

ADAMS RIDGE HOMEOWNERS ASSOCIATION, INC.
(A PENNSYLVANIA NON-PROFIT CORPORATION)

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AMENDED AND RESTATED BY-LAWS

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ARTICLE I
NAME: PRINCIPAL OFFICE

1. Name.

The name of this organization shall be Adams Ridge Homeowners Association, Inc. (hereinafter the "Association").

2. Principal Office.

The principal office of the Association shall be located at 1150 Brodhead Road, Monaca, Pennsylvania 15061.

ARTICLE II
DEFINITIONS

1. Definitions.

The following words, when used in these By-laws or any amendment hereto, shall have the following meanings, unless the context shall require otherwise:

(a) "Adams Ridge" shall mean and refer to all existing properties, and additions thereto, as are subject to the Declaration (as hereinafter defined) and any Supplemental Declaration in accordance with Article II, Section 2 of the Declaration.

(b) "Board of Directors" shall mean the Board of Directions of the Association.

(c) "Common Areas" shall mean and refer to all real property, including improvements thereto, owned or areas of easement held in favor of the Association or administered thereto by the Association for the common use and enjoyment of the Members

of the Association. The Common Areas may include streets, parking areas, RV and boat parking facilities, walkway, perimeter walls and fences, gatehouse and entrance structure, landscaped areas outside the Lots, cabanas, playgrounds, community structures, ponds, drainage, detention and retention areas, etc., if the same are constructed on the Property.

(d) "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions of Adams Ridge, dated as of October 19, 1993, filed and recorded in the Office of the Recorder of Deeds of Butler County in Record Book Volume 2369, page 651, and all subsequent amendments thereto.

(e) "Developer" shall mean and refer to Adams Ridge, Inc., a Pennsylvania corporation, its agents, successors and assigns, or such other construction company that undertakes to develop real estate in Adams Ridge under an agreement with the owners of the Property. The Developer may sometimes be referred to herein as the "Declarant."

(f) "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property for the construction of a residence, with the exception of Common Areas, together with all improvements situated thereon from time to time. A Lot may also be referred to as a "Unit" when developed.

(g) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Section 3.01 hereof.

(h) "Owner" shall mean and refer to the record owners, whether one or more persons or entities, of the fee simple title to any Residential Unit or Lot situated within Adams Ridge, but shall not include any party holding an interest merely as security for the performance of an obligation. If a Residential Unit is sold under a recorded contract of sale, the purchaser (rather than the fee owner) will be considered the Owner. The Board of Directors may promulgate reasonable regulations conditioning such use upon registration of the names of the names of contract purchasers with the Association.

(i) "Parcel" shall mean and refer to separately designated, developed residential areas comprised of various types of housing initially or by amendment made subject to the Declaration, including Patio Dwellings, single family attached or detached houses. In the absence of specific designation of separate Parcel status, all Property made subject to the Declaration shall be considered a part of the same Parcel;

provided, however, the Declarant may designate in any subsequent amendment adding property to the terms and conditions of the Declaration that such properties shall constitute a separate Parcel or Parcels, and by a two-thirds (2/3) vote, the Board of Directors may designate Parcel status to any area so requesting.

(j) "Parcel Assessments" shall mean assessments for common expenses provided for herein or by any subsequent amendment which shall be used for the purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the Residential Units against which the specific Parcel Assessment is levied and of maintaining the Property within a given Parcel, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized below.

The Parcel Assessment shall be levied equitably against the Owners of Residential Units or Lots in a Parcel benefitted by the assessment for such purposes as may be authorized by the Declaration or by the Board of Directors from time to time, provided that in the event of assessments for exterior maintenance of dwellings, or insurance on dwellings, or replacement reserves which pertain to particular dwellings (pursuant to an amendment to the Declaration), such assessments (that are for the use and benefit of particular Lots or Units) shall be levied upon a pro rata basis among benefitted Owners.

(k) "Patio Dwelling" shall mean a single family detached dwelling which shall have one side yard and the other side of which shall be located on the lot line with no side yard. Patio Dwellings are designed for location on such zero lot line parcels.

(l) "Planned Residential Development" shall mean The Adams Ridge Planned Residential Development.

(m) "Residential Unit" or "Unit" shall mean all private residential units constructed on a Lot within Adams Ridge and may sometimes be referred to herein as a "Dwelling" or a "Unit."

(n) "Single Family Detached Dwelling" shall mean a building used by one family, having only one dwelling unit and two side yards, or one dwelling unit and one side yard and one zero lot line, so long as the dwelling is not attached to another dwelling.

(o) "Single Family Semi-Detached Dwelling Duplex-Twin" shall mean a building used by one family, having one dwelling unit and one side yard and one party wall in common with another building.

(p) "Property" or "Properties" shall mean and refer to all such existing properties, and additions thereto, as are subject to the Declaration or any Supplemental Declaration under the provisions of Article II of the Declaration.

(q) "Township" shall mean the Township of Adams, Butler County, Pennsylvania.

ARTICLE III MEMBERSHIP

1. Membership.

(a) Every person or entity who is the owner of record of a fee interest in any Lot, or who is purchasing one or more Lots under a contract or purchase agreement, within the Properties shall be a member of the Association and shall be subject to and bound by the Association's Articles of Incorporation, the Declaration, these By-laws, and all Rules and Regulations of the Association. For this purpose, ownership of a Lot under any unit ownership arrangement or agreement shall be deemed ownership of a Lot. The foregoing is not intended to include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation or to persons or entities who construct dwellings for sale to the general public. Ownership of such Lot shall be the sole qualification for membership. When any Lot is owned of record in joint tenancy or tenancy in common or by some other legal entity, or when two or more persons or other legal entity are purchasing one or more Lots under contract or agreement of purchase, the membership as to such Unit(s) shall be joint and the rights of such membership (including the voting power arising therefrom) shall be exercised only as stipulated in subsection (b) hereinbelow.

(b) During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, the voting rights and right to the use of the Common Areas or any other facilities which the Association may provide may be suspended by the Board of Directors, after a hearing at which the general requirements of due process shall be observed. Such hearing shall be held by the Board (or a committee thereof) only after giving such member ten (10) days prior written notice by registered or certified mail specifying such alleged violation. A decision shall be made by a majority

vote of the Board or the appropriate Committee thereof, and such action shall thereby be conclusive.

(c) No membership fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the Association except to pay when due the charges, assessments and special assessments levied upon each Member's Lot as specified in the Declaration, these By-laws, or as the Members of the Association may from time to time hereafter adopt.

2. Voting and Voting Rights.

(a) The voting rights of the membership shall be appurtenant to the ownership of the Lot. There shall be two classes of membership with respect to voting rights:

(1) Class A. Class A members shall be all Owners with the exception of the Developer, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The votes for such Lot shall be exercised as the Owners of such Lot may determine, but in no event shall more than one vote be cast with respect to any Lot.

(2) Class B. The Class B member shall be the Developer and its successors and assigns. The Class B member shall be entitled to five (5) votes for each Lot in which it holds the interest required for membership as provided in Section 1 of this Article III. The Class B membership shall cease and convert to Class A membership upon the occurrence of the earlier of the following events: (i) four months after 85% of the Lots have been conveyed to an Owner other than the Developer, or (ii) four years following conveyance of the first Dwelling Unit to a Unit Owner other than the Developer in a single phase development or eight years following such conveyance in an expandable project.

(b) Any Member who is delinquent in the payment of any charges duly levied by the Association against a Lot owned by such Member shall not be entitled to vote until all such charges, together with such reasonable penalties as the Board of Directors of the Association may impose, have been paid.

(c) Voting on all matters except the election of directors shall be by voiced vote or by show of hands unless a majority of the Members of each Class present at the meeting shall, prior to voting on any matter, demand a ballot vote on that particular matter. Where directors or officers are to be elected

by the Members, the solicitation of proxies for such elections may be conducted by mail.

ARTICLE IV OFFICERS

1. Officers, Elections, Term, etc.

Officers of the Association shall be chosen by the Board and shall be a President, Secretary and Treasurer. The Board may also choose a Vice President and such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall have such authority and shall perform such duty as from time to time shall be prescribed by the Board. Any two or more offices may be held by the same person. It shall not be necessary for the officers to be Directors, except that the President and Secretary shall be members of the Board of Directors. All officers shall be Members of the Association.

The officers of the Association shall hold office for one year and until their successors are chosen and have qualified, or until their earlier death, resignation or removal. Any officer elected or appointed by the Board may be removed by the Board with or without cause whenever in their judgment the best interests of the Association will be served thereby.

2. President.

The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Members and Directors, shall have general and active management of the Association, and shall see that all orders and resolutions of the Board are carried into effect, subject, however, to the right of the Board to delegate any specific power, except such as may be by statute exclusively conferred on the President, to any other officer or officers of the Association. The President shall execute bonds, mortgages, and other contracts requiring a seal, under the seal of the Association. The President shall be ex officio a member of all committees, and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

3. Vice President.

The chief duty of the Vice President shall be to serve in the place of the President when the President is absent. In addition, the Vice President shall carry out any other duties specifically

delegated to that office by the Board of Directors. In the event that the President shall be unable to serve, the Vice President shall succeed to that position until the next regular election.

4. Secretary.

The Secretary shall attend all sessions of the Board and all meetings of the Members and act as Secretary thereof, record all the votes of the Association and the minutes of all of its transactions in a book to be kept for that purpose; and shall perform like duties for all committees of the Board when required. The Secretary shall give, or cause to be given, notice of all meetings of the Members and of the Board, and shall perform such other duties as may be prescribed by the Board or President, under whose supervision the Secretary shall serve. The Secretary shall keep in safe custody the corporate seal of the Association; and when authorized by the Board, affix the same to any instrument requiring it.

5. Treasurer.

The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall keep the monies of the Association in a separate account to the credit of the Association. The Treasurer shall disburse the funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and the Board, at the regular meeting of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association.

The Treasurer shall render an annual statement to the Board of the financial status of the Association and shall present a complete report at the meetings of the Board and of the Members. If no annual meeting of the Members is held, then the annual report shall be filed with the Secretary.

The report presented by the Treasurer to the Board and the Members shall show in appropriate detail the following:

- (1) the assets and liabilities of the Association as of the end of the fiscal year immediately preceding the date of the report;
- (2) the principal changes in assets and liabilities during the year immediately preceding the date of the report;

- (3) the revenue or receipts of the Association for the year immediately preceding the date of the report;
- (4) the expenses or disbursements of the Association during the year immediately preceding the date of the report; and
- (5) the number of Members of the Association as of the date of the report, together with a statement of increase or decrease in such number during the year immediately preceding the date of the report, and the statement of the place where the names and addresses of the current Members may be found.

ARTICLE V
MEETINGS OF THE MEMBERS

1. Place of Meetings.

All meetings of the Members of the Association shall be held at the principal office of the Association or at such other place or places, either within or outside the Commonwealth of Pennsylvania, as may from time to time be selected.

2. Annual Meeting.

The annual meeting of the Members of the Association shall be held on the first day of May of each year, or on such other date as the Board may by resolution determine, at which the Members shall elect the Board and transact such other business as properly may be brought before the meeting.

3. Special Meetings.

Special meetings of the Members may be called at any time by the Board, the President, the Secretary or the Treasurer, or by Members entitled to cast at least twenty-five percent (25%) of the votes which all Members are entitled to cast at a particular meeting. At any time, upon written request of any person who has called a special meeting, it shall be the duty of the Secretary to fix the time of the meeting, which shall be held not more than 60 days after the receipt of the request. If the Secretary shall neglect or refuse to fix the time of the meeting, the person or persons calling the meeting may do so.

4. Quorum.

A meeting of the Members of the Association duly called shall not be organized for the transaction of business unless a quorum is present. Unless otherwise provided in a specific section of these By-laws or in the Declaration, the presence, in person or by proxy, of a majority of the Members shall constitute a quorum. The Members present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough members of the Board to leave less than a quorum. If a meeting cannot be organized because a quorum has not attended, those present may adjourn the meeting to such time and place as they may determine. Those Members entitled to vote who attend a meeting called for the election of Directors that has been previously adjourned for lack of a quorum, although less than a quorum, shall nevertheless constitute a quorum for the election of Directors. Those Members entitled to vote who attend the meeting of Members that has been previously adjourned for one or more periods aggregating at least 15 days because of an absence of a quorum, although less than a quorum, shall nevertheless constitute a quorum for the purpose of acting upon any matter set forth in the notice of the meeting if the notice states that those Members who attend the adjourned meeting shall nevertheless constitute a quorum for the purpose of acting upon any matter set forth in the notice of the meeting if the notice states that those Members who attend the adjourned meeting shall nevertheless constitute a quorum for the purpose of acting upon the matter.

5. Voting.

At each meeting of the Members, every Member having the right to vote shall be entitled to vote in person or by proxy executed in writing by such Member or by his duly authorized attorney-in-fact, and filed with the Secretary of the Association. A proxy, unless coupled with an interest, shall be revocable at will, notwithstanding any other agreement or provisions in the proxy to the contrary, but the revocation of a proxy shall not be effective until written notice thereof has been given to the Secretary of the Association. No unrevoked proxy shall be valid after eleven (11) months from the date of its execution, unless a longer time is expressly provided therein. Elections for Directors shall be by cumulative voting. Upon demand made by a Member at any election for Directors before the voting begins, the election shall be by ballot. If at any meeting of Members, Directors of more than one class are to be elected, each class of Directors shall be elected in a separate election.

6. Notice of Meeting.

Written notice of the annual meeting shall be mailed to each Member entitled to vote thereat, at such address as appears on the books of the Association, at least five (5) days prior to the meeting. Except as otherwise provided in a specific section of these By-laws or the Declaration, written notice of any special meeting shall be mailed to each member entitled to vote thereat at least ten (10) days prior to such special meeting and shall briefly state the purpose of the meeting.

7. Judges of Election.

In advance of any meeting of Members, the Board may appoint judges of election, who need not be Members, to act at such meeting or any adjournment thereof. If judges of election are not so appointed, the chairman of any such meeting may, and on the request of any Member or his proxy shall, make such appointment at the meeting. The number of judges shall be one or three. No person who is a candidate for office shall act as a judge.

In case any person appointed as a judge fails to appear or fails or refuses to act, the vacancy may be filled by appointment made by the Board in advance of the convening of the meeting or of the meeting by the chairman of the meeting.

On request of the chairman of the meeting, or of a Member or his proxy, the judge(s) shall make a report in writing of any challenge or question or matter determined by them, and execute a certificate of any fact found by them.

8. Certified List of Members.

Upon request of a Member, the books or records of membership shall be produced at any regular or special meeting of the Association. If at any meeting the right of a person to vote is challenged, the presiding officer shall require such books or records to be produced as evidence of the right of the person challenged to vote, and all persons who appear by such books or records to be Members entitled to vote may vote.

ARTICLE VI
DIRECTORS

1. Board of Directors.

(a) The business and affairs of the Association shall be managed by the Board of Directors. The Board shall consist of no less than three (3) and no more than nine (9) directors, as the Board shall determine from time to time. Directors shall be natural persons of full age and need not be residents of the Commonwealth of Pennsylvania, but must be Members of the Association.

(b) The Board shall consist of three classes of directors, as nearly equal in number as may be, with the term of office of one class expiring each year. Directors shall be designated as Class A, Class B or Class C Directors. At the meeting held for the election of the initial Board of Directors, Class A Directors shall be elected for an initial term of one (1) year, Class B Directors shall be elected for an initial term of two (2) years, and Class C Directors shall be elected for an initial term of three (3) years. Each Director shall hold office until his or her successor shall be elected and shall qualify, or until his or her earlier death, resignation or removal. At each annual meeting of Members, the successors to the class of directors whose term shall expire that year shall be elected to hold office for a term of three (3) years, so that the term of office of one class of directors shall expire in each year.

2. Election of Directors.

(a) Election to the Board of Directors shall be written ballot as hereinafter provided. At such election, the Members or their proxies may cast, in respect of each vacancy, the number of votes that they are entitled to exercise under the provisions of Article III hereof. The persons receiving the largest number of votes shall be elected.

(b) Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be one of the standing committees of the Association as hereinafter provided.

(c) The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members to serve from the date of such annual meeting until

the next annual meeting. Such appointment shall be announced at each such annual meeting.

(d) The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members. The report of the Nominating Committee shall be included with the notice of the meeting at which the Directors are to be elected.

(e) The Secretary shall prepare and send notice of each meeting at which elections for directors are to be held at least five (5) days in advance of the meeting. The notice shall describe the vacancies to be filled and set forth the names of the persons nominated by the Nominating Committee for such vacancies.

(f) Persons other than those nominated by the Nominating Committee may be nominated if Members representing a majority of votes eligible to vote in the election given written notice of their intent to nominate other persons to the Secretary prior to the date upon which the election is to take place. The notice shall be accompanied by a written consent to be nominated executed by the nominee. *

3. Powers.

In addition to the powers and authorities expressly conferred upon them by these By-laws, the Board may exercise all such powers of the Association and do all such lawful acts and things as are not by statute or by the Articles of Incorporation, the Declaration or these By-laws directed or required to be exercised or done by the Members.

4. Personal Liability of Directors.

A director shall not be personally liable, as such, for monetary damages for any action taken, unless:

- (1) the director has breached or failed to perform the duties of his or her office under 15 Pa. C.S. Subch. 57B; and
- (2) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

The preceding paragraph shall not apply to:

- (1) the responsibility or liability of a director pursuant to any criminal statute; or
- (2) the liability of a director for the payment of taxes pursuant to federal, state or local law.

Any repeal, modification or amendment of this subsection shall be prospective only and shall not affect any rights of a director then existing.

5. Meetings of the Board; Quorum.

The meetings of the Board may be held at such place within this Commonwealth, or elsewhere, as a majority of the directors may from time to time designate, or as may be designated in the notice calling the meeting.

Each newly elected Board may meet at such place and time as shall be fixed by the Members at the meeting at which such directors are elected and no notice shall be necessary to the newly elected directors in order legally to constitute the meeting, or they may meet at such place and time as may be fixed by the consent in writing of all the directors.

Regular meetings of the Board shall be held without notice at the principal office of the Association, or at such other time and place as shall be determined by the Board.

Meetings may occur by telephone or conference call so long as a majority of the Board participates in the conference by telephone or written letter. When memorialized in writing, the decisions of such meeting shall be given the same effect as any other regularly called meeting of the Board.

6. Special Meetings.

Special meetings of the Board may be called by the President on 48 hours notice to each director, either personally or by mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of two or more directors.

7. Quorum.

A majority of the directors in office shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the directors present and voting at a meeting at

which a quorum is present shall be the acts of the Board of Directors.

8. Action by Written Consent.

Any action required or permitted to be taken at a meeting of the Board or a committee of the Board may be taken without a meeting if, prior or subsequent to the action, a consent or consents thereto signed by all of the directors in office or comprising the committee is filed with the Secretary of the Association.

9. Vacancies.

Vacancies on the Board, including vacancies resulting from an increase in the number of directors, shall be filled by a majority vote of the remaining Members of the Board though less than a quorum, and each person so selected shall be a director to serve for the balance of the unexpired term. In case of the failure of the Board to so act within three (3) months after the occurrence of such vacancy, the Court of Common Pleas of the county in which the registered office of the Association is located shall appoint a new director who shall serve for the remaining unexpired term of the retired director.

10. Committees of the Board.

(a) The Board may, by resolution adopted by a majority of the directors in office, establish one or more committees to consist of one or more directors of the Association. Any such committee, to the extent provided in the resolution of the Board or in these By-laws, shall have and may exercise all the powers and authority of the Board, except that no such committee shall have any power or authority as to the following:

- (1) the submission to Members of any action requiring approval of Members under this Article;
- (2) the filling of vacancies on the Board;
- (3) the adoption, amendment or repeal of the By-laws;
- (4) the amendment or repeal of any Resolution of the Board; or

(5) action on matters committed by By-laws or Resolution of the Board to another committee of the Board.

(b) The Standing Committees of the Association shall be:

The Nominating Committee

The Recreation Committee

The Maintenance Committee

* The Architectural Control Committee

The Publicity Committee

The Audit Committee

Unless otherwise provided herein, each committee shall consist of a Chairman and two or more members and shall include a member of the Board of Directors. The members of the Committees shall be appointed by the Board of Directors prior to each annual meeting, and such members shall serve from the date of such annual meeting until the next annual meeting. Such appointments shall be announced at each annual meeting. The Board of Directors may appoint such other committees as it deems desirable.

(c) The Nominating Committee shall have the duties and functions described in Article VI, Section 2 of these By-laws.

(d) The Recreation Committee shall advise the Board of Directors on all matters pertaining to the recreational programs and activities of the Association and shall perform such other functions as the Board in its discretion determines.

(e) The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Areas and facilities of the Association, and shall perform such other functions as the Board, in its discretion, determines.

(f) The Architectural Control Committee shall have the duties and functions described in Article VI of the Declaration. It shall watch for any proposals, programs, or activities which may adversely affect the residential value of the Property and shall advise the Board of Directors regarding Association action on such matters.

(g) The Publicity Committee shall inform the members of all activities and functions of the Association and shall, after

consulting with the Board of Directors, make such public releases and announcements as are in the best interest of the Association.

(h) The Audit Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting. The Treasurer shall be an ex officio member of the Committee.

(i) With the exception of the Nominating Committee and the Architectural Control Committee (but then only as to those functions that are governed by Article VI of the Declaration), each committee shall have power to appoint a subcommittee from among its membership and may delegate to any such subcommittee any of its powers, duties and functions.

(j) It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties, and activities within its field of responsibility. The applicable committee shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented. All complaints shall be in writing and shall receive a written response within a reasonable period of time. The decision on any complaint may be appealed, in writing, to the Board of Directors.

11. Presumption of Assent.

A director of the Association who is present at a meeting of the Board, or of a committee of the Board, at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his dissent is entered into the minutes of the meeting or unless he files his written dissent to the action with the Secretary of the Association immediately after the adjournment of the meeting. The right of dissent shall not apply to a director who voted in favor of the action. Nothing in this section shall bar a director from asserting that minutes of a meeting incorrectly omitted his dissent if, promptly upon receipt of a copy of such minutes, the director notified the Secretary of the Association, in writing, of the asserted omission or inaccuracy.

12. Resignations.

Any director may resign by submitting to the President his resignation, which (unless otherwise specified therein) need not

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be accepted to make it effective and it shall be effective immediately upon its receipt by such officer.

13. Removal of Directors.

The entire Board, a class of the Board, or an individual director may not be removed from office, other than at a regularly scheduled meeting of the Members of the Association, without cause. A director may be removed from office for cause in cases of fraudulent or dishonest acts, gross abuse of authority or discretion or for any other proper cause.

ARTICLE VII
CORPORATE RECORDS

1. Records Required.

The Association shall keep complete and accurate books and records of account, minutes of the proceedings of the Incorporator, Members and the Board and a register containing the names and addresses of all Members. The Member register shall be kept at either the registered office of the Association or at its principal place of business.

2. Inspection.

Every Member shall, upon written verified demand directed to the Association at its registered office or principal place of business and stating the purpose thereof, have a right to examine, in person or by his agent or attorney, during the Association's usual business hours, for any proper purpose, the Member register, books and records of account, and records of the proceedings of the Incorporator, Members and the Board and to make copies or extracts therefrom. "Proper purpose" shall mean a purpose reasonably related to the interest of the person as a Member. If an attorney or agent of the Member is the person who seeks the right of inspection, the demand shall be accompanied by a verified power of attorney or other writing that authorizes the attorney or other agent to so act on behalf of the Member.

ARTICLE VIII MISCELLANEOUS PROVISIONS

1. Notices.

Whenever written notice is required to be given to any person, it may be given to such person, either personally or by sending a copy thereof by first class or express mail, postage prepaid, or by telegram (with messenger service specified), or facsimile transmission by telecopier to his address appearing on the books of the Association, or, in the case of directors, supplied by him to the Association for the purpose of notice. If the notice is sent by mail, telegraph or courier service, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with the telegraph office or courier service for delivery to that person or, in the case of a telex or facsimile transmission, when dispatched to such person. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted. Any Member or director may waive in writing and at any time any notice required to be given under the By-laws. Attendance of a person, either in person or by proxy, at any meeting shall constitute a waiver of notice of such meeting except where the express purpose of such attendance is to object, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

2. Checks.

All checks, demands for money and notes of the Association shall be signed by such officer or officers as the Board shall from time to time designate.

ARTICLE IX INDEMNIFICATION

1. Indemnification.

Every person who is or was a party, or is threatened to be made a party, to (i) any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, or (ii) any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in his favor (hereinafter a "Proceeding"), by reason of the fact that such person serves or has served at any time as a director, officer, employee or agent of the Association, or who at the

request of the Association serves or at any time has served as a director, officer, employee or agent of another association or of any corporation, partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless by the Association to the fullest extent authorized by the Pennsylvania Non-Profit Association Law of 1988, as now in effect or as may hereafter be amended (but, in the case of an amendment, only to the extent that such amendment permits the Association to provide broader indemnification rights than such law permitted the Association to provide prior to such amendment), from and against any and all of the expenses, liabilities or other matters referred to in or covered by said law. Such indemnification shall continue with respect to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which any person may be entitled under any provision of the Articles of Incorporation, any By-Law, agreement, vote of disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

2. Reimbursement for Costs of Successful Defense.

To the extent that a director, officer, employee or agent of the Association, or a person serving in any other enterprise at the request of the Association, shall have been successful on the merits or otherwise in defense of any Proceeding referred to in Section 1 of this Article IX or in defense of any claim, issue or matter therein, he or she shall be indemnified against all expenses (including attorneys' fees) actually and reasonably paid or incurred by him or her in connection therewith.

3. Determination of Indemnification.

Any indemnification under this Article IX (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstance because he has met the applicable standard of conduct set forth in the Pennsylvania Non-Profit Association Law of 1988, as amended. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel, who may be the regular independent legal counsel of the Association, in a written opinion.

4. Advance of Expenses.

Expenses (including attorneys' fees) incurred by a person in defending any Proceeding may be paid by the Association in advance of the final disposition of such Proceeding upon receipt by the Association of an undertaking in writing by or on behalf of the person to be indemnified to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized in the Pennsylvania Non-Profit Association Law of 1988. Such expenses (including attorneys' fees) incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board deems appropriate.

5. Insurance.

The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another association, corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article IX.

ARTICLE X ASSESSMENTS

1. Rights of Membership Subject to Assessments.

The rights of membership in the Association are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner of and becomes a lien upon the property against which such assessments are made, in accordance with Article V of the Declaration, which provides as follows:

(a) Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, covenants and agrees to pay to the Association: (1) annual assessments or charges; (2) special assessments for maintenance, repair or restoration; and (3) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as provided in the Declaration.

The annual and special assessments, together with such interest thereon and costs of collection thereof as provided in the Declaration, shall be a charge on the land and improvements thereon and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as provided in the Declaration, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

2. Purpose of Assessments:

The assessments levied by the Association shall be used to provide funds for such purposes as the Association may determine are for the benefit of its Members, which purposes may include street maintenance, general maintenance, landscaping and beautification of the Common Areas, and the maintenance and repair of all improvements thereon. Said funds shall also be used to provide for maintenance of improvements to the drainage retention areas (DRA), including those DRAs which are a part of the Common Areas and are held by easement to the Association. Common Areas may also include public easements held in favor of the Association or other lands and improvements thereon, designated by the Developer and/or the Association. Funds may also be used to provide other services for the Association Members, to promote the health, safety, and welfare of the residents of Adams Ridge and in particular for the acquisition, improvement and maintenance of properties, services and facilities related to the use and enjoyment of the Common Areas, including but not limited to the cost of repair, replacement and additions thereto; the cost of labor, equipment, materials, management and supervision thereof; the payment of taxes assessed against the Common Areas; the procurement and maintenance of insurance; the employment of attorneys, accountants and other professionals to represent the Association when necessary or useful; the employment of security personnel to provide any service which is not readily available from any governmental authority; and such other needs as may arise.

3. Annual and Original Assessments.

(a) Annual Assessment. The annual assessments shall be based upon the budget for the operation and maintenance adopted by the Board of Directors of the Association from time to time. In the event Developer, in its sole discretion, shall construct recreational facilities upon the Common Areas, the expenses for the maintenance and operation of any such recreational facilities shall be treated as a common expense of the Association. Nothing

shall obligate Developer to construct any recreational facilities on the Property, or on any additions thereto.

(b) Increase in Assessments. The annual assessment for each year (commencing January 1 of the year following the year in which the first Lot is conveyed to an Owner), may be increased each year not more than 20% above the maximum annual assessment. The maximum annual assessment may be increased above 20% 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. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(c) Original Assessments. So that the Association may defray the initial cost of operation before a substantial number of Lots have been conveyed to Owners, each Owner, at the time such Owner acquires title to his Lot, may pay a sum of Two Hundred Fifty (\$250.00) Dollars to the Association for such Lot. Such payment shall be a contribution to the capital of the Association and will not be recoverable by the Owner upon sale of his Unit to a third party. Credit for such capital contribution shall remain with the Lot, and therefore, any party to whom such Owner shall sell his Lot will receive credit for such capital contribution. Developer or its successors under no circumstances shall be liable or responsible for payment of original assessments, nor shall any person or entity who constructs Dwelling Units for sale to the general public be liable for payment of original assessments.

4. Special Assessments for Capital Improvements and Against Particular Lot(s).

In addition to the annual assessments authorized by Section 4 hereof, the Association may levy in any assessment year a special assessment not exceeding \$10,000.00, applicable to that year only. A special assessment for capital improvements that exceeds \$10,000.00 may be approved, provided that any such assessment shall have the assent of two-thirds (2/3) of each class of Members entitled to vote who are voting in person or by proxy at a meeting duly called for this purpose in accordance with the requirements of Article V hereof. Notwithstanding anything contained herein or in the Declaration to the contrary, the Association may levy, without a required affirmative assent of the Members, a special assessment for the purpose of defraying the costs and expenses of acquiring the Adams Ridge water system. Such special assessment shall be in an amount equal to the costs of acquisition of the Adams Ridge water system and any expenses incidental thereto.

In addition to the assessments described above, the Association may levy a special assessment against a particular Lot

to recover damages or expenses chargeable against that Lot, the Lot Owner, his family, guests, invitees, agents or tenants for damage and structural maintenance, restoration or repairs without approval of the membership. The Association shall provide to the Lot Owner a written notice stating the amount of and the due date for the payment of such special assessments. The Association shall have all lien and foreclosure rights as set forth in the Declaration for any assessments.

At the option of the Association, the Association may agree to provide maintenance services to individual Lots. Such services shall only be provided by written agreement between the Lot Owner and the Association, shall be for a term of one year, shall provide for pre-payment of estimated expenses on a monthly basis, with annual adjustment to reflect actual cost over the one year term, and such other terms as may be agreed to by the parties. The charges for such Lot maintenance shall be a personal assessment and shall be subject to collection procedures for assessments generally set forth in the Covenants and By-laws.

5. Assessment Rate.

Excepting exempt property and Special Assessments against a particular Lot, both annual and special assessments for Lots shall be fixed as follows:

Class A Dwelling Units shall be defined as all Lots for which Certificates of Occupancy have been issued prior to the due date of an annual or special assessment.

Class AV Dwelling Units shall be defined as all Lots for which no Certificate of Occupancy has been issued as of the due date of an annual or special assessment.

Class A Dwelling Units assessments shall be at the rate of two (2) times the assessment rate for Class AV Dwelling Units.

The varying rates of assessments are based upon anticipated usage of the Common Areas and community properties by the two classes of Owners, provided, however, that no person or entity who constructs Dwelling Units for sale to the general public shall be required to pay any assessment whatsoever.

6. Date of Commencement of Annual Assessments, Due Dates.

Annual assessments provided for herein shall commence on the first day of the month following the recordation of Units/Lots created subsequent to the Declaration or January 1, 1994, whichever occurs later. The assessments for any subsequent years shall

become due and payable on the first day of March of said year. The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for herein as the remaining number of months in that year bear to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to the Property now subject to assessment at a time other than the beginning of any assessment period.

The Board of Directors may provide that the annual assessment may be paid in periodic installments. The due date of any special assessment under Section 5 hereof shall be fixed in the resolution authorizing such assessment.

7. Duties of the Board of Directors.

The Board of Directors of the Association shall fix the amount of the assessment against each Lot or Residential Unit for each assessment period not later than thirty (30) days preceding January 1 of each year, and shall, at that time, prepare a roster of the Property and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. In the event that the Board elects not to fix such assessment rate as herein provided, the amount of the prior year's assessment shall be the fixed amount.

The Association shall, upon demand and for a reasonable charge, furnish to any Owner liable for said assessment a certificate signed by an officer of the Association, stating whether the applicable assessments on such Owner's Lot or Unit have been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

8. Effect of Non-Payment of Assessment, Personal Obligation of the Owner; Lien; Remedies of Association.

Any assessment which is not paid when due shall be delinquent. If the assessment is not paid within five (5) days after the due date, it shall bear interest from the date of delinquency at the highest rate allowed by law, and the Association, acting through its Board of Directors, may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against such Owner's Lots(s), and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. In addition, the Association may levy a late charge. No Owner may waive or otherwise escape liability

for the assessments provided for herein by non-use of the Common Areas or abandonment of his Unit or Lot.

If the assessment is not paid within five (5) days after it becomes due, then the Association shall have a continuing lien on the delinquent Lots, which lien shall continue until the delinquent assessment is paid. Such lien may be perfected by the filing of an instrument among the Public Records of Butler or Allegheny County, Pennsylvania, indicating the amount of such lien and the obligation for interest and attorneys' fees and costs of collection. Such lien shall be foreclosed in the same manner in which mortgages are enforced and foreclosed. The Association, by and through its authorized officers, shall, from time to time, upon the request of an Owner or mortgagee, issue a certificate, stating the amount of any assessment due with respect to such Lot, and any third party may rely on such certificate, and the Association shall be bound thereby.

9. Subordination of the Lien to Mortgages.

The lien of the assessments provided for herein shall be superior to all other liens, save and except tax liens and first mortgage liens, provided that said mortgage liens are first liens against the property encumbered thereby (subject only to tax liens) and secure indebtedness whose payments are amortized in monthly or quarter-annual payments based on an amortization period of no less than ten (10) years. Sale or transfer of any Unit which is subject to a mortgage as herein described, pursuant to an action of foreclosure under such mortgage, shall extinguish the lien of such assessments as to payments thereof which become due prior to sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. Any delinquent assessments which are extinguished pursuant to the foregoing provision may be reallocated and assessed to all of the units as a common expense.

10. Exempt Property.

The assessments, charges and liens created under this Article X shall not apply to the Common Areas or any Unit which Developer may hereafter designate for common use as part of the Common Areas or otherwise shall be exempt from the assessments and charges created herein. In addition, all property dedicated to and accepted by a local public authority and all land granted to or used by an utility company shall likewise exempt. Properties owned by a charitable or non-profit organization may likewise be exempt therefrom at the sole discretion of the Board of Directors as they may from time to time deem appropriate.

ARTICLE XI
PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON AREAS

1. Use and Enjoyment.

Each Member shall be entitled to the use and enjoyment of the Common Areas and facilities as provided by deed of dedication and by Article IV of the Declaration which provides substantially as follows:

(a) Members' Easements of Enjoyment. Subject to the provisions of subsection (c) below, every Member shall have a non-exclusive right and easement of enjoyment in and to the Common Areas and such easement shall be appurtenant to and shall pass with the title to every Lot (or Residential Unit).

(b) Title to Common Areas. The Developer may retain the legal title to the Common Areas until such time as it has conveyed title pursuant to Article IV, Section 2 of the Declaration.

(c) Extent of Members' Easements. The rights and easements of enjoyment created by the Declaration shall be subject to the following:

(1) the right of the Developer and of the Association, in accordance with the Declaration and these By-laws, to borrow money for the purpose of improving the Common Areas and in aid thereof to mortgage said areas. In the event of a default upon any such mortgage, the lender's rights hereunder shall be limited to a right, after taking possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored;

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

(3) the right of the Association to suspend the voting and enjoyment rights of any Member for any period during which any assessment against his Unit or Lot remains unpaid, or for any infraction of the Associations's published rules and regulations;

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

(5) the right of the individual Members to the exclusive use of parking spaces;

(6) the right of the Association to limit the use of the Common Areas to Dwelling Unit or Lot Occupants, whether of single or multi-family units, their families and bona fide guests in accordance with written rules and regulations promulgated by the Association from time to time; provided, however, that Developer shall have unlimited access to the Common Areas;

(7) the right of the Developer and the Association to impose reasonable covenants and restrictions in respect of the Common Areas, in addition to those set forth therein at the time of conveyance of such Properties to the Association and such covenants and restrictions will be incorporated by reference and made a part of the Declaration and these By-laws.

(8) the right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, or determination as to the purposes or as to the conditions thereof, shall be effective unless the Members entitled to cast at least two-thirds (2/3) of the votes of each class of membership agree to such dedication, transfer, purpose or condition; provided, however, that this paragraph shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of electrical, telephone, cable, vision, water and sewerage, utilities and drainage facilities and the like upon, over, under and across the Common Areas without the assent of the Membership when such easements are necessary for the convenient use and enjoyment of the Property.

ARTICLE XII ASSOCIATION PURPOSES AND POWERS

1. General Purposes.

The Association has been organized for the following purposes: To promote the health, safety, and welfare of the residents within Adams Ridge, and such additions thereto as may hereafter be brought within the jurisdiction of this Association by annexation, and for this purpose, inter alia,

1. to own, acquire, build, operate, and maintain recreation areas and facilities, commons, street, footways, drainageways, stormwater facilities including buildings, structures and personal properties incident thereto;

2. to provide exterior maintenance for the Common Areas;

3. to provide garbage and trash collection for the Common Areas;

4. to provide fire and police protection;

5. to maintain unkept lands or trees;

6. to supplement municipal services;

7. to fix assessments (or charges) to be levied against the Property; and

8. to enforce any and all covenants, restrictions and agreements applicable to the Property.

2. Additions to the Property.

Additions to the Property may be made only in accordance with the provisions of Article II of the Declaration. Such additions shall extend the jurisdiction, functions, duties, and membership of this Association to such properties. If the applicable covenants require that certain additions be approved by the Association, such approval must have the assent of a majority of the votes of each class of members who are voting in person or by proxy at a meeting duly called and held for this purpose in accordance with the provisions of Article 5 hereof.

3. Merger or Consolidation.

Subject to the Declaration, and to the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit associations organized for the same purposes, provided that any such merger or consolidation shall have the assent of a majority of the votes of each class of Members who are voting in person or by proxy at a meeting duly called and held in accordance with the provisions of Article 5 hereof.

4. Power to Borrow.

The Association shall have power to borrow only to the extent authorized under the Declaration. The total debts of the association outstanding at any time shall not exceed the total of three (3) years' assessments current at that time, provided that authority to exceed said maximum in any particular case may be given by an affirmative vote of a majority of the votes of each class of members who are voting in person or by proxy at a meeting duly called and held in accordance with the provisions of Article 5 hereof.

No mortgage, lien or encumbrance shall be placed on the Common Areas unless such mortgage, lien or encumbrance shall have been approved by an affirmative vote of two-thirds of the Board of Directors.

Notwithstanding anything contained herein or in the Declaration to the contrary, the Association shall have the power, without a required affirmative vote of its Members, to borrow and grant as security therefor a mortgage, lien, encumbrance, security interest, and/or pledge, as the case may be, for the purpose of financing the acquisition of the Adams Ridge Water System.

ARTICLE XIII
AMENDMENTS

Except as otherwise specified in the Articles, the Declaration or these By-laws, these By-laws may be altered, amended and repealed, and new By-laws may be adopted, by the vote of Members entitled to cast at least a majority of the votes which all Members are entitled to cast, or by the vote of a majority of the full Board of the Association, at any regular or special meeting. In the case of a meeting of the Members, written notice shall be given to each Member that the purpose, or a purpose, of the meeting is to consider the adoption, amendment or repeal of the By-laws, and such notice shall include a copy of the proposed amendment or a summary of the changes to be effected thereby. The Board shall not have the authority to adopt or change a By-law on any subject that is committed expressly to the Members by any of the provisions of Section 5504(b) of the Pennsylvania Non-Profit Association Law of 1988, as amended or supplemented from time to time.

**ADAMS RIDGE HOMEOWNERS ASSOCIATION
BOARD RESOLUTION
BOARD MEMBER CODE OF CONDUCT**

Act in the Community's Interest. Directors will strive for the common good of the Association, forgoing personal interests.

Lawful Actions. All Board actions will comply with the governing documents and the law.

High Standards of Conduct. Conduct should be above reproach and avoid the appearance of impropriety.

Mutual Respect. Directors will address other directors and homeowners with respect, even when in disagreement.

Meeting Attendance. Directors will attend all Board meetings.

Be Prepared. Directors will come prepared to meetings by reviewing the agenda and related materials *before* the meeting and listen attentively and courteously.

Confidentiality. Directors will maintain confidentiality of highly sensitive information and respect the privacy of all owners.

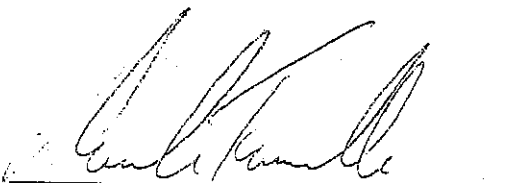
Positive Attitude. Directors will encourage employees, managers and contractors to promote better decisions.

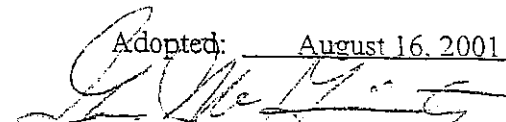
Support and Loyalty. Directors will respect the authority of the Board by not undermining majority decision.

Respect the Rules. Directors will obey Association rules to set a positive example for others.

Pay Assessments. Directors will remain current in all fees owed to the Association.

Promote Harmony. Directors will promote community harmony in act, word and deed.


Domenic Tommarello, President

Adopted: August 16, 2001

Gary McGinnity, Secretary

THE ADAMS RIDGE HOMEOWNERS ASSOCIATION
RULES ENFORCEMENT POLICY AND PROCEDURES

WHEREAS, Article VII, Section 2(d) and Article X of the Code of Regulations, grants the Board the power and duty to "promulgate such rules and regulations concerning the operation and use of the Property or of the common elements"...

WHEREAS, for the benefit and protection of the Association and of the individual members, the Board deems it desirable to establish and operate by a uniform procedure to assure an orderly disposition of all cases where there is a question of compliance by a unit owner, his family, his guests or tenants, with the provisions of the Declaration, Code of Regulations or the Rules and Regulations as amended ("Association Documents"), thereby minimizing the necessity of seeking action in and through a court of law or equity; and

WHEREAS, it is the intent of the Board to establish a uniform procedure for the Board to follow where they must take action relative to questions of compliance by individuals with the provisions of the Association Documents;

NOW, THEREFORE BE IT RESOLVED that the following be adopted by the Board as the Rules Enforcement Policy and Procedure of the Adams Ridge Homeowners Association.

This policy is to be used by the Board in all cases of alleged violations of the Association Documents. The Board must have documentation of the alleged violation. This documentation can be in the form of a letter or note or a completed Rule Violation Form, from any unit owner or a report from the maintenance staff or management representative.

This documentation should state essentially the following:

- 1.) The nature of the violation;
- 2.) The date and approximate time of the violation;
- 3.) The approximate location of the violation;
- 4.) The names and unit address of the offending party;
- 5.) The name and unit address of the person reporting the violation;
- 6.) A statement verifying that the person reporting the violation actually observed the violation; and
- 7.) Any other information that may aid the Board in resolving the violation.

The sequence of events in enforcing this policy and procedure is as follows:

If, in the opinion of the Board or its authorized agent, the reported violation does not endanger other residents or common elements and can best be cured by a warning, the Board or its authorized agent shall cause a letter to be sent by regular mail to the offending unit owner describing the alleged violation, demanding (1) that any such violation cease immediately and (2), if appropriate, the area that was damaged by the violation be restored by the offending unit owner or the Association to the satisfaction of the Association. The cost of restoration to be born by the offending party.

If the violating unit owner does not comply with the warning letter, and continues thereafter to violate the Association Documents, the Board or its authorized agent shall cause to be sent to the offending unit owner by regular mail a written notice of the violation and pending fine, containing essentially the following information:

- 1.) A description of the nature, the time and place of the second violation;
- 2.) A demand that the violation immediately cease and that any damage to the property be restored, within a Ten (10) day period;
- 3.) A statement that a fine in the amount of not less than \$25.00 nor more than \$100.00 per day will be imposed on the offending unit owner;
- 4.) A statement that if the offending unit owner wishes to appeal the fine, he/she must contact the Board of Directors in writing, within Ten (10) days from the date of the notice of violation, requesting a hearing before the Board . Any request for an appeal before the Board will stay the imposition of any fine until the case is decided, noting however that if the Board finds the alleged unit owner guilty of the infraction charged that any fine imposed will be retroactive to the date of the initial notice of the violation to the unit owner;
- 5.) A warning that, if the violation continues, a fine of not less than Ten Dollars (\$10.00) per day and not more than One Hundred (\$100.00) per day thereafter, will be imposed until the violation has been cured; and
- 6.) A statement that any damage caused by the violation will be assessed against the offending unit owner, and that attorney fees and costs may be assessed accordingly.

The Board shall establish a hearing time and place within Ten (10) days of receipt of the request. The hearing will be announced and will be a public hearing. The person who filed the complaint will be asked to attend the hearing to provide testimony. If the Board

finds that the complaint is factual, the original stated fine will stay.

If any fines imposed by the Board under this policy and procedure are not paid within Thirty (30) days of the initial assessment or the violation otherwise continues, the matter may be referred by the Board to legal counsel for the Association for appropriate legal action. If the matter is referred to legal counsel, all reasonable attorney's fees, interest and costs incurred shall be assessed and collected against the offending unit owner. If at any time a unit owner or violator fails to pay any sums due to the Association for any reason, then those sums due will accrue a Ten Dollar (\$10.00) per month late charge on the outstanding balance until said sums are paid in full.

This policy and procedure is applicable to any violation of the Association Documents which does not currently specify a fine and/or a method of collecting fines by the Adams Ridge Homeowners Association Board of Directors. If a section of the Association Documents does specify a fine and/or a method of collecting the fine, then the amount of the fine and/or the procedure set forth therein will be followed.

All fines are to be paid to the Adams Ridge Homeowners Association at their business mailing address.

Adopted by the Adams Ridge Homeowners Association Board of Directors this ____
24TH day of JULY, 2003.

Mildred C. [illegible]
BETWEEN [illegible] AND [illegible]

93 OCT 22 AM 11:29

SUTLER COUNTY, PA.

FEE \$ 75.50 pda

ADAMS RIDGE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

W I T N E S S E T H:

WHEREAS, DECLARANT desires to insure the attractiveness of the individual lots and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of the said property and to provide for the maintenance of common areas and other community facilities, and, to this end, desires to subject the real property described in Article II together with such additions as may hereafter be made thereto (as provided in Article II) 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, protection and enhancement of the values and amenities in Adams Ridge and to insure the residents' enjoyment of the specific rights, privileges and easements in the community properties and facilities, to create an organization to which should be delegated and assigned the powers of owning, maintaining and administering all common and community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, DECLARANT will incorporate under the laws of the State of Pennsylvania, as a non-profit corporation, ADAMS RIDGE HOMEOWNERS' ASSOCIATION, INC., for the purpose of exercising the functions aforesaid within Adams Ridge.

NOW, THEREFORE, THE DECLARANT declares that the real property described in Article II, and such additions thereto as



may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I

DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

1. "ADAMS RIDGE" shall mean and refer to all existing properties, and additions thereto, as are subject to this Declaration and any Supplemental Declaration under the provision of Article II hereof.

2. "Association" shall mean and refer to Adams Ridge Homeowners' Association, Inc.

3. "Dwelling Unit" shall mean and refer to all private residential units constructed on a lot within Adams Ridge and may sometimes be referred to as "Dwelling" or "Unit".

4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any residential Dwelling Unit or Lot situated within Adams Ridge but shall not include mortgagees.

5. "Common Improvements" - those lands or improvements erected thereon as donated or constructed by the Developer and/or Association for the enhancement and protection of The Property or to meet the governmental requirements placed on The Property.

6. "Declarant" shall mean and refer to Adams Ridge, Inc., its agents, successors and assigns, or such other construction company that undertakes to develop real estate in Adams Ridge under an agreement with the owners of the land. The Declarant may sometimes be called or referred to as "Developer".

7. "Member" shall mean and refer to members of the Adams Ridge Homeowners' Association, Inc.

8. "General Plan of Development" shall mean and refer to all recorded plats for particular areas of Adams Ridge.

9. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property for the construction of a residence, with the exception of the Common Area(s), together with all improvements situated thereon from time to time. A lot may also be referred to as "Unit" when developed.

10. "Board of Directors" when referred to herein shall mean the Board of Directors of Adams Ridge Homeowners' Association, Inc.

11. "Committee" when referred to herein shall mean the Architectural Control Committee provided for in Article VI hereof.

12. "Common Area" shall mean all real property, including improvements thereto, owned or areas of easement held in favor of the Association or administered thereto by the Association for the common use and enjoyment of the members of the Association. The Common Areas may include streets, parking areas, RV and boat parking facility, walkways and parking areas, perimeter walls and fences, gatehouse and entrance structure, landscaped areas outside the lots, cabanas, playground(s), community structures, ponds, drainage, detention and retention area etc., if the same are constructed on the Property. Common Area(s) may sometimes be called or referred to as Community Property.

13. The term "institutional first mortgage" shall mean a mortgage made by a bank, or a savings and loan association, or an insurance company, or a pension fund, or a real estate trust, or other private or governmental agency or institution which is engaged in the business of mortgage financing, which is a first and prior mortgage encumbering a Residence.

14. "Bylaws" shall mean and refer to the Bylaws of Adams Ridge Homeowners' Association, Inc., all exhibits and Rules and Regulations which are attached thereto and made a part thereof, and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms thereof.

15. "Residence" shall mean and refer to a private family dwelling located upon a lot.

16. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of Adams Ridge Homeowners' Association, Inc., all exhibits which are attached hereto and made a part thereof, and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms thereof.

17. "Developer" shall mean Adams Ridge, Inc., or other third party responsible for the subdivision and improvements of the lands.

18. All other terms defined in the Declaration shall have the same meaning when used herein.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

Section 1. Existing Property. The Real Property which is, and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located in the Counties of Butler and Allegheny, State of Pennsylvania, and is more particularly described in Plat Book 166, Pages 3 through 7, and incorporated by reference fully as if specifically repeated herein and all of which real property shall hereinafter be referred to as "Existing Property".

Section 2. Additions to Existing Property. Without further assent or permit, DECLARANT hereby reserves the right, exercisable from time to time, to subject other real property to the restrictions set forth herein, in order to extend the scheme of this Declaration to other property to be developed as part of Adams Ridge, and thereby bring such additional properties within the jurisdiction of the Association. The addition herein authorized shall be made by filing of record (Section 1 above) or one or more supplementary Declarations with respect to the properties to be then subject to this Declaration and which shall extend the jurisdiction of the Association to such property and thereby subject such addition to assessment for its share of the Association's expenses. Each supplementary Declaration may contain such complementary additions and modifications of the Covenants, Conditions and Restrictions contained herein as may be necessary to reflect the different character, if any, of the added properties; provided however, any such supplementary declaration or any such other Declaration shall not revoke or

otherwise amend the provisions of this Declaration as this Declaration pertains to the properties subjected thereto.

Section 3. Additions. In the event additional property is submitted to this Declaration, DECLARANT reserves the right to replat in its sole discretion any previously platted properties already submitted to this Declaration in order to establish streets, walkways, and open spaces that adequately and consistently provide access and harmony in appearance to all portions of the Property. If DECLARANT shall determine that replatting of any previously platted property is necessary or expedient, and any Lot or parcel within that previously platted property has been conveyed to a third party, such third party Owner, his successors, assigns, grantees, heirs or legal representatives shall execute any and all applications, affidavits and instruments requested by DECLARANT in order to effectuate such replatting, provided that such replatting shall not materially affect the right of convenient access to Lots previously conveyed to third parties under the previous plat.

Section 4. Easements. Adams Ridge Homeowners' Association, Inc., through its officers, and Developer shall have the right to establish easements and cross-easements for drainage, utilities and other purposes which are deemed necessary or desirable for both Developer and the members of Association to fully enjoy and utilize their respective properties in harmony with each other.

ARTICLE III

AGREEMENT TO JOIN ASSOCIATION; ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership.

1. Every person or entity who is the owner of record of a fee interest in any Lot, or who is purchasing one or more Lots, under a contract or purchase agreement within the Properties shall be a member of the Association, subject to and bound by the Association's Articles of Incorporation, this Declaration, the Bylaws, and all the Rules and Regulations. For this purpose, ownership of a Lot, under any unit ownership arrangement or agreement shall be deemed ownership of a Lot. The foregoing is not intended to include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation or to persons or entities who construct dwellings for

sale to the general public. Ownership of such Lot shall be the sole qualification for membership. When any Lot is owned of record in joint tenancy or tenancy in common or by some other legal entity, or when two or more persons or other legal entity are purchasing one or more Lots under contract or agreement of purchase, the membership as to such unit(s) shall be joint and the rights of such membership (including the voting power arising therefrom) shall be exercised only as stipulated in Section 2 hereinbelow).

2. During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, the voting rights and right to the use of the Common Areas or any other facilities which the Association may provide may be suspended by The Board of Directors, such member's voting and use rights may be suspended by the Board after a hearing at which the general requirements of due process shall be observed. Such hearing shall only be held by the Board (or a committee thereof) after giving such member ten (10) days prior written notice by registered or certified mail specifying such alleged violation. A decision shall be made by a majority vote of the Board or the Committee thereof, and such action shall thereby be conclusive.

3. No membership fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the Association except to pay when due the charges, assessments and special assessments levied upon each Member's Lot as specified in the Declaration, the By-laws, or as the members of the Association may from time to time hereafter adopt.

Section 2. Voting and Voting Rights.

1. The voting rights of the membership shall be appurtenant to the ownership of the Lot. There shall be two classes with respect to voting rights:

A. Class A. Class A members shall be all owners with the exception of the DECLARANT, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The votes for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

B. Class B. The Class B members shall be the

DECLARANT and its successors and assigns. The Class B members shall be entitled to five (5) votes for each Lot in which it holds the interest required for membership as provided in Section 1 of this Article V. The Class B membership shall cease and convert to Class A membership upon the earlier of the following events occurring: (i) four months after 85% of the Lots have been conveyed to an owner other than the DECLARANT, or (ii) four years following conveyance of the first Dwelling Unit to a Unit Owner other than the DECLARANT in a single phase development or eight years following such conveyance in an expandable project.

2. Any Member who is delinquent in the payment of any charges duly levied by the Association against a Lot owned by such Member shall not be entitled to vote until all such charges, together with such reasonable penalties as the Board of Directors of the Association may impose, have been paid.

3. Voting on all matters except the election of directors shall be by voiced vote or by show of hands unless a majority of the Members of each Class present at the meeting shall, prior to voting on any matter, demand a ballot vote on that particular matter. Where directors or officers are to be elected by the Members, the solicitation of proxies for such elections may be conducted by mail.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREAS/COMMUNITY PROPERTIES

Section 1. Members' Easement of Enjoyment. Subject to the provisions of Section 3 below, every Residential Member of the Adams Ridge Homeowners' Association shall have a non-exclusive right and easement of enjoyment in and to the Community Properties and such easement shall be appurtenant to and shall pass with the title to every Dwelling Unit situated within Adams Ridge.

Section 2. Title to Community Properties. The DECLARANT may retain the legal title to the Community Properties until such time as it has completed improvements thereon and until such time as, in the opinion of the DECLARANT, the Adams Ridge Homeowners' Association is able to maintain the same.

Section 3. Streets. All paved streets within Adams Ridge will be dedicated to the appropriate governmental body. Until

such time, all paved streets within Adams Ridge will be private thoroughfares to be used only by members, their guests and invitees and the Developer, its guests and invitees for any contiguous property owned by Developer. Ownership of all streets and thoroughfares shall be joint between Adams Ridge Homeowners' Association, Inc. and Developer, its successors or assigns and maintenance of streets shall be the joint responsibility of both Developer and Adams Ridge Homeowners' Association, Inc. Both Developer and Adams Ridge Homeowners' Association, Inc. agree to enter into a written agreement wherein the use of and responsibility for maintenance of streets and the cost thereof will be defined and ratably apportioned based upon respective usage of the streets.

Section 4. Extent of Members' Easement. The rights and easements of enjoyment created hereby shall be subject to the following:

1. The right of the Association to limit the use of the Common Area to Dwelling Unit or Lot Occupants, whether single or multi-family units, their families and bona fide guests in accordance with written rules and regulations promulgated by Association from time to time. Provided, however, that Developer shall have unlimited access to the common area.

2. The rights of the Association to suspend the voting and enjoyment rights of an Owner for any period during which any assessment against his Unit remains unpaid, or for any infraction of the Association's published rules and regulations.

3. The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least two-thirds (2/3) of the total votes appurtenant to Class A Lots and Class B Lots agree to such dedication or transfer, provided that this paragraph shall not preclude the Board of Directors of the Association from granting easements for the installations and maintenance of electrical, telephone, cable vision, water and sewerage, utilities and drainage facilities and the like upon, over, under and across the Common Area without the assent of the membership when such easements are requisite for the convenient use and enjoyment of the Properties.

4. The right of the Developer and Association to impose

reasonable covenants and restrictions in respect to such Community Properties, in addition to those set forth therein at the time of conveyance of such Properties to the Adams Ridge Homeowners' Association and such covenants and restrictions will be incorporated by reference and made part of this Declaration.

5. Developer reserves the right to hire a Property Management Company to manage the Homeowners Association.

Section 5. Extension of Rights and Benefits. Every Member of the Adams Ridge Homeowners' Association shall have the right to extend the rights and easements of enjoyment vested in him under this Article to his tenant(s) and to each member of an occupant's family who resides with him within Adams Ridge and to such other person as may be permitted by the Adams Ridge Homeowners' Association.

Section 6. Residential Lots. Residential Lots shall have the sole exclusive use of all Common Areas/Community Properties.

Section 7. Drainage and Retention Areas. The drainage and retention areas for the development of the property will be constructed and be utilized for the benefit of the property and appropriate cross-easements for their use will be given by the respective parties. The Association will pay for normal maintenance including mowing, irrigating, fertilizing, etc. of the drainage and retention areas. And for all replacement, restoration and/or construction of the drainage and retention areas and associated facilities, equipment, pipes and the like as from time to time may be required.

The right
To use the
Land of
Another -

ARTICLE V

COVENANTS AND ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot within Adams Ridge by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other (contract for deed) conveyance, shall be deemed to covenant and agree to pay to Adams Ridge Homeowners' Association: (1) annual assessments or charges; (2) special assessments for maintenance, repair or restoration; (3) special assessments for capital improvements, * said such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special

assessments, together with such interest thereon and all costs of collection thereof as hereinafter provided, shall be a charge on the land and improvements thereon, and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and all cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used to provide funds for such purposes as the Association may determine are for the benefit of its Members, which purposes may include street maintenance, general maintenance, landscaping and beautification of the Common Areas, and the maintenance repair of all improvements thereon. Said funds shall also be used to provide for maintenance of improvements to the drainage retention areas (DRA), including those DRAs which are a part of the Common Areas and are held by easement to the Association. Common Areas may also include public easements held in favor of the Association or other lands and improvements thereon, designated by the Developer and/or the Association. Funds may also be used to provide other services for the Association Members, to promote the health, safety, and welfare of the residents of the community and in particular for the acquisition, improvement and maintenance of properties, services and facilities related to the use and enjoyment of the Common Area, including but not limited to the cost of repair, replacement and additions thereto; the cost of labor, equipment, materials, management and supervision thereof; the payment of taxes assessed against the Common Area; the procurement and maintenance of insurance; the employment of attorneys, accountants and other professionals to represent the Association when necessary or useful; the employment of security personnel to provide any service which is not readily available from any governmental authority; and such other needs as may arise.

Section 3. Exempt Property. The assessments, charges and liens created under this Article V shall not apply to the Common Areas or any Unit which Developer may hereafter designate for common use as part of the Common Area or otherwise shall be exempt from the assessments and charges created herein. In addition, all property dedicated to and accepted by a local public authority, all land granted to or used by a utility company shall likewise be exempt. Properties owned by a charitable or non-profit organization, may likewise be exempt therefrom at the sole discretion of the Board of Directors as

they may from time to time deem appropriate.

Section 4. Annual and Original Assessments.

1. Annual Assessment. The annual assessments shall be based upon the budget for the operation and maintenance adopted by the Board of Directors of the Association from time to time. In the event DECLARANT, in its sole discretion, shall construct recreational facilities upon the Common Areas, the expenses for the maintenance and operation of any such recreational facilities shall be treated as a common expense of the Association. Nothing shall obligate DECLARANT to construct any recreational facilities on the Property, or on any additions thereto.

2. Increase in Assessments. The annual assessment for each year (commencing January 1 of the year following the year in which the first Lot is conveyed to an Owner), may be increased each year not more than 20% above the maximum annual assessment from the previous year's budget without a vote of the membership. The maximum annual assessment may be increased above 20% 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. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

3. Original Assessments. So that the Association may defray the initial cost of operation before a substantial number of lots have been conveyed to owners an assessment from such owners are being paid to the Association, each Owner, at the time such Owner acquires title to his lot, may pay a sum of Two Hundred Fifty (\$250.00) Dollars to the Association for such lot. Such payment shall be a contribution to the capital of the Association and will not be recoverable by the Owner upon sale of his unit to a third party. Credit for such capital contribution shall remain with the Lot, and therefore, any party to whom such Owner shall sell his Lot will receive credit for such capital contribution. DECLARANT or its successors under no circumstances shall be liable or responsible for payment of original assessments, nor shall any person or entity who constructs dwelling units for sale to the general public be liable for payment of original assessments.

Section 5. Special Assessments.

1. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment, not exceeding \$10,000.00 applicable to that year only. A special assessment for capital improvements that exceeds \$10,000.00 may be approved, provided that any such assessment shall have the same assent of the members as provided in Paragraph 2, Section 4 of this Article.

2. Special Assessment Against Particular Lot(s). In addition to the assessments described above, the Association may levy a special assessment against a particular Lot to recover damages or expenses chargeable against that Lot, the Lot Owner, his family, guests, invitees, agents or tenants for damage and structural maintenance, restoration or repairs without approval of the membership. The Association shall provide to the Lot Owner a written notice stating the amount of and the due date for the payment of such special assessments. The Association shall have all lien and foreclosure rights as set forth in the Declaration for any assessments.

Section 6. Assessment Rate. Excepting exempt property and Special Assessments against a particular Lot, both annual and special assessments for Lots shall be fixed as follows:

Class A Dwelling Units shall be defined as all Lots for which Certificates of Occupancy have been issued prior to the due date of an annual or special assessment.

Class AV Dwelling Units shall be defined as all Lots for which no Certificate of Occupancy has been issued as of the due date of an annual or special assessment.

Class A Dwelling Units assessments shall be at the rate of two (2) times the assessment rate for Class AV Dwelling Units.

The varying rates of assessments are based upon anticipated usage of the common areas and community properties by the two classes of owners. Provided, however, that no person or entity who constructs dwelling units for sale to the general public shall be required to pay any assessment whatsoever.

Section 7. Notice and Quorum for any Action Authorized Under Sections 4 and 5 Requiring Membership Approval. Written notice of any meeting called for the purpose of taking any action authorized under Sections 4 and 5 of this Article shall be sent

to all members not less than twenty (20) days and not more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence in person or by proxy of members entitled to cast a majority of all the votes of each Class shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than six (6) months following the preceding meeting.

Section 8. Date of Commencement of Annual Assessment, Due Dates, Certificate of Payment. Annual assessments provided for herein shall commence on the first day of the month following the recordation of Units/Lots created subsequent to this Declaration or January 1, 1994, whichever comes later. Subsequently, the first annual assessment shall be adjusted according to the number of months remaining the calendar year. * Not later than thirty (30) days preceding January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Unit/Lot and, in the event the Board elects not to fix such assessment rate as herein provided, the amount of the prior year's annual assessment shall be the fixed amount. Written notice of any changed assessment rate shall be sent to every owner. The due dates for payment of annual and special assessments shall be established by the Board of Directors. The Association shall, upon demand and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Dwelling Unit/Lot have been paid to date. Assessments are collected by the Association on a quarterly basis unless otherwise specified herein.

Section 9. Effect of Non-Payment of Assessment; Remedies of the Association; the Personal Obligation of the Owner; the Lien.

1. Any assessment which is not paid when due shall be delinquent. If the assessment is not paid within five (5) days after the due date, it shall bear interest from the date of delinquency at the highest rate allowed by law and the Association, acting through its Board of Directors, may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against such Owner's Lot(s), and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. In addition, the Association may levy a late charge. No Owner may

waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Unit or Lot.

2. If the assessment is not paid within five (5) days after it becomes due, then the Association shall have a continuing lien on the delinquent Lots, which lien shall continue until the delinquent assessment is paid. Such lien may be perfected by the filing of an instrument among the Public Records of Butler or Allegheny County, Pennsylvania, indicating the amount of such lien and the obligation for interest and attorneys' fees and costs of collection. Such lien shall be foreclosed in the same manner in which mortgages are enforced and foreclosed. The Association, by and through its authorized officers, shall, from time to time, upon the request of an Owner or mortgagee, issue a certificate, stating the amount of any assessment due with respect to such Lot, and any third party may rely on such certificate, and the Association shall be bound thereby.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be superior to all other liens, save and except tax liens and first mortgage liens, provided said mortgage liens are first liens against the property encumbered thereby (subject only to tax liens), and secure indebtedness whose payments are amortized in monthly or quarter-annual payments basis on an amortization period of no fewer than ten (10) years. Sale or transfer of any unit which is subject to a mortgage as herein described, pursuant to an action of foreclosure under such mortgage, shall extinguish the lien of such assessments as to payments thereof which became due prior to sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. Any delinquent assessments which are extinguished pursuant to the foregoing provision may be reallocated and assessed to all of the units as a common expense.

ARTICLE VI

ARCHITECTURAL, MAINTENANCE AND USE RESTRICTIONS

The Developer shall have the responsibility of functioning as the Architectural Control Committee, hereinafter referred to as the "Committee", and enforcing the restrictions set forth in this Article prior to the formation of the Committee, which upon appointment, shall assume and shall be responsible for

enforcement. Reference in this Article to Committee shall mean the Developer until the Committee is appointed. The following architectural, maintenance and use restrictions shall apply to each and every Lot or Lots or any other structure now or hereafter subjected to this Declaration.

Section 1. Approval of Plans and Architectural Committee. For the purpose of further insuring the development of said land as a residential area of highest quality and standard, and in order that all improvements shall present an attractive and pleasing appearance from all sides of view, the Committee reserves the exclusive power and discretion to control and approve all of the buildings, structures and repairs and/or improvements on each Lot in the manner and to the extent set forth herein. No residence or other building, and no building, and no fence, wall, utility yard, driveway, swimming pool, swimming pool enclosure or other structure or repairs and/or improvement, regardless of size or purpose, whether attached to or detached from the main structure, shall be commenced, placed, erected or allowed to remain on any Lot, nor shall any addition to or exterior change or alteration thereto be made, unless and until building plans and specifications covering same, showing the nature, kind, shape, heights, size, materials, floor plans, exterior color schemes, location and orientation and approximate square footage, construction schedule, front, side and rear elevations and such other information as the Committee shall require, including, if so required, plans for the grading and landscaping showing any changes proposed to be made in the elevation or surface contours of the land, have been submitted to and approved in writing by the Committee. All architectural, remodeling and/or landscape plans must be accompanied by site plans which show the siting of structures on each side of the building under consideration. The Committee shall have the absolute and exclusive right to refuse to approve any such building plans and specifications and lot-grading and landscaping plans which are not suitable or desirable in its opinion for any reason, including purely aesthetic reasons and reasons connected with future development plans of the Developer of said land or contiguous land. In the event the Committee rejects such plans and specifications as submitted, the Committee shall so inform the property owner in writing stating with reasonable detail the reason(s) for disapproval and the Committee's recommendations to remedy same if in the sole opinion of the Committee a satisfactory remedy is possible. In passing upon such building plans and specifications and lot-grading and landscaping plans, the Committee may take into consideration the suitability and

desirability of proposed constructions and of the materials of which the same are proposed to be built, the quality of the proposed workmanship and materials, the harmony of external design with the surrounding neighborhood and existing structures therein, and the effect and appearance of such constructions as viewed from neighboring properties. In addition, there shall be submitted to the Committee for approval such samples of building materials proposed to be used as the Committee shall specify and require.

Section 2. Prerequisites. As a prerequisite to consideration for approval, and prior to beginning the alteration or improvement work contemplated, two (2) complete sets of plans and specifications, specifically including landscaping and irrigation plans, must be submitted to the Committee. Upon giving written approval, construction shall be started and prosecuted to completion promptly, and in strict conformity with such plans and specifications. Committee shall be entitled to stop any construction in violation of these restrictions and any such exterior addition to or change or alteration made without application having first been made and approval obtained as provided above, shall be deemed to be in violation of this covenant and may be required to be restored to the original condition at Owner's cost.

The Committee shall have the right to charge a reasonable fee for receiving each application for approval of plans and specifications subsequent to initial construction and sale. For the period ending December 31, 1994, said fee shall not exceed Fifty Dollars (\$50.00) for each owner review for minor repairs, remodeling, alteration or addition.

1. All structures must be built to comply substantially with the plans and specifications as approved by the Committee and, before any structure can be occupied, it must be completely finished.

2. If the committee cannot or does not make a decision within thirty (30) days after plans have been submitted by owner, then such plans shall be deemed approved.

3. Until such time as Developer divests itself of all lots within Adams Ridge, the Developer shall appoint from time to time the members of an Architectural Control Committee (the "Committee") to consist of not less than three (3) nor more than

seven (7) members which shall exercise authority to approve plans and specifications, and Developer shall have the right to assign the Committee to the Adams Ridge Homeowners' Association at any time. After the Developer divests himself of all lots within Adams Ridge, the Committee shall be selected by a majority vote of the Board of Directors for their architectural, engineering and building knowledge and expertise.

Section 3. Setbacks.

1. No building or structure or any part thereof shall be located on any lot nearer to the front line or nearer to a side street than the minimum setback lines shown on the final Site Plan. Minimum setback lines shown on said final Site Plan are not intended to engender uniformity of setbacks; they are meant to avoid overcrowding and monotony. Setbacks may be staggered where appropriate so as to preserve important trees, and assure vistas of open areas. The Committee reserves the right to select the precise site and location of each Unit or other structure on each lot, and to arrange the same in such manner and for such reasons as Committee shall deem sufficient. All lots have a minimum front line setback as shown on the General Plan of Development.

2. Setback provisions herein prescribed may be altered by the Developer whenever in his sole discretion the topography or configuration of any lot in said subdivision will so require.

3. Dwellings. No Owner shall relocate, heighten, lower or otherwise move or change any fence, wall or patio adjoining or adjacent to any Common Areas.

Section 4. Living Area.

1. No residence shall be erected or allowed to remain on any lot unless the square foot area of the main residence, exclusive of basements, screened porches, garages and storage rooms shall conform to the Construction and Use Covenants for each Phase of Adams Ridge. The Developer reserves the sole and exclusive right to determine minimum square footage requirements for any and all additions to existing property which may subsequently be added pursuant to Article II, Section 2 hereof.

2. The Developer shall have the right to reduce the square footage standard when, in its sole discretion, it determines there are special site and architectural considerations involved

or other considerations which warrant such reduction.

3. All single family detached dwellings shall have at least a two-car enclosed garage with doors and sufficient space to park two (2) vehicles, and driveways that will provide off-street parking for at least two (2) vehicles.

4. Lot Area, Width and Finished Floor Elevation. The area, width and finished floor elevation of each Lot on the Property upon which a building may be constructed shall be as shown on the approved plat for that property as the same may be amended from time to time. The area, width and finished floor elevation of each Lot on any additional Property annexed in accordance with the terms of this Declaration upon which a building may be constructed shall be as shown on any subsequent Plat of said additional Property, as the same may be amended from time to time, which plat shall be recorded in the Public Records of Butler and Allegheny Counties, Pennsylvania.

Section 5. Land Use.

1. By or with the written consent of the Committee, one or more lots (as shown on The Approved General Plan of Development) or parts thereof, may be resubdivided or combined to form one single building lot; provided, however, in such event, the resulting lots shall not be smaller in total area than either of the original lots prior to such subdivision.

2. Only one private dwelling shall be erected, constructed, placed or maintained on any one of the residential platted lots in said subdivision as same are now platted according to said recorded plats of said subdivision, except that more than one lot may be used for one private residence.

3. No building shall be erected, altered, placed or permitted to remain on any residential lot other than one single-family dwelling and pool cabanas approved by the Committee.

4. No structure of temporary nature or character shall be used as a residence.

5. No building or structure shall be moved onto any lot in the area covered by these restrictions, it being the intent of this restriction that any and all buildings or structures on any of the property hereinbefore described shall be constructed

thereon

6. No building erected for use as a carport or garage upon the land hereby conveyed or upon any parcel thereof or any lot therein shall ever be used as a residence, nor shall any trailer or vehicle that could be used for housing of any kind be allowed to park or remain within the boundaries of any of the lots or common area, whether for dwelling purposes or not, except for loading and unloading purposes.

7. All dwellings shall be constructed with driveways of concrete or other approved material, and landscaping in accordance with the requirements as may be established by the Committee. Sidewalks and walkways must conform to the requirements set forth in the Construction and Use Covenants for each Phase of Adams Ridge.

Section 6. Maintenance.

1. All owners shall mow and maintain Lots prior to construction so as not to detract from the value of the surrounding area.

2. All Lots, together with the exterior of all improvements (if any) located thereon, shall be maintained in a neat and attractive condition by the respective owners. Such maintenance shall include, but not be limited to painting, repairing, replacing and caring for roofs, gutters, downspouts, building surfaces, trees, shrubs, walks, lawns, and other exterior improvements.

3. In the event the Owner shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Association, after approval by a majority vote of its Board of Directors, the Association shall have the right, through its agents and employees, to enter upon said Lot and the exterior of the buildings and any other improvements erected thereon and perform such maintenance as approved by the Board. The cost of such exterior maintenance shall be added to and become part of an assessment to which such lot is subject and Owner shall be personally liable to the Association for the costs of such maintenance, and the costs, until paid, shall be a permanent charge and lien upon such Lot. Entry to perform maintenance shall be only between the hours of 7:00 A.M. and 6:00 P.M. on any day except Sunday. Such entry as herein provided

shall not be a trespass, nor shall the Association be liable for doing anything reasonably necessary or appropriate in connection with carrying out these provisions.

4. To preserve the natural integrity and beauty of the land, water runoff, etc., no trees, shrubs, bushes or other vegetation having a diameter greater than four (4) inches shall be cut, destroyed or mutilated without the prior written consent and permission of the Association unless the trees are in areas that conflict with construction provided, however, that dead or diseased trees, shrubs, bushes, or other vegetation shall be cut and removed promptly from any Lot by the property owner thereof after such dead or diseased condition is first brought to the attention of the Association and permission for such cutting and removal has been obtained.

5. All metal windows shall have a black, white or bronze finish; wood windows will be painted in harmony with the exterior color of the house.

Section 7. Screening or Other Uses.

1. No clothes lines or any configuration shall be installed or erected upon any lot so as to be in any way exposed to public view from any street or adjoining lot.

2. No mailbox, paperbox or other receptacle of any kind for the use and delivery of mail, newspapers or similar materials shall be erected on any Lot unless and until the size, location, design and type of material for said boxes or receptacles shall have been approved by the Architectural Control Committee and be in conformity with United States postal standards.

3. No boats, boat trailers, motor homes, campers or trucks of any kind or any other such vehicle, trailer, or vessel shall be permitted to stay or park on a public right-of-way or on a lot, driveway, street, or common area. Temporary buildings and other structures shall be permitted for offices, storage or as a temporary real estate sales office of DECLARANT or his authorized agent for the sale of land and residences. No carport, garage, outbuilding, or other appurtenant structure shall be used for residential purposes, either temporarily or permanently. No vehicles shall be parked over night except on driveway pads or within garages.

4. No house or other structure on any residential lot shall

be used for commercial or business purposes. This shall not apply to Model Homes so designated by the DECLARANT. Each Owner shall refrain from any act or use of his lot which could reasonably cause embarrassment, discomfort, annoyance, or nuisance to the neighborhood. No noxious, offensive or illegal activity shall be carried on upon any Lot. No Lot shall be used in whole or in part for storage of rubbish of any character whatsoever, nor shall any substance, thing or material be kept upon any Lot which will emit foul or noxious odors, or that will cause any noise that will or might disturb the peace and quiet of the occupants or surrounding property. No trash, rubbish, stored materials, or storage tanks or facilities, off-road, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any Lot outside an enclosed structure. However, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and other such debris for pickup by garbage and trash removal services. In the event that any Owner of any Lot fails or refuses to keep such property free from any of the foregoing unsightly items, weeds or underbrush, the Association may, at its option, ten (10) days after posting a notice thereon or mailing a notice to said Owner to comply with requirements of this paragraph, enter and remove all such unsightly items and growth at said Owner's expense, and Owner shall be personally liable to the Association for the costs of removal, and the costs until paid shall be a permanent charge and lien upon such Lot. By acquiring property subject to these restrictions, each and every Owner agrees to pay such costs promptly upon demand by the Association, their agents, assigns, or representatives. No such entry as provided herein shall be deemed as a trespass. The provisions of this section shall not apply to Lots upon which houses are under construction. Nothing contained in this paragraph shall be construed to prohibit Developer from maintaining sales offices in homes, garages and/or trailers.

5. No window air conditioning units shall be installed without prior written approval of the Committee.

6. Garbage and Trash Disposal. All trash, garbage and other waste shall be kept in sanitary containers and shall be kept within an enclosure properly screened so as to be out of sight from the front or side streets, except when placed at a designated pickup location, not earlier than 6:00 P.M. on the day preceding the day of trash pickup.

Section 8. Fences, Hedges and Landscaping.

1. All the landscape plans, fences and hedges must receive prior written approval from the Committee before implementation.

2. No wall, hedge or fence of any type shall be permitted between the street right-of-way and the back building line of the main structure. Fences, boundary wall and hedges shall not exceed six (6) feet in height from the back building line of the main structure to the rear property line, unless written approval is received from the Association. No fence, boundary wall or hedge shall exceed six (6) feet in height regardless of location. These restrictions shall not apply to the perimeter wall and fence.

3. Sight Distance at Intersections. No fence, wall hedge or shrub planting which obstructs sight lines and elevations between two and six feet above the roadway shall be placed or permitted to remain on any corner Lot within the triangle area formed by the street property lines and the line connecting them at points twenty (20) feet from the intersection of the street lines, or in a case of rounded property corner from the intersection of the property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of the street property line and the edge of the driveway. No trees shall be planted within such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

4. Chain Link Fence. No chain link fences shall be permitted upon a residential lot without the written consent of the Developer or Committee. Chain link fences will be permitted where deemed essential by the Association.

5. Reflective Materials. No aluminum foil shall be placed in any window or glass and no reflective substance shall be placed on any glass of a residence except such as may be approved for energy conservation purposes by the Committee.

Section 9. Animals.

1. No animals, livestock or poultry of any kind shall be raised, bred, pastured or maintained on any lot, except household pets, for the sole pleasure and purpose of the occupants, but not for any commercial use or purpose. Birds shall be confined to cages and shall not be allowed to become a noise nuisance to surrounding property. In no event shall more than three (3) pets

be housed on any lot.

2. No person owning or having possession, charge, custody or control of any pet shall cause, permit or allow the pet to stray, run or in any other manner be at large in or upon any street, sidewalk or park, or on private property of others without the express or implied consent of the owner of such private property. Governmental or municipality leash laws apply at all times.

Section 10. Signs. No signs of any kind shall be displayed to the public view on any Lot, except one professional sign measuring no more than ten (10) square feet, and shall not extend more than four (4) feet above the ground, advertising the Lot for sale or rent, or signs used by DECLARANT to advertise the Property during construction and sales period. DECLARANT'S or his Authorized Agent's signs shall not be subject to the size limitation set forth herein.

Section 11. Utilities.

1. No outside tanks, towers, poles, or storage or recreation structures for any purpose shall be erected except by Declarant. This includes above ground pools and skate board ramps. Basketball backboards and goals may only be constructed to the rear of the back building line of the main structure. No flag pole shall be erected without prior approval of the Architectural Review Committee.

2. All residential utility service lines (including, without limitation, electricity, telephone, any and all types of radio and television lines, cables, etc.) to the Lots shall be underground, unless approved by DECLARANT or Committee, provided however, this restriction shall not be construed to prohibit the installation or construction of one or more central utility service relay towers in the event such is, in the Committee's sole discretion, deemed necessary.

3. Antenna Dish. No Lot owner shall install or permit any exterior antenna or satellite or communications dish or radio or TV antenna of any kind upon any lot, a building on a lot, or a Common Area.

Section 12. Wells and Lakes.

1. No water well shall be sunk or drilled on any Lot except

by Declarant for Declarant's purpose and use.

2. No Unit Owner or resident shall have any right to pump or otherwise remove any water from lakes for the purpose of irrigation or other use, nor to place rocks, stones, trash, garbage, sewer, water discharge from swimming pools or heating or air conditioning systems, waste water (other than surface drainage), rubbish, debris, ashes, or other refuse in any of the lakes or retention area(s), or on any Common Area.

Section 13. Noxious Activities.

1. The pursuit of hobbies, professions, or other inherently dangerous activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might cause disorderly, unsightly or unkempt conditions; the shooting of firearms, fireworks or pyrotechnic devices of any type or size; and other such activities shall not be pursued or undertaken on any part of any lot or the Common Areas without the consent of the Developer or Association.

2. No noxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance to the neighborhood.

3. No commercial vehicles shall be permitted to remain overnight on the property of a private dwelling or common areas, or streets, unless fully hidden from view within closed garages, other than as may be used by the DECLARANT in conjunction with construction operations.

4. No private pickup trucks or vans exceeding a 3/4 ton weight limit, or trailers, and no unlicensed motor vehicles of any type shall be permitted to remain overnight on the lot of a private dwelling, or on streets or Common Area unless approved by the Board of Directors.

5. No individual water supply system will be permitted upon any Lot except for sprinkler systems.

Section 14. Storage of Materials and Equipment Placement.

1. Incinerators for garbage, trash or other refuse shall not be used nor permitted to be erected or placed on any Lot. Any and all equipment, coolers, water conditioners, pool filters

and/or heating equipment, woodpiles, garbage cans, refuse or storage piles placed on a Lot (whether temporary or permanent) shall be walled, fenced or landscape buffered to conceal same from the view of the neighboring lots, roads, streets, the waterfront or open areas. Plans for all screens, walls and enclosures must receive written approval by the Committee prior to construction.

2. No lumber, brick, stone, cinder block, concrete or other building materials, scaffolding, mechanical devices or any other thing shall be stored on any Lot for longer than the length of time reasonably necessary for the construction to completion of the improvement for which same is to be used.

3. No exposed above-ground tanks will be permitted for the storage of fuel or water or any other substances, except for water tanks that may be constructed by the DECLARANT for the storage of potable water for the community and fuel tanks for DECLARANT'S use during construction operations.

Section 15. Easement Rights. Easements are expressly provided for and reserved in favor of the occupants of the Property, their guests and invitees, for ingress and egress over and about the Common Areas for the purpose of entering and leaving the Property and for vehicular traffic over and across such portions of any Common Areas as are used as roads as well as the streets within the Development Area. The rights provided under this easement shall be exercised by the foregoing parties in a manner so as not to interfere with the use and enjoyment of any Common Areas by the dwelling occupants, their families, guests or tenants. The use by DECLARANT, his agents or employees, of the easement described herein during the construction period shall not be deemed an interference of the use and enjoyment of the Common Area.

Section 16. Miscellaneous.

1. No Owner or occupant other than the DECLARANT shall excavate or extract earth from any of the lots subject to this Declaration for any business or other commercial purpose. No elevation changes shall be permitted which materially affect surface grade of surrounding lots and all elevation changes must receive prior approval from the Committee. No lot shall be increased in size by filling in any water it may abut.

2. No private or outside toilet facilities shall be constructed or maintained on any lot other than those used during construction operations.

3. Encroachment Easements. Notwithstanding any other provisions contained in this Declaration, in the event that any Unit, as constructed by the DECLARANT on a Lot, encroaches upon any portion of the Common Areas or adjoining Lots, then a perpetual easement appurtenant to such Lot shall exist for the continuance of any such encroachment on the Common Areas or adjoining Lots. In the event any fence, roof, overhanging roof, or portion of the Unit as constructed upon any Lot by DECLARANT, encroaches or overlaps upon any other Lot or the Common Areas, then, in such event, a perpetual easement appurtenant to the Lot upon which the fence, roof, overhanging roof, or Unit is constructed shall exist for the continuation of any such encroachment or overlapping upon the adjoining Lots and Common Areas.

4. Installation and use of play equipment shall be limited to the rear of each lot only, and not closer than five (5) feet to property lines.

5. Lots where the rear lot line abuts another lot shall maintain a ten (10') foot environmental easement for natural vegetation. This ten (10') foot easement may not be cleared but additional native plant material may be planted within it.

6. Outside Storage of Personal Property. There shall be no outside storage of personal property. This does not apply to pool or patio furniture in use within a pool or patio area.

ARTICLE VII

INSURANCE

Section 1. Directors and Officers Indemnification. Each Director and Officer and member of the "Committee" of this Corporation shall be indemnified by the Corporation against all costs and expense reasonably incurred or imposed upon him in connection with or arising out of any action, suit or proceedings in which he may be involved or to which he may be made a party by reason of his having been a Director or Officer of this Corporation, such expense to include the cost of reasonable settlements (other than amounts paid to the Corporation itself)

made with a view of curtailment of costs of litigation. The Corporation shall not, however, indemnify such Director and Officer with respect to matters as to which he shall be finally adjudged in any such action, suit or proceedings to be liable for negligence or misconduct in the performance of his duty as such Director or Officer or in respect to any matter in which any settlement or compromise is affected if the total expense, including the cost of settlement, shall substantially exceed the expense which might reasonably be incurred by such Director or Officer in conducting such litigation to final conclusion, and in no event shall anything herein contained be construed as authorizing this Corporation to indemnify any such Director or Officer against any liability of the Corporation to which he would otherwise be subject by reason of willful malfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of this office. The foregoing right of indemnification shall be in addition to any other rights to which any such Director or Officer may be entitled as a matter of law or otherwise.

Section 2. Personal Liability and Risk of Owner Loss(es) and Separate Insurance Coverage, etc. The owner of each unattached Dwelling Unit/Lot will, at his own expense, obtain insurance coverage for loss of or damage to a Unit as developed, and at his discretion, any furniture, furnishings, personal effects and other personal property belonging to such owner; and may, at his own expense and option, obtain insurance coverages for personal liability against injury to the person or property of another while within such Owner's Lot, or upon the Common Areas. All such insurance obtained by the Owner shall, wherever such provision shall be available, provide that the insurer waives its right of subrogation as to any claims against other owners of Lots, Association, and the respective servants, agents and guests of said other owners and Association. Risk of loss or damage to any furniture, furnishings, personal effects and other personal property (other than such furniture, furnishings and personal property constituting a portion of the Common Areas) belonging to or carried on the person of the Owner of each Lot, or which may be stored in any Unit, or in, to or upon Common Areas shall be borne by the Owner of each such Unit as developed. All furniture, furnishings and personal property constituting a portion of the Common Areas and held for the joint use and benefit of all owners of all Lots, shall be covered by such insurance as shall be maintained in force and effect by Association as hereinafter provided as pro-rated expense of the individual Owner. The Owner of Lots shall have no personal

liability for any damage caused by the Association or in connection with the use of the Common Areas. The Owner of a Lot shall be liable for injuries or damages resulting from an accident on his own Lot, and shall be liable for all accidents occurring within his respective Lot as developed.

Section 3. Insurance Coverage to be Maintained by Association; Insurance Trustee, Appointment and Duties; Use and Distribution of Insurance Proceeds, etc. Common Areas, Structures, and their contents, and the operation and management thereto, to-wit:

1. The Association will maintain casualty insurance covering Common Areas in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the insurance carrier, each coverage to afford protection against (i) loss or damage by fire or other hazards covered by the standard extended coverage or other perils including windstorm endorsement and (ii) such other risks of a smaller or dissimilar nature as are or shall be customarily covered with respect to buildings, similar in construction, location and use, including vandalism, malicious mischief, and such other insurance coverages as and to the extent available, which may from time to time be deemed by the Board of Directors of the Association to be necessary and proper and in the best interests of the Association and the owners therein;

2. Public liability and property damage insurance in such amounts and in such form as shall be required by Association to protect said Association, which may from time to time be deemed by the Board of Directors of the Association to be necessary and proper and in the best interests of the Association and the owners therein; provided, however, that in any event said public liability and property damage insurance shall cover all common areas, public ways, and any other areas which are under the supervision of the Association. Further, said insurance shall cover all commercial spaces that are owned by the Association. Said insurance shall provide coverage of at least \$1,000,000.00 for bodily injury and property damage for any single occurrence. Said insurance shall provide coverage for (i) bodily injury and property damage that results from the operation, maintenance or use of the common areas; and (ii) any legal liability resulting from lawsuits related to employment contracts in which the Association is a party. Said policies shall provide for at least

ten (10) days written notice to the Association before the

insurer can cancel or substantially modify it.

3. Workmen's Compensation Insurance to meet the requirements of Law;

4. Fidelity Bonds. The Association shall provide a blanket fidelity bond for any person who either handles or is responsible for funds held or administered by the Association, whether or not said persons receive compensation for their services. Any management agent that handles funds for the Association shall be required to provide evidence of coverage under a fidelity bond. Except for fidelity bonds that a management agent obtains for its personnel, all other fidelity bonds shall name the Association as an obligee and shall have their premiums paid as a common expense of the Association. Said bonds shall provide for coverage in the amount of the maximum funds that will be in the custody of the Association or its management agent at any time while the bonds are in force and in any event said fidelity bonds must cover at a minimum an amount equal to the sum of three months assessments on all properties, plus the Association's reserve funds. The bonds shall include a provision providing for ten days' written notice to the Association or insurance trustee before the bonds can be cancelled or substantially modified for any reason. The bonds shall provide that this same notice must also be given to each servicer that services a Federal National Mortgage Association-owned mortgage in the Property.

5. Such other insurance coverage, other than title insurance, as the Board of Directors of the Association, in its sole discretion, may determine from time to time to be in the best interests of the Association and the owners of all Lots.

a. All insurance coverage authorized to be purchased shall be purchased by Association for itself and for the benefit of all of the owners of all Lots. The cost of obtaining the insurance coverage authorized above is declared to be a pro-rated expense of the Unit/Lot owners, as are any other fees and expenses incurred which may be necessary or incidental to carry out the provisions hereof.

b. All policies of casualty insurance shall provide for the insurance proceeds covering any loss to be payable to the Association as Insurance Trustee, or to its successor, and the insurance proceeds from any casualty loss shall be held for the use and benefit of Association and all owners and their

respective Mortgagees, as their interests may appear, and such insurance proceeds shall be applied or distributed in the manner herein provided. Association is hereby declared to be and appointed as Authorized Agent for all of the owners for the purpose of negotiating and agreeing to a settlement as to the value and extent of any loss which may be covered under any policy of casualty insurance, and is granted full right and authority to execute in favor of any insurer a release of liability arising out of any occurrence covered by any policy or policies of casualty insurance and resulting in loss of or damage to insurance property.

c. The company or companies with which casualty insurance may be placed shall be selected by Association, and all parties beneficially interested in such insurance coverage shall be bound by such selection of insurance company or companies made by Association.

d. Association shall have the right to function as or designate a bonded Insurance Trustee, and all parties beneficially interested in such insurance shall be bound thereby. If it appears that the insurance proceeds covering the casualty loss or damage payable to the Insurance Trustee are not sufficient to pay for repairs, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be sufficient, then Association shall levy and collect an assessment against the owners of all Lots in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

e. In the event of loss of or damage to property covered by such casualty insurance, Association shall, within sixty (60) days after any such occurrence obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before such loss or damage, such estimates to contain and include the cost of any professional fees and premiums for such Bond as the Board of Directors of Association may deem to be in the best interests of the membership of said Association.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Covenants Run with Land. All restrictions, reservations, covenants, conditions and easements contained in this Declaration shall constitute covenants running with the land, and all grantees, devisees, or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons, agree to be bound by the provisions of this Declaration and the Articles of Incorporation and Bylaws of the Association, which will be the entity responsible for the operation and maintenance of the Common Areas.

Section 2. Enforcement. The Association, the DECLARANT 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. 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 3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 4. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall automatically be extended for successive periods of ten (10) years. The Covenants, Conditions and Restrictions of this Declaration may be amended by an instrument approved by not less than seventy-five (75%) of the Unit Owners after thirty-one (31) lots have been conveyed to Owners other than Declarant. Any amendment must be properly recorded, provided further however, that the Declarant may file (i) the amendment(s) referred to in Article II of this Declaration for the purpose of adding additional property to the Property and for submitting such additional property to this Declaration; and (ii) any amendments hereto required by the Federal National Mortgage Association or Veteran's Administration or Federal Housing Administration or Federal Home Loan Mortgage

Corporation or similar entities and (iii) any amendment required by any utility, water management district, or any governmental body or regulatory authority with jurisdiction over the Property and; any other amendment deemed necessary by Declarant, before thirty-one (31) lots have been conveyed to Owners other than Declarant, by an instrument executed only by DECLARANT. Such amendment need not be signed or executed in the manner otherwise provided for herein and shall not require the consent of the Members.

This Declaration may be terminated in the first twenty (20) years by an instrument signed by not less than 90% of all owners and thereafter by an instrument signed by not less than 75% of all owners.

Section 5. Remedy for Violation. For violation or a breach of any of the provisions herein, of the provisions of the Articles of Incorporation or Bylaws or the Association, by any person claiming by, through or under the DECLARANT and/or the Association, or by virtue of any judicial proceedings, the Owner, or the Association, or the DECLARANT, or a first mortgagee, or any of them, shall have the right to proceed at law for damages and/or in equity to compel compliance with any of them or for such other relief as may be appropriate. In addition to the foregoing right, whenever there shall have been built upon the Property any structure which is in violation of this Declaration, the Association, upon the affirmative vote of a majority of the Board of Directors, may enter upon the property where such violation exists, and summarily abate or remove the same at the expense of the Owner, provided, however, that the Association shall then, at the expense of the Owner, make the necessary repairs or construction, to insure that the property and improvements where such violation occurred is restored to the same condition in which it existed prior to such violation, and any such entry, abatement, removal or restoration and construction work shall not be deemed a trespass. The Association shall have all lien rights against the Owner's Lot as set forth in this Declaration to enforce collection of all expenses incurred by the Association in abating or removing a violation and making necessary repairs to a lot or Dwelling as set forth herein. In the event that resort to this Section 5 becomes necessary, or it becomes necessary to engage the services of an attorney for enforcement of any of the provisions of this Declaration, then the defaulting parties shall be liable for any and all costs of enforcement, including but not limited to any attorneys' fees and expenses, and including any court

costs, attorneys' fees, or related expenses if legal proceedings are instituted.

Section 6. Effect of Waiver of Violation. No waiver of breach or violation of any of the terms, provisions and covenants in this Declaration, or in the Articles of Incorporation or Bylaws of the Association, shall be construed to be a waiver of any succeeding breach of the same term, provision or covenant to this Declaration, or the Article of Incorporation or Bylaws of the Association.

Section 7. Instruments Governing Common Areas and Owners of Lots. This Declaration and the Articles of Incorporation, Bylaws of the Association, and any lawful amendments, from time to time, to said instruments, shall govern the Common Areas and the rights, duties and responsibilities of the Owners of Lots.

Section 8. Declarant as Owner. During the sales period for the sale of the Lots in the Property or any additions thereto, or the sale of Lots in the Development Area, by DECLARANT to third parties, or during such time that DECLARANT owns any Lots for sale to a third party in the Property or the Development Area, the members of the Association shall not take an action that would interfere with or deter DECLARANT'S promotion or sale of said Lots to third parties or third parties whom the DECLARANT may deem to be his agent.

Section 9. Notice to Owners. Whenever notices are required to be given hereunder, the same shall be sent to the Owners by regular mail at the address of the Unit situated upon the Lot, except that any notice of a violation of the terms of this Declaration shall be sent Certified Mail or Certified Mail Return Receipt Requested. Such notices shall be deemed given when deposited in the United States mail. Any Owner may change his mailing address by written notice given to the DECLARANT at:

20th AND Sheffield Road, Aliquippa, Pa. 15001,
and to the Association at the same address or to any address subsequently designated by the DECLARANT or Association from time to time.

Section 10. Right of First Mortgagees. Upon written request of the Association, identifying the name and address of the Holder, Insurer or Guarantor and the Lot or Unit address, any First Mortgagee, Insurer or Guarantor of said first mortgage will be entitled to timely written notice of: (i) any condemnation or casualty loss that affects either a material portion of the

Property; (ii) any sixty-day delinquency in the payment of assessments of charges owed by Owner of any Dwelling Unit on which it holds the mortgage; (iii) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and (iv) any proposed action that requires the consent of a specified percentage of First Mortgagees.

Section 11. Gender. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and the plural shall include the singular.

Section 12. Availability of Information. The Association shall make available to any Owner, First Mortgagee, and to Holders, Insurers or Guarantors of any first mortgage, current copies of this Declaration, the Bylaws of the Association, any and all rules concerning the use and enjoyment of the Common Areas/Community Properties, and the books, records and financial statements of the Association. When used in this Section, the word "available" shall mean available for inspection, upon written request, during normal business hours or under other reasonable circumstances.

IN WITNESS WHEREOF, the Owner, ADAMS RIDGE, INC., being the Declarant, has caused this instrument to be executed by its duly authorized officer and its corporate seal to be hereunto affixed all as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

Michael D. Hagg

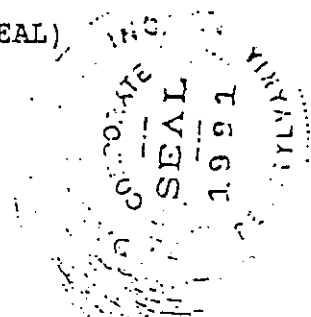
ADAMS RIDGE, INC.

BY:

Kathleen J. Delaney
President

(CORPORATE SEAL)

2il: Richard A. Alberti Esq.
298 9th St.
Monaca Pa 15061



COMMONWEALTH OF PENNSYLVANIA:

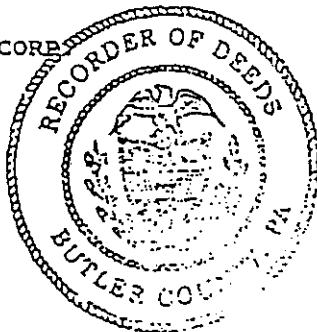
COUNTY OF BEAVER : SS.

I hereby certify that on this 19th day of October, 1993, before personally appeared Albert J. Alberti as President of ADAMS RIDGE, INC., a corporation under the laws of the Commonwealth of Pennsylvania, to me known to be the person described in and who executed the foregoing instrument and he acknowledged the execution thereof to be his free act and deed as such officer for the uses and purposes therein mentioned, that he affixed thereto the official seal of said corporation and that he declares said instrument to be the act and deed of said corporation.

WITNESS my hand and official seal at Altoona, PA in the County of BEAVER, Commonwealth of Pennsylvania, the day and year last aforesaid.

My Commission Expires:

DOC:ADAMS\ALBERTI\AR2 CORR
REVISED 9/15/93



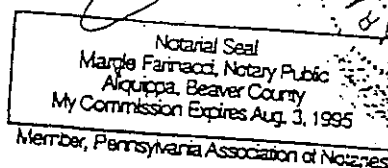
MAIL TO:

Richard A. Alberti, Esq.

298 9th street

Monaca, PA 15061

NOTARY PUBLIC



BUTLER COUNTY
PENNSYLVANIA SS

Recorded in the Recorder's Office
of said County on the 22nd day
of October A.D., 19 93
In RECORD
Book No. 2369/651 Witness
my hand and the seal of said Office

Michele M. Mitchell Recorder

003363

Michele M. Mustella
RECORDED BY DEEDS

EXHIBIT "F"

95 MAR -1 PM 2:07

BUTLER COUNTY, PA.

FEE \$ 27.50

ADAMS RIDGE
CONSTRUCTION AND USE COVENANTS

This DECLARATION, made this 23rd day of December, 1994 by ADAMS RIDGE, INC. (hereinafter referred to as "DEVELOPER").

WITNESSETH:

WHEREAS, Developer is developing a parcel of land situate in Adams Township, Butler County, Pennsylvania, described in Exhibit "A" attached hereto, as a development called "Adams Ridge" (the "Plan"); and

NOW, THEREFORE, Developer hereby declares that all of the land described in Exhibit "A" shall be held, sold and conveyed subject to the following covenants, conditions, easements, restrictions, charges and liens WHICH SHALL RUN WITH THE LAND and shall be binding upon and shall inure to the benefit of all parties having any right, title or interest therein or any part thereof and their respective heirs, devices, personal representatives, successors and assigns:

I. CONSTRUCTION COVENANTS

1.1 Plan Review. Prior to the commencement of construction, two sets of building plans shall be submitted to Developer for approval of the proposed design and builder. Only a builder approved in advance may construct a dwelling in the Plan. One set of the approved plans shall be retained by Developer to insure that the structure is built in accordance with the approved plan. All such plans must be approved in writing by Developer, or its designated agent, prior to the commencement of construction. [Developer review of plans is in addition to any review required by the municipality and is not a guarantee that the municipality will issue a building permit.] Any change in plans after approval shall be shown on the original plans and shall not be acted upon until approval of such change in writing by Developer, or its designated agent, is endorsed on the original plans.

1.2 Area Phase III Village VII. Houses, exclusive of porches, garages and basements, shall meet the following minimum requirements:

- a. Village VII - 2,400 minimum finished square feet with the exception that a one or two story dwelling with a two (2) car attached garage can be constructed, in this case the one or two story dwelling must have a minimum of 2,250 finished square feet.

b. In the event that Developer and Builder mutually agree that a modification should be made in the base price or size requirements, then a. can be amended and recorded.

1.3 All dwellings must be constructed at the building line as shown on the recorded Plan.

1.4 Exterior Finishes. All dwellings constructed on any lot in the Plan shall be finished with suitable exterior building materials such as vinyl or aluminum siding and masonry must include a minimum of brick to grade, with no exposed block foundations. The minimum requirements in each Village for masonry (exterior building materials) are as follows: Village VII brick to grade. Developer reserves the right to select approved colors and facades.

1.5 Roof. All houses shall be constructed with a roof having a minimum 20 year life (as evidenced by a written warranty).

1.6 Commencement and Completion. Construction shall begin within one (1) month after closing and the exterior of the house shall be completed within four (4) months weather permitting from the date construction is begun on the house.

1.7 Driveways. All driveways and turning aprons weather permitting must be paved within three (3) months after occupancy of the house. The driveways and turning aprons must be paved as follows: Village VII-concrete.

1.8 Exterior Accessories. Each Owner must install the approved exterior post lamp and house numbers. Developer will select the approved locations and models.

1.9 Storm Water. Storm water run off must be handled in accordance with the applicable standards of the municipality and the Department of Environmental Resources and the Developer's site plan. Prior to commencement of construction, each Builder must obtain approval from Developer of its storm water plan.

1.10 Erosion & Sedimentation Control. During construction of each home in the Plan must be placed individual on-lot sediment controls (for example, silt fences or seeding) to prevent mud and other sediment from leaving the Lot or entering a stream in accordance with Township and DER regulations and subject to review by the Butler County Conservation District. Permits must be delivered to Developer prior to start of lot grading and excavation.

1.11 Retaining Walls. All retaining walls must be constructed of approved materials such as new railroad ties, brick, stone or a combination thereof. Any other retaining walls other than the above listed must be approved by the architectural review committee.

1.12 Streets and Curbs. Owners and builders must take reasonable precautions to protect the streets and curbs from damage by construction vehicles, construction equipment, moving trucks, etc. If there is damage to the street or curb which requires repair or replacement by Developer, the cost will be assessed against the Owner or Owners whose Lot or Lots abut the damaged areas, which charge may be enforced by an action at law by Developer. In the event of a dispute over which Owner is responsible, Developer shall have the option of filing an action in the Court of Common Pleas of Butler County, Pennsylvania or submitting the dispute to the American Arbitration Association. The Developer shall have the right at the time of, or after, grading any street, or any part thereof, to enter upon any abutting Lot and grade the portion of such Lot adjacent to such street, but there shall be no obligation on the Developer to do such grading (unless required to by a governmental authority).

1.13 Drainage Easements. No structure, planting or other material shall be placed or permitted to remain in any easement, swale or storm water channel which may change the direction of flow of the water, or which may obstruct or retard the flow nor shall any such channels or easements be regraded. The Developer shall have the right to enter the easement area of each Lot to correct any problems, in which event the cost will be assessed against the Owner.

1.14 Landscaping. All lots must be final graded and landscaped by the earlier of three (3) months after occupancy or twelve (12) months from the date construction is begun (unless this time period would end in winter, in which case it shall be completed by June 30). Builders shall attempt to preserve as many trees on the site as possible and shall not remove any trees having a diameter greater than 4" and measured 2 feet above ground level without Developer's written consent unless the trees are in areas which conflict with construction. All lots must be entirely seeded in the front, side and rear yards, and any disturbed areas. A minimum of three (3) trees of one inch (1") in diameter must be planted upon all lots.

1.15 Refuse. Builders shall use their best efforts to prevent lumber, materials, bulk materials, refuse or trash from being kept, stored, or allowed to accumulate on any Lot except building materials during the course of construction of an approved house. Trash, garbage or other waste shall be kept in containers or enclosures. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. All construction debris must be removed by the Builder prior to occupancy of the house.

1.16 Encroachment. Each Lot within the Property is hereby declared to have an easement over adjacent Lots for the purpose of ingress, egress and regress to and from the Unit erected on said Lot for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement of the structure, roof overhangs, architectural or other appendages, drainage of rain water from roofs or any other cause. This easement shall last as long as the Unit, in the event of fire or other casualty. However, in the event of total destruction of the Unit and the Unit is not rebuilt, this encroachment shall terminate.

1.17 Inspection During Construction. If the home is to be available for interior inspection by potential home buyers, builder shall use its best efforts to provide reasonable and safe access to the home and reasonable housekeeping throughout the home. Developer shall have the right to inspect all homes during construction to insure compliance with these covenants.

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1.20 Garages. All garages must be integral or attached to the house and must accommodate at least two cars.

1.21 Uncompleted Homes. No occupancy of an uncompleted Dwelling or any part thereof, including any basement or foundation, shall be permitted, and no basement, garage or structure other than the Dwelling shall be used as a residence or for residential purposes.

1.22 Mailboxes. The design of all mailboxes and newspaper receptacles must be approved by Developer.

1.23 Sight Lines. No fence, wall, hedge, shrubs or other obstruction of any kind shall be placed on a Lot adjacent to any intersection in the Properties which would obscure the sight lines in any direction at the intersection at the elevations between 2 and 6 feet above the roadway.

1.24 Parking. During the construction of Dwelling, Builder and all Subcontractors must park in the area designated by Developer for this purpose. Developer will also designate a parking area for all construction trailers.

II. USE RESTRICTIONS

Section 1. Use Restrictions. Item II Section 1, a.- u. may be modified by unanimous consent of the Homeowner's Association subject to Developer's approval. The Property is intended to be used for the following purposes, and its use is hereby restricted as follows:

(a) Unit Restrictions. No Lot may be divided or subdivided, nor may any portion of any Lot be added to or incorporated into another Lot, nor any portion less than all thereof sold or otherwise transferred. Notwithstanding anything contained herein, the Developer has the right to use any Lots owned by it for models and for sales offices and administrative offices.

(b) Use of Common Property. The Common Property may be used by all Owners and/or residents, their families, tenants, guests and invitees, subject to such rules and regulations as may be established by the Association.

(c) Unit Maintenance. Each Owner shall furnish and be responsible, at his own expense, for all of the maintenance, repairs and replacements within his own Lot and Unit and also for all exterior maintenance required in and about their Unit, including snow removal, care of yards and gardens and repair and painting of the Unit, except to the extent that any such maintenance responsibility is assumed by the Association. If any maintenance which affects the health, safety or security of other residents is not performed within twenty (20) days after the Association has given the Unit Owner written notice requiring such maintenance, the Association may, in its discretion, perform such maintenance and charge the Unit Owner for any expense involved, which charge may be enforced as provided in Article IV hereof as assessment against said Unit.

(d) Prohibited Use. No articles of personal property belonging to any Owner shall be stored on any portion of the Common Property without the prior written consent of the Board. Nothing shall be done or kept in any Unit or in the Common Property which violates the law.

(e) Exterior Attachments. No awning, canopy, shutter, radio or television antenna (or satellite dish) shall be affixed to or placed upon the exterior walls or roofs without or nuisance to the neighborhood.

(g) Signs.

(1) No sign of any kind shall be displayed to the public view on any Lot or Unit except one sign of not more than one square foot identifying the residence of a professional. The Developer shall have the right to erect entrance signs, directional and traffic signs as it deems appropriate.

(2) The Developer shall have the right to erect signs to advertise all of its property, the sale of Units, and any other signs which the Developer deems necessary for construction and sales of Lots or Units on any part of the property owned by Developer.

(3) During the period of construction and sales, any Contractor and Lender approved by the Developer may maintain a sign on any Lot upon which that Contractor is constructing a Dwelling, which sign, however, may not be more than twenty (20) square feet in size.

(4) After completion of the Dwelling a sign of not more than ten (10) square feet advertising the Unit for sale or rent.

(5) An easement for ingress, egress and regress is hereby granted to Developer and to the Association for the purpose of maintaining and replacing any signs, walls or fences which the Developer has constructed on individual Lots which are part of the community signs program (i.e. directional signs, entry signs, etc.). This right shall include the right to plant trees and shrubs and otherwise landscape the area around any such fence, etc. shall not be responsible for maintenance, this being the sole duty of the Association.

(h) Garbage and Refuse Disposal. Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in such manner as may be prescribed from time to time in rules and regulation by the Association. Garbage containers must be kept out of public view except on collection days.

(i) Refuse. No lumber, materials, bulk materials, refuse or trash shall be kept, stored, or allowed to accumulate on any Lot except building materials during the course of construction.

(j) Laws. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed on the Property by the residents.

(k) Laundry Lines. Laundry poles and lines outside of Units are prohibited.

(l) Temporary Structures. No structure of a temporary character, dog house, fences dog run, animal pen, trailer, shack, garage, barn or other out-building shall be used on any Lot (except by the Developer in completing the Development).

(m) Pets. No animals, livestock, fowl or poultry of any kind shall be raised bred or kept in any Unit on any Lot or on the Common Property, except that dogs, cats or other household pets may be kept in the Units, subject to the rules and regulations adopted by the Association and applicable laws and ordinances. All household pets must be kept leashed when outside the Unit.

(n) Balconies and Porches. No rugs, clothes, sheets, blankets, laundry of any kind, or other article shall be hung from the balconies. Balconies and patios shall be kept free and clear of rubbish, debris and other unsightly materials.

(o) Residential Use. All Lots and Units (except those used by Developer for models or offices) may be used only for residential purposes permitted by the Adams Township zoning ordinance governing residential use.

(p) Easements for Pipes, etc. No water pipe, gas pipe, sewer pipe or drainage pipe shall be installed or maintained on any Lot above the surface of the ground. Easements have been reserved for sewers, drainage and utility installations and maintenance and for such purposes and uses as are shown on the recorded plan. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible. The Developer, its agents, successors and assigns, shall have the right to enter upon all parts of the easement area of each Lot for any of the purposes for which said easements and rights-of-way are reserved. The Developer shall also have the right at the time of, or alter, grading any street, or any part thereof, to enter upon any abutting Lot and grade the portion of such Lot adjacent to such street, but there shall be no obligation on the Developer to do such grading, unless otherwise properly required to do so by an appropriate governmental authority.

(q) Storage and Parking of Vehicles. Except as provided herein, there shall be no outside storage upon any Lot or Common Property of any truck, tractor, mobile home, boat or other transportation device of any kind, unless approved by the Board in the Rules and Regulations hereinafter adopted. No owners or tenants shall repair or restore any vehicle of any kind upon any Lot or Common Property visible from the road except for normal maintenance or emergency repairs. Vehicles may not be parked overnight on the streets. In addition, the Board shall have the right to adopt further detailed rules and regulations concerning parking and the operation of vehicles on the Property.

(r) Motorcycles. No motorcycles, motorbikes, go-carts, snowmobiles or similar motor-powered vehicles shall be operated on any portion of the Common Property.

(s) Landscaping. All landscaping maintenance shall be performed by the Owners. No trees shall be removed from any Lot or Common Property without the written approval of the Board or the Architectural Review Committee. The Board may, from time to time, promulgate such rules and regulations regarding the preservation of trees, vegetation, wildlife and other natural resources as it deems appropriate.

(t) Garages. Garages may not be converted to living space but may only be used for storage of vehicles or personal property.

(u) Swimming Pools. Shall be an in-ground type. No above-ground swimming pools (or the like) may be installed on any of the Lots.

III. GENERAL PROVISIONS

2.0 Enforcement. For a violation or a breach of any of these covenants, conditions, reservations and restrictions by any person claiming by, through or under the Developer, or by virtue of any judicial proceedings, the Developer, and the Lot Owners, or any of them severally, shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent the violation or breach of any of them. In addition to the foregoing right, the Developer shall have the right, whenever there shall have been built on any lot any structure which is in violation of these restrictions, to enter upon the property where such violation of these covenants, conditions, reservations and restrictions exists and summarily abate or remove the same at the expense of the owner, any such entry and abatement or removal shall not be deemed a trespass. The cost of enforcement, including reasonable attorneys fees, shall be assessed by the Court against the lot owner violating the covenants any may be collected in the same manner as assessments.

2.1 Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall not affect any other provision.

2.2 Amendment. This Declaration may be amended by an instrument signed by the Owners of at least 75% of the Lots, subject to the following conditions:

- (a) any rights reserved or granted to Developer under this Declaration may not be amended, revoked or modified in any way by the Association without the express written consent of the Developer so long as Developer owns any lot on the Property. Such consent must be included in any recorded amendment to be effective; and
- (b) Developer, its successors and/or assigns, reserves the right, without the consent of the Association or any Owners, to amend and re-record the Declaration Plan for any reason, including, but not limited to, the addition of phases to the development, the correction of errors or the making of any changes required by any governmental body or agency or mortgagees. After sale of all property in or adjacent to the Development by the Developer, this right shall pass to the Association.
- (c) The Developer reserves the right to alter, modify and change the within covenants, from time to time, so long as the alterations, modification and change does not materially, adversely or detrimentally affect the harmony of the Plan. All purchasers of any lot in this Plan for themselves, their heirs, successors and assigns covenant and agree to such future alteration, modification, and change and irrevocably appoints Adams Ridge Inc. as their attorney-in-fact to execute, acknowledge and deliver any necessary documents to effectuate such alteration, modification and change.
- (d) Amendments shall be effective upon recording in the office of Recorder of Deeds of Butler County and shall be executed by the Developer or the president and secretary of the Association.

2.3 Term and Perpetuities. These covenants shall bind the land for 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. Subject to the provisions of Section 2.3 above, they may be terminated during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of all Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of all Owners. If any of the provisions of this Declaration violate the rule against perpetuities, such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now-living descendants of William Clinton, President of the United States, subject to prior amendment or termination as set forth hereinabove.

2.4 Adams Ridge Homeowner Association Covenants. Developer has recorded in the office of Recorder of Deeds of Butler County, Pennsylvania the Adams Ridge Homeowners Association at Deed Book Volume _____, Page _____, the provisions of which are incorporated herein by reference, together with any amendments thereto.

2.5 Additional Phases. The Developer may, at any time and from time to time, [within twenty (20) years from the date of recording of this Declaration], and solely at Developer's discretion, submit additional parts of the land described in Exhibit "A" to the provisions of this Declaration (as Lots or Common Property) and caused them to be subjected to the covenants, conditions, easements, restrictions, charges and liens herein provided without the consent of the Owners by recording a Supplementary Declaration or similar instrument subjecting such land to the provisions of this Declaration. Buildings and improvements may be altered to meet marketing requirements or changes in construction technology.

2.6 Definitions. The definitions contained in the Adams Ridge Homeowners Association Covenants are incorporated herein by reference.

WITNESS the execution hereof the day and year first above written.

WITNESS:

Michael D. H. [Signature]

Adams Ridge, Inc.

By: [Signature]
Title: President



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

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

ACKNOWLEDGEMENT

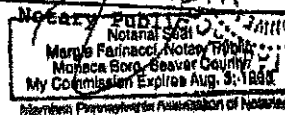
COMMONWEALTH OF PENNSYLVANIA

COUNTY OF ~~SHELTER~~ BEAVER

SS:

On the 31 day of December, 1994, before me, a notary public, the undersigned officer, personally appeared Charles J. Betters, the President of Adams Ridge, Inc., known to me or satisfactorily proven, to be the persons whose names is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

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



My Commission Expires:

MAIL TO:

Richard A. Alberti, Esq.
298 9th Street
Monaca, PA 15061

024834

Michael J. Modella
RECORDING & DEEDS

**ADAMS RIDGE
CONSTRUCTION AND USE COVENANTS**

93OCT22 AM11:32

BUTLER COUNTY, PA.

This DECLARATION, made this 19th day of October, 1993 by ADAMS RIDGE, INC. (hereinafter referred to as "DEVELOPER"). FEE \$ 27.50 pld

WITNESSETH:

WHEREAS, Developer is developing a parcel of land situate in Adams Township, Butler County, Pennsylvania, described in Exhibit "A" attached hereto, as a development called "Adams Ridge" (the "Plan"); and

NOW, THEREFORE, Developer hereby declares that all of the land described in Exhibit "A" shall be held, sold and conveyed subject to the following covenants, conditions, easements, restrictions, charges and liens WHICH SHALL RUN WITH THE LAND and shall be binding upon and shall inure to the benefit of all parties having any right, title or interest therein or any part thereof and their respective heirs, devisees, personal representatives, successors and assigns:

I. CONSTRUCTION COVENANTS

1.1 Plan Review. Prior to the commencement of construction, two sets of building plans shall be submitted to Developer for approval of the proposed design and builder. Only a builder approved in advance may construct a dwelling in the Plan. One set of the approved plans shall be retained by Developer to insure that the structure is built in accordance with the approved plan. All such plans must be approved in writing by Developer, or its designated agent, prior to the commencement of construction. [Developer review of plans is in addition to any review required by the municipality and is not a guarantee that the municipality will issue a building permit.] Any change in plans after approval shall be shown on the original plans and shall not be acted upon until approval of such change in writing by Developer, or its designated agent, is endorsed on the original plans.

1.2 Area Phase I Villages Brookside, Woodland and Deer Run. Houses, exclusive of porches, garages and basements, shall meet the following minimum requirements:

- a. Brookside - 2,250 minimum finished square feet, \$180,000 minimum base price.
- b. Woodland - 1,800 minimum finished square feet - \$140,000 minimum base price. 2,300 maximum finished square feet - \$180,000 maximum base price.

c. Deer Run - 1,200 minimum - 1,920 maximum finished square feet, \$140,000 maximum base price.

d. In the event that Developer and Builder mutually agree that a modification should be made in the base price or size requirements, then a., b. and c. can be amended and recorded.

1.3 All dwellings must be constructed at the building line as shown on the recorded Plan.

1.4 Exterior Finishes. All dwellings constructed on any lot in the Plan shall be finished with suitable exterior building materials such as vinyl or aluminum siding and masonry must include a minimum of brick to grade, with no exposed block foundations. The minimum requirements in each Village for masonry (exterior building materials) are as follows; Village #1 20% masonry; Village #2 brick to grade or equivalent subject to the approval of the Developer. Village #3 brick to grade. Developer reserves the right to select approved colors and facades.

1.5 Roof. All houses shall be constructed with a roof having a minimum 20 year life (as evidenced by a written warranty).

1.6 Commencement and Completion. Construction shall begin within one (1) month after closing and the exterior of the house shall be completed within six (6) months from the date construction is begun on the house.

1.7 Driveways. All driveways and turning aprons weather permitting must be paved within three (3) months after occupancy of the house. The driveways and turning aprons must be paved as follows; Village #1-concrete, Village #2 and #3-concrete or asphalt.

1.8 Exterior Accessories. Each Owner must install the approved exterior post lamp and house numbers. Developer will select the approved locations and models.

1.9 Storm Water. Storm water run off must be handled in accordance with the applicable standards of the municipality and the Department of Environmental Resources and the Developer's site plan. Prior to commencement of construction, each Builder must obtain approval from Developer of its storm water plan.

1.10 Erosion & Sedimentation Control. During construction of each home in the Plan must be placed individual on-lot sediment controls (for example, silt fences or seeding) to prevent mud and other sediment from leaving the Lot or entering a stream in accordance with Township and DER regulations and subject to review by the Butler County Conservation District. Permits must be delivered to Developer prior to start of lot grading and excavation.

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(n) Balconies and Porches. No rugs, clothes, sheets, blankets, laundry of any kind, or other article shall be hung from the balconies. Balconies and patios shall be kept free and clear of rubbish, debris and other unsightly materials.

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(p) Easements for Pipes, etc. No water pipe, gas pipe, sewer pipe or drainage pipe shall be installed or maintained on any Lot above the surface of the ground. Easements have been reserved for sewers, drainage and utility installations and maintenance and for such purposes and uses as are shown on the recorded plan. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible. The Developer, its agents, successors and assigns, shall have the right to enter upon all parts of the easement area of each Lot for any of the purposes for which said easements and rights-of-way are reserved. The Developer shall also have the right at the time of, or alter, grading any street, or any part thereof, to enter upon any abutting Lot and grade the portion of such Lot adjacent to such street, but there shall be no obligation on the Developer to do such grading, unless otherwise properly required to do so by an appropriate governmental authority.

(q) Storage and Parking of Vehicles. Except as provided herein, there shall be no outside storage upon any Lot or Common Property of any truck, tractor, mobile home, boat or other transportation device of any kind, unless approved by the Board in the Rules and Regulations hereinafter adopted. No owners or tenants shall repair or restore any vehicle of any kind upon any Lot or Common Property visible from the road except for normal maintenance or emergency repairs. Vehicles may not be parked overnight on the streets. In addition, the Board shall have the right to adopt further detailed rules and regulations concerning parking and the operation of vehicles on the Property.

(r) Motorcycles. No motorcycles, motorbikes, go-carts, snowmobiles or similar motor-powered vehicles shall be operated on any portion of the Common Property.

(s) Landscaping. All landscaping maintenance shall be performed by the Owners. No trees shall be removed from any Lot or Common Property without the written approval of the Board or the Architectural Review Committee. The Board may, from time to time, promulgate such rules and regulations regarding the preservation of trees, vegetation, wildlife and other natural resources as it deems appropriate.

(t) Garages. Garages may not be converted to living space but may only be used for storage of vehicles or personal property.

(u) Swimming Pools. Shall be an in-ground type. No above-ground swimming pools (or the like) may be installed on any of the Lots.

III. GENERAL PROVISIONS

2.0 Enforcement. For a violation or a breach of any of these covenants, conditions, reservations and restrictions by any person claiming by, through or under the Developer, or by virtue of any judicial proceedings, the Developer, and the Lot Owners, or any of them severally, shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent the violation or breach of any of them. In addition to the foregoing right, the Developer shall have the right, whenever there shall have been built on any lot any structure which is in violation of these restrictions, to enter upon the property where such violation of these covenants, conditions, reservations and restrictions exists and summarily abate or remove the same at the expense of the owner, any such entry and abatement or removal shall not be deemed a trespass. The cost of enforcement, including reasonable attorneys fees, shall be assessed by the Court against the lot owner violating the covenants any may be collected in the same manner as assessments.

2.1 Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall not affect any other provision.

2.2 Amendment. This Declaration may be amended by an instrument signed by the Owners of at least 75% of the Lots, subject to the following conditions:

- (a) any rights reserved or granted to Developer under this Declaration may not be amended, revoked or modified in any way by the Association without the express written consent of the Developer so long as Developer owns any Lot on the Property. Such consent must be included in any recorded amendment to be effective; and
- (b) Developer, its successors and/or assigns, reserves the right, without the consent of the Association or any Owners, to amend and re-record the Declaration Plan for any reason, including, but not limited to, the addition of phases to the development, the correction of errors or the making of any changes required by any governmental body or agency or mortgagee. After sale of all property in or adjacent to the Development by the Developer, this right shall pass to the Association.
- (c) The Developer reserves the right to alter, modify and change the within covenants, from time to time, so long as the alterations, modification and change does not materially, adversely or detrimentally affect the harmony of the Plan. All purchasers of any Lot in this Plan for themselves, their heirs, successors and assigns covenant and agree to such future alteration, modification, and change and irrevocably appoints Adams Ridge Inc. as their attorney-in-fact to execute, acknowledge and deliver any necessary documents to effectuate such alteration, modification and change.
- (d) Amendments shall be effective upon recording in the office of Recorder of Deeds of Butler County and shall be executed by the Developer or the president and secretary of the Association.

2.3 Term and Perpetuities. These covenants shall bind the land for 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. Subject to the provisions of Section 2.3 above, they may be terminated during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of all Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of all Owners. If any of the provisions of this Declaration violate the rule against perpetuities, such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now-living descendants of William Clinton, President of the United States, subject to prior amendment or termination as set forth hereinabove.

2.4 Adams Ridge Homeowner Association Covenants. Developer has recorded in the office of Recorder of Deeds of Butler County, Pennsylvania the Adams Ridge Homeowners Association at Deed Book Volume 2369, Page 651, the provisions of which are incorporated herein by reference, together with any amendments thereto.

2.5 Additional Phases. The Developer may, at any time and from time to time, [within twenty (20) years from the date of recording of this Declaration], and solely at Developer's discretion, submit additional parts of the land described in Exhibit "A" to the provisions of this Declaration (as Lots or Common Property) and caused them to be subjected to the covenants, conditions, easements, restrictions, charges and liens herein provided without the consent of the Owners by recording a Supplementary Declaration or similar instrument subjecting such land to the provisions of this Declaration. Buildings and improvements may be altered to meet marketing requirements or changes in construction technology.

2.6 Definitions. The definitions contained in the Adams Ridge Homeowners Association Covenants are incorporated herein by reference.

WITNESS the execution hereof the day and year first above written.

WITNESS:

Michael D. Hutz

Patricia J. Chelmer



ACKNOWLEDGEMENT

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF BUTLER *Beaver*

SS:

On the 19th day of October, 1992, before me, a notary public, the undersigned officer, personally appeared Patrick DiCesare, the President of Adams Ridge, Inc., known to me or satisfactorily proven, to be the persons whose names is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

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

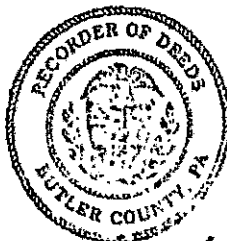
Notary Public

Margie Perrod, Notary Public
Altoona, Beaver County
My Commission Expires Aug. 3, 1995

Member, Pennsylvania Association of Notaries

My Commission Expires:

mailed to
Richard A. Albert, Esq.
298 9th St.
Monaca PA 15061



BUTLER COUNTY
PENNSYLVANIA SS

Recorded in the Recorder's Office
of said County on the 20th day
of October AD, 1992
In RECORD
Book No. 2369/686 Witness
my hand and the seal of said Office

Michelle M. Mustello

BK2369 PG0696

EXHIBIT "A"

All utility easements or water line easements or access easements as shown on the following plans:

1. Water Transmission Lines Plan for Adams Ridge recorded at Plan Book Volume 176, Page 40.
2. Easement and Right of Way reserved by Adams Ridge, Inc. in its Deed to Adams Ridge Homeowners' Association, Inc. dated October 27, 1995, recorded in Book 2577, Page 529.
3. Adams Pointe Phase I Plan recorded in Plan Book Volume 209, Page 11.
4. Adams Ridge Phase I Plan recorded in Plan Book Volume 166, Page 3.
5. Adams Ridge Phase I, Revision I, recorded at Plan Book Volume 169, Page 37.
6. Adams Ridge Plan of Lots, Phase II, recorded at Plan Book Volume 172, Pages 45 and 46.
7. Adams Ridge Plan of Lots, Village 6 recorded at Plan Book Volume 176, Page 20.
8. Adams Ridge Plan of Lots, Village 7, recorded at Plan Book Volume 176, Page 21, as revised at Plan Book Volume 216, Page 6.
9. Adams Ridge Plan of Lots, Phase 4B - Village 8A, recorded at Plan Book Volume 186, page 31.
10. Adams Ridge Plan of Lots, Phase 4A - Villages 9 and 10, recorded at Plan Book Volume 186, Page 32 and 33.

FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR ADAMS RIDGE

THIS AMENDMENT is made this 28 day of April, 1994.

W I T N E S S E T H

WHEREAS, on October 22, 1993, Adams Ridge, Inc. a Pennsylvania Corporation (the "Declarant") recorded that certain Declaration of Covenants, Conditions, and Restrictions for (the "Declaration") in Deed Book Volume 2369, Page 651, et seq., of the Butler County, Pennsylvania, land records; and

WHEREAS, pursuant to Article II, Section 2 of the Declaration, Declarant may unilaterally subject other real property to the Declaration;

NOW, THEREFORE, Article II, Section 1 of the Declaration is amended as follows:

1. At the end of Article II, Section 1, the following is added:

The additional Real Property which is, and shall be held, transferred, sold, surveyed, and conveyed subject to this Declaration is located in the County of Butler, Commonwealth of Pennsylvania, and is more particularly described in Plan Lot Book Volume 172, Page 45-46 of the land records of Butler County, and is incorporated by

reference as if specifically set forth herein and which additional Real Property shall also hereinafter be referred to as "Existing Property".

2. The By-laws of Adams Ridge Homeowners' Association Inc. are attached hereto as Exhibit "A".

IN WITNESS WHEREOF, the Declaration has caused this Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge to be executed this 5 day of May, 1994.

DECLARANT: Adams Ridge, Inc.

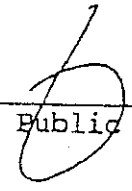
BY: 
TITLE: President

ACKNOWLEDGEMENT

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF BEAVER)

On the 5th day of May, 1994, before me, a notary public, the undersigned officer, personally appeared Charles J. Betters, the President of Adams Ridge, Inc., known to me or satisfactorily proven, to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

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


Notary Public

My Commission Expires:

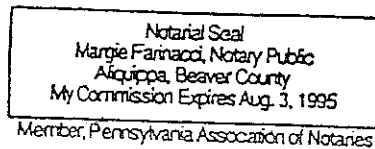


EXHIBIT "C"

ADAMS RIDGE
CONSTRUCTION AND USE COVENANTS

This DECLARATION, made this 28 day of April, 1994 by ADAMS RIDGE, INC. (hereinafter referred to as "DEVELOPER").

WITNESSETH:

WHEREAS, Developer is developing a parcel of land situate in Adams Township, Butler County, Pennsylvania, described in Exhibit "A" attached hereto, as a development called "Adams Ridge" (the "Plan"); and

NOW, THEREFORE, Developer hereby declares that all of the land described in Exhibit "A" shall be held, sold and conveyed subject to the following covenants, conditions, easements, restrictions, charges and liens WHICH SHALL RUN WITH THE LAND and shall be binding upon and shall inure to the benefit of all parties having any right, title or interest therein or any part thereof and their respective heirs, devisees, personal representatives, successors and assigns:

I. CONSTRUCTION COVENANTS

1.1 Plan Review. Prior to the commencement of construction, two sets of building plans shall be submitted to Developer for approval of the proposed design and builder. Only a builder approved in advance may construct a dwelling in the Plan. One set of the approved plans shall be retained by Developer to insure that the structure is built in accordance with the approved plan. All such plans must be approved in writing by Developer, or its designated agent, prior to the commencement of construction. [Developer review of plans is in addition to any review required by the municipality and is not a guarantee that the municipality will issue a building permit.] Any change in plans after approval shall be shown on the original plans and shall not be acted upon until approval of such change in writing by Developer, or its designated agent, is endorsed on the original plans.

1.2 Area Phase II Villages-Arbor and Pine Bluff. Houses, exclusive of porches, garages and basements, shall meet the following minimum requirements:

- a. Arbor - 1800 minimum finished square feet
2,350 maximum finished square feet,
\$195,000 maximum base price.
- b. Pine Bluff - 1,800 minimum finished square feet-2,400 maximum finished square feet -
\$195,000 maximum base price.
- c. In the event that Developer and Builder

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mutually agree that a modification should be made in the base price or size requirements, then a. and b. can be amended and recorded.

1.3 All dwellings must be constructed at the building line as shown on the recorded Plan.

1.4 Exterior Finishes. All dwellings constructed on any lot in the Plan shall be finished with suitable exterior building materials such as vinyl or aluminum siding and masonry must include a minimum of brick to grade, with no exposed block foundations. The minimum requirements in each Village for masonry (exterior building materials) are as follows: Arbor Village #4, brick to grade; Pine Bluff Village #5, brick to grade or equivalent subject to approval of the Developer. Developer reserves the right to select approved colors and facades.

1.5 Roof. All houses shall be constructed with a roof having a minimum 20 year life (as evidenced by a written warranty).

1.6 Commencement and Completion. Construction shall begin within one (1) month after closing and the exterior of the house shall be completed within six (6) months from the date construction is begun on the house.

1.7 Driveways. All driveways and turning aprons weather permitting must be paved within three (3) months after occupancy of the house. The driveways and turning aprons must be paved as follows: Arbor and Pine Bluff Village, concrete or asphalt.

1.8 Exterior Accessories. Each Owner must install the approved exterior post lamp and house numbers. Developer will select the approved locations and models.

1.9 Storm Water. Storm water run off must be handled in accordance with the applicable standards of the municipality and the Department of Environmental Resources and the Developer's site plan. Prior to commencement of construction, each Builder must obtain approval from Developer of its storm water plan.

1.10 Erosion & Sedimentation Control. During construction of each home in the Plan must be placed individual on-lot sediment controls (for example, silt fences or seeding) to prevent mud and other sediment from leaving the Lot or entering a stream in accordance with Township and DER regulations and subject to review by the Butler County Conservation District. Permits must be delivered to Developer prior to start of lot grading and excavation.

1.11 Retaining Walls. All retaining walls must be constructed of approved materials such as new railroad ties, brick, stone or a combination thereof. Any other retaining walls other than the above listed must be approved by the architectural review committee.

1.12 Streets and Curbs. Owners and builders must take reasonable precautions to protect the streets and curbs from damage by construction vehicles, construction equipment, moving trucks, etc. If there is damage to the street or curb which requires repair or replacement by Developer, the cost will be assessed against the Owner or Owners whose Lot or Lots abut the damaged areas, which charge may be enforced by an action at law by Developer. In the event of a dispute over which Owner is responsible, Developer shall have the option of filing an action in the Court of Common Pleas of Butler County, Pennsylvania or submitting the dispute to the American Arbitration Association. The Developer shall have the right at the time of, or after, grading any street, or any part thereof, to enter upon any abutting Lot and grade the portion of such Lot adjacent to such street, but there shall be no obligation on the Developer to do such grading (unless required to by a governmental authority).

1.13 Drainage Easements. No structure, planting or other material shall be placed or permitted to remain in any easement, swale or storm water channel which may change the direction of flow of the water, or which may obstruct or retard the flow nor shall any such channels or easements be regraded. The Developer shall have the right to enter the easement area of each Lot to correct any problems, in which event the cost will be assessed against the Owner.

1.14 Landscaping. All lots must be final graded and landscaped by the earlier of three (3) months after occupancy or twelve (12) months from the date construction is begun (unless this time period would end in winter, in which case it shall be completed by June 30). Builders shall attempt to preserve as many trees on the site as possible and shall not remove any trees having a diameter greater than 4" and measured 2 feet above ground level without Developer's written consent unless the trees are in areas which conflict with construction. All lots must be entirely seeded in the front, side and rear yards, and any disturbed areas. A minimum of three (3) trees of one inch (1") in diameter must be planted upon all lots.

1.15 Refuse. Builders shall use their best efforts to prevent lumber, materials, bulk materials, refuse or trash from being kept, stored, or allowed to accumulate on any Lot except building materials during the course of construction of an approved house. Trash, garbage or other waste shall be kept in containers or enclosures. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. All construction debris must be removed by the Builder prior to occupancy of the house.

1.16 Encroachment. Each Lot within the Property is hereby declared to have an easement over adjacent Lots for the purpose of ingress, egress and regress to and from the Unit erected on said Lot for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement of the structure, roof overhangs, architectural or other appendages, drainage of rain water from roofs or any other cause. This easement shall last as long as the Unit, in the event of fire or other casualty. However, in the event of total destruction of the Unit and the Unit is not rebuilt, this encroachment shall terminate.

1.17 Inspection During Construction. If the home is to be available for interior inspection by potential home buyers, builder shall use its best efforts to provide reasonable and safe access to the home and reasonable housekeeping throughout the home. Developer shall have the right to inspect all homes during construction to insure compliance with these covenants.

1.18 Soil Relocation. No soil may be removed from the plan without the written consent of Developer. Developer may direct Builders to transfer the soil to areas of the Plan where fill is needed. Developer shall have the right to maintain a top-soil stock pile and an equipment area, either or both of which may be relocated from time to time, until completion of sales of all Lots in the Plan.

1.19 Sidewalks & Walkways. Sidewalks - All houses shall have brushed (finish) concrete sidewalks along all street frontage. Sidewalks must have a width of 42 inches and thickness of 3 1/2 inches (3000 PSI.) The sidewalk provision refers to interior villages only. Walkways - All houses shall have a brushed concrete walkway from the front door, porch or stoop to the driveway. The minimum width of the walkway shall be 36 inches.

1.20 Garages. All garages must be integral or attached to the house and must accommodate at least two cars.

1.21 Uncompleted Homes. No occupancy of an uncompleted Dwelling or any part thereof, including any basement or foundation, shall be permitted, and no basement, garage or structure other than the Dwelling shall be used as a residence or for residential purposes.

1.22 Mailboxes. The design of all mailboxes and newspaper receptacles must be approved by Developer.

1.23 Sight Lines. No fence, wall, hedge, shrubs or other obstruction of any kind shall be placed on a Lot adjacent to any intersection in the Properties which would obscure the sight lines in any direction at the intersection at the elevations between 2 and 6 feet above the roadway.

1.24 Parking. During the construction of Dwelling, Builder and all Subcontractors must park in the area designated by Developer for this purpose. Developer will also designate a parking area for all construction trailers.

II. USE RESTRICTIONS

Section 1. Use Restrictions. Item II Section 1, a.- u. may be modified by unanimous consent of the Homeowner's Association subject to Developer's approval. The Property is intended to be used for the following purposes, and its use is hereby restricted as follows:

(a) Unit Restrictions. No Lot may be divided or subdivided, nor may any portion of any Lot be added to or incorporated into another Lot, nor any portion less than all thereof sold or otherwise transferred. Notwithstanding anything contained herein, the Developer has the right to use any Lots owned by it for models and for sales offices and administrative offices.

(b) Use of Common Property. The Common Property may be used by all Owners and/or residents, their families, tenants, guests and invitees, subject to such rules and regulations as may be established by the Association.

(c) Unit Maintenance. Each Owner shall furnish and be responsible, at his own expense, for all of the maintenance, repairs and replacements within his own Lot and Unit and also for all exterior maintenance required in and about their Unit, including snow removal, care of yards and gardens and repair and painting of the Unit, except to the extent that any such maintenance responsibility is assumed by the Association. If any maintenance which affects the health, safety or security of other residents is not performed within twenty (20) days after the Association has given the Unit Owner written notice requiring such maintenance, the Association may, in its discretion, perform such maintenance and charge the Unit Owner for any expense involved, which charge may be enforced as provided in Article IV hereof as assessment against said Unit.

(d) Prohibited Use. No articles of personal property belonging to any Owner shall be stored on any portion of the Common Property without the prior written consent of the Board. Nothing shall be done or kept in any Unit or in the Common Property which violates the law.

(e) Exterior Attachments. No awning, canopy, shutter, radio or television antenna (or satellite dish) shall be affixed to or placed upon the exterior walls or roofs without or nuisance to the neighborhood.

(g) Signs.

(1) No sign of any kind shall be displayed to the public view on any Lot or Unit except one sign of not more than one square foot identifying the residence of a professional. The Developer shall have the right to erect entrance signs, directional and traffic signs as it deems appropriate.

(2) The Developer shall have the right to erect signs to advertise all of its property, the sale of Units, and any other signs which the Developer deems necessary for construction and sales of Lots or Units on any part of the property owned by Developer.

(3) During the period of construction and sales, any Contractor and Lender approved by the Developer may maintain a sign on any Lot upon which that Contractor is constructing a Dwelling, which sign, however, may not be more than twenty (20) square feet in size.

(4) After completion of the Dwelling a sign of not more than ten (10) square feet advertising the Unit for sale or rent.

(5) An easement for ingress, egress and regress is hereby granted to Developer and to the Association for the purpose of maintaining and replacing any signs, walls or fences which the Developer has constructed on individual Lots which are part of the community signs program (i.e. directional signs, entry signs, etc.). This right shall include the right to plant trees and shrubs and otherwise landscape the area around any such fence, etc. shall not be responsible for maintenance, this being the sole duty of the Association.

(h) Garbage and Refuse Disposal. Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in such manner as may be prescribed from time to time in rules and regulation by the Association. Garbage containers must be kept out of public view except on collection days.

(i) Refuse. No lumber, materials, bulk materials, refuse or trash shall be kept, stored, or allowed to accumulate on any Lot except building materials during the course of construction.

(j) Laws. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed on the Property by the residents.

(k) Laundry Lines. Laundry poles and lines outside of Units are prohibited.

(l) Temporary Structures. No structure of a temporary character, dog house, fences dog run, animal pen, trailer, shack, garage, barn or other out-building shall be used on any Lot (except by the Developer in completing the Development).

(m) Pets. No animals, livestock, fowl or poultry of any kind shall be raised bred or kept in any Unit on any Lot or on the Common Property, except that dogs, cats or other household pets may be kept in the Units, subject to the rules and regulations adopted by the Association and applicable laws and ordinances. All household pets must be kept leashed when outside the Unit.

(n) Balconies and Porches. No rugs, clothes, sheets, blankets, laundry of any kind, or other article shall be hung from the balconies. Balconies and patios shall be kept free and clear of rubbish, debris and other unsightly materials.

(o) Residential Use. All Lots and Units (except those used by Developer for models or offices) may be used only for residential purposes permitted by the Adams Township zoning ordinance governing residential use.

(p) Easements for Pipes, etc. No water pipe, gas pipe, sewer pipe or drainage pipe shall be installed or maintained on any Lot above the surface of the ground. Easements have been reserved for sewers, drainage and utility installations and maintenance and for such purposes and uses as are shown on the recorded plan. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible. The Developer, its agents, successors and assigns, shall have the right to enter upon all parts of the easement area of each Lot for any of the purposes for which said easements and rights-of-way are reserved. The Developer shall also have the right at the time of, or alter, grading any street, or any part thereof, to enter upon any abutting Lot and grade the portion of such Lot adjacent to such street, but there shall be no obligation on the Developer to do such grading, unless otherwise properly required to do so by an appropriate governmental authority.

(q) Storage and Parking of Vehicles. Except as provided herein, there shall be no outside storage upon any Lot or Common Property of any truck, tractor, mobile home, boat or other transportation device of any kind, unless approved by the Board in the Rules and Regulations hereinafter adopted. No owners or tenants shall repair or restore any vehicle of any kind upon any Lot or Common Property visible from the road except for normal maintenance or emergency repairs. Vehicles may not be parked overnight on the streets. In addition, the Board shall have the right to adopt further detailed rules and regulations concerning parking and the operation of vehicles on the Property.

(r) Motorcycles. No motorcycles, motorbikes, go-carts, snowmobiles or similar motor-powered vehicles shall be operated on any portion of the Common Property.

(s) Landscaping. All landscaping maintenance shall be performed by the Owners. No trees shall be removed from any Lot or Common Property without the written approval of the Board or the Architectural Review Committee. The Board may, from time to time, promulgate such rules and regulations regarding the preservation of trees, vegetation, wildlife and other natural resources as it deems appropriate.

(t) Garages. Garages may not be converted to living space but may only be used for storage of vehicles or personal property.

(u) Swimming Pools. Shall be an in-ground type. No above-ground swimming pools (or the like) may be installed on any of the Lots.

III. GENERAL PROVISIONS

2.0 Enforcement. For a violation or a breach of any of these covenants, conditions, reservations and restrictions by any person claiming by, through or under the Developer, or by virtue of any judicial proceedings, the Developer, and the Lot Owners, or any of them severally, shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent the violation or breach of any of them. In addition to the foregoing right, the Developer shall have the right, whenever there shall have been built on any lot any structure which is in violation of these restrictions, to enter upon the property where such violation of these covenants, conditions, reservations and restrictions exists and summarily abate or remove the same at the expense of the owner, any such entry and abatement or removal shall not be deemed a trespass. The cost of enforcement, including reasonable attorneys fees, shall be assessed by the Court against the lot owner violating the covenants any may be collected in the same manner as assessments.

2.1 Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall not affect any other provision.

2.2 Amendment. This Declaration may be amended by an instrument signed by the Owners of at least 75% of the Lots, subject to the following conditions:

- (a) any rights reserved or granted to Developer under this Declaration may not be amended, revoked or modified in any way by the Association without the express written consent of the Developer so long as Developer owns any Lot on the Property. Such consent must be included in any recorded amendment to be effective; and
- (b) Developer, its successors and/or assigns, reserves the right, without the consent of the Association or any Owners, to amend and re-record the Declaration Plan for any reason, including, but not limited to, the addition of phases to the development, the correction of errors or the making of any changes required by any governmental body or agency or mortgagee. After sale of all property in or adjacent to the Development by the Developer, this right shall pass to the Association.
- (c) The Developer reserves the right to alter, modify and change the within covenants, from time to time, so long as the alterations, modification and change does not materially, adversely or detrimentally affect the harmony of the Plan. All purchasers of any Lot in this Plan for themselves, their heirs, successors and assigns covenant and agree to such future alteration, modification, and change and irrevocably appoints Adams Ridge Inc. as their attorney-in-fact to execute, acknowledge and deliver any necessary documents to effectuate such alteration, modification and change.
- (d) Amendments shall be effective upon recording in the office of Recorder of Deeds of Butler County and shall be executed by the Developer or the president and secretary of the Association.

2.3 Term and Perpetuities. These covenants shall bind the land for 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. Subject to the provisions of Section 2.3 above, they may be terminated during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of all Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of all Owners. If any of the provisions of this Declaration violate the rule against perpetuities, such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now-living descendants of William Clinton, President of the United States, subject to prior amendment or termination as set forth hereinabove.

2.4 Adams Ridge Homeowner Association Covenants. Developer has recorded in the office of Recorder of Deeds of Butler County, Pennsylvania the Adams Ridge Homeowners Association at Deed Book Volume _____, Page _____, the provisions of which are incorporated herein by reference, together with any amendments thereto.

2.5 Additional Phases. The Developer may, at any time and from time to time, [within twenty (20) years from the date of recording of this Declaration], and solely at Developer's discretion, submit additional parts of the land described in Exhibit "A" to the provisions of this Declaration (as Lots or Common Property) and caused them to be subjected to the covenants, conditions, easements, restrictions, charges and liens herein provided without the consent of the Owners by recording a Supplementary Declaration or similar instrument subjecting such land to the provisions of this Declaration. Buildings and improvements may be altered to meet marketing requirements or changes in construction technology.

2.6 Definitions. The definitions contained in the Adams Ridge Homeowners Association Covenants are incorporated herein by reference.

WITNESS the execution hereof the day and year first above written.

WITNESS:

Michael D. Doherty

ADAMS RIDGE INC:

Charles J. Betters

PRESIDENT

ACKNOWLEDGEMENT

011734

Mario Mustello
REC'D MAY 16 1994

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF BEAVER

SS:

94 MAY 16 AM 8:52

BUTLER COUNTY, PA.

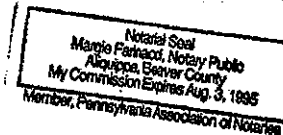
FEE \$ 33.50 + M

On the 5th day of May, 1994, before me, a notary public, the undersigned officer, personally appeared Charles J. Betters, the President of Adams Ridge, Inc., known to me or satisfactorily proven, to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

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

[Signature]
Notary Public

My Commission Expires:



MAIL TO: CENTURY 21 SCOTT RODGERS
20213 RT 19
CRANBERRY TWP
MARS, PA 16046



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

Michio M. Mustello
Michio M. Mustello - Recorder of Deeds

c:\WP51\GORDON\ADAMRIDGE\50.AR

8K2433 PG0056

SECOND AMENDMENT TO
THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

ADAMS RIDGE

This Second Amendment to the Declaration of Covenants, Conditions and Restrictions of Adams Ridge is made this 29th day of July, 1994, by Adams Ridge, Inc., a Pennsylvania corporation, hereinafter referred to "Declarant."

W I T N E S S E T H:

WHEREAS, on October 22, 1993, the Declarant recorded that certain Declaration of Covenants, Conditions and Restrictions (the "Declaration") in the office of the Recorder of Deeds of Butler County, Pennsylvania, in Deed Book Volume 2369, page 651; and

WHEREAS, on May 16, 1994, the Declarant recorded a First Amendment to the Declaration in the Office of the Recorder of Deeds of Butler County, Pennsylvania, in Deed Book Volume 2433, page 40; and

WHEREAS, in accordance with Article VIII, Section 4, the Declarant desires to amend the Declaration.

NOW, THEREFORE, intending to be legally bound, the Declarant hereby amends the Declaration as follows:

1. Article VII, Section 1 of the Declaration shall be amended by deleting said Article VII, Section 1, in its entirety and inserting the following in lieu thereof:

Section 1. Indemnification.

1. Every person who is or was a party, or is threatened to be made a party, to (i) any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, or (ii) any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in his favor (hereinafter a "Proceeding"), by reason of the fact that such person serves or has served at any time as a director, officer, employee or agent of the Association, or who as the request of the Association serves or at any time has served as a Director, officer, employee or agent of another corporation or of any partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless by the Association to the fullest extent authorized by the Pennsylvania Non-Profit Corporation Law of 1988, as now in effect or as

may hereafter be amended (but, in the case of an amendment, only to the extent that such amendment permits the Association to provide broader indemnification rights than such law permitted the Association to provide prior to such amendment), from and against any and all of the expenses, liabilities or other matters referred to in or covered by said law. Such indemnification shall continue with respect to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which any person may be entitled under any provision of the Articles of Incorporation, any By-Law, agreement, vote of disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

2. To the extent that a director, officer, employee or agent of the Association, or a person serving in any other enterprise at the request of the Association, shall have been successful on the merits or otherwise in defense of any Proceeding referred to in Section 1.1 of this Article VII or in defense of any claim, issue or matter therein, he or she shall be indemnified against all expenses (including attorneys' fees) actually and reasonably paid or incurred by him or her in connection therewith.

3. Any indemnification under this Article VII (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstance because he has met the applicable standard of conduct set forth in the Pennsylvania Non-Profit Corporation Law of 1988, as amended. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel, who may be the regular independent legal counsel of the Association, in a written opinion.

4. Expenses (including attorneys' fees) incurred by a person in defending any Proceeding may be paid by the Association in advance of the final disposition of

such Proceeding upon receipt by the Association of an undertaking in writing by or on behalf of the person to be indemnified to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized in the Pennsylvania Non-Profit Corporation Law of 1988. Such expenses (including attorneys' fees) incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board deems appropriate.

5. The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article VII.

2. Article II, Section 1 of the Declaration is hereby amended by adding thereto the following:

In the event that the Association shall acquire the Adams Ridge water system, such water system shall be subject to the terms of the Declaration, as amended, and shall be included within the definition of Common Area.

3. Article VIII of the Declaration is hereby amended by adding thereto the following section, to be numbered new Section 13 of Article 8:

13. The Association shall have power to borrow only to the extent hereinafter authorized. The total debts of the Association outstanding at any time shall not exceed the total of three (3) years' assessments current at that time, provided that authority to exceed said maximum in any particular case may be given by an affirmative vote of a majority of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least five (5) days in advance and shall set forth the purpose of the meeting.

No mortgage, lien or encumbrance shall be placed on the Common Areas or any part thereof unless such mortgage, lien or encumbrance shall have been approved by an affirmative vote of two-thirds of the Board of Directors.

Notwithstanding anything contained herein or elsewhere in the Declaration to the contrary, the Association shall have the power, without a required affirmative vote of its members, to borrow and grant as security therefor a mortgage, lien, encumbrance, security interest, and/or pledge, as the case may be, for the purpose of financing the acquisition of the Adams Ridge water system.

4. Article V, Section 5, paragraph 1 of the Declaration shall be amended by adding thereto the following:

Notwithstanding anything contained herein or elsewhere in the Declaration to the contrary, the Association may levy, without a required affirmative assent of its members, a special assessment for the purpose of defraying the costs and expenses of acquiring the Adams Ridge water system. Such special assessment shall be in an amount equal to the costs of acquisition of the Adams Ridge water system and any expenses incidental thereto.

5. Except as herein amended, the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed by its duly authorized officer and its corporate seal to be hereunder to be affixed as of the day and year first above written.

Declarant:

Adams Ridge, Inc.


By: 

Title: President

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this the 29th day of July, 1994, before me, a Notary Public, personally appeared Charles J. Betters, who acknowledged himself to be the President of Adams Ridge, Inc., a Pennsylvania corporation, and that he as such officer being authorized to do so executed the foregoing instrument for the purposes therein contained by signing the name of Adams Ridge, Inc. by himself as President.

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


Notary Public

My Commission Expires:

Notarial Seal
Kim A. Ponsorby, Notary Public
Pittsburgh, Allegheny County
My Commission Expires June 5, 1995
Member, Pennsylvania Association of Notaries

Recorded, in and for Butler County, Pennsylvania in Deed Book
Volume ____, page ____.

Recorder

Recorded August 24, 1994

*

THIRD AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR ADAMS RIDGE

THIS AMENDMENT is made this 23rd day of December, 1994.

W I T N E S S E T H

WHEREAS, on October 22, 1993, Adams Ridge, Inc. a Pennsylvania Corporation (the "Declarant") recorded that certain Declaration of Covenants, Conditions, and Restrictions (the "Declaration") in Deed Book Volume 2369, Page 651, et seq., of the Butler County, Pennsylvania, land records; and

WHEREAS, pursuant to Article II, Section 2 of the Declaration, Declarant may unilaterally subject other real property to the Declaration;

NOW, THEREFORE, Article II, Section 1 of the Declaration is amended as follows:

1. At the end of Article II, Section 1, the following is added:


The additional Real Property which is, and shall be held, transferred, sold, surveyed, and conveyed subject to this Declaration is located in the County of Butler, Commonwealth of Pennsylvania, and is more particularly described in Plan Lot Book Volume 176, Page 20 of the land records of Butler County, and is incorporated by

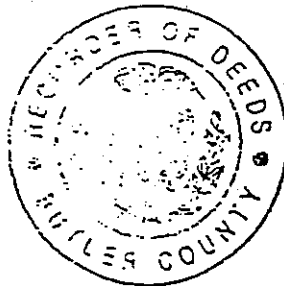
reference as if specifically set forth herein and which additional Real Property shall also hereinafter be referred to as "Existing Property".

2. The By-laws of Adams Ridge Homeowners' Association Inc. are recorded in Record Book 2369 page 651.

IN WITNESS WHEREOF, the Declaration has caused this Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge to be executed this 23rd day of December, 1994.

DECLARANT: Adams Ridge, Inc.

BY: 
TITLE: President



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


Michele M. Mustello - Recorder of Deeds

ACKNOWLEDGEMENT

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF BEAVER)

On the 23rd day of December, 1994, before me, a notary public, the undersigned officer, personally appeared Charles J. Betters, the President of Adams Ridge, Inc., known to me or satisfactorily proven, to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

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

Notary Public

Notarial Seal
Margie Farinacci, Notary Public
Monaca Boro, Beaver County
My Commission Expires Aug. 3, 1995

Member, Pennsylvania Association of Notaries

My Commission Expires:

Mail to:

Richard A. Alberti, Esq.
278 4th Street
Monaca, PA 15061

003364
Margie Farinacci
RECORDS OF DEEDS
95 MAR - 1 PM 2:08
BEAVER COUNTY, PA.
FEE \$ 15.50

**FOURTH AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR ADAMS RIDGE**

THIS FOURTH AMENDMENT to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge is made this 6th day of December, 1996, by Adams Ridge, Inc., the Declarant under the Declaration of Covenants, Conditions and Restrictions for Adams Ridge.

WHEREAS, on October 22, 1993, Adams Ridge, Inc., a Pennsylvania corporation (the "Declarant") recorded the Adams Ridge Declaration of Covenants, Conditions and Restrictions (the "original Declaration") in the Recorder of Deeds' Office of Butler County in Book 2369, Page 751, et seq.; and

WHEREAS, the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated April 28, 1994, and recorded on May 16, 1994, in the Recorder of Deeds' Office of Butler County in Book 2433, Page 40, et seq.; and

WHEREAS, the Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated July 29, 1994, and recorded on August 24, 1994, in the Recorder of Deeds' Office of Butler County in Book 2463, Page 351, et seq.; and

WHEREAS, the Third Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated December 23, 1994, recorded on March 1, 1995, in the Recorder of Deeds' Office of Butler County in Book 2506, Page 312, et seq.; and

WHEREAS, pursuant to Article II, Section 2, of the original Declaration, the Declarant reserved the right to subject additional real property to the restrictions contained in the original Declaration and to provide complimentary additions and modifications of the covenants and restrictions contained in the original Declaration.

NOW, THEREFORE, the Declarant hereby exercises the rights provided to the Declarant under Article II, Section 2, of the original

Declaration and submits the following amendments to the original Declaration:

1. Article II, Section 1, is modified by adding additional real property to its description as follows:

The additional real property, which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, is located in the Township of Adams, County of Butler, Commonwealth of Pennsylvania and is described as Parcels 8-A, 8-B and 8-C in the Adams Ridge Plan of Lots, Phase 4B, Village 8A, recorded in Plan Book Volume 186, Page 31, and is more fully described in the attached Exhibit "A" which is incorporated herein by reference, all of which real property shall hereinafter be referred to as "existing property".

The original Declaration provisions contained in Article VI, Sections 1 through 8, and Section 16, Subsections 4, 5 and 6, shall not apply to the property submitted to the Declaration under this Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge.

3. The property described hereunder shall be subject to the Declaration of Condominium to be recorded hereinafter.

4. Each Unit owner covered by the property conveyed under this Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge shall enjoy all rights as a member of the Adams Ridge Homeowners' Association, Inc. and shall be obligated for all assessments provided for in the original Declaration and any amendments thereto.

5. To the extent that there is a conflict between the Declaration and the Declaration of Condominium for Adams Ridge Condominium, the Declaration of Condominium shall govern.

IN WITNESS WHEREOF, The Declarant has caused this Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge to be executed on the day and year first above written.

DECLARANT: ADAMS RIDGE, INC.

By: 

Charles J. Betters, President

COMMONWEALTH OF PENNSYLVANIA :

: S.S.

COUNTY OF ~~BUTLER~~ BEAVER 6 :

On this the 6th day of DECEMBER, 1996, before me, a
Notary Public, the undersigned officer, personally appeared **CHARLES J.
BETTERS**, the President of **ADAMS RIDGE, INC.**, known to me (or
satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged that he/she executed the same for
the purposes therein contained by signing the name of the corporation by
himself as President.

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


Notary Public

My Commission Expires:

Notarial Seal
Margie Farinacci, Notary Public
Monaca Boro, Beaver County
My Commission Expires Aug. 3, 1999
Pennsylvania Association of Notaries

Instr: 200107170000000 07/27/2001
Pages: 16 P: 543.80 3:48PM
Nicholas Rustallo T20010022002
Butler County Recorder ALDILLON H

**FIFTH AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR ADAMS RIDGE**

THIS FIFTH AMENDMENT to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge is made this 26th day of July, 2001, by Adams Ridge, Inc., the Declarant under the Declaration of Covenants, Conditions and Restrictions for Adams Ridge and Adams Ridge II, L.P., its assignee.

WHEREAS, on October 22, 1993, Adams Ridge, Inc., a Pennsylvania corporation (the "Declarant") recorded the Adams Ridge Declaration of Covenants, Conditions and Restrictions (the "Original Declaration") in the Recorder of Deeds' Office of Butler County in Book 2369, Page 551, et seq.; and

WHEREAS, the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated April 28, 1994, and recorded on May 16, 1994, in the Recorder of Deeds' Office of Butler County in Book 2433, Page 40, et seq.; and

WHEREAS, the Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated July 29, 1994, and recorded on August 24, 1994, in the Recorder of Deeds' Office of Butler County in Book 2463, Page 351, et seq.; and

WHEREAS, the Third Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated December 23, 1994, recorded on March 1, 1995, in the Recorder of Deeds' Office of Butler County in Book 2506, Page 312, et seq.; and

WHEREAS, the Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge dated December 6, 1996 was recorded on December 12, 1996 in the Recorder of Deeds' Office of Butler County in Book 2693, Page 958, et seq.; and

WHEREAS, pursuant to Article II, Section 2, of the original Declaration, the Declarant reserved the right to subject additional real property to the restrictions contained in the original Declaration and to provide complimentary additions and modifications of the covenants and restrictions contained in the original Declaration.

**FIFTH AMEN
DECLARATION OF COVE
RESTRICTIONS FOR ADAMS RIDGE**

THIS FIFTH AMENDMENT to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge is made this 26th day of July, 2001, by Adams Ridge, Inc., the Declarant under the Declaration of Covenants, Conditions and Restrictions for Adams Ridge and Adams Ridge II, L.P., its assignee.

WHEREAS, on October 22, 1993, Adams Ridge, Inc., a Pennsylvania corporation (the "Declarant") recorded the Adams Ridge Declaration of Covenants, Conditions and Restrictions (the "Original Declaration") in the Recorder of Deeds' Office of Butler County in Book 2389, Page 651, et seq.; and

WHEREAS, the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated April 28, 1994, and recorded on May 16, 1994, in the Recorder of Deeds' Office of Butler County in Book 2433, Page 40, et seq.; and

WHEREAS, the Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated July 29, 1994, and recorded on August 24, 1994, in the Recorder of Deeds' Office of Butler County in Book 2463, Page 351, et seq.; and

WHEREAS, the Third Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated December 23, 1994, recorded on March 1, 1995, in the Recorder of Deeds' Office of Butler County in Book 2506, Page 312, et seq.; and

WHEREAS, the Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge dated December 6, 1996 was recorded on December 12, 1996 in the Recorder of Deeds' Office of Butler County in Book 2693, Page 956, et seq.; and

WHEREAS, pursuant to Article II, Section 2, of the original Declaration, the Declarant reserved the right to subject additional real property to the restrictions contained in the original Declaration and to provide complimentary additions and modifications of the covenants and restrictions contained in the original Declaration.

NOW, THEREFORE, the Declarant hereby exercises the rights provided to the Declarant under Article II, Section 2, of the original Declaration and submits the following amendments to the original Declaration:

1. Article II, Section 1, is modified by adding additional real property to its description as follows:

The additional real property, which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, is located in the Township of Adams, County of Butler, Commonwealth of Pennsylvania and is described as Village of Adams Ridge II, Phase VI Plan recorded in Plan Book Volume 243, Page 16-23, all of which real property shall hereinafter be referred to as "Property".

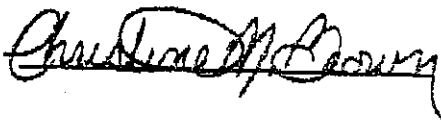
2. The original Declaration provisions contained in Article VI, Sections 3 through 8, and Section 16, Subsections 4, 5 and 6, shall not apply to the property submitted to the Declaration under this Fifth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge.

3. The property described hereunder shall be subject to the Village of Adams Ridge II Phase VI Construction and Use Covenants attached hereto as Exhibit "A".

4. Each owner of all or a part of the Property covered by this Fifth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge shall enjoy all rights as a member of the Adams Ridge Homeowners' Association, Inc. and shall be obligated for all assessments provided for in the original Declaration and any amendments thereto.

IN WITNESS WHEREOF, The Declarant has caused this Fifth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge to be executed on the day and year first above written.

ATTEST:



ATTEST:



DECLARANT: ADAMS RIDGE, INC.

By: 
Charles J. Betters, President

ADAMS RIDGE II, L.P. by
Ridge Development Corporation

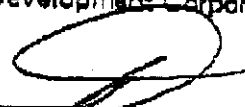
By: 
Charles J. Betters, President

EXHIBIT 'A'

ALL of the lots contained in the Village of Adams Ridge II, Phase VI Plan recorded in Plan Book Volume 263, Pages 16-23 located in the Township of Adams, Butler County, Pennsylvania

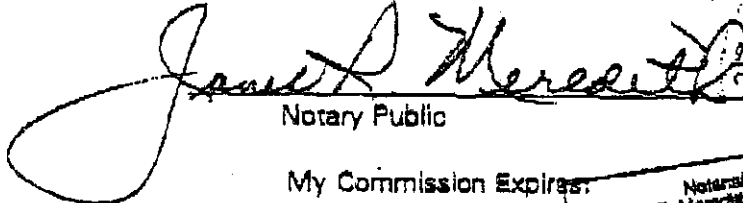
COMMONWEALTH OF PENNSYLVANIA

: S.S.

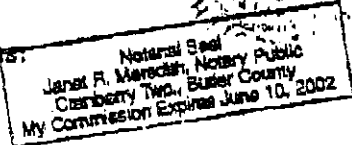
COUNTY OF BUTLER

On this the 26th day of July, 2001, before me, a Notary Public, the undersigned officer, personally appeared **CHARLES J. BETTERS**, the President of **ADAMS RIDGE, INC.**, known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained by signing the name of the corporation by himself as President.

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


Notary Public

My Commission Expires:



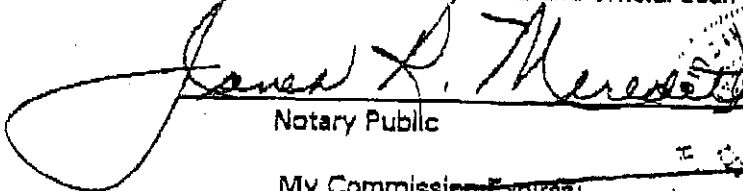
COMMONWEALTH OF PENNSYLVANIA

: S.S.

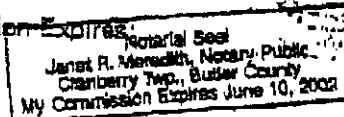
COUNTY OF BUTLER

On this the 26th day of July, 2001, before me, a Notary Public, the undersigned officer, personally appeared **CHARLES J. BETTERS**, the President of **RIDGE DEVELOPMENT CORPORATION**, the sole general partner of **ADAMS RIDGE II, L.P.**, who being duly sworn according to law acknowledged that he is authorized to execute the foregoing instrument on behalf of the Corporation; and that he executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

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


Notary Public

My Commission Expires:



**SIXTH AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR ADAMS RIDGE**

THIS SIXTH AMENDMENT to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge is made this 25th day of June, 2002, by Adams Ridge, Inc., the Declarant under the Declaration of Covenants, Conditions and Restrictions for Adams Ridge, Adams Ridge II, L.P., and Southern Valley Commons, L.P., the assignees of Adams Ridge, Inc.

WHEREAS, on October 22, 1993, Adams Ridge, Inc., a Pennsylvania corporation (the "Declarant") recorded the Adams Ridge Declaration of Covenants, Conditions and Restrictions (the "Original Declaration") in the Recorder of Deeds' Office of Butler County in Book 2369, Page 651, et seq.; and

WHEREAS, the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated April 28, 1994, and recorded on May 16, 1994, in the Recorder of Deeds' Office of Butler County in Book 2433, Page 40, et seq.; and

WHEREAS, the Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated July 29, 1994, and recorded on August 24, 1994, in the Recorder of Deeds' Office of Butler County in Book 2463, Page 351, et seq.; and

WHEREAS, the Third Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge was dated December 23, 1994, recorded on March 1, 1995, in the Recorder of Deeds' Office of Butler County in Book 2506, Page 312, et seq.; and

WHEREAS, the Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge dated December 6, 1996 was recorded on December 12, 1996 in the Recorder of Deeds' Office of Butler County in Book 2693, Page 956, et seq.; and

WHEREAS, the Fifth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge dated July 25, 2001, was recorded on July 27, 2001, in the Recorder of Deeds' Office of Butler County at Instrument No. 200107270020603; and

WHEREAS, pursuant to Article II, Section 2, of the original Declaration, the Declarant reserved the right to subject additional real property to the restrictions contained in the original Declaration and to provide complimentary

additions and modifications of the covenants and restrictions contained in the original Declaration.

NOW, THEREFORE, the Declarant hereby exercises the rights provided to the Declarant under Article II, Section 2, of the original Declaration and submits the following amendments to the original Declaration:

1. Article II, Section 1, is modified by adding additional real property to its description as follows:

The additional real property, which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, is located in the Townships of Adams and Cranberry, County of Butler, Commonwealth of Pennsylvania and is described as Parcel B in the Southern Valley Subdivision, recorded in Plan Book Volume 249, Pages 36 and 37, all of which real property shall hereinafter be referred to as "Property".

2. The original Declaration provisions contained in Article VI, Sections 3 through 8, and Section 16, Subsections 4, 5 and 6, shall not apply to the property submitted to the Declaration under this Sixth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge.

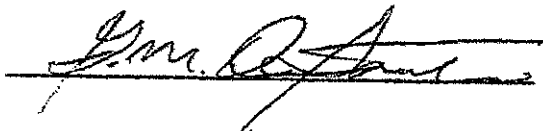
3. The property described hereunder will be subject to the Southern Valley Commons Construction and Use Covenants to be recorded hereafter.

4. Each owner of all or a part of the Property covered by this Sixth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge shall enjoy all rights as a member of the Adams Ridge Homeowners' Association, Inc. and shall be obligated for all assessments provided for in the original Declaration and any amendments thereto.

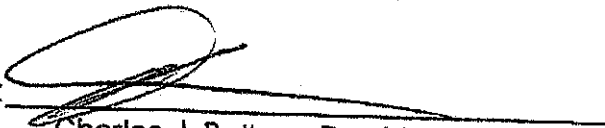
IN WITNESS WHEREOF, The Declarant has caused this Sixth Amendment to the Declaration of Covenants, Conditions and Restrictions for Adams Ridge to be executed on the day and year first above written.

ATTEST:

DECLARANT: **ADAMS RIDGE, INC.**



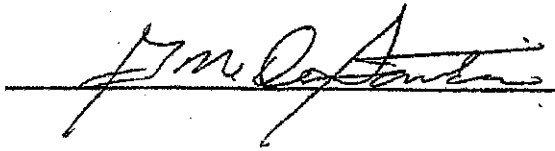
By:


Charles J. Betters, President

ATTEST:

ADAMS RIDGE II, L.P.

By: RIDGE DEVELOPMENT CORP.



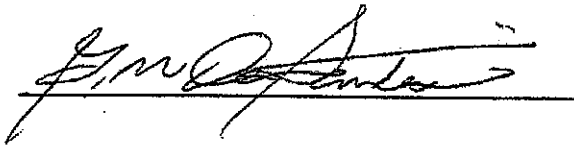
By: _____


Charles J. Betters, President

ATTEST:

SOUTHERN VALLEY COMMONS, L.P.

By: RIDGE DEVELOPMENT CORP.



By: _____


Charles J. Betters, President

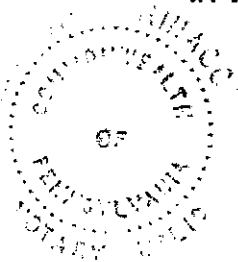
COMMONWEALTH OF PENNSYLVANIA

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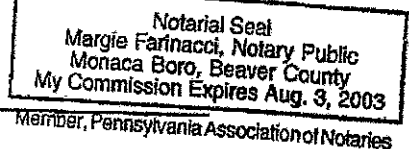
COUNTY OF ~~BUTLER~~ *Beaver*

On this the 27 day of JUNE, 2002, before me, a Notary Public, the undersigned officer, personally appeared **CHARLES J. BETTERS**, the President of **ADAMS RIDGE, INC.**, known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained by signing the name of the corporation by himself as President.

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



Notary Public



My Commission Expires: August 3, 2003

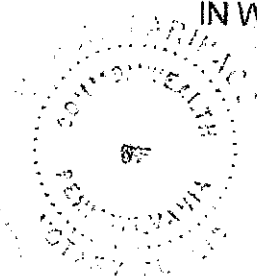
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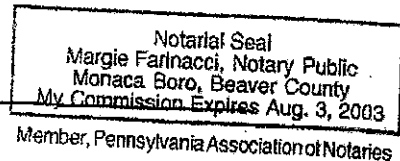
COUNTY OF ~~BUTLER~~ *Beaver*

On this the 27th day of JUNE, 2002, before me, a Notary Public, the undersigned officer, personally appeared **CHARLES J. BETTERS**, the President of **RIDGE DEVELOPMENT CORPORATION**, the sole general partner of **ADAMS RIDGE II, L.P.**, who being duly sworn according to law acknowledged that he is authorized to execute the foregoing instrument on behalf of the Corporation; and that he executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

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



Notary Public



My Commission Expires: August 3, 2003

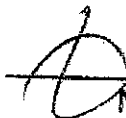
COMMONWEALTH OF PENNSYLVANIA

COUNTY OF ~~BUTLER~~ *Beaver*

: S.S.

On this the 27th day of June, 2002, before me, a Notary Public, the undersigned officer, personally appeared CHARLES J. BETTERS, the President of **RIDGE DEVELOPMENT CORP.**, the sole general partner of **SOUTHERN VALLEY COMMONS, L.P.**, who being duly sworn according to law acknowledged that he is authorized to execute the foregoing instrument on behalf of the Corporation; and that he executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

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

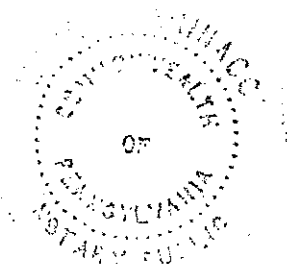


Notary Public

Notarial Seal
Margie Farinacci, Notary Public
Monaca Boro, Beaver County
My Commission Expires Aug. 3, 2003

Member, Pennsylvania Association of Notaries

My Commission Expires: *August 3, 2003*



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

Michèle M. Muscillo
Michèle M. Muscillo - Recorder of Deeds

Mail to:

Dillon McCondeless King

501 Smith dr. 873

Cranberry Twp, PA 16066-4133

**VILLAGE OF ADAMS RIDGE II - PHASE VI
CONSTRUCTION AND USE COVENANTS**

THIS DECLARATION OF CONSTRUCTION AND USE COVENANTS, made this 26th day of JULY, 2001, by ADAMS RIDGE II, L.P. (hereinafter referred to as "DEVELOPER")

WITNESSETH:

WHEREAS, Developer is developing a parcel of land situate in Adams Township, Butler County, Pennsylvania, described in Exhibit "A" attached hereto, as a development called "Village of Adams Ridge II - Phase VI" (the "Plan"); and

NOW, THEREFORE, Developer hereby declares that all of the land described in Exhibit "A" shall be held, sold and conveyed subject to the following covenants, conditions, easements, restrictions, charges and liens WHICH SHALL RUN WITH THE LAND and shall be binding upon and shall inure to the benefit of all parties having any right, title or interest therein or any part thereof and their respective heirs, devisees, personal representatives, successors and assigns:

I. CONSTRUCTION COVENANTS

Plan review shall be in accordance with the Original Declaration for the Adams Ridge Plan, Article VI, Sections 1 and 2. Any review of the plans by Developer is solely for the purpose of determining compliance with the Covenants and Developer assumes no responsibility for determining if the plans comply with any applicable building codes or to determine if the proposed building is structurally sound.

1.2 Minimum Size. Houses, exclusive of porches, garages and basements, shall meet the following minimum requirements:

- a. Single family detached homes shall have a minimum of 1,600 finished square feet for ranch style homes and 1,800 finished square feet for all other types of homes, except Lots 133 through 146 where the minimum finished square footage shall be 1,250 for ranch homes and 1,400 for all other homes.
- b. Single family attached dwellings shall have a minimum of 1,300 finished square feet.

- d. In the event that Developer and Builder mutually agree that a modification should be made in the base price or size requirements, then a. and b. can be amended and recorded.

1.3 All dwellings must be constructed at the building line as shown on the recorded Plan.

1.4 Exterior Finishes. All dwellings constructed on any lot in the Plan shall be finished with suitable exterior building materials such as vinyl or aluminum siding and masonry must include a minimum of brick, decorative block or stamped poured concrete to grade.

1.5 Roof. All houses shall be constructed with a roof having a minimum 20 year life (as evidenced by a written warranty).

1.6 Commencement and Completion. Construction shall begin within one (1) month after closing and the exterior of the house shall be completed within four (4) months, weather permitting, from the date construction is begun on the house.

1.7 Driveways. All driveways and turning aprons weather permitting must be paved within three (3) months after occupancy of the house. The driveways and turning aprons must be paved with concrete or asphalt.

1.8 Exterior Accessories. Each Owner must install the approved exterior post lamp and house numbers. Developer will select the approved locations and models.

1.9 Storm Water. Storm water run off must be handled in accordance with the applicable standards of the municipality and the Department of Environmental Resources and the Developer's storm water management plan.

1.10 Erosion & Sedimentation Control. During construction of each home in the Plan there must be placed individual on-lot sediment controls (for example, silt fences or seeding) to prevent mud and other sediment from leaving the Lot or entering a stream. All controls must be in accordance with Township and DEP regulations and are subject to review by the Butler County Conservation District. All Builders must be a co-permittee on all Developer's Erosion and Sedimentation Control permits.

1.11 Retaining Walls. All retaining walls must be constructed of approved materials such as new railroad ties, brick, stone or a combination thereof. Any

other retaining walls other than the above listed must be approved by the Developer or the Architectural Review Committee.

1.12 Streets and Curbs. Owners and builders must take reasonable precautions to protect the streets and curbs from damage by construction vehicles, construction equipment, moving trucks, etc. If there is damage to the street or curb which requires repair or replacement by Developer, the cost will be assessed against the Owner or Owners whose Lot or Lots abut the damaged areas, which charge may be enforced by an action at law by Developer. In the event of a dispute over which Owner is responsible, Developer shall have the option of filing an action in the Court of Common Pleas of Butler County, Pennsylvania or submitting the dispute to the American Arbitration Association. The Developer shall have the right at the time of, or after, grading any street, or any part thereof, to enter upon any abutting Lot and grade the portion of such Lot adjacent to such street, but there shall be no Obligation on the Developer to do such grading (unless required to by a governmental authority).

1.13 Drainage Easements. No structure, planting or other material shall be placed or permitted to remain in any easement, swale or storm water channel which may change the direction of flow of the water, or which may obstruct or retard the flow nor shall any such channels or easements be regraded. The Developer shall have the right to enter the easement area of each Lot to correct any problems, in which event the cost will be assessed against the Owner.

1.14 Landscaping. All lots must be final graded and landscaped by the earlier of three (3) months after occupancy or twelve (12) months from the date construction is begun (unless this time period would end in winter, in which case it shall be completed by June 30). Builders shall attempt to preserve as many trees on the site as possible and shall not remove any trees having a diameter greater than 4" and measured 2 feet above ground level without Developer's written consent unless the trees are in areas which conflict with construction. All lots must have a minimum of four (4") inches of top soil and be entirely seeded in the front, side and rear yards, and any disturbed areas. Owner and Builder will comply with Developer's approved Landscape Plan. Owner or Builder must plant a minimum of three (3) red maple trees per single family detached lot and one (1) red maple tree per single family attached lot in accordance with the Adams Township Zoning Ordinance.

1.15 Refuse. Builders shall use their best efforts to prevent lumber, materials, bulk materials, refuse or trash from being kept, stored, or allowed to accumulate on any lot except building materials during the course of construction of an approved house. Trash, garbage or other waste shall be kept in containers or enclosures. All equipment for the storage or disposal of such materials shall be

kept in a clean and sanitary condition. All construction debris must be removed by the Builder prior to occupancy of the house.

1.16 Encroachment. Each Lot within the Property is hereby declared to have an easement over adjacent Lots for the purpose of ingress, egress and regress to and from the Unit erected on said Lot for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement of the structure, roof overhangs, architectural or other appendages, drainage of rain water from roofs or any other cause. This easement shall last as long as the Unit is under construction. However, in the event of total destruction of the Unit and the Unit is not rebuilt, this encroachment shall terminate.

1.17 Inspection During Construction. Developer shall have the right to inspect all homes during construction to insure compliance with these covenants.

1.18 Soil Relocation. No soil may be removed from the plan without the written consent of Developer. Developer may direct Builders to transfer the soil to areas of the Plan where fill is needed. Developer shall have the right to maintain a top-soil stock pile and an equipment area, either or both of which may be relocated from time to time, until completion of sales of all Lots in the Plan.

1.19 Sidewalks and Walkways. **Sidewalks** - All houses shall have brushed (finish) concrete sidewalks along all street frontage installed according to approved development and sidewalk plans and the Adams Township Ordinances and Standards. **Walkways** - All houses shall have a brushed concrete walkway from the front door, porch or stoop to the driveway. The minimum width of the walkway shall be 36 inches.

1.20 Garages. All garages must be integral or attached to the house and must accommodate at least two cars.

1.21 Uncompleted Homes. No occupancy of an uncompleted Dwelling or any part thereof, including any basement or foundation, shall be permitted, and no basement, garage or structure other than the Dwelling shall be used as a residence or for residential purposes.

1.22 Mailboxes. The design of all mailboxes and newspaper receptacles must be approved by Developer.

1.23 Sight Lines. No fence, wall, hedge, shrubs or other obstruction of any kind shall be placed on a Lot adjacent to any intersection in the Properties which would obscure the sight lines in any direction at the intersection at the elevations between 2 and 6 feet above the roadway.

1.24 Parking. During the construction of Dwelling, Builder and all Subcontractors must park in the area designated by Developer for this purpose. Developer will also designate a parking area for all construction trailers.

II. USE RESTRICTIONS

Section 1. Use Restrictions. Item II, Section 1, a.-u. may be modified by unanimous consent of the Homeowner's Association subject to Developer's approval. The Property is intended to be used for the following purposes, and its use is hereby restricted as follows:

(a) Unit Restrictions. No Lot may be divided or subdivided, nor may any portion of any Lot be added to or incorporated into another Lot, nor any portion less than all thereof sold or otherwise transferred. Notwithstanding anything contained herein, the Developer or Developer's Assignee has the right to use any Lots owned by it for models and for sales offices and administrative offices.

(b) Use of Common Property. The Common Property may be used by all Owners and/or residents, their families, tenants, guests and invitees, subject to such rules and regulations as may be established by the Association.

(c) Unit Maintenance. Each Owner shall furnish and be responsible, at his own expense, for all of the maintenance, repairs and replacements within his own Lot and Unit and also for all exterior maintenance required in and about their Unit, including snow removal, care of yards and gardens and repair and painting of the Unit, except to the extent that any such maintenance responsibility is assumed by the Association. If any maintenance which affects the health, safety or security of other residents is not performed within twenty (20) days after the Association has given the Unit Owner written notice requiring such maintenance, the Association may, in its discretion, perform such maintenance and charge the Unit Owner for any expense involved, which charge may be enforced as provided in Article IV hereof as assessment against said Unit.

(d) Prohibited Use. No articles of personal property belonging to any Owner shall be stored on any portion of the Common Property without the prior written consent of the Board. Nothing shall be done or kept in any Unit or in the Common Property which violates the law.

(e) Exterior Attachments. No awning, canopy, shutter, radio, television antenna or satellite dish larger than 30 inches in diameter shall be affixed to or

placed upon the exterior walls or roofs. No antenna or satellite dish larger than thirty (30) inches shall be permitted on any Lot.

(g) Signs:

(1) No sign of any kind shall be displayed to the public view on any Lot or Unit except one sign of not more than one square foot identifying the residence of a professional. The Developer or Developer's Assignee shall have the right to erect entrance signs, directional and traffic signs as it deems appropriate.

(2) The Developer or Developer's Assignee shall have the right to erect signs to advertise all of its property, the sale of Units, and any other signs which the Developer deems necessary for construction and sales of Lots or Units on any part of the property owned by Developer.

(3) During the period of construction and sales, any Contractor and Lender approved by the Developer may maintain a sign on any Lot upon which that Contractor is constructing a Dwelling which sign, however, may not be more than twenty (20) square feet in size.

(4) After completion of the Dwelling a sign of not more than ten (10) square feet advertising the Unit for sale or rent may be placed on the Lot.

(5) An easement for ingress, egress and regress is hereby granted to Developer and to the Association for the purpose of maintaining and replacing any signs, walls or fences which the Developer has constructed on individual Lots which are part of the community signs program (i.e. directional signs, entry signs, etc.). This right shall include the right to plant trees and shrubs and otherwise landscape the area around any such fence or sign. Owner shall not be responsible for maintenance of the landscaping or sign, this being the sole duty of the Association.

(h) Garbage and Refuse Disposal. Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in such manner as may be prescribed from time to time in rules and regulation by the Association. Garbage containers must be kept out of public view except on collection days.

(i) Refuse. No lumber, materials, bulk materials, refuse or trash shall be kept, stored, or allowed to accumulate on any Lot except building materials during the course of construction.

(j) Laws. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed on the Property by the residents.

(k) Laundry Lines. Laundry poles and lines outside of Units are prohibited.

(l) Temporary Structures. No structure of a temporary character, dog house, fenced dog run, animal pen, trailer, shack, garage, barn or other out-building shall be used on any Lot (except by the Developer or Builder in completing the Development).

(m) Pets. No animals, livestock, fowl or poultry of any kind shall be raised bred or kept in any Unit, on any Lot or on the Common Property, except that dogs, cats or other household pets may be kept in the Units, subject to the rules and regulations adopted by the Association and applicable laws and ordinances. All household pets must be kept leashed when outside the Unit.

(n) Balconies and Porches. No rugs, clothes, sheets, blankets, laundry of any kind, or other article shall be hung from the balconies. Balconies and patios shall be kept free and clear of rubbish, debris and other unsightly materials.

(o) Residential Use. All Lots and Units (except those used by Developer for models or offices) may be used only for residential purposes permitted by the Adams Township zoning ordinance governing residential use.

(p) Easements for Pipes, Etc. No water pipe, gas pipe, sewer pipe or drainage pipe shall be installed or maintained on any Lot above the surface of the ground. Easements have been reserved for sewers, drainage and utility installations and maintenance and for such purposes and uses as are shown on the recorded plan. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible. The Developer, its agents, successors and assigns, shall have the right to enter upon all parts of the easement area of each Lot for any of the purposes for which said easements and rights-of-way are reserved. The Developer shall also have the right at the time of grading any street, or any part thereof, to enter upon any abutting Lot and grade the portion of such Lot adjacent to such street, but there shall be no obligation on the Developer to do such grading.

unless otherwise properly required to do so by an appropriate governmental authority.

(q) Storage and Parking of Vehicles. Except as provided herein, there shall be no outside storage upon any Lot or Common Property of any truck, tractor, mobile home, boat or other transportation device of any kind, unless approved by the Board in the Rules and Regulations hereinafter adopted. No owners or tenants shall repair or restore any vehicle of any kind upon any Lot or Common Property visible from the road except for normal maintenance or emergency repairs. Vehicles may not be parked overnight on the streets. In addition, the Board shall have the right to adopt further detailed rules and regulations concerning parking and the operation of vehicles on the Property.

(r) Motorcycles. No motorcycles, motorbikes, go-carts, snowmobiles or similar motor-powered vehicles shall be operated on any portion of the Common Property.

(s) Landscaping. All landscaping maintenance shall be performed by the Owners. No trees shall be removed from any Lot or Common Property without the written approval of the Board or the Architectural Review Committee. The Board may, from time to time, promulgate such rules and regulations regarding the preservation of trees, vegetation, wildlife and other natural resources as it deems appropriate.

(t) Garages. Garages may not be converted to living space but may only be used for storage of vehicles or personal property.

(u) Swimming Pools. Shall be an in-ground type. No above-ground swimming pools (or the like) may be installed on any of the Lots.

III. GENERAL PROVISIONS

2.0 Enforcement. For a violation or a breach of any of these covenants, conditions, reservations and restrictions by any person claiming by, through or under the Developer, or by virtue of any judicial proceedings, the Developer, and the Lot Owners, or any of them severally, shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent the violation or breach of any of them. In addition to the foregoing right, the Developer shall have the right, whenever there shall have been built on any lot any structure which is in violation of these restrictions, to enter upon the property where such violation of these covenants, conditions, reservations and restrictions exists and summarily abate or remove the same at the expense of the owner, any such entry and

abatement or removal shall not be deemed a trespass. The cost of enforcement, including reasonable attorneys fees, shall be assessed by the Court against the lot owner violating the covenants any may be collected in the same manner as assessments.

2.1 Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall not affect any other provision.

2.2 Amendment. This Declaration may be amended in accordance with the Original Declaration, subject to the following conditions:

- (a) any rights reserved or granted to Developer under this Declaration may not be amended, revoked or modified in any way by the Association without the express written consent of the Developer so long as Developer owns any Lot on the Property. Such consent must be included in any recorded amendment to be effective; and
- (b) Developer, its successors and/or assigns, reserves the right, without the consent of the Association or any Owners, to amend and re-record the Declaration Plan for any reason, including, but not limited to, the addition of phases to the development, the correction of errors or the making of any changes required by any governmental body or agency or mortgagee. After sale of all property in or adjacent to the Development by the Developer, this right shall pass to the Association.
- (c) The Developer reserves the right to alter, modify and change the within covenants, from time to time, so long as the alterations, modification and change does not materially, adversely or detrimentally affect the harmony of the Plan. All purchasers of any Lot in this Plan for themselves, their heirs, successors and assigns covenant and agree to such future alteration, modification, and change and irrevocably appoints Adams Ridge II, L.P. as their attorney-in-fact to execute, acknowledge and deliver any necessary documents to effectuate such alteration, modification and change.

- (d) Amendments shall be effective upon recording in the office of Recorder of Deeds of Butler County and shall be executed by the Developer or the president and secretary of the Association.

2.3 Term and Perpetuities. These covenants shall bind the land for 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. Subject to the provisions of Section 2.2 above, they may be terminated during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of all Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of all Owners. If any of the provisions of this Declaration violate the rule against perpetuities, such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now-living descendants of George W. Bush, President of the United States, subject to prior amendment or termination as set forth hereinabove.

2.4 Adams Ridge Homeowner Association Covenants. Developer has recorded in the Office of Recorder of Deeds of Butler County, Pennsylvania, the Adams Ridge Declaration of Covenants, Conditions and Restrictions at Deed Book Volume 2369, Page 651, the provisions of which are incorporated herein by reference, together with any amendments thereto.

2.5 Additional Phases. The Developer may, at any time and from time to time, and solely at Developer's discretion, submit additional land adjacent to the land described in Exhibit "A" to the provisions of this Declaration (as Lots or Common Property) and cause them to be subjected to the covenants, conditions, easements, restrictions, charges and liens herein provided without the consent of the Owners by recording a Supplementary Declaration or similar instrument subjecting such land to the provisions of this Declaration. Buildings and improvements may be altered to meet marketing requirements or changes in construction technology.

2.6 Definitions. The definitions contained in the Adams Ridge Homeowners Association Covenants are incorporated herein by reference.

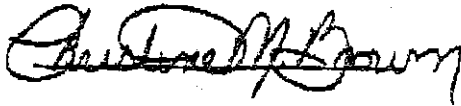
2.7 Conflict With Governmental Requirements. In the event of a conflict between the provisions of these covenants and any governmental regulations, the more stringent standards shall apply.

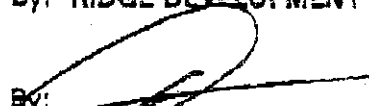
WITNESS the execution hereof the day and year first above written.

WITNESS:

Adams Ridge II, L.P.

By: RIDGE DEVELOPMENT CORPORATION





Title: President

ACKNOWLEDGMENT

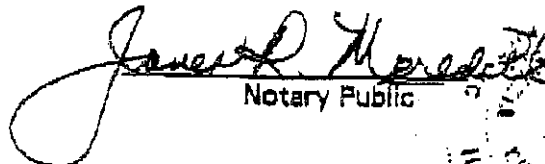
COMMONWEALTH OF PENNSYLVANIA

COUNTY OF Butler

S.S.

On the 26th day of July, 2001, before me, a notary public, the undersigned officer, personally appeared Charles J. Betters, the President of RIDGE DEVELOPMENT CORPORATION, the sole general partner of Adams Ridge II, L.P.; who being duly sworn according to law acknowledged that he is authorized to execute the foregoing instrument on behalf of the Corporation; and that he executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself as President.


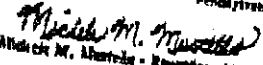
IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public

My Commission Expires:

Notarial Seal
Janet R. Meredith, Notary Public
Clearberry Twp., Butler County
My Commission Expires June 10, 2002

Mail to
Dillon McCandless & King
128 W. Cunningham St.
Butler, PA 16001

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

Michael M. Meredith - Recorder of Deeds