to the commencement of construction of any building on any Lot. No changes shall be made in the approved plans prior to the occupancy of any dwelling house located on a Lot without the prior written approval of Declarant as above provided.

(b) After the initial occupancy of any dwelling house located on a Lot, any erection of a structure (including but not limited to fences, walls and mailboxes), any addition or alteration to the exterior of a structure, or any change in the existing color or finish of any exterior surface of any building on a Lot shall not be done until plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures, and finished ground elevation topography, by the board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such change, design and location within thirty (30) days after said plans

and specifications have been submitted to it, approval will not be required in this Article will be deemed to have been fully complied with.

Section 2. Protective Covenants.

Without intending to limit the generality of the foregoing provisions of Section 1, the following restrictions are imposed as a common scheme upon all Lots:

- a. Within nine (9) months of the commencement of construction of any dwelling located on a Lot, concrete sidewalks within the public right-of-way as shown in the Final Subdivision Plan, and a driveway of asphalt or concrete, shall be installed by the Owner of the Lot.
- b. Prior to the occupancy of any dwelling located on a Lot a landscaping plan for the Lot, showing the type, size and location of plants and materials shall be submitted to and approved in writing as to conformity and harmony with existing structures, topography and finished ground elevation by the Declarant, or by a landscaping committee appointed by the Declarant. The grass plot on the Lot and the plants and materials as shown on the landscaping plan shall be installed by the Owner within one (1) year of the commencement of construction of any dwelling on the Lot.
- c. No building other than a single family dwelling solely for residential use, except as hereinafter provided, its auxiliary garage as provided in Paragraph VI 2G of this Declaration and a tool shed as provided in Paragraph VI 2D of this Declaration shall be erected or maintained upon any of the Lots. No building blocks shall be used in the exterior walls of any building above the finished grade of the ground unless faced or covered with brick, natural stone, wood, aluminum siding, or such other materials as shall have the prior approval of the Declarant or the Board of Directors of the Association as above provided. Each single family dwelling shall have a minimum of 2,000 square feet of finished living space above ground elevation.
- d. No trailer, tent, shack, shed or other outbuilding, except as hereinafter provided, shall be erected or maintained on any of the said Lots, either temporarily or permanently, and no residence of a temporary character shall be erected or permitted on any of said Lots. A construction trailer, or a shed for the housing of tools, incident to the erection of a dwelling house and its auxiliary garage upon a Lot may be erected or placed on said Lot but shall not remain thereon for a period in excess of six (6) months.
- e. No trade, business or profession shall be conducted or carried on upon any lot; and nothing shall be done or carried on on any Lot which shall be, or may become, a nuisance or annoyance to the owners or occupiers of other Lots or which may be considered an obnoxious or offensive use. Determination of any matters hereunder shall be by the Board of Directors of the Association and shall be binding on all persons if made reasonably and in good faith. The approval of any lot for trade or business purposes or for any purpose allowed hereunder shall not operate to exempt the property from the provisions of this restriction and shall in no way derogate from the authority of Board of Directors of the Association to make a subsequent determination of the objectionableness of any usage or proposed usage.

- f. Outside water closets shall not be erected or maintained on any of the said Lots after construction has been completed on said Lot.
- g. One private garage to accommodate no less than two and no more than three automobiles may be erected and maintained on any of the said Lots, either as an integral part of the dwelling house erected thereon or as a separate garage. If a separate garage is erected or maintained, it shall not exceed one (1) story in height, shall be accessory to the use of the dwelling house but not used as a dwelling, shall not be erected and maintained nearer to the front boundary line of the Lot than the rear wall of the dwelling house erected and maintained on said Lot and shall comply with all other setbacks as shown on the Final Subdivision Plan.
- h. No tank for storage of ten (10) gallons or more of gas or liquids may be maintained outside of a building on any Lot, provided that this does not include swimming pools.
- i. No animals, livestock or poultry of any kind shall be raised, bred or kept in any dwelling or on any Lot, except that dogs, cats or other domesticated household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose and provided that not more than two pets in the aggregate may be kept on any lot. Each owner shall be responsible for the control of his or her domesticated household pets and shall be responsible for cleaning up after his or her pet. In the event of failure of owner to properly clean up after his or her pet, the Association may take whatever action is necessary to clean up after the pet of owner and may surcharge owner for the reasonable costs thereof.
- j. No garbage, refuse, rubbish or cutting shall be deposited on any Lot, street, sidewalk or parking area. Containers provided by the Lot Owners shall not be placed on any street, sidewalk, or part of the Common Area except when necessary for collection and shall regularly be kept in a location on the Lot which is unobtrusive to view from any other portion of land in Kingswood, as provided by the rule of the Association.
- k. No commercial or other non-passenger vehicle of any type and no unlicensed or non-operational motor vehicles of any type shall be permitted to remain overnight on any property of a Lot Owner within Kingswood, other than as may be used by the Declarant, or a builder approved by Declarant, in conjunction with building operations.
- l. No boats or campers of any type shall be permitted on the property of a Lot Owner unless stored within a building.
- m. No radio or television antennas, or satellite dish antennas, shall be erected or maintained outside of a building on any Lot.
- n. No noxious, unsightly or offensive activity, including vehicle repairs, shall be conducted on the property of a Lot Owner or on the streets, nor shall anything be permitted to be done thereon which may be or may become an annoyance or nuisance to the residents of Kingswood.
- o. No sign of any kind shall be displayed to the public view on any Lot or improvement thereon except a one-family name sign of not more than 144 square inches, or one temporary sign of not more than 4

square feet, advertising the property for sale, rent, or open house; provided, during the construction or sale of homes the builder's "under construction" and "model home" signs of not more 4 square feet may be displayed. No such sign shall be illuminated.

p. No commercial or recreational vehicle or boat will be permitted in any area except areas which may be specifically designated by the Board of Directors of the Association within the Common Area for said vehicles or boats.

q. Exterior laundry drying facilities including, but not limited to, posts and lines, racks and rotating type equipment are prohibited unless such units can be screened from view immediately upon installation.

r. Any further subdivision of any Lot on the aforesaid Plan is forbidden by a successor in title to the Declarant, unless said subdivision is first approved by the Board of Directors of the Association.

s. No ground shall be removed from any Lot by any successor in title to the Declarant, except as shall be hauled at the expense of the owner of said Lot to a place within Kingswood as designated by the Declarant or otherwise, except as otherwise approved by the Declarant.

t. No trees shall be planted within any street right-of-way or within ten (10) feet of the line of any street without the approval of the Board of Directors of the Association; provided, that Declarant hereby reserves the right, for up to three (3) years from this date, to plant trees up to five (5) feet inside any Lot line which is the line of a street, provided that on Lots 210, 211 and 212 of Phase II Declarant may plant trees up to ten (10) feet inside any Lot Line which is the line of a street. The Owner of the Lot shall be responsible for maintaining and replacing any trees planted by Declarant inside that Lot.

Article VII

Maintenance of Common Area

The Association shall be responsible for all garbage and trash removal, the cutting of grass, and any other maintenance required throughout the Common Area.

Article VIII

General Provisions

Section 1. Term.

The covenants and restrictions of this Declaration shall be run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time the same shall be automatically extended for successive periods of ten (10) years, unless an amendment thereto has been duly adopted and recorded as hereinafter provided.

Section 2. Transfer of Common Area.

The Declarant shall convey the Common Area to the Association by special warranty deed, at any time, after approval of a Final Plan by Hampden Township for a Phase containing Common Area, as

determined by the Declarant, but in no event later than the date that Declarant's Class B membership in the Association is converted to Class Membership as provided in Article IV, Section 2 hereof.

Section 3. Enforcement.

The Association, or any Owner, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Any monies received by any Owner from any Owner or former Owner on account of assessments levied by the Association, less all reasonable enforcement costs, shall be paid by such enforcing Owner to the Association. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability.

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

Section 5. Amendment.

The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 6. Termination of Association.

In the event of the liquidation or dissolution of the Association or its successors; the filing against it or voluntarily by it or a petition for reorganization or bankruptcy or for the appointment of a receiver of its assets; the suspension or termination of the Association's rights to administer the use of the Common Area for any reason other than as a result of merger, passage of control of the Association to parties other than the Declarant and the Owners as herein defined; transfer of ownership or control of the Common Area, or any part thereof to parties other than the Association, the Declarant or the Owners (unless such change of ownership or control is as a result of a dedication under Article III Section 1b), the Common Area shall be thereafter subject to the following use restriction which shall run with and be binding upon the land and be enforceable by any Owner:

- a. no improvement or structure of any kind shall be thereafter placed upon the Common Area which is not available in every respect for the use and enjoyment of the Lot Owners in Hampden Square;
- b. no use or structure of any kind shall be permitted within the Common Area which is not primarily for the purpose of recreation for all of the Lot Owners of Kingswood utility service to a

Lot Owner, maintenance of the Common Areas or for use as a passageway for all Lot Owners and their families, guests, tenants and invitees and their passenger vehicles.

the foregoing provisions shall have no force or effect unless the Common Area has been initially conveyed to the Association by the Declarant.

IN WITNESS WHEREOF, this Declaration has been executed the day and year above written.

AMENDMENT TO DECLARATION OF COVENANTS, EASEMENTS, RESTRICTIONS, EQUITABLE SERVITUDES, CHARGES AND LIENS

Kingswood Phase IIIA

THIS DECLARATION OF COVENANTS, EASEMENTS, RESTRICTIONS, EQUITABLE SERVITUDES, CHARGES AND LIENS made this 22nd day of November, 1988, by PAMAY DEVELOPMENT CO., INC. (herein referred to as the "Declarant").

WITNESSETH:

WHEREAS, on June 11, 1987, Pamay Development Co., Inc. filed Declaration of Covenants in Miscellaneous Book 335, Page 119, of Cumberland County Recorder of Deeds Office; and

WHEREAS, the said Declaration of Covenants applied to a residential development known as Hampden Square, Plan No. 5, Phase III, which plan was recorded in Plan Book 52, Page 145; and

WHEREAS, by Resubdivision Plan recorded in Plan Book 54, Page 95, on December 23, 1987, said Hampden Square Plan No. 5, Phase III was changed to Kingswood, Phase I; and

WHEREAS, Pamay Development Co., Inc. on May 27, 1988 filed a Final Subdivision Plan for Kingswood Phase II in Plan Book 55, Page 93; and

WHEREAS, the Hampden Square Homeowner's Association, a non-profit corporation, incorporated by Declarant June 9, 1987 has been changed to the Kingswood Homeowner's Association, by amendment filed with the Pennsylvania Corporation Bureau on August 2, 1988; and

WHEREAS, on November 10, 1988, Pamay Development Co., Inc., filed an Amendment to the Declaration of Covenants, Easements, Restrictions, Equitable Servitudes, Charges, and Liens in Miscellaneous Book 356, Page 1095, of the Cumberland County Recorder of Deeds Office adopting them as to the lots in Kingswood, Phase II and making certain amendments; and

WHEREAS, Pamay Development Co., Inc. on October 26, 1988 filed a Final Subdivision Plan for Kingswood Phase IIIA in Plan Book 56, Page 90.

NOW THEREFORE, the Declaration of Covenants, Easements, Restrictions, Equitable Servitudes, Charges, and Liens previously recorded in Misc. Book 356, Page 1095, are hereby adopted and made applicable to

the lots in Kingswood IIIA, as recorded in Plan Book 56, Page 90, with the following changes as to the lots in Kingswood IIIA:

1. Article VI: Architectural Control: Protective Covenants – Section 2(c) - Protective Covenants

The minimum square footage of finished living space above ground elevation for each single family dwelling on the lots in Kingswood IIIA shall be 1,750 square feet and not 2,000 square feet.

2. Article VI: Architectural Control: Protective Covenants – Section 2(t) - Protective Covenants

The time period for the planting of trees by Pamay Development Co., Inc. within the lots of Kingswood IIIA shall be three years from this date.

IN WITNESS WHEREOF, this Declaration has been executed this 22nd of November 1988.

AMENDMENT TO DECLARATION OF COVENANTS, EASEMENTS, RESTRICTIONS, EQUITABLE SERVITUDES, CHARGES AND LIENS

KINGSWOOD – PHASE IV

THIS DECLARATION OF COVENANTS, EASEMENTS, RESTRICTIONS, EQUITABLE SERVITUDES, CHARGES AND LIENS made this 19th day of April, 1989, by PAMAY DEVELOPMENT CO., INC. (herein referred to as the “Declarant”).

WITNESSETH:

WHEREAS, on June 11, 1987, Pamay Development Co., Inc. filed a Declaration of Covenants in Miscellaneous Book 335, Page 119, of the Cumberland County Recorder of Deeds Office; and

WHEREAS, the said Declaration of Covenants applied to a residential development known as Hampden Square, Plan No. 5, Phase III, which plan was recorded in Plan Book 52, Page 145; and

WHEREAS, by Resubdivision Plan recorded in Plan Book 54, Page 95, on December 23, 1987, said Hampden Square Plan No. 5, Phase III was changed to Kingswood, Phase I; and

WHEREAS, the Hampden Square Homeowner’s Association, a non-profit corporation, incorporated by Declarant on June 9, 1987 has been changed to the Kingswood Homeowner’s Association, by amendment filed with the Pennsylvania Corporation Bureau on August 2, 1988; and

WHEREAS, on November 10, 1988, at Misc. Book 356, page 1095, Pamay Development Co., Inc. filed an Amendment to the Declaration of Covenants, at Misc. Book 335, page 119, adopting and amending them as to the lots in Kingswood, Phase II Plan Book 55, page 93; and

WHEREAS, on November 23, 1988 at Misc. Book 357, page 667, Pamay Development Co., Inc. filed an Amendment to the Declaration of Covenants at Misc. Book 356, page 1095, adopting and amending them as to lots in Kingswood Phase IIIA, in Plan Book 56, page 90; and

WHEREAS, Pamay Development Co., Inc. on February 22, 1989 filed a Revised Final Subdivision Plan for Kingswood Phase IV in Plan Book 57, page 82.

NOW THEREFORE, the Declaration of Covenants, Easements, Restrictions, Equitable Servitudes, Charges and Liens previously recorded in Misc. Book 356, Page 1095, are hereby adopted and made applicable to the lots in Kingswood, Phase IV, as recorded in Plan Book 57, Page 82, with the following changes as to the lots in Kingswood Phase IV:

1. Article VI: Architectural Control: Protective Covenants – Section 2(a) - Protective Covenants

Commencement of the construction of a dwelling on a Lot in Kingswood IV must begin within one year of the purchase of the lot by the Owner, and the dwelling must be completed within nine (9) months of the commencement of construction.

2. Article VI: Architectural Control: Protective Covenants – Section 2(c) - Protective Covenants

The minimum square footage of finished living space above ground elevation for each single family dwelling on the lots in Kingswood IV shall be 2,200 square feet and not 2,000 square feet.

3. Article VI: Architectural Control: Protective Covenants – Section 2(e) - Protective Covenants

Individual builders may maintain a sales office in any dwelling constructed in Kingswood IV as long as homes are still being built in any phase of Kingwood.

4. Article VI: Architectural Control: Protective Covenants – Section 2(t) - Protective Covenants

The time period for the planting of trees by Pamay Development Co., Inc. within the lots in Kingswood IV shall be three years from this date.

IN WITNESS WHEREOF, this Amendment has been executed the day and year above written.