

**SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

CLEARVIEW GARDENS II, A 55 AND OLDER PLANNED COMMUNITY

THIS SUPPLEMENTAL DECLARATION, made this _____ day of _____, 200__, by J. GLENN WISSLER and MILDRED G. WISSLER, of 355 Clearview Road, Ephrata, Pennsylvania, 17522 hereinafter collectively referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant has subjected certain property located in Clay Township, Lancaster County, Pennsylvania, to certain covenants, conditions and restrictions as more fully set forth in a certain Master Declaration of Covenants, Conditions and Restrictions of Clearview Gardens, dated _____, 200__, and recorded in the Lancaster County Recorder of Deeds Office at Instrument No. _____, and has created thereon a master residential community; and

WHEREAS, Declarant now desires to impose separate easements, covenants, conditions, and restrictions with regard to a section or portion of the aforesaid property, such section or portion being more fully described in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, the property described in Exhibit "A" shall be designated as a 55 and Older Community to be known as "Clearview Gardens II, a "55 and Older Planned Community" (the "55 and Older Community"); and

WHEREAS, Declarant desires to establish a separate owners' association in connection with the 55 and Older Planned Community; and

WHEREAS, Declarant will convey that portion of the property as more fully described in Exhibit "B" subject to certain protective covenants, conditions, restrictions, reservations and charges as hereinafter set forth; and

WHEREAS, Declarant desires to provide for the preservation and enhancement of the property values, amenities, and opportunities in the 55 and Older Planned Community, and to that end desires to subject the real property as described in Exhibit "A", to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, 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 of the values and amenities in the 55 and Older Planned Community, to create an agency to which should be delegated and assigned the powers of administering and enforcing the covenants, conditions, restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the recreation, health, safety, and welfare of the owners, residents, and tenants of the 55 and Older Planned Community; and

WHEREAS, Declarant has incorporated or will incorporate under the laws of the Commonwealth of Pennsylvania the Clearview Gardens II 55 and Older Planned Community Unit Owners' Association, Inc., as a non-profit corporation for the purpose of exercising the functions aforesaid, among others; and

WHEREAS, the foregoing notwithstanding, it is understood that the real property described in Exhibit "B" attached hereto and made a part hereof, including all easements, rights and appurtenances belonging thereto, and the improvements erected or to be erected thereon, shall not be subject to this Supplemental Declaration and shall not be a part of the 55 and Older Planned Community.

NOW, THEREFORE, Declarant hereby declares all of the property as herein above described in Exhibit "A" to be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, all of which shall run with the real property, shall be binding on all parties having or acquiring any right, title or interest in the described properties or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE I **DEFINITIONS**

Section 1.1. **Defined Terms.** Capitalized terms not otherwise defined herein or in the Plats and Plans shall have the meanings specified or used in the Act.

1.2.1. "Act" shall mean the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. §5101 et seq.

1.2.2. "Bylaws" shall mean the bylaws of the Sub-Association.

1.2.3. "Clearview Gardens II, a 55 and Older Planned Community" shall mean and refer to that certain real property which is subject to this Supplemental Declaration.

1.2.4. "Declarant" shall mean and refer to J. Glenn Wissler and Mildred G. Wissler, as well as their heirs, personal representatives and assigns, if such heirs, personal representatives and assigns should acquire more than one undeveloped lot from the Declarant for the purposes of development, and all successors to any Special Declarant Rights.

1.2.5. "Declarant Control Period" means the time period commencing on the date of recordation of this Supplemental Declaration and ending on the earlier of:

(i) Five (5) years after the date of the first conveyance of a Unit to a person other than the Declarant; or

(ii) Sixty (60) days after the conveyance of seventy-five percent (75%) of the Units to Unit Owners other than the Declarant; or

(iii) Two years after the Declarant has ceased to offer Units for sale in the ordinary course of business.

1.2.6. "Percentage Interest" means the percentage of Common Expenses assessed against each Unit and the voting percentage allocated to each Unit, as set forth in Exhibit "D" attached hereto.

1.2.7. "Permitted 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 Trust, or like institutional investor or lender; and (iv) any other mortgagee approved by the Executive Board. A holder of a Permitted Mortgage is referred to herein as a "Permitted Mortgagee."

1.2.8. "Planned Community" means the Clearview Gardens II, 55 and Older Planned Community.

1.2.9. "Planned Unit Documents" consist of this Supplemental Declaration including the Plats and Plans, the Bylaws, and the Rules and Regulations, if any.

1.2.10. "Plats and Plans" means the Plats and Plans attached to the Master Declaration as Exhibit "E" and incorporated herein by reference, as the same may be amended from time to time.

1.2.11. "Property" means the Property described in Exhibit "A".

1.2.12. "Rules and Regulations" means such rules and regulations as are promulgated by the Executive Board from time to time with respect to various details of the use of the Residential Units which either supplement or elaborate upon the provisions in the Supplemental Declaration or the Bylaws.

1.2.13. "Special Declarant Rights" means Special Declarant Rights as defined in Section 5103 of the Act and such additional rights reserved for the benefit of the Declarant as set forth in the "Planned Unit Documents."

1.2.14. "Sub-Association" shall mean and refer to Clearview Gardens II 55 and Older Planned Community Unit Owners' Association, Inc., a Pennsylvania nonprofit corporation, its successors and assigns.

1.2.15. "Supplemental Declaration" shall mean and refer to this Supplemental Declaration of Covenants, Conditions and Restrictions, as the same may be amended from time to time as herein provided.

1.2.16. "Transition Elections" means the elections at which additional members shall be elected to the Executive Board. The first such election shall take place within sixty (60) days after conveyance of twenty-five percent (25%) of the Units to Unit Owners other than the Declarant. A second such election shall take place within sixty (60) days after 50% of the Units have been conveyed to persons other than the Declarant.

1.2.17. "Unit" means a Unit as described in this document and in the Plats and Plans.

Section. 1.2. **Provisions of the Act.** The provisions of the Act and those amendments thereto which by their terms would be applicable to this Planned Community shall apply to and govern the operation of the Planned Community, except to the extent that contrary provisions, not prohibited by the Act as so amended, are contained in this Supplemental Declaration (including Plats and Plans) or the Bylaws.

ARTICLE II
ALLOCATION OF PERCENTAGE INTEREST
(COMMON EXPENSE LIABILITIES AND VOTES);
UNIT IDENTIFICATION AND
BOUNDARIES; MAINTENANCE RESPONSIBILITIES

Section 2.1. **Percentage Interests.** Attached to this document as Exhibit "C" is a list of all Units by their Identifying Numbers and the Percentage Interest appurtenant to each Unit. Percentage Interests are allocated equally among all Units, with each Unit having a Percentage Interest equal to one hundred percent (100%) divided by the number of Units in the Planned Community. The Percentage Interests as so computed have been rounded out to five (5) significant figures so that the sum of the Percentage Interests of all Units shall equal one hundred percent (100%). The Common Expense Liability and the voting percentage of each Unit shall be assessed and allocated in accordance with each Unit's Percentage Interest.

Section 2.2. **Unit Identification and Boundaries.**

Each Unit consists of the space, fixtures and improvements located within its boundaries as shown on the Plats and Plans. Declarant reserves the right to relocate the boundaries between adjoining Units owned by Declarant. No Unit owner, other than Declarant, may subdivide or convert his or her Unit into a smaller Unit, nor may any portion thereof less than the entire Unit be sold or otherwise transferred.

Section 2.3. **Maintenance Responsibilities.**

Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the provisions of Section 2.2. above, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Sub-Association in accordance with the provisions of Section 5307 of the Act, except as expressly set forth to the contrary in this Declaration.

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

Section 3.1. **Common Elements.**

3.1.1 The following, as more fully depicted on the Plats and Plans, shall be Common Elements and shall be owned and maintained by the Sub-Association, unless otherwise set forth herein:

- a. Entrance signage, if any, and associated landscaping.

Section 3.2. **Limited Common Elements (Limited Common Facilities and Limited Controlled Facilities).**

3.2.1. Common Elements which may be assigned as Limited Common Elements, if any, are marked on the Plats and Plans.

3.2.2. The following fixtures or improvements are hereby designated as Limited Common Elements:

- a. Those fixtures or structures defined as such pursuant to Section 5202(2) and (3) of the Act, or as identified and designated as Limited Common Elements in the Plats and Plans.

ARTICLE IV
EASEMENTS

Section 4.1. **Additional Easements.** In addition to and in supplementation of the easements provided for by Sections 5216, 5217 and 5218 and other provisions of the Act, and in addition to the easements, rights and appurtenances set forth in Exhibit "D", the Planned Community shall be subject to the following easements and restrictions:

4.1.1. **Declarant's Use for Sales Purposes.**

- a. Declarant shall have the right to maintain sales offices, management offices, models, and advertising signs throughout the Property. Declarant reserves the right to place models, management offices, sales offices, and advertising signs on any portion of the Common

Elements in such manner, of such size and in such locations as Declarant deems appropriate. Declarant may from time to time relocate models, management offices, sales offices and signs to different locations within the Common Elements. Upon relocation of a model, management office or sales office constituting a Common Element, Declarant may remove all personal property and fixtures therefrom. Any fixtures not removed shall be deemed Common Elements, and any personal property not removed shall be deemed the property of the Sub-Association.

b. So long as Declarant shall be selling Units in the Planned Community, Declarant shall have the right to restrict the use of the Common Element parking spaces. Such use shall include reserving such spaces for use by prospective Unit purchasers, Declarant's employees and others engaged in sales, maintenance, construction, or management activities.

4.1.2. Utility and Other Easements.

a. The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarant (until Declarant shall have satisfied all of its obligations under any Planned Community Document and all commitments in favor of any Unit Owner and the Sub-Association), the Sub-Association, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines and equipment, including security systems, as may be necessary or desirable to serve any portion of the Property. The easements provided for by this Section 4.1.2. shall include, without limitation, rights of Declarant, the Sub-Association, any utility or service company, and any governmental agency or authority, and any of them, 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), security systems, electrical wires, conduits and equipment and ducts and vents and any other appropriate equipment and facilities over, under, through, along and on the other Units and Common Elements, including, but not limited to, the road system within the Planned Community. Notwithstanding the foregoing provisions of this Section 4.1.2., 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 to a grantee other than the Declarant, or so as not to materially interfere with the use of occupancy of the Unit by its occupants.

b. Neither the Sub-Association nor any Unit Owner shall prohibit access to the Planned Community for fire protection and police protection purposes.

4.1.3. Declarant's Easements.

a. Declarant reserves an easement (until Declarant shall have satisfied all of its obligations under any Planned Community Document and all commitments in favor of any Unit Owner and the Sub-Association) to use portions of the Common Elements and any Units owned by Declarant for construction or renovation related purposes including the storage of tools, machinery, equipment, building materials, appliances, supplies and fixtures, and the performance of work respecting the Property.

b. Declarant reserves an easement (until Declarant shall have satisfied all of its obligations under any Planned Community Document and all commitments in favor of any Unit Owner and the Sub-Association) on, over and under those portions of the Common Elements for the purpose of maintaining and correcting drainage of surface, roof or storm water. The easement created by this Section 4.1.3.b. expressly includes the right to cut any trees, bushes, or shrubbery, to grade the soil or take any other action reasonably necessary, following which the Declarant shall restore the affected property as closely to its original condition as practicable.

c. During the Declarant Control Period and for a period of two (2) years thereafter the Declarant shall have an easement through the Units for any access necessary to complete any renovations or modifications to be performed by Declarant.

d. Declarant reserves an easement on, over, and under those portions of the Common Elements for all purposes relating to the construction, development, leasing, and sale of improvements on the Property. This easement shall include without limitation, the right of vehicular and pedestrian ingress and egress, the right to park motor vehicles and to engage in construction and marketing activities of any nature whatsoever, including the movement and storage of building materials and equipment, the conduct of sales, leasing and management activities, the maintenance of models and offices, and the erection and maintenance of directional and promotional signs.

4.1.4. Easement for Ingress and Egress Through Common Elements, Access to Units and Support.

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, regulations and restrictions as may be imposed by the Sub-Association.

b. To the extent necessary, each Unit shall have an easement for structural support over every other Unit in the Buildings, the Common Element and the Limited Common Elements, and each Unit and the Common Elements shall be subjected to an easement for structural support in favor of every other Unit in the Buildings, the Common Elements and the Limited Common Elements.

4.1.5. Common Elements Easement in Favor of the Sub-Association. The Common Elements (including, but not limited to, the Limited Common Elements) shall be and are hereby made subject to an easement in favor of the Sub-Association and the agents, employees, and independent contractors thereof for the purpose of the inspection, upkeep, maintenance, repair and replacement of the Common Elements (including, but not limited to, the Limited Common Elements).

4.1.6. Title Exceptions. The Planned Community is subject to those additional title exceptions as listed on Exhibit "E" attached hereto.

ARTICLE V
AMENDMENT OF SUPPLEMENTAL DECLARATION

Section 5.1. **Amendment Generally.**

a. This Supplemental Declaration may be amended only in accordance with the procedures specified in Section 5219 of the Act, the other Sections of the Act referred to in Section 5219 thereof, and the express provisions of this Supplemental Declaration.

b. Subject to the limitations imposed by Section 5221 of the Act, no amendment shall be made to this Supplemental Declaration during the Declarant Control Period without the written consent of the Declarant. No amendment to this Supplemental Declaration shall diminish or impair the rights of Declarant under this Supplemental Declaration without the prior written consent of the Declarant. No amendment may modify this Article or the rights of any person hereunder. Except as specifically provided in this Supplemental Declaration or the Act, no provision of this Supplemental Declaration shall be construed to grant any Unit Owner, or to any other Person, any priority over any rights of Mortgagees.

ARTICLE VI
USE RESTRICTIONS

Section 6.1. **Rules and Regulations.** The occupancy and use of the Units and Common Elements shall be subjected to the following restrictions:

a. The Units in the Planned Community (with the exception of any Units during the time period when they are being used by the Declarant as a sample, model or sales office) are restricted to single family residential use and may not be used for any other purposes by the Unit Owner or any future Unit Owner. Notwithstanding the foregoing, Units may also be used for accessory uses which are customarily incidental to the foregoing use, including a professional office or rooms for home occupations; provided that any such accessory use conforms with the applicable zoning requirements of the Township of Clay, as the same may be amended from time to time. No Unit Owner shall permit his or her Unit to be used or occupied for any prohibited purpose.

b. A Unit Owner is prohibited from making any alteration, installation, removal, reconstruction, or repair to his or her Unit or Units which will impair the structural integrity of the building in which such Unit or Units are located or any mechanical or electrical system therein; or adversely affect either the thermal or acoustical character of such building; or lessen the support of any portion of such building; or violate any applicable law, ordinance or governmental rule, regulation or order.

c. The Planned Community is intended to be "55 and Over Housing" within the meaning of the Fair Housing Act (Title VII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, the Housing for Older Persons Act of 1995, and any subsequent amendments thereto). The construction, interpretation and enforcement of this Article VI, as well as the remainder of the Supplemental Declaration and the Bylaws, shall be in a manner consistent with such requirements.

d. Occupancy of the Units shall be restricted to use by permanent residents fifty-five (55) years of age or older with no children under nineteen (19) years of age in

permanent residence, with the following exceptions: (1) a member of a couple under the age of fifty-five (55) years who is residing with his/her partner who is fifty-five (55) years of age or over; or (2) one (1) adult under fifty-five (55) years of age will be admitted as a permanent resident if it is established that the presence of such person is essential to the physical care of one (1) or more of the adult occupants who shall be fifty-five (55) years of age or older. However, in the event the aforesaid restrictions are subsequently amended by court order or otherwise to permit additional classes of residents, the Sub-Association reserves the right to permit residency by such persons as shall be required. Despite anything to the contrary in the Supplemental Declaration or By-Laws, no Unit may be occupied by any child under the age of 19 years unless, despite anything to the contrary, such person is handicapped dependent protected by the Fair Housing Act. Exceptions to the foregoing age restrictions may be granted in particular cases by the Developer or the Sub-Association, in accordance with this Article VI.

e. It shall be the duty of the Developer, in connection with the initial occupancy of Units, and of the Sub-Association as to all subsequent occupancy of Units, to enforce the Supplemental Declaration and this Article VI so that at all times the Planned Community will qualify for the "55 or Over Housing" for older persons exemption under The Fair Housing Act.

f. No occupancy of any Unit shall be permitted, begin, or continue if such occupancy would be in violation of the provisions of this Article VI or result in the loss of the Planned Community's "55 or Over Housing" for older persons exemption under the Fair Housing Act. No person may transfer, sell, give, lease, assign, grant, buy, rent or occupy any Unit in the Planned Community, unless and until such person shall have received the approval of the Sub-Association in accordance with this Article VI.

g. No transfer, sale, gift, lease, assignment, grant, purchase, rental or occupancy of any Unit shall be made by any Unit Owner or any subsequent prospective purchaser or lessee until the existing Unit Owner who desires to transfer makes full disclosure to the Executive Board in writing, of the name, address and age of the prospective purchaser or lessee and all prospective residents of the Unit, together with evidence that said prospective purchaser or lessee and residents meet all qualifications set forth herein. Said Unit Owner who intends to sell, transfer, give, lease, assign any Unit, shall, before entering into any binding agreement (other than an agreement whose enforceability is expressly contingent upon Executive Board approval) for such with any prospective purchaser, grantee, lessee or assignee, submit the evidence in writing as aforesaid to the Executive Board and such Unit Owner shall not execute said agreement without first obtaining the written approval of the Executive Board. The Executive Board must act within ten (10) business days of the Unit Owner's submission to the Executive Board. In the event the Executive Board does not act within the time set forth hereinabove, the Executive Board will be deemed to have consented. In the event the Executive Board withholds its consent, then the Executive Board shall set forth the reasons for its denial in writing and present same to the Unit Owner at the time the Unit Owner is informed of the Executive Board's decision. If the Unit Owner is dissatisfied with the Executive Board's decision, then the Unit Owner may request a hearing before the Executive Board, with or without legal counsel present, which hearing will be scheduled by the Executive Board within fifteen (15) days of a Unit Owner's request for a hearing. All decisions of the Executive Board after the hearing shall, as with the initial decision, be set forth in writing. The Executive Board must render said decision in writing within five (5) days of the scheduled hearing.

h. Upon receipt of any application for the transfer, sale, gift, grant, occupancy, or rental of any Unit, the Executive Board shall:

(i) Obtain verification of age of all proposed residents of the Unit, such verification to consist of copies of driver's licenses, birth certificates, or similar recognized substantiation. No approval shall be granted, and no application shall be deemed complete, unless and until all proposed residents shall have submitted age verification as contemplated by this subparagraph.

(ii) If the proposed residents of the Unit meet the restrictions of this Article VI (i.e., at least one member of a couple is over the age of 55 years, or one adult is under 55 years if the presence of such person is essential to the physical care of the adult occupants who are 55 or older, and no child under the age of 19 years is proposed to be a resident), then the Executive Board shall approve the application.

(iii) If a child under the age of 19 years is proposed to be a resident of the Unit, the Board shall disapprove the application.

(iv) If all of the proposed residents of the Unit are all under the age of 55 years, then the Executive Board may, in its discretion, but shall have no obligation to, approve the application provided, however, that the Executive Board shall not have the authority to approve and shall not approve any application if:

(1) any proposed resident child is under the age of 19 years;

or

(2) to approve the application would cause or threaten to cause the Planned Community to have less than 80% of its Units occupied by at least one person over the age of 55 of years, or otherwise to fail to continue to qualify for the "55 or Over Housing" for older persons exemption under the Fair Housing Act.

i. The Executive Board shall be obligated to conduct an occupancy survey every two years as required by 24 CFR Section 100.37 in order to qualify for the "55 or Over Housing" for older persons exemption under the Housing for Older Persons Act of 1995 (U.S.C.A. Section 3607).

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

ARTICLE VII **MORTGAGES**

Section 7.1. **Requirements.**

a. 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 Supplemental Declaration.

(i) Nothing contained in Section 7.1.a. hereinabove or elsewhere in this Supplemental 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.

b. 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 thereby, 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 other than (i) a first mortgage or (ii) a junior 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 a Permitted Mortgage.

Section 7.2. **Permitted Mortgagees.**

a. When a Permitted Mortgage is delivered to the Permitted Mortgagee or other lien holder, the Unit Owner shall simultaneously provide executed or conformed copies to the Executive Board.

b. The Secretary shall maintain a register of Permitted Mortgages, showing the names and addresses of the Permitted Mortgagee, the amount secured by each Permitted Mortgage, and whether it is a first Mortgage.

Section 7.3. **Rights of Permitted Mortgagees.**

7.3.1. Upon the specific written request of a holder of a Permitted Mortgage on a Unit or its servicer to the Executive Board, the 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 Supplemental 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 the 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 substantial damage to or destruction of any Unit (in excess of \$1,000) or any part of the Common Elements (in excess of \$10,000);

e. Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Property;

f. Notice of any default of the owner of the Unit which is subject to the mortgage, where such default is not cured by the Unit Owner within thirty (30) days after the giving of notice by the Sub-Association to the Unit Owner of the existence of the default;

g. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Sub-Association;

h. Notice of any decision by the Executive Board to terminate professional management and assume self-management of the Property;

i. Any condemnation or casualty loss that affects either a material part of the Planned Community or the Unit securing the Mortgagee's mortgage;

j. Such other financial data as such Permitted Mortgagee shall reasonably request; or

k. Any proposed action which would require the consent of a specified percentage of first mortgagees as set forth in Section 7.4. below.

7.3.2. The request of a Permitted Mortgagee or its servicer shall specify which of the above items it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Executive Board. The Executive Board need not inquire into the validity of any request made hereunder by a Permitted 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 7.3.2.

7.3.3. Failure to comply with the requirements set forth above shall in no way invalidate the otherwise proper actions of the Sub-Association and the Executive Board.

7.3.4. Any Permitted Mortgagee shall have the right, exercisable upon written request to the Executive Board, to examine the books and records of the Sub-Association at any reasonable time.

Section 7.4. **Approval of Mortgagees.** Subject to the limitations imposed by Section 5221 of the Act and the rights of the Declarant as set forth above:

a. 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 for any of the following:

(i) the termination or abandonment of the Planned Community status of the Property except for termination or abandonment as a result of condemnation or substantial destruction to the Property;

(ii) a change in the schedule of Percentage Interests set forth in Exhibit "C" allocated to each Unit;

(iii) the partition or subdivision of any part of the Common Elements;
and

(iv) 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 use of the Common Elements shall not be deemed a transfer within the meaning of this subsection).

b. The prior written approval of holders of first mortgages of Units representing at least fifty-one (51%) of the votes of Units subject to first mortgages shall be required to make an amendment of a material nature to the Planned Community Documents. A change of the provisions of any Planned Community 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 interests in the Common Elements or Limited
Common Elements or rights to their use;

(f) Boundaries of any Unit;

(g) Provisions relating to convertibility of Units into Common
Elements or vice versa;

(h) Provisions relating to 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;
- (k) Imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- (l) A decision by the Sub-Association to establish self-management when professional management had been required previously by a Permitted Mortgagee;
- (m) Restoration or repair of the Project (after a hazard damage or partial condemnation) in a manner other than that specified in the Planned Community Documents;
- (n) Actions to terminate the legal status of the Project after substantial destruction or condemnation occurs;
- (o) Provisions that expressly benefit holders, insurers or guarantors of Permitted Mortgages.

ARTICLE VIII

LEASING

Section 8.1. Restrictions.

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

- a. No Unit may be leased or subleased for transient or hotel purposes or for an initial term of less than six (6) months.
- b. No Unit may be leased or subleased without a written lease or sublease;
- c. A copy of such lease or sublease shall be furnished to the Executive Board within ten (10) days after execution thereof; and
- d. 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 the Supplemental Declaration, Bylaws and Rules and Regulations and a default thereunder shall constitute a default under the lease or sublease; provided, however, that the foregoing shall not impose any direct liability on any lessee or sublessee of a Unit to pay any Common Expense assessment or special assessments on behalf of the owner of that Unit.

8.1.2. Notwithstanding the foregoing, the provisions of Section 8.1.1. shall not apply to a holder of a first mortgage who is in possession of a Unit following a default in such mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure.

ARTICLE IX

BUDGETS; COMMON EXPENSES; ASSESSMENTS & ENFORCEMENTS

Section 9.1. **Monthly Payments.** The Executive Board shall levy and enforce the collection of general and special assessments for Common Expenses. Assessments shall commence upon the conveyance of the first Unit to a person other than the Declarant. All 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. Assessments, other than special assessments, shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments.

Section 9.2. **Subordination of Certain Charges.** Any fees, charges, late charges, fines, and interest which may be levied by the Executive Board pursuant to Section 5302(a) (10), (11) and (12) of the Act, shall be subordinate to the lien of a first mortgage on a Unit, if the mortgage was recorded before the same became due.

Section 9.3. **Surplus Funds.** Surplus funds of the Sub-Association remaining after payment of or provision for Common Expenses and any reserves may in the discretion of the Executive Board either be returned to the Unit Owners pro rata in accordance with each Unit Owner's Percentage Interest, be credited on a pro rata basis to the Unit Owners to reduce each Unit Owner's future Common Expense assessments, or be retained by the Sub-Association as an addition to the Sub-Association's Capital Reserve Fund.

ARTICLE X

DECLARANT'S RIGHTS

Section 10.1. Declarant Control of the Sub-Association.

10.1.1. The Declarant may, at its option, control the Sub-Association during the Declarant Control Period.

10.1.2. During the Declarant Control Period the Declarant may appoint and remove the officers and members of the Executive Board except as otherwise provided in one or more Sections 5303 (c), (d) and (e) of the Act or Section 10.1.3. below.

10.1.3. Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units that may be constructed on the Property have been conveyed to Unit Owners other than the Declarant, a Transition Election shall be held at which time one additional member shall be elected to the Executive Board by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty (50%) percent of the Units that may be constructed on the Property and have been conveyed to Unit Owners other than the Declarant, a second Transition Election shall

be held at which time another additional member shall be elected to the Executive Board by Unit Owners other than the Declarant, who shall not be subject to removal by the Declarant.

10.1.4. Not later than the earlier of (i) five years after the date of the recording of this Supplemental Declaration, or (ii) 60 days after the conveyance of seventy-five (75%) of the Units that may be constructed on the Property have been conveyed to Unit Owners other than Declarant, or (iii) two years after the Declarant has ceased to offer Units for sale in the ordinary course of business, all remaining Declarant appointed members of the Executive Board shall resign, and the Unit Owners (including Declarant to the extent of Units owned by Declarant) shall elect the entire Executive Board.

ARTICLE XI

UNITS SUBJECT TO PLANNED COMMUNITY

DOCUMENTS; EMINENT DOMAIN

Section 11.1. **Applicability of Planned Community Documents.** Each present and future owner, lessee, occupant, and mortgagee of a Unit shall be subject to and shall comply with the provisions of the Act, this Supplemental Declaration (including the Plats and Plans), the Bylaws the Rules and Regulations, and with the covenants, conditions and restrictions as set forth in this Supplemental Declaration (including the Plats and Plans), the Bylaws, the Rules and Regulations and the deed to such Unit, provided that nothing contained herein shall impose upon any lessee or mortgagee of a Unit any obligation which the Act or one or more of such documents, or both, make applicable only to Unit Owners (including, without limitation, the obligation to pay assessments for Common Expenses). The acceptance of a deed or mortgage to any Unit, or the entering into of a lease or the entering into occupancy of any Unit, shall constitute an agreement that the provisions of the Act, this Supplemental Declaration (including the Plats and Plans), the Bylaws, the Rules and Regulations and the covenants, conditions and restrictions set forth in the deed to such Unit are accepted and ratified by such grantee, mortgagee or lessee insofar as applicable. All of such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed conveyance, mortgage or lease thereof.

Section 11.2. **Eminent Domain.** Whenever all or part of the Common Elements shall be taken, injured or destroyed by eminent domain, the Sub-Association shall represent the Unit Owners in negotiations, settlements and agreements with the condemning authority. Each Unit Owner appoints the Sub-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 Sub-Association for the use and benefit of the Unit Owners and their mortgagees as their interests may appear.

ARTICLE XII

EXECUTIVE BOARD

OF THE SUB-ASSOCIATION

Section 12.1. **Powers of Executive Board.** The Executive Board of the Sub-Association shall possess all of the duties and powers granted to the Executive Board by the Act.

Section 12.2. **Composition of Executive Board.** The Executive Board shall consist of five (5) members who shall be elected at Annual Meetings of Sub-Association members except that until the Transition Elections there shall be only three (3) members of the Executive Board, which three (3) members and any successors to such three (3) members shall be appointed by the Declarant until the end of the Declarant Control Period. Two (2) additional Executive Board members shall be elected at the Transition Elections described in Paragraph 10.1.4. above. At such Transition Elections all Unit Owners other than the Declarant shall have the right to vote for the additional Executive Board members. During the Declarant Control Period the successors to such two (2) additional members of the Executive Board shall be elected by the vote only of Unit Owners other than the Declarant. Each Executive Board member shall hold office pursuant to the provisions relating thereto in the Bylaws.

Section. 12.3. **Disputes.** In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions of interpretation or application of the provisions of this Supplemental Declaration (including the Plats and Plans), the Bylaws or Rules and Regulations, the ultimate determination with respect thereto by the Executive Board following an appeal to such Executive Board from the Sub-Association body making a determination 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 in order to assist it in carrying out its responsibilities under this Section 12.3. All costs of obtaining such a judgment shall be borne by the disputants, or in the absence of disputants, by the Sub-Association as a Common Expense.

Section 12.4. **Amendments to the Planned Community Documents.** The Planned Community Documents may be amended only in accordance with the Act and the Planned Community Documents. Notwithstanding any other provisions of this Supplemental Declaration to the contrary, if any amendment is necessary to the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provisions of the Planned Community Documents that are defective, missing or inconsistent with any other provisions thereof, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Sub-Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or other secondary mortgage market lenders, guarantors, or insurers with respect to planned community projects, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the 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. Each amendment of the type described in this Section 12.4. shall be effective upon the recording of an appropriate instrument setting forth the amendment and its due adoption, which instrument has been executed and acknowledged by one or more officers of the Executive Board.

Section 12.5. **Abating and Enjoining Violations by Unit Owners.** The violation of any Rules and Regulations adopted by the Executive Board, the breach of any provision contained in the Bylaws or the breach of any provision of this Supplemental Declaration or the Planned Community

Act by any Unit Owner, shall give the Executive Board and any aggrieved Unit Owner the right, in addition to any other rights to which it may be entitled, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 12.6. **Insurance.** The Executive Board shall obtain and maintain insurance as provided by the Bylaws.

IN WITNESS WHEREOF, J. Glenn Wissler and Mildred G. Wissler have executed this instrument as of the __ day of _____, 200__.

Witness:

J. GLENN WISSLER

MILDRED G. WISSLER

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF LANCASTER)

On this _____ day of _____, 2003, before me, the subscriber, a Notary Public in and for the aforesaid Commonwealth and County, came the above-named J. GLENN WISSLER and MILDRED G. WISSLER, known to me (or satisfactorily proven) to be the persons whose name are subscribed to the within instrument and acknowledged the foregoing Supplemental Declaration to be their act and deed and desired the same to be recorded as such.

WITNESS my hand and notarial seal the day and year aforesaid.

Notary Public

EXHIBIT "A"

(Description of Property Subject to Supplemental Declaration)

Lot/Unit Nos. 4 through 31

Lot/Unit Nos. 63 through 75

Lot/Unit Nos. 87 through 96

EXHIBIT "B"
(Description of Property Not Subject to Supplemental Declaration)

Lots/Unit Nos 1 through 3
Lots/Unit Nos. 32 through 62
Lots/Unit Nos. 76 through 86
Lots/Unit Nos. 97 through 118
Lot/Unit No. 119 through 123

EXHIBIT "C"

PERCENTAGE OF COMMON EXPENSES AND VOTING PERCENTAGE

THE PERCENTAGE OF COMMON EXPENSES AND VOTING PERCENTAGE IN THE SUB-ASSOCIATION OF EACH UNIT SHALL BE THE QUOTIENT OF ONE HUNDRED (100) DIVIDED BY THE THEN NUMBER OF UNITS IN THE SUBJECT PROPERTY, IT BEING UNDERSTOOD THAT FROM TIME TO TIME PORTIONS OF THE SUBJECT PROPERTY MAY BE APPROVED FOR DEVELOPMENT PURSUANT TO THE REQUIREMENTS OF ALL GOVERNMENTAL ENTITIES HAVING JURISDICTION THEREOF. PERCENTAGE INTERESTS ARE ALLOCATED EQUALLY AMONG ALL UNITS. LOT/UNIT NOS.

THE LOTS SET FORTH IN EXHIBIT "B" HEREIN ARE SPECIFICALLY EXCLUDED FROM ANY SUCH CALCULATIONS.

EXHIBIT "D"

(Easements, Rights and other Title Exceptions)

JOINDER BY MORTGAGEE

The undersigned ("Mortgagee") being the holder of a certain mortgage on the foregoing premises located Clay Township, Lancaster County, Pennsylvania (the "Premises"), which mortgage, in the original principal amount of \$ _____ is dated _____, and was recorded in the Lancaster County Recorder of Deeds' Office on _____, in Record Book _____, Page _____, as well as any other mortgages which Mortgagee may now or hereafter hold on the Premises (all such mortgages hereinafter collectively referred to as the "Mortgages"), joins in, consents to, and expressly approves the grant of easements and other rights and privileges described in the attached Supplemental Declaration.

The Mortgagee, for itself, its successors and assigns (which shall include any assignee of the Mortgages and any purchaser of the Premises at a sale in foreclosure of the Mortgages or otherwise), hereby covenants and agrees that the rights and privileges herein granted with respect to the Premises shall not be terminated or disturbed by reason of any foreclosure or other action which may be instituted by the Mortgagee, its successors and assigns, as a result of any default under the Mortgages or the debt instruments that such Mortgages secure. Mortgagee by consenting to the Supplemental Declaration shall not by virtue of its interest as Mortgagee be deemed to have undertaken any of the obligations of the Grantor under the Supplemental Declaration, including but not limited to construction, maintenance, inspection or indemnification.

IN WITNESS WHEREOF, Mortgagee hereby joins in the execution of the Supplemental Declaration, as of this _____ day of _____, 20__.

[name of mortgagee]

ATTEST: _____

By: _____

[SEAL]

(MORTGAGEE ACKNOWLEDGMENT)

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF LANCASTER)

On this, the ____ day of _____, 20____, before me, a notary public, the undersigned officer, personally appeared _____, who acknowledged ____self to be the (Vice) President of _____, a corporation, and that as such officer being authorized to do so, acknowledged the foregoing instrument for the purpose therein contained by signing the name of the Bank by ____self as (Vice) President.

Notary Public

My Commission Expires: