

**PUBLIC OFFERING STATEMENT FOR
STONEGATE COMMONS PHASES III AND IV, A PLANNED COMMUNITY**

**EVERY PROSPECTIVE PURCHASER SHOULD READ THIS PUBLIC OFFERING
STATEMENT CAREFULLY BEFORE SIGNING AN AGREEMENT OF SALE**

NAME OF COMMUNITY: Stonegate Commons Phases III and IV,
a Planned Community

ADDRESS OF COMMUNITY: Conewago Township
York County, Pennsylvania

NAMES AND MAILING ADDRESSES OF DECLARANTS: Gerald R. Horst
120 N. Pointe Boulevard, Suite 101
Lancaster Pennsylvania 17601
and
Wellington Investment Group, LLC
336 West King Street
Lancaster, Pennsylvania 17603

EFFECTIVE DATE OF PUBLIC OFFERING STATEMENT: February 20, 2020

IMPORTANT NOTICE:

(The following statements are made in compliance with the requirements of Section 5402(a)(13) of the Pennsylvania Planned Community Act (the "Act"), 68 Pa.C.S. § 5402(a)(13).

A. UNDER PENNSYLVANIA LAW, A PURCHASER OF A PLANNED COMMUNITY UNIT HAS FIFTEEN (15) DAYS AFTER RECEIPT OF A PUBLIC OFFERING STATEMENT, OR AN AMENDMENT TO THE PUBLIC OFFERING STATEMENT THAT MATERIALLY AND ADVERSELY AFFECTS THE RIGHTS OR OBLIGATIONS OF THE PURCHASER, DURING WHICH THE PURCHASER MAY CANCEL, BEFORE CONVEYANCE, ANY CONTRACT FOR PURCHASE OF A UNIT AND OBTAIN FULL REFUND OR ANY SUMS DEPOSITED IN CONNECTION WITH THE CONTRACT. THE PURCHASER SHOULD REVIEW THIS PUBLIC OFFERING STATEMENT AND ALL AMENDMENTS CAREFULLY. IF THE PURCHASER ELECTS TO CANCEL, THE PURCHASER MUST DELIVER NOTICE OF CANCELLATION TO THE DECLARANT BY HAND (IN WHICH CASE EVIDENCE OF RECEIPT SHOULD BE OBTAINED) OR BY UNITED STATES MAIL, RETURN RECEIPT REQUESTED. THIS CANCELLATION OF THE CONTRACT FOR PURCHASE IS WITHOUT PENALTY, AND ALL PAYMENTS MADE BY THE PURCHASER BEFORE THE CANCELLATION WILL BE REFUNDED PROMPTLY BY THE DECLARANT.

B. IF THE DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT (AND ALL AMENDMENTS THERETO) TO A PURCHASER BEFORE CONVEYING A UNIT, THAT PURCHASER MAY RECOVER FROM THE DECLARANT, IN ADDITION TO ANY OTHER RELIEF, AN AMOUNT EQUAL TO FIVE (5%) PERCENT OF THE SALES PRICE OF THE UNIT UP TO THE MAXIMUM OF TWO THOUSAND (\$2,000.00) DOLLARS, OR PURCHASER'S ACTUAL DAMAGES, WHICHEVER IS GREATER. A MINOR OMISSION OR ERROR IN THE PUBLIC OFFERING STATEMENT, OR IN AN AMENDMENT THERETO, THAT IS NOT WILLFUL SHALL ENTITLE THE PURCHASER TO RECOVER ONLY ACTUAL DAMAGES, IF ANY.

C. IF A PURCHASER RECEIVES THE PUBLIC OFFERING STATEMENT MORE THAN FIFTEEN (15) DAYS BEFORE SIGNING A CONTRACT FOR PURCHASE, THE PURCHASER CANNOT CANCEL THE CONTRACT, EXCEPT THAT A PURCHASER SHALL HAVE THE RIGHT TO CANCEL THE CONTRACT BEFORE CONVEYANCE WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF ANY AMENDMENT THAT WOULD HAVE A MATERIAL AND ADVERSE EFFECT ON THE RIGHTS OR OBLIGATIONS OF THE PURCHASER.

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6. Property Report, Statement of Useful Life and Estimated Replacement Costs of Major Items
7. Acknowledgement

I. INTRODUCTION

Gerald R. Horst, an adult individual, and Wellington Investment Group, LLC, a Pennsylvania limited liability company (collectively the “**Declarant**”), presents its proposal for planned community ownership of certain real estate located in Conewago Township (the “**Township**”), York County, Pennsylvania (the “**Premises**”). The land and any buildings that may be constructed in the future by owners on the Premises will constitute a planned community known as Stonegate Commons Phases III and IV, a Planned Community. Units are being offered by the Declarant for sale to the public. The owners of all units offered hereunder will be members of the Stonegate Commons Phases III and IVs Homeowners Association (the “**Association**”) and will be subject to the Declaration of Stonegate Commons Phases III and IV, a Planned Community, as amended from time to time (the “**Declaration**”) and the Bylaws of the Association (the “**Bylaws**”) which are attached hereto as Exhibits One and Three respectively. The term “Declaration” refers to the original Declaration along with any future amendments and supplements that may be properly executed and recorded.

This Public Offering Statement consists of eight (8) separate parts which, together, constitute the complete Public Offering Statement. This first part is a Narrative which summarizes the significant features of the Planned Community and presents additional information of interest to prospective Purchasers. The other seven (7) parts are contained in the Exhibits to this Narrative and are respectively: (1) the current version of the Declaration for Stonegate Commons Phases III and IV, a Planned Community, which is summarized in Article VI.A. hereof; (2) the Declaration Plan for the Community (in reduced size), which is summarized in Article VI.B. hereof; (3) the Bylaws for the Homeowners Association, which are summarized in Article VI.C. hereof; (4) a specimen of Stonegate Commons Phases III and IV Agreement of Sale, which is summarized in Article VI.D. hereof; (5) the projected budget for the first fiscal year of operation of the Association; (6) the Property Report, which includes a narrative description of the components of the Common Facilities and the Controlled Facilities, and a Statement of Useful Life and Estimated Replacement Costs of Major Items; and (7) an Acknowledgement of receipt of this Public Offering Statement.

This narrative is intended to provide only an introduction to the Planned Community and not a complete or detailed discussion. Consequently, the other parts of this Public Offering Statement should be reviewed in detail, and if there should be any inconsistency between information in this part of the Public Offering Statement and information in the other parts, the other parts will govern. All of the Declarant’s sales and other representatives are prohibited from orally changing any of the terms and conditions of the aforementioned documents or, with the exception of the Declarant’s attorneys, attempting to interpret their legal effect.

All capitalized terms used in this Public Offering Statement and not expressly defined herein will have the same meanings as are ascribed to those terms in the Planned Communities Act, 68 Pa.C.S. §§ 5101-5414, as amended, (the “**Act**”) or the Declaration and Bylaws of the Homeowners Association, or both.

II. THE PLANNED COMMUNITY CONCEPT

The term “**Planned Community**” refers to a form of property ownership. A Planned Community unit owner (individually a “**Unit Owner**” and collectively “**Unit Owners**”) is the fee simple absolute owner of the parcel of real estate (the “**Unit**”) upon which the Unit Owner may construct a residence. As a member of the Association, each Unit Owner shares a responsibility to pay assessments to support expenses (“**Common Expenses**”) of the Association. Common Expenses include the Association’s expenses to maintain, replace, and improve certain facilities within the Premises. The “**Controlled Facilities**” include, among others, any entrance signs, lighting, and landscaping planting areas at the entrance of the Premises, any street lights, any stormwater drainage easements, the infiltration bed located on Unit 22, and any stormwater facilities not dedicated to the Township. Lots 30, 31, 147, and 167 are “**Common Facilities**” owned or to be owned by the Association.

The amounts of these Common Expenses are determined in annual budgets established by the Executive Board of the Association, which the Unit Owners eventually elect.

III. THE DECLARANT

The Declarant of the Planned Community is Gerald R. Horst and Wellington Investment Group, LLC.

The Declarant’s attorneys with respect to the Planned Community are Wix, Wenger & Weidner, whose address is 508 North Second Street, P.O. Box 845, Harrisburg, Pennsylvania 17108-0845, and telephone number is (717) 234-4182.

IV. GENERAL DESCRIPTION OF THE PLANNED COMMUNITY

Stonegate Commons Phases III and IV, a Planned Community, is located on approximately 17.67 acres (Phase III) and 15.21 acres (Phase IV) in Conewago Township, York County, Pennsylvania. The Planned Community consists of seventy-four (74) lots, which are referred to in this document as Units.

All utilities will be separately metered and bills for such utilities will be sent directly to and be the responsibility of the Unit Owners. Street lights may be billed to the Association.

All Units in the Planned Community are restricted to residential use and any ancillary uses as may be permitted from time to time by the Declaration and applicable law and ordinances, including Township zoning ordinances.

The Declarant has no knowledge of any currently outstanding notices of uncured violations of the Township Building Code or other municipal requirements governing the Planned Community.

V. TERMS OF THE OFFERING

Offering prices for all Units in the Planned Community have been tentatively established at this time and will be subject to change at any time prior to execution of Agreements for Sale for such Units. Current prices are available through the Declarant. Different purchasers of Units (“**Purchasers**”) may pay different prices for similar Units at the sole discretion of the Declarant. The cost of the Unit is for the land only; it does not include improvements.

A Unit Purchaser may apply for financing from any lender or may pay all cash at settlement. At settlement, the Purchaser will be required to pay, in addition to the purchase price of the Unit, the settlement costs that are identified in the Agreement of Sale.

In addition, the Purchaser, whether purchasing from the Declarant or a subsequent Unit Owner, will be required to pay an initiation fee of \$250.00 to the Homeowners Association at settlement each time the Unit is conveyed. This fee may be adjusted from time to time by the Board of the Association. All Purchasers will begin paying homeowners Association fees (annual Assessments) immediately upon settlement.

Settlement will ordinarily occur in accordance with the Agreement of Sale as to each Unit. If the Purchaser fails to make timely and proper application for a loan or fails to complete settlement on a Unit as required, the Declarant may cancel the Agreement of Sale and keep all sums deposited by the Purchaser in accordance with the terms of the Agreement of Sale. If, for any reason, the Purchaser is unable to obtain financing from a lending institution which has issued a permanent commitment to the Declarant, the Declarant will refund the Purchaser’s deposit in full unless the Agreement of Sale provides otherwise.

VI. SUMMARY OF PRINCIPAL PLANNED COMMUNITY DOCUMENTS AND CERTAIN CONTRACTS

As mentioned in the Introduction, a number of documents will create and govern the operation of the Planned Community. These documents (collectively referred to as the “**Planned Community Documents**”) include, without limitation, the Act, the Declaration of Planned Community, the Declaration Plan, and the Bylaws of the Association. In addition, various agreements, and other documents affect portions of the Planned Community and/or its day-to-day operations. By purchasing a Unit, you automatically agree to abide by all of the Planned Community Documents and all of the Rules and Regulations that may be promulgated by the Executive Board of the Association. The following is a summary of the principal relevant Planned Community Documents (other than the Act) and other documents.

A. DECLARATION OF PLANNED COMMUNITY

The Planned Community entity is created by the Declarant’s recording of the Declaration of Planned Community in the York County Recorder of Deeds Office. A copy of the Declaration is attached hereto as Exhibit One. The Declaration establishes the

boundaries of the Planned Community as a whole. In addition, the Declaration establishes special property rights within the Planned Community such as Controlled Facilities and easements. Some of the particular Articles and key provisions of the Declaration are summarized below.

Article II of the Declaration provides a glossary of certain terms used in the Planned Community Documents. The provisions of Article II also incorporate the provisions of the Act and state that the Act's provisions apply to the operation and governance of the Planned Community except (where permitted by the Act) to the extent that contrary provisions are found in the Planned Community Documents.

Common Facilities are owned, maintained, improved, and repaired by the Association on behalf of all Unit Owners. Some of the Controlled Facilities are maintained, improved, and repaired by the Association on behalf of all Unit Owners; others are maintained by the Unit Owners on which the Controlled Facilities are located. The cost of this maintenance is allocated to the individual Units at a uniform rate.

Article V of the Declaration outlines the duties of the Unit Owners to pay Annual and Special Assessments levied by the Association for Common Expenses. The Common Expenses include, but are not limited to: comprehensive liability insurance coverage; restoration, maintenance, improvement, repair or replacement of the Common Facilities and Controlled Facilities; and administrative costs necessary for conducting the affairs of the Association or enforcement of the Declaration or any Rules and Regulations. Each Unit for which a certificate of occupancy has been issued will be assessed a uniform rate, the maximum of which will be \$300.00 per year per Unit until January 1, 2021, after which the assessment may be increased each year by the Board. As an exception to this requirement, the Declarant (or the Declarant's assigns) shall not be required to pay any annual or special Assessments for Units owned by Declarant (or the Declarant's assigns) that are unoccupied because Declarant and the Declarant's assigns anticipate paying certain costs during the construction of homes on Lots within the Planned Community that would ordinarily be incurred by the Association.

Article V also gives the Board the authority to assess Special Assessments for maintenance or repair of the Common Facilities and the Controlled Facilities resulting from damage, misuse, or theft by Unit Owner or that Owner's tenants, guests, invitees, or licensees, or other reasons.

Articles VI, VII, and VIII of the Declaration list various easements to which the Planned Community or certain portions of the Planned Community and Units are subject.

Article VIII also outlines the architectural controls imposed upon Unit Owners in the construction, addition, and maintenance of homes constructed on Units. All improvements constructed or otherwise placed or installed on a Unit must be approved by the Declarant, Executive Board, or an Architectural Control Committee established by the Executive Board. This Article further establishes procedures that must be followed both by a Unit Owner and by the Executive Board/Architectural Control Committee.

Article IX of the Declaration imposes various restrictions on the use of the Units. Stonegate Commons Phases III and IV is restricted to single family detached homes and ancillary and accessory uses and buildings or structures in connection therewith. Unit

Owners are barred from conducting any activity which unreasonably interferes with the quiet enjoyment of adjacent surrounding Units. There are no animals other than domesticated household pets and service animals allowed to be kept in the Planned Community. Other provisions of Article IX deal with activities and maintenance of existing Units by Unit Owners. (For more information regarding these restrictions, the Purchaser should review Article VIII.C. of this narrative entitled "Restrictions Upon Sale, Lease or Use of Units" and carefully read Article IX of the Declaration).

In addition to those provisions contained within the Declaration dealing with the use of individual Units, additional Rules and Regulations (that are consistent with the Declaration) may be promulgated by the Executive Board of the Association. No such Rules and Regulations have been prepared as of the Effective Date of the Public Offering Statement.

Article XII of the Declaration outlines the Unit Owner's obligation to repair or rebuild any portion of a residence that is destroyed, as well as maintain the exterior of the home in a manner consistent with the Declaration.

Article XIII of the Declaration identifies the powers of the Executive Board of the Association. The Executive Board has many of the same powers and functions as the board of directors of a corporation. The Executive Board will consist of three (3) members. Initially, these members will be appointed by the Declarant. Over time, control of the Executive Board will pass gradually to the Unit Owners other than the Declarant. Section 13.03 reserves to the Declarant the right to appoint and remove certain of the officers and members of the Executive Board prior to the date on which seventy-five (75%) percent of the Units in the Planned Community have been sold or ten (10) years from the formation of the Association, whichever shall first occur. The Declarant reserves the right to send representatives to observe all meetings of the Executive Board while the Declarant holds legal title to a Unit in the Planned Community. Unit Owners, by a two-thirds (2/3) vote of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any member of the Executive Board with or without cause, other than a member appointed by the Declarant.

Article XIII further provides for a limitation on the liability of members, officers and employees of the Executive Board, Architectural Control Committee, and the Association and provides for the indemnification of members of the Executive Board against all expenses and liabilities which they may incur, absent their willful misconduct or gross negligence in the performance of their duties. Other sections of Article XIII provide for the defense of claims against the Association and the limited liability of Unit Owners.

Article XIII deals with the liability of Unit Owners to pay for all Common Expense Assessments allocated to their individual Units and provides for the procedures to be followed to fix assessments and to collect assessments in the event that a Unit Owner fails to pay them.

Article XIII also sets forth the voting rights of the Unit Owners of the Association. Each Unit Owner has one (1) vote for each Unit owned, and the Declarant has four (4) votes for each Unit owned.

Article XVI of the Declaration sets forth certain Special Declarant Rights reserved to the Declarant for so long as the Declarant continues to own any Units, and the right to transfer these Special Declarant Rights.

B. DECLARATION PLAN

The Declaration Plan of the Planned Community generally reflects the entire Planned Community and identifies certain specific information relative to the Units and Controlled Facilities. Attached hereto as Exhibit Two are reduced copies of the Declaration Plan as they have been recorded. The original Declaration Plan has been recorded in the York County Recorder of Deeds Office.

C. BYLAWS OF HOMEOWNERS ASSOCIATION

The Stonegate Commons Phases III and IV Homeowners Association (the “**Association**”) is the organization responsible for governing the Planned Community. Each Unit Owner shall have one (1) vote, except the Declarant, who shall be entitled to four (4) votes for each Unit owned.

The Bylaws (a copy of which is attached hereto as Exhibit Three) are the rules for governance of the Association and serve the same purpose as the bylaws of a corporation. A summary of certain Articles and important provisions of the Bylaws are set forth below.

Article II of the Bylaws sets forth the membership rights of all Unit Owners in the Association and sets forth the time, location, purpose, and business to be conducted at meetings of the Association. Article II also sets forth the required notice, quorum, and voting rights of the Unit Owners as members of the Association and the procedures to be followed in conducting meetings of the Association. The Bylaws require the Association to conduct Unit Owners meetings at least annually. At such meetings, various members of the Executive Board may be elected, and the members present will conduct such business as may be required by law or the Planned Community Documents. At the Annual Meeting, the Treasurer of the Association will present an annual financial report for the preceding fiscal year and the projected Budget for the current fiscal year.

Article III of the Bylaws sets forth the composition and operation of the Executive Board. Article III also sets forth the procedures to be followed in the event of the resignation or removal of Executive Board members and the filling of vacancies on the Executive Board.

Article IV of the Bylaws contains provisions governing the election of officers of the Association by the Executive Board and the duties of such officers. The Executive Board annually elects a President, Secretary, Treasurer, and such other officers as the Executive Board may determine.

Article V of the Bylaws enumerates the powers of the Executive Board and the limitations on these powers.

Article VI of the Bylaws discusses the annual Budget of the Association and the factors to be taken into account in constructing the Budget.

Article VII of the Bylaws sets forth requirements governing the validity of contracts with interested Executive Board members. Section 7.3 establishes requirements for the terms of any management contracts entered into by the Association and delineates the powers of the Executive Board which may be delegated to a managing agent. The Association is permitted to be managed by a managing agent employed by the Executive Board who is responsible for carrying out a number of the functions of the Executive Board under its supervision.

Article VIII of the Bylaws sets forth the procedure for amending the Bylaws which will require, among other provisions, a vote of Unit Owners holding at least sixty-seven (67%) percent of the votes of the Association.

Article X of the Bylaws sets forth the limitations of liability of Executive Board members, officers and authorized representatives of the Association and sets forth the parameters through which the Association will indemnify such persons for actions taken in such capacity.

D. STONEGATE COMMONS PHASES III AND IV AGREEMENT OF SALE

The basic form of the Stonegate Commons Phases III and IV Agreement of Sale is attached to this Public Offering Statement as Exhibit Four. As set forth in Paragraph 6 of the Addendum to the Agreement of Sale, any deposit made in connection with the purchase of a Unit in the Planned Community will be held in accordance with § 5408 of the Act and will be returned to the purchaser if the purchaser cancels the Agreement of Sale pursuant to § 5406 of the Act. (See Paragraph A on the first page of this Public Offering Statement for a more detailed explanation of the Purchaser's right to cancel the Agreement of Sale). The Agreement also sets forth the various rights, duties, and obligations of a Unit Purchaser and of the Declarant with respect to the individual Unit to be purchased. The attached is only a sample form Agreement of Sale and to the extent an actual signed Agreement between a purchaser and the Declarant varies from this form, the actual signed Agreement will control and the purchaser should therefore carefully read and understand the agreement in connection with his or her unit before signing it.

VII. HOMEOWNERS ASSOCIATION FINANCIAL MATTERS

It is intended that the Association will be formed either contemporaneously with or shortly after the Declaration and Declaration Plan are recorded. Because the Association is not now incurring any expenses, a current balance sheet is not available at this time. However, a projected Budget prepared by the Declarant for the Association for the first year of operation of the Planned Community, after the anticipated date of the first conveyance of a Unit to a purchaser is included as Exhibit Five of this Public Offering Statement (the "**Budget**"). It is difficult to predict how costs will change in the interim. Therefore, the Budget must necessarily be subject to change in the future. Nevertheless, the Declarant believes that the current version of the Budget is based upon the best possible

cost estimates that can be made at this time on the basis of the information currently available.

Other than the expenses discussed above, there are no services not reflected in the Budget that the Declarant currently provides, or expenses that Declarant currently pays and expects may become at any subsequent time a Common Facilities or Controlled Facilities of the Association. There is no personal property being used or to be used in the maintenance and operation of the Common Facilities or Controlled Facilities that will be owned by the Association. However, since the Association is not yet formed, the Declarant can make no absolute assurances regarding future services or expenses.

VIII. ENCUMBRANCES UPON TITLE

A. DESCRIPTION OF LIENS, DEFECTS OR ENCUMBRANCES ON OR AFFECTING THE TITLE TO THE PLANNED COMMUNITY

The Planned Community is subject to:

- (1) The Declaration of Planned Community, as amended and supplemented from time to time and as recorded, and conditions disclosed by any Declaration Plan, as recorded, the Bylaws, and the Rules and Regulations, if adopted by the Executive Board, as each of them may be properly amended from time to time.
- (2) Statutory easements granted by the Act. These include, without limitation:
 - (a) The easement provided by Section 5216 of the Act, which provides that any Unit is subject to a valid easement to the extent that any other Unit encroaches upon it.
 - (b) The provisions of Section 5217 of the Act, for the Declarant to maintain signs on the Controlled Facilities advertising the Planned Community and, as provided in the Declaration, to maintain sales offices, management offices, and models in the Planned Community.
 - (c) The easement provided for in Section 5218 of the Act, which allows the Declarant an easement through the Controlled Facilities as may be reasonably necessary to facilitate the conversion and completion of the Planned Community or the exercising of any Special Declarant Rights.
- (3) Unrecorded easements, discrepancies, or conflicts in boundary lines, shortages in area and encroachments which an accurate and complete survey would disclose.

- (4) Easements and Restrictions described in Article VI of the Declaration, including, without limitation:
- (a) Easements in favor of the Township and the appropriate utility companies to serve the Premises and all appurtenances thereto.
 - (b) Easements in favor of the Association for access, egress, and ingress over, through, and across each portion of the Controlled Facilities, pursuant to such requirements, and subject to such changes as the Executive Board may from time to time prescribe.
 - (c) An easement in favor of the Association granting it the right to inspect, install, maintain, repair, and replace all or portions of the Controlled Facilities if necessary.
 - (d) The Premises are subject to easements and rights-of-way for installation, repair, maintenance, use, removal and/or replacement of utilities lines, sanitary sewer facilities, underground electrical distribution facilities, telephone, cable television, and storm drainage facilities, to serve one or more of the Units.
- (5) The Premises are subject to:
- (a) The following mortgages and judgments:
None at this time.

Should there be any mortgages or judgments in the future, the Declarant will cause any mortgages and any other liens or judgments to be released on any Unit sold prior to the conveyance of the Unit. The Units will be conveyed free of any mortgage or judgment liens other than those placed on the Unit by the Purchaser.

The Declarant has issued a Letter of Credit in favor of the Township for Phase III improvements, and the Township will likely require a Letter of Credit for Phase IV improvements, but any such Letters of Credit will not negatively impact sales of Units or be liens on Units.
- (6) Any conditions shown on any Declaration Plan.
- (7) Any conditions, easements, and rights-of-way shown on the Declaration Plan, Preliminary Plan, or Final Plans.
- (8) Encumbrances, conditions, reservations, restrictions, and rights-of-way of record.

- (9) Any Agreements that Declarant has entered into with the Township from time to time regarding future maintenance of street trees, storm water management facilities, street lights, and the like.

B. LITIGATION INVOLVING THE HOMEOWNERS ASSOCIATION OR THE PLANNED COMMUNITY

As of the Effective Date of this Public Offering Statement, there are no judgments against the Association, nor to the best of Declarant's knowledge is there any pending litigation in which the Association is a party or that would have any material effect.

C. RESTRICTIONS UPON SALE, LEASE, OR USE OF UNITS

- (1) There are no restrictions upon the resale of a Unit or the home built on a Unit by its Unit Owner.
- (2) The Declaration provides (in Section 9.02), the following restrictions upon the leasing of Units (and Units upon which a home have been constructed):
 - (a) The rights of any lessee or sublessee of any Unit shall be subject to, and each such lessee or sublessee shall be bound by, the covenants, conditions and restrictions contained in this Declaration, the Bylaws, and Rules and Regulations.
- (3) In addition to the restrictions upon the use of Units discussed in Article IV of this Public Offering Statement (under the heading "General Description of the Planned Community"), the Declaration imposes additional restrictions on the use of the Units. These restrictions are specifically set forth in Article IX of the Declaration which the Purchaser should read carefully.

IX. PLANNED COMMUNITY INSURANCE

The Planned Community, exclusive of the Units and any improvements upon the Units which are made by the Unit Owners themselves and any personal property owned by Unit Owners located on the Premises, will be insured by a policy of property damage insurance written on an "all-risk" basis in an amount at least equal to one hundred (100%) percent of the insurable replacement cost of any personal property owned by the Association. Such policy shall otherwise comply with the requirements of the Declaration (as set forth in Sections 5.02 thereof). The premiums for this insurance will be paid by the Association, and each Unit Owner will pay a proportionate share as part of the assessment for Common Expenses. Generally speaking, insurance

proceeds under the property damage insurance policy carried by the Association will be payable to the Executive Board for the benefit of the Association.

The Association will also carry a comprehensive liability insurance policy on behalf of the Association, the Executive Board, and all Unit Owners to insure them against liability arising out of the use of the Common Facilities and the Controlled Facilities, which policy shall comply with the applicable requirements of the Declaration (as set forth in Section 5.02(c) thereof).

This policy will not insure Unit Owners against liability arising from any accident or injury occurring within their Units or from their own negligence. These policies will also not insure physical improvements upon each Unit, nor the personal property of the Unit Owners. It is the individual responsibility of Unit Owners to obtain property insurance and liability insurance with respect to claims arising out of the use and ownership of their individual Units.

X. WARRANTIES

Pursuant to Section 5411 of the Act, the Declarant warrants against structural defects in each of the Units (excluding any structures constructed within a Unit) for two (2) years from the date each Unit is conveyed to a bona fide purchaser. As a reminder, the term "Unit" in this Planned Community applies only to the land itself and not to the completed home to be constructed on the Unit by Declarant or by persons other than the Declarant. The Declarant also warrants the Controlled Facilities against structural defects for two (2) years from the date of completion of said Controlled Facilities, or two (2) years from the date the first Unit is sold, whichever is later. All of the Controlled Facilities are part of a Unit. The Declarant also warrants the Common Facilities against structural defects for two (2) years from the date of completion of said Common Facilities, or two (2) years from the date the first Unit is sold, whichever is later. The Declarant does not warrant any structures constructed within a Unit, and purchasers should look to their builders for warranties on their homes. **There are no other warranties or representations of any kind, express or implied, including without limitation, any warranty of merchantability, fitness for a particular purpose, or habitability.**

XI. MISCELLANEOUS

A. GOVERNMENTAL APPROVALS AND PERMITS.

Declarant is not aware that Declarant need obtain any governmental approvals or permits for the use and occupancy of the Planned Community other than those already obtained. Each Unit Owner will be required to obtain a Township building permit prior to constructing any improvements on a Unit. A Unit Owner may need to obtain other Township permits prior to constructing improvements on a Unit. Owners of Units will also have to pay a sewer tap-in fee and construct a lateral to the public sewer main, and may need to pay connection fees to other public utility companies.

B. GOVERNMENTAL VIOLATIONS.

Declarant has no knowledge of any outstanding and uncured notices of violations of any governmental requirements relative to the Planned Community or the Premises.

C. HAZARDOUS CONDITIONS.

Declarant has no knowledge of: (i) hazardous conditions, including contamination by hazardous substances, hazardous wastes or the like, affecting the Planned Community; (ii) the existence of underground storage tanks for petroleum products or other hazardous substances on the Premises; (iii) any investigation (other than a routine Phase I environmental audit) conducted to determine the presence of hazardous conditions on or affecting the Premises; (iv) any finding or action recommended to be taken in the report of any such investigation or by any governmental body, agency or authority, in order to correct any hazardous condition. The addresses and phone numbers of the regional office of the Pennsylvania Department of Environmental Protection and of the United States Environmental Protection Agency, where information concerning environmental conditions affecting the Premises may be obtained, are as follows:

Department of Environmental Protection
South Central Regional Office
909 Elmerton Avenue
Harrisburg, PA 17110
(717) 705-4708

Environmental Protection Agency
841 Chestnut Street
Philadelphia, PA 19107
(215) 597-9825

XII. DECLARATION AS TO CONDITIONS

The Declarant represents that the information set forth in the Property Report attached as Exhibit Six hereto is Declarant's declaration of the conditions set forth therein and its best estimate of the estimated useful life and replacement cost (in current dollars) of all structural components and major utility installations that are Controlled Facilities or Common Facilities.

The Property Report includes, to the extent known or reasonably ascertainable, the dates of construction, installation, and major repairs of items and the results of inspections (describing the extent of visual inspections) for visible conditions that adversely affect the health or safety of occupants.

All items involved in the construction of the Planned Community were new and in good order and condition, constructed or installed during the period of construction. Some of the items now existing or referred to herein will involve periodic maintenance and/or replacement and may result in assessments for the full replacement cost in a single year. Useful life estimates are averages and useful lives of particular items may vary. Useful lives are estimated under the assumption that all items will be properly maintained and not misused.

XIII. **AMENDMENTS**

This Public Offering Statement is subject to change without notice in order to reflect any material changes in the information set forth herein or otherwise required by the Act.

ANY INFORMATION OR DATA REGARDING THE PLANNED COMMUNITY NOT INCLUDED IN THIS PUBLIC OFFERING STATEMENT MUST NOT BE RELIED UPON. NO PERSON HAS BEEN AUTHORIZED BY THE DECLARANT TO MAKE ANY REPRESENTATION OR WARRANTY NOT EXPRESSLY CONTAINED HEREIN, AND NOTHING IN THIS PUBLIC OFFERING STATEMENT MAY BE CHANGED OR MODIFIED ORALLY.

EXHIBIT ONE

Declaration of the Planned Community

RECORDED
 02/20/2020 1:31:03 PM
 RECORDER OF DEEDS
 YORK COUNTY
 PENNSYLVANIA
 Inst Num: 2020008177

Prepared By:

Wix, Wenger & Weidner
 508 North Second Street
 P. O. Box 845
 Harrisburg, PA 17108-0845

<u>Lot/Unit</u> <u>I.D. #</u>	<u>Phase</u>	<u>Tax Parcel Number</u>	<u>Address & Municipality</u>
108	3	230000701080000000	Old Stone Way, Conewago Twp.
109	3	230000701090000000	Old Stone Way, Conewago Twp.
110	3	230000701100000000	Old Stone Way, Conewago Twp.
111	3	230000701110000000	Old Stone Way, Conewago Twp.
112	3	230000701120000000	Old Stone Way, Conewago Twp.
113	3	230000701130000000	Old Stone Way, Conewago Twp.
114	3	230000701140000000	Quarry Run Pl, Conewago Twp.
115	3	230000701150000000	Quarry Run Pl, Conewago Twp.
116	3	230000701160000000	Quarry Run Pl, Conewago Twp.
117	3	230000701170000000	Quarry Run Pl, Conewago Twp.
118	3	230000701180000000	Quarry Run Pl, Conewago Twp.
119	3	230000701190000000	Quarry Run Pl, Conewago Twp.
120	3	230000701200000000	Quarry Run Pl, Conewago Twp.
121	3	230000701210000000	Quarry Run Pl, Conewago Twp.
122	3	230000701220000000	Quarry Run Pl, Conewago Twp.
123	3	230000701230000000	Quarry Run Pl, Conewago Twp.
124	3	230000701240000000	Quarry Run Pl, Conewago Twp.
125	3	230000701250000000	Quarry Run Pl, Conewago Twp.
126	3	230000701260000000	Quarry Run Pl, Conewago Twp.
127	3	230000701270000000	Quarry Run Pl, Conewago Twp.
128	3	230000701280000000	Quarry Run Pl, Conewago Twp.
129	3	230000701290000000	Wicksfield Pl, Conewago Twp.
130	3	230000701300000000	Wicksfield Pl, Conewago Twp.
131	3	230000701310000000	Wicksfield Pl, Conewago Twp.
132	3	230000701320000000	Wicksfield Pl, Conewago Twp.
133	3	230000701330000000	Wicksfield Pl, Conewago Twp.
134	3	230000701340000000	Wicksfield Pl, Conewago Twp.
135	3	230000701350000000	Quarry Run Pl, Conewago Twp.
136	3	230000701360000000	Quarry Run Pl, Conewago Twp.
137	3	230000701370000000	Old Stone Way, Conewago Twp.
138	3	230000701380000000	Old Stone Way, Conewago Twp.
139	3	230000701390000000	Old Stone Way, Conewago Twp.

140	3	230000701400000000	Old Stone Way, Conewago Twp.
141	3	230000701410000000	Old Stone Way, Conewago Twp.
142	3	230000701420000000	Old Stone Way, Conewago Twp.
143	3	230000701430000000	Old Stone Way, Conewago Twp.
144	3	230000701440000000	Old Stone Way, Conewago Twp.
145	3	230000701450000000	Old Stone Way, Conewago Twp.
146	3	230000701460000000	Old Stone Way, Conewago Twp.
148	3	230000701480000000	Old Stone Way, Conewago Twp.
149	3	230000701490000000	Old Stone Way, Conewago Twp.
150	3	230000701500000000	Old Stone Way, Conewago Twp.
151	3	230000701510000000	Old Stone Way, Conewago Twp.
152	3	230000701520000000	Old Stone Way, Conewago Twp.
153	3	230000701530000000	Old Stone Way, Conewago Twp.
147	3	230000701470000000 (Open Space)	Old Stone Way, Conewago Twp.
1167A 167A	3	23000070167A ⁰ 00000000 (Open Space)	Old Stone Way, Conewago Twp.
	4	23000MH010300000000	Greenspring Road, Conewago Twp.

RECORDER: Pursuant to Section 5201 Uniform Planned Community Act, please index this Declaration against Gerald R. Horst and Wellington Investment Group, LLC, in the grantor index, and Stonegate Commons Phases III and IV, a Planned Community, in the grantee index

DECLARATION

OF

STONEGATE COMMONS PHASES III AND IV, A PLANNED COMMUNITY

CONEWAGO TOWNSHIP, YORK COUNTY, PENNSYLVANIA

**PURSUANT TO THE PROVISIONS OF THE
PENNSYLVANIA UNIFORM PLANNED COMMUNITY ACT,
ACT NO. 1996-180, AS AMENDED
(68 PA. C.S.A. §§ 5101 *ET SEQ.*)**

Attorney for Declarant:

**WIX, WENGER & WEIDNER,
a Professional Corporation
508 North Second Street
P. O. Box 845
Harrisburg, PA 17108-0845
(717) 234-4182**

DECLARATION OF
STONEGATE COMMONS PHASES III AND IV, A PLANNED COMMUNITY

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- “A-1” Description of Phase III of the Premises Subject to Planned Community
- “A-2” Description of Phase IV of the Premises Subject to Planned Community
- “B” Declaration Plan (Plats and Plans)
- “C” Title Exceptions
- “D” List of Units and Common Expense Allocation

DECLARATION OF

STONEGATE COMMONS PHASES III AND IV, A PLANNED COMMUNITY

THIS DECLARATION of Covenants, Conditions, Restrictions, and Easements for Stonegate Commons Phases III and IV, a Planned Community ("**Declaration**"), made and executed this 13th day of February, 2020, by Gerald R. Horst, an adult individual, with a business address of 120 N. Pointe Boulevard, Suite 101, Lancaster Pennsylvania 17601 ("**Horst**"), and Wellington Investment Group, LLC, a Pennsylvania limited liability company, with its principal place of business at 336 West King Street, Lancaster, Pennsylvania 17603 ("**Wellington**") (Horst and Wellington are hereafter referred to collectively as "**Declarant**":

WITNESSETH

WHEREAS, Horst is the owner of certain real property in Conewago Township, York County, Pennsylvania, more particularly described by a metes and bounds description attached hereto as Exhibit "A-1" and known as Phase III of Stonegate Commons (the "**Horst Premises**"); and

WHEREAS, Wellington is the owner of certain real property in Conewago Township, York County, Pennsylvania, more particularly described by a metes and bounds description attached hereto as Exhibit "A-2" and known as Phase IV of Stonegate Commons (the "**Wellington Premises**"); and

WHEREAS, the Horst Premises and the Wellington Premises are referred to herein collectively as the "**Premises**"; and

WHEREAS, Declarant desires to create thereon a residential neighborhood to be named Stonegate Commons Phases III and IV containing single family detached family homes; and

WHEREAS, Declarant desires to ensure the attractiveness of the homes within Stonegate Commons Phases III and IV, to prevent nuisances, to preserve, protect and enhance the values and amenities of said Stonegate Commons Phases III and IV; and

WHEREAS, Declarant has caused the tract of land to be subdivided. Horst has recorded a final subdivision plan for Stonegate Commons Phase III in the Office of the Recorder of Deeds in and for York County, Pennsylvania on March 21, 2019 to Instrument Number 2019011078; and

WHEREAS, Wellington has submitted a preliminary subdivision plan for Stonegate Commons Phase IV that has been conditionally approved by the Township on June 5, 2018; and

WHEREAS, by this Declaration, Declarant intends to submit the Premises, together with the buildings and improvements erected or to be erected thereon, and the easements, covenants, conditions, restrictions, rights and appurtenances thereunto belonging, to the provisions of the Uniform Planned Community Act of Pennsylvania, 68 Pa. C.S.A. §§ 5101 *et seq.*, as amended (the "**Act**"), for the specific purpose of creating and establishing Stonegate Commons Phases III and IV, A Planned Community, as a planned community defined under the Act; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation, protection and enhancement of the values and amenities in Stonegate Commons Phases III and IV, to create an organization to which should be delegated and assigned the powers of administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated or will incorporate, under the laws of the Commonwealth of Pennsylvania, as a non-profit corporation, STONEGATE COMMONS PHASES III AND IV HOMEOWNERS ASSOCIATION, for the purpose of exercising the powers and functions aforesaid within Stonegate Commons Phases III and IV;

NOW, THEREFORE, Declarant, pursuant to the Act, hereby declares on behalf of itself, its successors and assigns, and on behalf of all Persons having or seeking to acquire any interest of any nature whatsoever in the Premises, that the Premises is and shall be held, transferred, sold, conveyed and occupied subject to the Act and to the covenants, conditions, restrictions, easements, charges, servitudes and liens, hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with, the Premises and be binding on all parties having any right, title or interest in the Premises or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof; and the Declarant does hereby further declare and state as follows:

ARTICLE I THE DECLARATION

Declarant hereby submits the lands hereinafter described in Section 3.01, the Buildings and improvements constructed and to be constructed thereon and all easements, rights and appurtenances belonging thereto (herein called the "**Premises**") to the provisions of the Pennsylvania Uniform Planned Community Act, Act No. 1996-180, 68 Pa. C.S.A. §§ 5101 *et seq.*, as amended (the "**Act**"), which Act is hereby incorporated herein by reference. The provisions of the Act and those amendments thereto which by their terms would be applicable to the Planned Community shall apply and govern the operations of the Planned Community, except to the extent that contrary provisions, not prohibited by the Act as so amended, are contained in this Declaration, the Final Plan, the Preliminary Plan, or the Bylaws.

ARTICLE II
DEFINITIONS

Words or phrases not otherwise defined herein or in the Plan shall have the meanings specified or used in the Act. The following words shall have the meanings ascribed to them as follows:

2.01. "Act" means the Uniform Planned Community Act, Act No. 1996-180, 68 Pa. C.S.A. §§ 5101 *et seq.*, as amended.

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

2.03. "Assessment" means any annual or special assessment imposed by the Association.

2.04. "Association" means Stonegate Commons Phases III and IV Homeowners Association, which is the Unit Owners Association for the Planned Community.

2.05. "Bylaws" means such governing regulations as are adopted pursuant to the Act and this Declaration for the regulation and management of the Association and of the Property by the Executive Board, as such shall be amended from time to time.

2.06. "Common Expenses" means all those expenses for which Unit Owners are liable as provided in this Declaration and includes, but is not limited to, the following:

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

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

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

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

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

2.07. "Common Facilities" means any real estate within the Planned Community owned or to be owned by the Association, including but not limited to open space parcels and stormwater detention facilities whether shown on the Final Plan or any future plan. The term also includes sewer lines to the extent that the sewer lines are not accepted for dedication by the Conewago Township Sewer Authority or other governmental entity.

2.08. "Common Receipts" means and includes the funds collected from Unit Owners as Assessments and receipts designated as common by the provisions of the Act, this Declaration, or the Bylaws.

2.09. "Controlled Facilities" means the real estate described in Section 5.02 that is to be restored, improved, maintained, repaired, or replaced by the Association.

2.10. "Declarant" shall mean and refer to Gerald R. Horst and Wellington Investment Group, LLC, a Pennsylvania limited liability company, and such of their respective successors and assigns as shall acquire more than one undeveloped Unit (or any portion of Stonegate Commons Phases III and IV which has not been subdivided into Units) from the Declarant for the purpose of development; provided, however, that an assignee of a Declarant shall be deemed a Declarant only with respect to that portion of Stonegate Commons Phases III and IV conveyed to such assignee by a deed of conveyance which specifically grants to the assignee the rights of a Declarant and sets forth the number of Class B Votes, as hereinafter set forth, which said assignee may be entitled to exercise.

2.11. "Declaration" means the instrument by which the Declarant and the Owners of the Premises submit the Premises to the provisions of the Act and all amendments thereto.

2.12. "Executive Board" or "Board" means a Board of natural individuals of the number stated herein and in the Bylaws, who shall manage the business, operation, and affairs of the Association on behalf of the Unit Owners and in compliance with and subject to the provisions of the Act. For purposes of this Declaration and the Bylaws, each individual member of the Executive Board shall be referred to as an "Executive". Executive Board is referred to herein as "Executive Board" or "Board".

2.13. "Final Plan" shall mean the Stonegate Commons – Phase III Final Subdivision Plan prepared by Johnston & Associates, Inc., dated September 29, 2015, Drawing Number 2007-48, last revised July 13, 2017, and recorded in the Office of the Recorder of Deeds in and for York County, Pennsylvania on March 21, 2019 to Instrument Number 2019011078, and any other Final Plan recorded for the Premises. The Final Plan for Phase IV has not yet been recorded; the Preliminary Plan for Phase IV has been conditionally approved by the Township and is on file with the Township.

2.14. "Lot" means any plot of land shown as a lot upon the Final Plan upon which a dwelling can be constructed. The words "Lot" and "Unit" are interchangeable.

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

2.16. "Person" means a natural individual, corporation, partnership, association, trust or other legal entity or any combination thereof.

2.17. "Plan" means a survey of the Premises and description of the Units, Common Facilities and Controlled Facilities. The Plan is identified as the "Declaration Plan" and is attached hereto as Exhibit "B", incorporated as if herein fully set forth and prepared in accordance with Section 5210 of the Act, as such Plan may be amended from time to time.

2.18. "Preliminary Plan" means the Preliminary Subdivision Plan – Stonegate IV prepared by Johnston & Associates, Inc., dated September 30, 2015, Drawing Number 2005-15, last revised July 13, 2017, that has been conditionally approved by the Township and is on file with the Township. Wellington intends to file a final plan with the Township. Wellington has the absolute discretion when filing its final plan to modify the exact location of lot lines and streets shown on the Preliminary Plan on file with the Township. The Final Plan for Phase IV, when filed, shall create the final dimensions of Units, Common Facilities, and Controlled Facilities in Phase IV.

2.19. "Premises" or "Stonegate Commons Phases III and IV" or "Planned Community" means the real estate, including all improvements thereon or thereto, all owned in fee simple, and all easements, rights and appurtenances belonging thereto which by this Declaration have been submitted to the provisions of the Act and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

2.20. "Recorded" means that an instrument has been duly entered of record in the Office of the Recorder of Deeds in and for York County, Pennsylvania.

2.21. "Resale Certificate" means the certificate provided by the Association to an Owner and containing the information required by Section 5407 of the Act.

2.22. "Rules and Regulations" means such governing procedures as are adopted by the Association pursuant to this Declaration, as the same may be amended from time to time.

2.23. "Special Declarant Rights" or "Declarant's Special Rights" means the reservation of options or other rights for the benefit of the Declarant as provided in Section 5103 of the Act, and such additional rights reserved for the benefit of the Declarant as set forth in this Declaration, the Plan, and the Bylaws.

2.24. "Township" shall mean and refer to Conewago Township, a township of

the second class, with its address at 490 Copenhaffer Road, York, PA 17404.

2.25. "Unit" means a Lot.

2.26. "Unit Designation" means the number, letter or combination thereof designating a Unit on the Plan.

2.27. "Unit Owner" means the Person or Persons owning a Unit in fee simple.

ARTICLE III THE PLANNED COMMUNITY; THE PLAN

3.01. Name and Location. The name of the Planned Community is Stonegate Commons Phases III and IV, a Planned Community. All portions of the said Planned Community are located in Conewago Township, York County, Pennsylvania. A more specific description of the Premises is attached hereto as Exhibit "A-1" and Exhibit "A-2" and made a part hereof.

3.02. Plan. The Plan attached hereto as Exhibit "B" shows fully and accurately the Premises, the name of the Premises, the Units, the Unit Designation for each Unit shown thereon, locations of the Common Facilities and the Controlled Facilities and such other information as is required by the Act.

ARTICLE IV UNITS

4.01. Number of Units. The number of Units presently in the Planned Community shall be seventy-four (74) Units. The Declarant reserves the right to increase the number of Units in the Planned Community, modify Unit property lines, or change the types of housing in all or any portion of what is shown on the Plan, provided that all Units must be located within the Premises. Additionally, the Planned Community includes four open space and stormwater parcels (Lots 30, 31, 147, and 167) that are the responsibility of the Association. Other Units, open space parcels, and stormwater parcels may be added to the Planned Community.

4.02. Description of Units. Each Unit is as shown on the Plan. Each Unit consists of a Lot. The description of a Unit is as set forth on the Final Plan, the Preliminary Plan, and the Plan.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

5.01. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Unit owned or to be owned by it upon which a completed dwelling has been erected and for which a certificate of occupancy has been issued by the Township hereby covenants, and each subsequent Owner of any Unit (other than an

Owner deemed a Declarant for such Unit) whether or not it shall be so expressed in the deed of such Unit and whether or not a completed dwelling has been erected, is deemed to covenant and agree to pay to the Association: (1) annual Assessments or charges; and (2) special Assessments for capital improvements, such Assessments to be established and collected as hereinafter provided. The Declarant or the Declarant's approved builders or other assignees shall not be required to pay annual or special Assessments for Units owned by Declarant or the Declarant's approved builders or other assignee until a completed dwelling has been erected on a Unit, a certificate of occupancy has been issued by the Township, and the Unit has become occupied. Declarant and the Declarant's approved builders or other assignees anticipate paying certain costs during the construction of homes on Lots within the Planned Community that would ordinarily be incurred by the Association. The annual and special Assessments, together with interest, costs, and reasonable attorney's fees, shall be an equitable servitude and a charge on the land and shall be a continuing lien upon the Unit (including all improvements thereon) against which each such Assessment is made. Each such Assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of all Persons, entities, or combination thereof, jointly and severally, who were the Owners of such Unit at the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to successors in title unless expressly assumed by them.

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

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

(b) To pay for electricity, maintenance, repair, and replacement for any overhead street lights at the entrances to the Planned Community and elsewhere as required by the Township that is not paid by the Township. Overhead street lights shall not include the lamp post lights at each Unit.

(c) To restore, improve, maintain, repair, or replace the following Controlled Facilities located on and about the Premises:

(i) any entrance signs, lighting, and landscaping contained within any landscaping and/or sign easements at the entrance to the Premises as shown on a Final Plan, the Preliminary Plan, or the Plan.

(ii) any stormwater drainage easements across certain Lots as shown on the Final Plan or the Preliminary Plan. With respect to all such drainage easements, the Lot Owners on whose Lots the easements are located as shown on the Final Plan or the Preliminary Plan shall have primary responsibility to maintain said easements, and if not properly

maintained, may be maintained by either the Association or the Township at the expense of the Lot Owner.

(iii) any overland swales, underground storm sewer piping, inlets, and headwalls/endwalls not dedicated to the Township.

(d) To restore, improve, maintain, repair, or replace the Common Facilities located on and about the Premises, including but not limited to open space parcels and stormwater detention facilities (Lots 30, 31, 147, and 167). The Common Facilities also include sewer main lines to the extent that the sewer main lines are not accepted for dedication by the Conewago Township Sewer Authority or other governmental entity having jurisdiction.

(e) To repay any loans made by Declarant to the Association for expenses such as costs of incorporation, maintenance, taxes, electricity, and other expenses that were advanced or may be advanced by the Declarant on behalf of the Association in order to provide the initial funding of the Association. Said loans shall be repaid without interest within thirty-six (36) months from the sale of the first Unit. If the Association is unable to repay all of the loans within thirty-six (36) months from the sale of the first Unit, the Board and Declarant shall establish a repayment schedule.

(f) Comprehensive liability insurance coverage, covering liability for loss or damage to Persons or property, insuring to the extent available the Owners, the Declarant and the Association against any liability to the public or to Owners, their tenants or invitees, relating in any way to the ownership, use, maintenance and/or repair of the Common Facilities and the Controlled Facilities and/or any part thereof. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Board and may be increased in its discretion.

(g) Fire and extended coverage insurance covering damage to property for all of the personal property owned by the Association and such workmen's compensation insurance and other such insurance as applicable laws and the Act may require or as the Board may deem advisable.

(h) Officers' and directors' liability insurance and fidelity bonds as the Board may deem necessary or advisable.

(i) Management fees and salaries or such expenses as the Board may deem necessary or desirable for the operation and maintenance of the Controlled Facilities.

(j) Legal, accounting, engineering, or other professional fees and administrative costs necessary and proper for any one or more of operation and

maintenance of the Common Facilities and the Controlled Facilities, conduct of the affairs of the Association or enforcement of this Declaration or any Rules and Regulations.

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

(l) Mechanics' and materialmen's liens arising as a result of maintenance of the Common Facilities and/or the Controlled Facilities or part of them.

(m) Amounts necessary to recover any deficits from operations of the Association in prior years.

(n) Adequate reserves, as determined by the Board: (1) to restore, improve, maintain, repair or replace the Common Facilities and the Controlled Facilities, or any portion thereof; (2) for uncollectible accounts; and (3) any other contingency for which a reserve account reasonably may be established pursuant to sound accounting practices.

(o) To pay for other Common Expenses as set forth in Sections 2.07 hereof.

5.03. Maximum Annual Assessment. Until January 1, 2021, the maximum annual Assessment shall be two hundred fifteen (\$215.00) Dollars per Lot for Lots owned by persons other than the Declarant (Class A members). Class B members, which shall be the Declarant or the Declarant's approved builders or other assignees, shall not pay any annual or special Assessments until a completed dwelling has been erected on a Unit for which a certificate of occupancy has been issued by the Township, and the Unit has become occupied. This is in recognition of the Declarant's significant expenditures in maintaining streets, including snow removal, until the streets are dedicated to the Township, and maintaining the open space parcels and stormwater management facilities on Lots 30, 31, 147, and 167 until maintenance of Lots 30, 31, 147, and 167 have been turned over to the Association, and until control of the Association is turned over to the Unit Owners. After the streets have been dedicated, the maintenance of Lots 30, 31, 147, and 167 have been turned over to the Association, and control of the Association has been turned over to the Unit Owners, Class B members shall not pay Assessments until a completed dwelling has been erected on a Unit for which a certificate of occupancy has been issued by the Township, and the Unit has become occupied.

(a) From and after January 1, 2021, the maximum annual Assessment may be increased each year by action of the Board and without a vote of the membership in an amount not more than 50% above the maximum Assessment for the previous year;

(b) From and after January 1, 2021, the maximum annual Assessment may be increased above the 50% referred to in sub-paragraph (a) of this Section, provided, such additional increase is approved by a vote of 2/3 of each class of members at a meeting duly called for such purpose;

(c) The Association through its Board may fix the annual Assessment in an amount not in excess of the maximums provided hereinabove.

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

5.05. Notice and Quorum for Any Action Authorized Under Sections 5.03 and 5.04. Written notice of the time and location of any meeting called for the purpose of taking any action authorized under Sections 5.03 and 5.04 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and 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 sixty (60) days following the preceding meeting. The above notice and quorum requirements shall supersede and be in lieu of any notice or quorum requirements at any time hereafter adopted by the Association in its Bylaws, and may be modified only by an amendment to this Declaration. Notice and quorum requirements for all other meetings of the Association called for purposes not in any way including the taking of any action authorized under Sections 5.03 and 5.04 shall be governed by the Articles of Incorporation and Bylaws of the Association.

5.06. Uniform Rate of Assessment. Both annual and special Assessments (other than Assessments described in Sections 5.16 and 12.03) must be fixed at a uniform rate for all Units.

5.07. Initiation Fee; Date of Commencement of Annual Assessments; Due Dates. At the time of the conveyance of each Unit from Declarant to the first Lot Owner, and each subsequent conveyance from a Lot Owner to another Person, the acquiring

Owner shall pay an initial Assessment as an initiation fee to the Association in the amount of Two Hundred Fifty (\$250.00) Dollars; provided that where the Declarant transfers a Unit to a builder who intends to construct a home on the Unit, no initiation fee shall be owed. The acquiring Owner shall also be responsible for annual Assessments payable on or after the date the acquiring Owner purchases a Unit. The acquiring Owner shall pay the initiation fee and the pro rata share of the annual Assessment (or, if the Association is billing the annual Assessment on an other than annual basis, the pro rata share of the current Assessment) at settlement. The Board shall fix the amount of the annual Assessment against each Unit at least thirty (30) days in advance of each annual Assessment period. Written notice of the annual Assessment shall be sent to every Owner subject to Assessment. The Board shall establish the due date.

5.08. Date of Commencement of Special Assessments. Any special Assessment under Section 5.04 shall be applicable only to those Units subject to the obligation for annual Assessments on the first day of the year in which such special Assessment is levied and the Owner of any Unit to which a special Assessment is inapplicable shall not be counted as a "member" for purposes of the Notice and Quorum requirements of Section 5.05, with respect only to the approval of the special Assessment. The due date of any special Assessment under Section 5.04 hereof shall be fixed in the resolution authorizing such assessment.

5.09. Effect of Nonpayment of Assessments: Remedies of the Association. Any Assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of fifteen percent (15%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the Assessment and/or foreclose the lien against the Unit pursuant to the terms of Section 5315 of the Act, as the same may be amended. In addition, the Unit Owner shall likewise be responsible for payment of the Association's reasonable attorneys' fees and costs if payment of the Assessment is more than sixty (60) days in default, whether or not the Association files suit to collect the arrearages. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Facilities or Controlled Facilities or abandonment of his Unit or any other reason.

5.10. Relationship of the Lien to Mortgages. The lien of the Assessments provided for herein shall be prior to all of the liens and encumbrances on a Unit except liens and encumbrances recorded before the recording of this Declaration; first mortgages on the Unit securing first mortgage holders and recorded before the due date of the Assessment, if the Assessment is not payable in installments or the due date of the unpaid installment, if the Assessment is payable in installments; and liens for real estate taxes and other governmental assessments or charges against the Unit. Sale or transfer of any Lot, whether by sale or mortgage foreclosure or otherwise, shall not affect the Assessment lien. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

5.11. Resale Certificate. The Association shall, upon request of an Owner or his agent, and for a reasonable charge as established by the Board from time to time, furnish a Resale Certificate signed by an officer of the Association setting forth whether the annual and special Assessments on a specified Unit have been paid, and other information required by Section 5407 of the Act. A properly executed Resale Certificate of the Association as to the status of Assessments on a Unit is binding upon the Association as of the date of its issuance. The Association shall also make copies of the Declaration, Bylaws, and Rules and Regulations of the Association available to Unit Owners for purchase for a reasonable charge as established by the Board from time to time so that an Owner can comply with other provisions of Section 5407 of the Act.

5.12 Supplemental Annual Assessments. If the cash requirement estimate at the beginning of any fiscal year (commencing on or after the calendar year 2021) shall prove to be insufficient to cover the actual Common Expenses for such fiscal year for any reason, including (by way of illustration and not limitation) any Owner's nonpayment of an Assessment, the Association may, at any time it deems necessary and proper, levy a supplemental annual Assessment against each Unit except that, in the event such supplemental annual Assessment is required because of the failure of one or more Owners to promptly pay an annual Assessment, the supplemental annual Assessment against other Units may be determined based upon the anticipated failure of such defaulting Owner or Owners to pay his, her or their share of such supplemental annual Assessment.

5.13. Billing Annual Assessments. Annual Assessments are due and payable semi-annually on the first day of each fiscal year and on the first day of the seventh month of the fiscal year. Annual Assessments may be billed at the discretion of the Board in monthly, quarterly or any other periodic installments with applicable discounts for early payment as may be determined by the Board. Each Owner shall pay any Assessment bill levied hereunder within thirty (30) days.

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

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

5.16. Other Special Assessments. The Board shall have the authority to fix, determine, assess, and collect other special Assessments for the following purposes:

(a) Any expenditure which the Association shall be required to make for the maintenance, repair, and/or replacement of all or any part of the Common Facilities or the Controlled Facilities because of any injury thereto or misuse thereof by one or more Owners, or their tenants, guests, invitees, or licensees, or resulting from theft or damage to any portion of the Common Facilities or the Controlled Facilities, shall be assessed as a special Assessment against the Unit owned by the Owner or Owners responsible for such injury, loss, or misuse, or whose tenants, guests, invitees or licensees caused such injury, loss, or misuse.

(b) Any special Assessment permitted by Section 12.03 hereof.

Such special Assessments shall be levied promptly, and the debt arising from such special Assessment shall be treated and due in the same manner as any other Assessment.

ARTICLE VI EASEMENTS

In addition to and in supplementation of the easements provided for in Sections 5216, 5217 and 5218 of the Act, and in addition to the easements identified on the Plan, the Final Plan, or the Preliminary Plan, the following easements are hereby created:

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

6.02. Controlled Facilities and Common Facilities. The Association is hereby granted a permanent easement and right-of-way across all or any of the Units that are

required by the Association to restore, improve, maintain, repair, or replace any of the Controlled Facilities or Common Facilities. The Township is hereby granted a permanent easement and right-of-way across all or any of the Units in accordance with section 18.01 hereof related to Stormwater Management me

6.03. Drainage Easements. Certain surface drainage easements for the creation and maintenance of drainage facilities are shown on the Plan, the Final Plan, or the Preliminary Plan. Within these drainage easement areas, no structure, planting, or other material shall be placed or permitted to remain 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. All such drainage easements shall be maintained by the Lot Owners on whose Lots the easements are located as shown on the Plan, the Final Plan, or the Preliminary Plan, and if not properly maintained, may be maintained by either the Association or the Township at the expense of the Lot Owner.

Stormwater from portions of Stonegate Phase IV will flow into stormwater management measures to be installed in Stonegate Phase III. Horst has previously granted to Wellington a perpetual, nonexclusive easement, and a free, uninterrupted, and unobstructed right of way to use stormwater conveyance and detention facilities in Stonegate Phase III to serve Stonegate Phase IV. Horst hereby assigns to the Association the duty to maintain and repair, in good operating condition those stormwater facilities in accordance with Article XVIII hereof.

6.04. Declarant's Easement for Marketing. The Declarant, for itself and any builders approved by Declarant, reserves the right with respect to its marketing of Units to use the Premises for the ingress and egress of itself, its officers, employees, agents, contractors, and subcontractors. The Declarant, for itself and any builders approved by Declarant, shall also have the right until the conveyance of the last Unit it owns to erect signs on the Premises in connection with its marketing of Units. The Declarant shall have the right from time to time to locate and relocate model Units for the marketing of Units and a sales office in connection with the marketing of Units, and to permit builders approved by Declarant to construct model homes and establish sales offices on Units for the same purposes. The rights reserved for the Declarant and for any builders approved by Declarant by this Section 6.04 shall remain in effect for as long as the Declarant shall remain a Unit Owner in the Planned Community. This Section shall not be amended without the prior written consent of the Declarant.

6.05. Declarant's Easement for Construction. The Declarant, for itself and any builders approved by Declarant, reserves the right and privilege, without hindrance with respect to the construction of the Units, to go upon any and all of the Premises for purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units (including, without limitation, to change the grade of grounds and/or to install drainage control devices so as to control possible drainage and/or runoff of stormwater in connection with the development of the Premises or any adjacent land). The Declarant or a builder approved by Declarant agrees to indemnify

and hold the Association harmless from liabilities resulting from the exercise of this easement. This Section shall not be amended without the prior written consent of the Declarant as long as Declarant remains a Unit Owner in the Planned Community.

6.06 Other easements.

(a) There are drainage easements of varying widths along the sides and rear of certain Units in the Planned Community as shown on the Plan, the Final Plan, and the Preliminary Plan.

(b) There are sanitary sewer easements along the rear of certain Units in the Planned Community as shown on the Plan, the Final Plan, and the Preliminary Plan.

(c) There is a Met Ed/FirstEnergy utility right-of-way along the rear of certain Units in the Planned Community as shown on the Final Plan.

(d) There are temporary grading easements along the rear of certain Units in the Planned Community as shown on the Plan, the Final Plan, and the Preliminary Plan.

ARTICLE VII
EASEMENTS APPURTENANT

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

ARTICLE VIII
ARCHITECTURAL CONTROL

Excepting any original construction by the Declarant or by a builder to whom Declarant has sold a Unit or Units, no building, fence, mailbox, paving, or other improvement or structure shall be commenced, constructed, erected or maintained upon any Unit, nor shall any exterior addition to or change or alteration thereof be made until the building plans, specifications and plot plan showing the nature, size, kind, shape, height, materials, and specific locations of the same shall have been submitted by the Owner to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant, or if the Declarant by written direction so provides, by the Board, or by an Architectural Control Committee composed of three (3) or more Persons appointed by the Board who need not be Unit Owners. The Declarant, Board or Architectural Control Committee, as above provided, shall give consideration to the quality of materials, harmony of external colors,

topography, finished elevations, and location of improvements, among other factors, in determining whether to grant or withhold approval. Finished elevations shall maintain an appropriate aesthetic appearance as determined by the Declarant, Board or Committee. Any proposed change by an Owner other than Declarant or a builder approved by Declarant in the existing color or finish of any exterior surface of any building on a Lot shall also be submitted to and approved by the Declarant, the Board or the Committee as above provided.

An Owner shall submit any such plans and specifications not fewer than thirty (30) days prior to the projected date of commencement of construction. In the event the Declarant, the Board, or the Committee, as above provided, disapproves such design or location, the Declarant, the Board, or the Committee shall indicate in writing the reasons for disapproval and may suggest modifications that will make the proposed plans and specifications acceptable. The decision of the Declarant, the Board, or the Committee is final, and no appeal may be taken from said decision. The Owner must then resubmit plans and specifications within the same time frame for further review. In the event the Declarant, the Board, or the Committee, as above provided, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and the provisions of this Article will be deemed to have been fully complied with. After receiving such approval, the Owner must also obtain any permit or permission required by the Township.

ARTICLE IX USES, PURPOSES AND RESTRICTIONS; LEASES

9.01. Restrictions. The Planned Community Premises referred to in this Declaration is subject to all covenants, restrictions, easements of record and other title exceptions set forth in Exhibit "C" and to the following restrictions:

(a) Uses. Stonegate Commons Phases III and IV is hereby restricted to single family detached homes, and ancillary and accessory uses and buildings or structures in connection therewith. The minimum finished heated living space above the ground elevation for each single-family detached dwelling erected on the Units shall be 1,200 square feet for a two-story dwelling or 1,000 square feet for a ranch-style dwelling, exclusive of garages and basements. All buildings or structures erected in Stonegate Commons Phases III and IV shall be of new construction and no buildings or structures shall be removed from other locations to Stonegate Commons Phases III and IV. No building or structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any Unit at any time as a residence either temporarily or permanently.

(b) Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept in, on, or about any dwelling or Unit, except that dogs, cats, or other domesticated household pets, the number and type of which may be

determined by the Executive Board, or service animals may be kept, as long as properly confined or restrained, and provided that they are not kept, bred, or maintained for any commercial purpose.

(c) Payment of Obligations; Compliance with Declaration. Each Unit Owner shall be obligated to pay all real estate taxes and Assessments imposed upon such Owner's Unit by any governmental authority or the Association, and to abide by the terms and conditions of this Declaration, the Bylaws and any Rules and Regulations adopted by the Executive Board.

(d) Signs. Except that no more than one "For Rent" or "For Sale" sign of not more than five (5) feet above ground with panels not more than nine (9) square feet per side may be maintained on any Unit, and except as provided in Section 9.01(f), no advertising signs, billboards, objects of unsightly appearance, or nuisance shall be erected, placed, or permitted to remain on or about any Unit; provided, however, that a name plate and house number, of a size and character provided in the Bylaws or Rules and Regulations of the Association, shall be permitted. Any sign placed on or about a Unit must also be permitted by Township ordinance as it exists from time to time and the Unit Owner must comply with any Township requirements related to the approval of signs. The Association may maintain entrance signs to the Premises within the Controlled Facilities.

(e) Nuisance. No obnoxious, unsightly or offensive activity shall be conducted on any Lot or on any public or private street with the Premises, nor shall any Lot or any public or private street be used in any way or for any purpose that may endanger the health or unreasonably disturb or become an annoyance or nuisance to other residents of Stonegate Commons Phases III and IV.

(f) Commercial Activities. No commercial activities of any kind whatever shall be conducted in any building or on any portion of Stonegate Commons Phases III and IV except home occupations that may be permitted by Township ordinance from time to time and after complying with any Township requirements related to the approval of a home occupation. The foregoing restrictions shall not apply to the commercial activities, signs, and billboards, if any, of the Declarant or its agents or approved builders during the construction and sales period. The Declarant or its agents or approved builders shall also have the right to maintain model homes or Units to aid in marketing activities.

(g) Screening; Burning. All clotheslines, equipment, woodpiles, and storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring dwellings, Units, and streets. No such screening may be more than six (6') in height. All screening constructed on any Unit must be approved in advance in writing by the Declarant, the Board, or the Architectural Control Committee, and the Unit Owner is responsible to obtain any

required Township approval. All rubbish, trash and garbage shall be regularly removed from Stonegate Commons Phases III and IV and shall not be allowed to accumulate thereon. The burning of trash, rubbish, garbage, and other waste materials, including leaves and other tree products is expressly prohibited except that Owners may burn tree products in fireplaces.

(h) Vehicles. No commercial or non-passenger vehicles of any type, other than business van-type vehicles, pick-up trucks, box trucks, or trucks that do not exceed twenty (20) feet in length, and no unlicensed motor vehicle of any type, shall be permitted to remain overnight on a Unit or on any public or private street within the Premises unless garaged, other than as may be used by the Declarant or any contractor in conjunction with building operations. No semi-trailer trucks or semi-trailers shall be permitted to remain overnight on a Unit or on any public or private street within the Premises unless garaged. No boats, campers, trailers, or recreational vehicles of any type shall be permitted on any street for more than five (5) consecutive days, or at any time within any Common Facilities.

(i) Fences. No fence, wall, or other dividing instrumentality over six (6) feet in height measured from the ground on which it stands shall be constructed or maintained on a Unit except if required by Township ordinance to enclose a swimming pool. All fences constructed on any Unit must be approved in advance in writing by the Declarant, the Board, or the Architectural Control Committee, and the Unit Owner is responsible to obtain any required Township approval. No chain link fences are permitted within the Premises with the exception that chain link fences are permitted in Common Facilities such as open space parcels and stormwater detention facilities.

(j) Mailboxes. Each Unit Owner shall install a mailbox. All initial and replacement mailboxes must be approved by the Declarant, Board, or Architectural Control Committee as set forth in Article VIII hereof.

(k) Antenna. In order to preserve the aesthetic beauty of the Premises and to ensure an attractive view of the Units, and to safeguard all Persons from large objects that may fall or become dislodged by storms or high winds, no satellite dish antennas, outside radio or television antennas, "earth stations" or towers or antennas of any type shall be permitted to be erected on any Unit without the prior written consent of the Declarant, the Board or the Architectural Control Committee, unless such device is less than thirty-nine (39) inches in diameter, in which event the device shall be permitted without prior written consent. All devices referred to in this Section 9.01(k) that require approval of the Declarant, the Board, or Architectural Control Committee shall be screened as described in Section 9.01(g).

(l) Maintenance. Each Unit Owner shall maintain his or her Unit in a clean and sanitary condition and all lawns, shrubs, and other vegetation shall be groomed and maintained regularly as needed.

(m) Accessory Structures. All storage sheds, other outbuildings or similar structures separate from the single family residence constructed on the Unit that may be permitted by Township ordinance from time to time and after complying with any Township requirements related to the approval of such accessory structures shall be constructed with materials compatible with the construction of the main house, and shall not be constructed without obtaining the prior written consent of the Declarant, the Board or the Architectural Control Committee.

(n) Pet Waste. All Unit Owners will be responsible for the prompt disposal of all pet litter generated by their pets and removing any pet litter generated by their pet on another Lot or Common Facilities.

(o) Local Ordinances. All valid laws, zoning ordinances and regulations of the Township and all other governmental bodies having jurisdiction over the Planned Community shall be observed by each Unit Owner and the Association.

(p) Lighting. As required by the Final Plan, automatic dusk to dawn operated individual lamp post lights shall be installed at all new dwellings. Each Unit Owner is responsible for cost of electricity, maintenance, repair, and replacement of lamp post lights. The lights shall be a minimum of 75 watts and shall be white or clear in color. The Township may require lamp post lights during the final plan process for Phase IV, and Unit Owners shall comply with any Township requirements.

(q) Sidewalks and Trees. Each Unit Owner is responsible for the maintenance, repair and replacement of all sidewalks and trees located on or within a Unit.

(r) Improvements within Easement Areas. Unit Owners may not construct any improvements, fences or other structures and may not plant any trees or shrubbery within any sanitary sewer, stormwater or utility rights-of-way or easements except with the written approval of the Township.

(s) Swimming Pools. Above-ground and in-ground swimming pools are permitted with the approval of the Declarant, Board, or Architectural Control Committee as set forth in Article VIII hereof, and any approval or permit required by the Township.

(t) Wetlands. There are wetlands in certain portions of the Common Facilities as delineated on the Plan, the Final Plan, and the Preliminary Plan.

The Association share care for and preserve wetlands as may be required by state and federal law.

9.02. Leases.

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

(b) The provisions of Subsection 9.02(a) shall apply to a mortgagee who is in possession of a Unit following a default in a mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure.

ARTICLE X
MORTGAGES

A Unit Owner may encumber his or her Unit. Any mortgage and the obligation secured by a Unit herein shall be subject to the terms and conditions of the Act, this Declaration, and the Bylaws.

ARTICLE XI
UTILITY LINES

11.01. Common Utility Lines. In order to provide the Unit Owners with underground utility lines, it may be required from time to time that two Units be served with a common service entrance line. Owners of property with such lines agree to cooperate fully with the utility companies concerned therewith for all maintenance, repair and other measures as may be necessary to provide adequate and proper service to the Owners served thereby.

ARTICLE XII
REPAIR, RESTORATION AND MAINTENANCE

12.01. Owner's Obligation to Repair. Each Owner shall, at each Owner's sole cost and expense, repair and maintain the exterior of each Owner's residence and the

exterior of other improvements, keeping the same in the condition comparable to the condition of such improvements at the time of their initial construction, excepting only normal wear and tear.

12.02. Owner's Obligation to Rebuild. If all or any portion of a residence is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner thereof, with all due diligence, to rebuild, repair or reconstruct such residence in a manner which will substantially restore it to its appearance (or other style compatible with the architectural character of the Premises) and condition immediately prior to casualty. Reconstruction shall be in compliance with Article VIII and shall be undertaken within six (6) months after the damage occurs and shall be completed within twelve (12) months after the damage occurs, unless prevented by causes beyond the control of the Owner.

12.03. Failure to Repair, Restore and Maintain. In the event an Owner of any Unit in the Premises shall fail to repair, restore or maintain the Unit and the improvements situated thereon in a manner satisfactory to the Board or the Architectural Control Committee, the Board, after approval by two-thirds (2/3) vote of the Board, and after fifteen (15) days written notice to the Owner, shall have the right, through its agents and employees, to enter upon said Unit and to repair, maintain, and restore the Unit and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance or repair shall be paid for by the Owner on demand, or, if not paid shall be added to and become part of the Assessment to which such Unit is subject as permitted by Section 5.16 hereof.

ARTICLE XIII THE ASSOCIATION, EXECUTIVE BOARD, VOTING

13.01. Powers. An Association of Unit Owners shall exist and shall have all the powers and duties as are provided by the Act and this Declaration. The powers and duties of the Association shall include, but not be limited to, the following:

(a) To provide for the operation, care, upkeep, and maintenance of the Common Facilities and the Controlled Facilities as set forth in Section 5.02 and to provide for all reasonable and necessary insurance coverage and appropriate liability insurance, workmen's compensation, officers' and directors' liability insurance, and fidelity bonds in a manner consistent with the law and the provisions of this Declaration and the Bylaws;

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

(c) To provide for the employment of personnel, contractors, or others necessary to maintain, operate, renovate, and improve the Common Facilities

and the Controlled Facilities to be maintained by the Association in a manner consistent with the law and the provisions of this Declaration and the Bylaws;

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

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

13.02. Executive Board. A Board of three (3) individuals elected by the Association for a term of one (1) year shall be vested with the authority, subject to the provisions of the Act, to act on behalf of the Association consistent with law and the provisions of this Declaration and the Bylaws. The original term of office shall commence on the date of incorporation and shall continue for a period of one (1) year. The Board shall have the power to act on behalf of the Association, except that the Board may not amend this Declaration, elect members of the Executive Board or determine the qualifications, powers, duties, or terms of the Board members, but the Executive Board may fill vacancies in its membership for unexpired portions of terms.

13.03. Appointment and Election of Executive Board. The original members of the Executive Board shall be appointed by Declarant. Not later than sixty (60) days after conveyance of twenty-five percent (25%) of Units to Unit Owners other than Declarant, at least one (1) member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Owners other than Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units to Unit Owners other than the Declarant, not less than thirty-three and one-third percent (33-1/3%) of the members of the Executive Board shall be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of seventy-five percent (75%) of the Units to Unit Owners other than the Declarant, the members of the Executive Board shall be elected by Unit Owners, including the Declarant. Consistent with the foregoing, for a period of time not to exceed ten (10) years, or the earlier of (1) sixty (60) days after conveyance of seventy-five percent (75%) of the Units which may be created to Unit Owners other than a Declarant; or (2) two (2) years after all Declarants have ceased to offer Units for sale in the ordinary course of business, and beginning on the date of the conveyance of the first Unit, Declarant may, at its option, control the Association, and shall specifically have the power to appoint and remove officers and members of the Executive Board. The Declarant reserves the right to send representatives to observe all meetings of the Executive Board while the Declarant holds legal title to a Unit in the Planned Community. Unit Owners, by a two-thirds (2/3) vote of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any member of the Executive Board with or without cause, other than a member appointed by the Declarant. The Declarant may voluntarily surrender control of the Executive Board at any time prior to the expiration of

the above periods of time. In such event, and until one hundred twenty (120) days after Township approval or denial of the last section's final plat, or, in the event of an appeal from the Township approval or denial of such final plat, one hundred twenty (120) days after a final judgment on appeal, the Declarant must approve in writing any amendment to this Declaration before said amendment becomes effective.

13.04. Membership. Every Owner of a Unit which is subject to Assessment and the Declarant shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit which in subject to Assessment. Unit Owners may not resign membership in the Association.

13.05. Voting Rights: Classes. The Association shall have two classes of membership:

CLASS A: Class A members shall be all Owners other than Class B members and shall be entitled to one vote for each Lot owned regardless of the size of the Lot. When more than one person is the Owner of any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one Class A membership vote be cast with respect to any Lot. If agreement cannot be reached on who shall cast the vote for any Lot, the Owner whose name appears first on the deed shall be deemed to have authority to vote. The Class A members shall not include the Declarant unless and until its Class B membership shall cease and be converted to Class A membership as hereinafter provided. No Class A member may vote on any matter unless all Assessments as more fully described herein are paid in full at the time of voting.

CLASS B: The Class B members shall be the Declarant or the Declarant's approved builders or other assignees and shall be entitled to four (4) votes for each Lot owned. Additionally, the Class B members shall pay assessments for Lots upon which a completed dwelling has been erected, for which a certificate of occupancy has been issued by the Township, and for which the Unit has become occupied as set forth in Section 5.03 hereof. The Class B membership together with said votes (or any additional Class B votes as hereinafter provided) shall cease and be converted to Class A membership with the right to one vote for each Lot owned as aforesaid when the Declarant no longer owns any Units.

13.06. Common Expenses.

(a) Common Expenses shall be assessed against each Unit in accordance with the Common Expense Allocation set forth in Exhibit "D" attached hereto and made a part hereof. The Common Expense Allocation appurtenant to each Unit is a percentage (rounded to the nearest thousandths) created by multiplying by 100 the quotient resulting from dividing one by the total number of Units in the Planned Community.

(b) Each Unit Owner shall be entitled to share in any surplus accumulated by the Association and shall be liable for Common Expenses in the same percentage as the individual Unit Owner has in the undivided interest of the total Common Facilities. Surplus funds may be credited on a pro rata basis to the Unit Owners to reduce each Unit Owner's future Common Expense Assessments. No Unit Owner shall be entitled to a credit of surplus funds upon that Owner's sale of their Unit.

13.07. Limited Liability of the Board and the Architectural Control Committee.
The Board and Architectural Control Committee, if any:

(a) Shall not be liable for the failure of any service obtained by the Board or the Architectural Control Committee and paid for by the Association, Board or the Committee, or for injury or damage to persons or property caused by the elements or by another Unit Owner or person on the Premises, unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Board or the Committee;

(b) Shall not be liable to the Unit Owners as a result of the performance of their members' duties for any mistake of judgment, negligence or otherwise, except for the members' own willful misconduct or gross negligence;

(c) Shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument, or transaction entered into by them on behalf of the Board or the Committee in the performance of the members' duties; and

(d) Shall have no personal liability in tort to a Unit Owner or any other person or entity, direct or imputed, by virtue of acts performed by or for it, except for the Board's or the Committee's own willful misconduct or gross negligence in the performance of its duties.

13.08. Indemnification of Officers and Executive Board. The Association shall indemnify each officer of the Association and member of the Executive Board or the Architectural Control Committee, his or her heirs, executors and administrators, against all loss, costs and expenses, including attorneys' fees, reasonably incurred by or imposed upon him or her in connection with any action, suit or proceeding to which he or she may be made a party by reason of his or her being or having been a member of the Executive Board or Committee or an officer of the Association except as to matters in which he or she shall be finally adjudged to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matter covered by the settlement as to which the Association is advised by counsel that the Person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his or her duty as such Executive Board or Committee member or officer of the Association in relation to the matter

involved; and provided further that indemnification hereunder with respect to any criminal action or proceeding is permitted only if such Board or Committee member had no reasonable cause to believe his or her conduct was unlawful. The foregoing rights shall not be exclusive of other rights to which such Executive Board or Committee member or officer of the Association may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated by the Association as Common Expenses; provided, however, that nothing in this Section shall be deemed to obligate the Association to indemnify any Person, who is or has been an Executive Board or Committee member or an officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him or her under and by virtue of his membership in the Association.

ARTICLE XIV NOTICE

All notices required to be served upon Unit Owners pursuant to the Act, this Declaration, or the Bylaws shall be sufficient if delivered to the Unit or mailed to the Unit Owner at the Unit mailing address by regular mail. The effective date of a notice shall be the date of delivery to the Unit in the case of actual delivery and a date five (5) days after deposit in the mail in the case of notice sent by mail. If an Owner is leasing his or her Unit, the Owner may advise the Association in writing of an address to send notices.

ARTICLE XV [RESERVED]

ARTICLE XVI DECLARANT/SPECIAL DECLARANT RIGHTS

16.01. Declarant Rights. Notwithstanding any other provisions contained herein, for so long as the Declarant continues to own any Unit(s), the following provisions shall be deemed to be in full force and effect, none of which, except as hereinafter provided, shall be construed so as to relieve the Declarant from any obligations of a Unit Owner to pay Assessments as to each Unit on which has been erected a residential dwelling that is occupied.

(a) Declarant shall have the right to relocate, enlarge, eliminate in whole or in part, change, vary or otherwise alter the easements; provided, however, that any such relocation, enlargement, elimination, charge, variance or alteration of the easements shall not be made without providing alternative access, flow area or other right-of-way or easement necessary to provide access and utilities to and stormwater drainage from any Lot shown on the Final Plan of the Premises.

(b) Declarant shall have the unrestricted right to sell or lease any Unit which the Declarant owns, or to use and occupy the same, upon such terms and conditions as it shall deem to be in its own best interests.

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

(d) Declarant shall have the absolute right to make any alterations in or improvements to any Unit owned by Declarant, including the right to alter the boundaries between two (2) or more Units owned by Declarant, and, in connection with any such alterations or improvements, to revise the Preliminary Plan, the Final Plan, and the Plan and the shares of one or more of such Units; provided that no such revision shall affect the shares of any Units not owned by Declarant, except with the consent of the Unit Owners of such Units and their respective mortgagees. An appropriate amendment to this Declaration, reflecting any such revision in the shares, and revised Declaration Plan indicating any such alterations in the boundaries of any such Units, need not be submitted to or approved by any other party whatsoever, but shall be executed solely by the Declarant and Recorded.

(e) Declarant shall have the right to merge or consolidate the planned community known as Stonegate Commons Phases III and IV to be merged or consolidated with another planned community in the manner stated in Section 5223 of the Act.

(f) Declarant shall have the right to make Stonegate Commons Phases III and IV part of a larger community or group of planned communities in the manner stated in Sections 5222 and 5223 of the Act.

(g) Declarant shall have the right to make Stonegate Commons Phases III and IV subject to a Master Association in the manner stated in Section 5222 of the Act.

(h) The Declarant reserves all Special Declarant Rights as set forth in the Act.

16.02. Transfer of Special Declarant Rights.

(a) No Special Declarant Rights created or reserved under this subsection may be transferred except by an instrument evidencing the transfer Recorded in the Office of the Recorder of Deeds in and for York County,

Pennsylvania. The instrument shall be indexed in the name of the Planned Community in both the grantor and grantee index. The instrument is not effective unless executed by the transferee.

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

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

16.03. Restrictions on Declarant-Related Actions.

(a) So long as a Declarant shall own any Units in the Premises, no Declarant-related amendment shall be made to this Declaration or to any other governing document, nor shall any Declarant-related governing document be executed, adopted or promulgated by the Executive Board or the Association unless such Declarant-related amendment or governing document shall be specifically approved in writing by Declarant.

(b) For purposes of Section 16.03(a), an amendment or governing document which does any of the following shall be considered to be Declarant-related:

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

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

(iii) Modifies the Declarant's Easements provided for by Article VI, the definitions provided for by Article II of this Declaration, or other rights reserved to the Declarant in this Declaration, in a manner which alters Declarant's rights or status.

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

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

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

ARTICLE XVII
[RESERVED]

ARTICLE XVIII
STORMWATER MANAGEMENT

18.01 Stormwater Management. The Association shall be responsible for the maintenance of all stormwater management basins of the Planned Community, all underground storm sewer piping not dedicated to the Township or another governmental entity having jurisdiction, and all stormwater drainage easements in accordance with the requirements of the Township's Code of Ordinances regarding stormwater management. The Township reserves and is hereby granted the right to enter said stormwater management basins and stormwater easements to maintain said stormwater measures if the Unit Owners or the Association fails to do so. Furthermore, the Township reserves and is hereby granted the right to enter said easement areas to inspect the stormwater facilities. If any have been eliminated, altered, or improperly maintained, the Owner or the Association shall be advised of the corrective measures required and given a reasonable time to take necessary corrective action. If such action is not taken by the Owner or the Association, as appropriate, the Township may cause the work to be done and a lien for costs may be placed against the Association or Unit Owners in accordance with the Municipal Lien Law.

Regarding Phase III, the Final Plan includes the following notice:

The Association shall be responsible for the maintenance of the stormwater detention basin in Phase III, all stormwater facilities located outside of the dedicated right of way (with the exception of individual on lot seepage beds and soil amendments) and all drainage easements in accordance with the requirement of Township Ordinance No. 344. The individual Unit Owners shall be responsible for the seepage bed and soil amendments located on their respective Units. The Township or its appointed representative is hereby granted permission to enter the property to inspect the stormwater facilities. If any have been eliminated, altered, or improperly maintained, the Owner shall be advised of the corrective measures required and given a reasonable time to take necessary corrective action. If such action is not taken by the Owner, the Township may cause the work to be done and a lien for costs may be placed against the property in accordance with the Municipal Lien Law.

Regarding Phase IV, the Preliminary Plan includes the following notice:

The Association shall be responsible for the maintenance of all drainage easements and the infiltration bed located on Unit 22 in accordance with the requirements of Township Ordinance No. 240, "Stormwater Management Regulations." The Township reserves the right to enter said easements if owner fails to do so. Furthermore, the Township reserves the right to enter all easement areas to inspect the stormwater facilities. If any have been eliminated, altered, or improperly maintained, the Owner shall be advised of the corrective measures required and given a reasonable time to take necessary corrective action. If such action is not taken by the Owner, the Township may cause the work to be done and a lien for costs may be placed against the property in accordance with municipal lien law.

There are or will be stormwater management best management practices ("**BMPs**") installed on all or many of the Lots. The Owner of each Lot is solely responsible for the maintenance and preservation of the BMPs on each Lot (except for Unit 22). The Township reserves and is hereby granted the right to enter each Lot to maintain said BMPs if a Unit Owner fails to do so. Furthermore, the Township reserves and is hereby granted the right to enter each Lot to inspect the BMPs on that Lot. If any have been eliminated, altered, or improperly maintained, the Owner shall be advised of the corrective measures required and given a reasonable time to take necessary corrective action. If such action is not taken by the Owner, the Township may cause the work to be done and a lien for costs may be placed against the Owner of said Lot in accordance with the Municipal Lien Law.

Declarant may have obtained and may obtain in the future permits pursuant to the National Pollutant Discharge Elimination System (NPDES). Notice is hereby provided, pursuant to § 5205(16.1) of the Act, that upon approval of the Declarant's notice of termination by the Pennsylvania Department of Environmental Protection or by the York County Conservation District, if authorized, it shall be deemed that the Association or Unit Owner, as applicable, agrees to and shall become responsible for

compliance with the stormwater management facilities' permit terms and conditions, including long-term operation and maintenance of postconstruction stormwater BMPs in accordance with applicable requirements. The Declarant shall remain responsible for compliance with other obligations with respect to stormwater management facilities as may be required by the approved subdivision and land development plans, the Declaration, or the Act until such time as the obligations of the Declarant may cease. Notwithstanding the foregoing, the Association shall be responsible for all stormwater management facilities, including postconstruction stormwater BMPs, as provided herein and on the Plan, the Preliminary Plan, and the Final Plan even if the notice of termination has not been approved by any governmental entity having jurisdiction.

ARTICLE XIX TERMINATION

19.01. Statute. The Planned Community may be terminated as provided by Section 5220 of the Act.

19.02. By Agreement. The Planned Community may be terminated at any time by the agreement of Unit Owners of Units to which eighty (80%) percent of the votes in the Association are allocated. Such agreement shall be in writing and be executed in the same manner as a deed by at least eighty (80%) percent of the Unit Owners. The termination agreement must specify the date it was first executed or ratified by a Unit Owner. Such agreement of termination shall become effective upon its being Recorded.

19.03. General Provisions.

(a) Upon termination of the Planned Community, the Controlled Facilities shall be maintained solely by the Unit Owner upon whose property each portion of the Controlled Facilities is located.

(b) Notwithstanding any termination of the Planned Community, the Township shall continue to have all of the rights and the Unit Owners shall continue to have all of the obligations set forth in Section 18.01 of this Declaration.

(c) Upon termination of the Planned Community, the Common Facilities consisting of any open space parcels or stormwater detention facilities shall be offered for dedication to the Township. If the Township does not accept dedication of said Lots, then prior to the termination of the Planned Community, the Association shall submit a subdivision plan to the Township conveying the Common Facilities to Units in the vicinity of said Lots. The Association shall further ensure that the said subdivision plan and deeds conveying portions of said Lots to the appropriate Unit Owners shall be Recorded prior to termination of the Association. The Association shall bear all costs and expenses of said subdivision, conveyancing, and recording.

ARTICLE XX
GENERAL PROVISIONS

20.01. Rules and Regulations. Nothing herein shall be construed to prohibit the Association from adopting from time to time other Rules and Regulations for the purpose of carrying out the intent of this Declaration, and such Rules and Regulations when adopted at a properly constituted meeting of the Association shall be binding upon the membership.

20.02. Enforcement.

(a) By the Association or any Owner. The Association, the Board, the Architectural Control Committee, or any Unit Owner, shall have the right to enforce, by any proceeding at law or in equity, all Assessments, restrictions, conditions, covenants, reservations, easements, liens, and charges now or hereafter imposed by the provisions of this Declaration. Any monies received by any Owner from any other Owner or former Owner on account of Assessments levied by the Association, less all reasonable enforcement costs, shall be paid by such enforcing Owner to the Association. When the Association, Board, Committee or a Unit Owner is the prevailing party, the Association, Board, Committee or a Unit Owner shall be entitled to recover any costs incurred in order to remedy or perform the duty of any other party who had failed to do so, as well as all costs of enforcement, including all reasonable attorneys' fees, from any Owner who violates any Section of this Declaration. Failure by the Association, Board, Committee, or any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

(b) By the Township. The Township may enforce Article XVIII hereof by any means it deems appropriate.

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

20.04. Binding Covenants; Amendment. The covenants, easements, and restrictions of this Declaration are equitable servitudes, shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owners of the Units 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 they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than eighty-five (85%) percent of each class of members of the Association, and thereafter by an instrument signed by not less than

seventy-five (75%) percent of the Unit Owners. Any amendment must be Recorded. Notwithstanding the proceeding, Declarant shall have the right to amend this Declaration without the consent of the Lot Owners within such time limits as may be permitted by the Act to conform this Declaration to the requirements of the Federal Housing Administration, the Veteran's Administration, and/or any other government lending program (state or federal) so that the Units and prospective Owners thereof shall be eligible for and may participate in any governmental program that makes available mortgage financing for the purchase of residential dwellings. No amendment that affects or limits any of the Developer's rights shall be effective without the Declarant's joinder and written consent, which joinder and written consent must be Recorded. No amendment relating to Article XVIII or Section 20.02(b) hereof shall be effective without the Township's joinder and written consent, which joinder and consent must be Recorded.

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

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

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

20.08. Effective Date. This Declaration shall become effective when it has been duly Recorded.

[Signature Pages Follows]

IN WITNESS WHEREOF, the Declarant Horst, INTENDING TO BE LEGALLY BOUND, has hereunto set his hand and seal the day and year first above written.

WITNESS

GERALD R. HORST

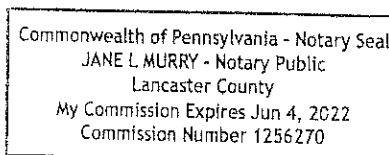
G.R. Horst

Gerald R. Horst
Gerald R. Horst

On this, the 13th day of February, 2020, before me a Notary Public, the undersigned, personally appeared Gerald R. Horst, 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 have hereunto set my hand and official seal.

Jane L. Murry
Notary Public
My Commission Expires:
(SEAL)



IN WITNESS WHEREOF, the Declarant Wellington, INTENDING TO BE LEGALLY BOUND, has hereunto set its hand and seal the day and year first above written.

WITNESS/ATTEST:

WELLINGTON INVESTMENT GROUP, LLC

[Signature]

By: *[Signature]*
Philip R. Garland, Member

COMMONWEALTH OF PENNSYLVANIA :
: SS.
COUNTY OF :

On this the 18 day of February, 2020, before me, a Notary Public, the undersigned, personally appeared Philip R. Garland, who acknowledged himself to be the Member of Wellington Investment Group, LLC., a Pennsylvania limited liability company, and that he, as such Member, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the company himself as Member.

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

Jane L. Murry
Notary Public
My Commission Expires:
(SEAL)

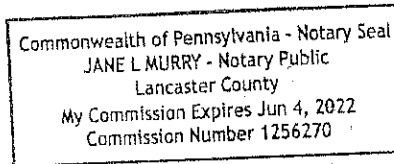


EXHIBIT "A-1"

Description of Phase III of the Premises Subject to Planned Community

Horst Premises – Stonegate Commons Phase III

PREPARED BY:

ERIC JOHNSTON, P.E.
JOHNSTON AND ASSOCIATES, INC.
PHONE: 717-793-9595

Situated in Conewago Township, York County, and as shown on a Final Subdivision Plan prepared by Johnston and Associates, Inc. Drawing No. 2007-48 for Gerald R. Horst Sheet 2 of 9 as revised 7/13/2017 and recorded in the Office of the Recorder of Deeds in and for York County on 3/21/2019 in Plan Book 2510 Page 865, bounded and described as follows:

Beginning at the northeast property corner of lands N/F Thomas Yanich and Ashley Steele, said lands being known as Lot 154 as shown on a final subdivision plan of Stonegate Commons Phase II prepared by Johnston and Associates, Inc. Drawing No. 2005-03 for Gerald R. Horst Sheet 4 as revised 11/4/05 and recorded in the Office of the Recorder of Deeds in and for York County on 2/3/06 in Plan Book 1789 Page 4816, thence S 24°31'00" W 110.00' to a point ;
thence N 65°29'00" W 23.81' to a point ;
thence S 24°31'00" W 155.00' to a point; thence N 65°29'00" W 128.48' to a point ;
thence S 61°11'39" W 265.66' to a point ; thence S 61°10'37" W 950.20' to a point at the lands N/F Dustin and Jennifer Hull; thence N 28°55'56" W 336.98' to a point ;
thence N 32°53'37" E 147.51' to a point ; thence N 26°41'29" E 334.57' to a point ;
thence S 76°19'39" E 139.40' to a point; thence N 01°18'18" E 175.88' to a point;
thence along a curve to the left having a radius of 175.00' for an arc distance of 10.02' chord distance of 10.02' and chord bearing of N 89°39'52" E to a point;
thence N 88°01'25" E 112.84' to a point; thence N 01°58'35" W 114.31' to a point;
thence S 82°06'33" E 60.40' to a point; thence N 32°43'33" W 32.48' to a point;
thence N 50°50'33" E 185.13' to a point; thence S 43°27'26" E 20.06' to a point;
thence S 66°54'42" E 857.15' to a point and place of beginning.

Subject to a 20' sanitary sewer easement along the eastern property line as shown on Johnston and Associates, Inc. Drawing No. 2007-48 for Gerald R. Horst – Sheet 2 of 9 – last revised 7/13/2017.

Containing 769,672 square feet or 17.67 acres

EXHIBIT "A-2"

Description of Phase IV of the Premises Subject to Planned Community

Wellington Premises – Stonegate Commons Phase IV

PREPARED BY:

ERIC JOHNSTON, P.E.
JOHNSTON AND ASSOCIATES, INC.
PHONE: 717-793-9595

Situated in Conewago Township, York County, and as shown on a Final Subdivision Plan prepared by Johnston and Associates, Inc. Drawing No. 2005-15 for Wellington Investment Group, LLC Sheet 2 of 7 as revised 7/13/2017 and not yet recorded in the Office of the Recorder of Deeds in and for York County, bounded and described as follows:

Beginning at the northwest property corner of lands N/F Adam and Staci Rishel, along the eastern dedicated right-of-way line of Greensprings Road (T-930), said right-of-way line a distance of twenty-five from the road centerline, thence along said right-of-way line N 14°42'06" W 5.01' to a point; thence further along said right-of-way line N 10°57'06" W 161.68' to a point; thence N 50°56'32" E 318.64' to a point ; thence S 48°15'06" E 285.85' to a point at the lands Larry and Denise Shank; thence N 37°55'54" E 503.32' to a point ; thence S 21°36'25" E 272.62' to a point ; thence S 47°17'29" W 16.80' to a point ; thence S 43°27'26" E 346.25' to a point; thence S 50°50'33" W 185.13' to a point; thence S 32°43'33" E 32.48' to a point; thence N 82°06'33" W 60.40' to a point; thence S 01°58'35" E 114.31' to a point; thence S 88°01'25" W 112.84' to a point; thence along a curve to the right having a radius of 175.00' for an arc distance of 10.02' chord distance of 10.02' and chord bearing of S 89°39'52" W to a point; thence S 01°18'18" W 175.88' to a point; thence N 76°19'39" W 139.40' to a point; thence S 26°41'29" W 334.57' to a point; thence S 32°53'37" W 147.51' to a point; thence N 28°55'56" W 87.15' to a point; thence N 40°41'31" W 416.93' to a point; thence N 41°44'54" E 237.49' to a point; thence N 36°40'17" W 106.63' to a point; thence N 12°20'00" W 169.71' to a point; thence along a curve to the left having a radius of 325.00' for an arc distance of 81.20' , chord distance of 80.98' and chord bearing of S 70° 30'34" W to a point along the eastern dedicated right-of-way line of Greensprings Road (T-930) and place of beginning.

Subject to a 20' sanitary sewer easement through the property as shown on Johnston and Associates, Inc. Drawing No. 2005-15 for Wellington Investment Group, LLC Sheet 2 of 7 as revised 7/13/2017 .

Containing 662,548 square feet or 15.21 acres

EXHIBIT "B"

Declaration Plan (Plats and Plans)

The Stonegate Commons Phases III and IV, A Planned Community, Declaration Plan, consisting of four (4) pages, has been filed in the Office of the Recorder of Deeds in and for York County, Pennsylvania, and said Declaration Plan is hereby incorporated herein and made an integral part hereof by this reference thereto. The Declaration Plan is recorded in York County Plan Book 56, Page 6933. Reduced copies of the Declaration Plan are included in the following pages. However, these reduced copies are for reference purposes only, and the Declaration Plan on file in the Office of the Recorder of Deeds in and for York County, Pennsylvania, as it may be amended from time to time, supersedes the reduced version.

STONEGATE COMMONS PHASES III AND IV

A PLANNED COMMUNITY DECLARATION PLAN

CONEWAGO TOWNSHIP, YORK COUNTY, PENNSYLVANIA

PREPARED BY:

JOHNSTON & ASSOCIATES, INC.
2386 FAXVILLE ROAD
YORK, PA. 17408
PHONE: 717-753-9595

PREPARED FOR:

OWNERS/DECLARANTS

WELLINGTON INVESTMENT GROUP, LLC
GERALD R. HORST
120 NORTH POINTE BLVD.
SUITE 101
LANCASTER, PA. 17601

I HEREBY CERTIFY THAT THIS DECLARATION PLAN, INCLUDING THE BOUNDARIES OF THE COMMONS, HAS BEEN PREPARED BY ME OR BY AN ARCHITECT, ENGINEER, SURVEYOR, LANDSCAPE ARCHITECT, OR A PROFESSIONAL ENGINEER, SURVEYOR, ARCHITECT, OR LANDSCAPE ARCHITECT, AND THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.



ERIC JOHNSTON, P.E. #158422? DATE
COUNTY OF YORK, PA. 17408

ON THIS 14 DAY OF February, 2020, BEFORE ME A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED PHILIP N. GARDNER, WHO BEING SOBERLY MINDED AND WELL MINDED, AND WHO BEING FULLY ADVERSELY AFFECTED BY THE INFORMATION CONTAINED IN SAID DECLARATION PLAN, AND WHO BEING FULLY ADVISED OF THE NATURE AND CONSEQUENCES OF SAID DECLARATION PLAN, MADE HIS VOLUNTARY AND KNOWING DECLARATION THAT HE IS THE OWNER OF SAID COMMONS AND THAT SAID COMMONS ARE SUBJECT TO HIS KNOWLEDGE, INFORMATION, AND BELIEF.

IN WITNESS WHEREOF, I HAVE HERETO SET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC

June 14, 2023
MY COMMISSION EXPIRES

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF YORK

THE UNDERSIGNED DECLARANT CERTIFIES THE DECLARATION PLAN TO BE RECORDED IN THE OFFICE OF THE RECORDER OF THE DEEDS AND RECORDS, AND IT SHALL BECOME EFFECTIVE WHEN SO RECORDED.

ON THIS 14 DAY OF February, 2020, BEFORE ME A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED PHILIP N. GARDNER, WHO BEING SOBERLY MINDED AND WELL MINDED, AND WHO BEING FULLY ADVERSELY AFFECTED BY THE INFORMATION CONTAINED IN SAID DECLARATION PLAN, MADE HIS VOLUNTARY AND KNOWING DECLARATION THAT HE IS THE OWNER OF SAID COMMONS AND THAT SAID COMMONS ARE SUBJECT TO HIS KNOWLEDGE, INFORMATION, AND BELIEF.

IN WITNESS WHEREOF, I HAVE HERETO SET MY HAND AND OFFICIAL SEAL.

PHILIP N. GARDNER
COUNTY OF YORK

ERIC JOHNSTON
NOTARY PUBLIC

PHILIP N. GARDNER
COUNTY OF YORK

ERIC JOHNSTON
NOTARY PUBLIC

PHILIP N. GARDNER
COUNTY OF YORK

ERIC JOHNSTON
NOTARY PUBLIC

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF YORK

ON THE 14 DAY OF February, 2020, BEFORE ME A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED PHILIP N. GARDNER, WHO BEING SOBERLY MINDED AND WELL MINDED, AND WHO BEING FULLY ADVERSELY AFFECTED BY THE INFORMATION CONTAINED IN SAID DECLARATION PLAN, MADE HIS VOLUNTARY AND KNOWING DECLARATION THAT HE IS THE OWNER OF SAID COMMONS AND THAT SAID COMMONS ARE SUBJECT TO HIS KNOWLEDGE, INFORMATION, AND BELIEF.

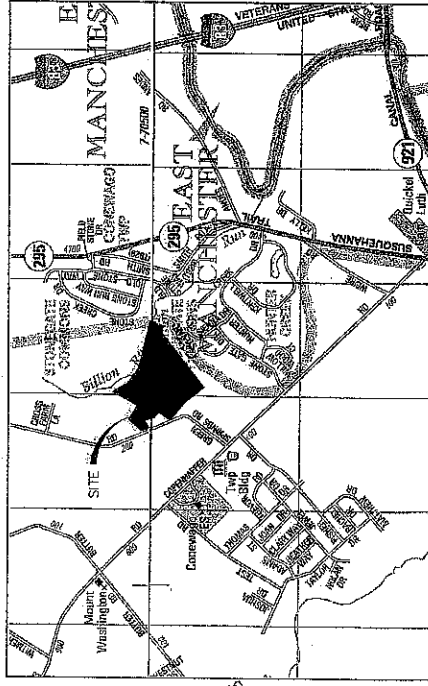
IN WITNESS WHEREOF, I HAVE HERETO SET MY HAND AND OFFICIAL SEAL.

PHILIP N. GARDNER
COUNTY OF YORK

ERIC JOHNSTON
NOTARY PUBLIC

PHILIP N. GARDNER
COUNTY OF YORK

ERIC JOHNSTON
NOTARY PUBLIC



LOCATION MAP

SCALE: 1" = 1000'

THIS DOCUMENT SCHEDULES AS THE DECLARATION PLAN OF SEVERAL COMMONS PHASES IF AND IN WHATEVER PORTION SAID COMMONS ARE INCORPORATED INTO SAID DECLARATION PLAN. THIS DECLARATION IS BEING MADE BY WELLINGTON INVESTMENT GROUP, LLC AND GERALD R. HORST, DECLARANTS, IN AND FOR YORK COUNTY, PENNSYLVANIA IN FULL TRUST, FOR THE COMMONS PHASES III AND IV.

THE FOLLOWING TERMS, WHEN USED IN THIS DECLARATION PLAN, SHALL BE DEFINED AS FOLLOWS: "DECLARATION PLAN" SHALL REFER TO THE DECLARATION PLAN, "COMMON FACILITIES" SHALL REFER TO THE COMMON FACILITIES, "DECLARATION PLAN" SHALL REFER TO THE DECLARATION PLAN, "CONTROLLED FACILITIES" SHALL REFER TO THE CONTROLLED FACILITIES, "UNIT" SHALL REFER TO THE UNIT, AND "UNIT DECLARATION" SHALL REFER TO THE UNIT DECLARATION.

THE DECLARATION PLAN CONSISTS OF THIS INSTRUMENT AND THE ATTACHED EXHIBITS, WHICH ARE HERETO ATTACHED AS PARTS OF SAID DECLARATION PLAN. SAID DECLARATION PLAN SHALL BE THE TOTAL DECLARATION PLAN. SAID DECLARATION PLAN SHALL BE THE TOTAL DECLARATION PLAN. SAID DECLARATION PLAN SHALL BE THE TOTAL DECLARATION PLAN.

EACH UNIT CONSISTS OF THE ITEMS SET FORTH IN THE DECLARATION PLAN. COMMON FACILITIES CONSIST OF THOSE ITEMS SET FORTH IN THE DECLARATION PLAN.

CONTROLLED FACILITIES ARE INDICATED IN THE DECLARATION OR ON THE PLANS TOGETHER WITH THE UNIT DECLARATION TO WHICH THEY ARE ASSIGNED.

THE UNITS SHOWN ON THE DECLARATION PLAN ARE SUBJECT TO THE EASEMENTS SET FORTH IN THE DECLARATION.

INDEX OF SHEETS

SHEET NO.	DESCRIPTION
SHEET 1	CONTRACT PLAN SHEET
SHEET 2	BOUNDARY AND SITE PLAN (OVERALL - SCALE: 1" = 100 FT.)
SHEET 3	BOUNDARY AND SITE PLAN - PHASE III (SCALE: 1" = 50 FT.)
SHEET 4	BOUNDARY AND SITE PLAN - PHASE IV (SCALE: 1" = 50 FT.)

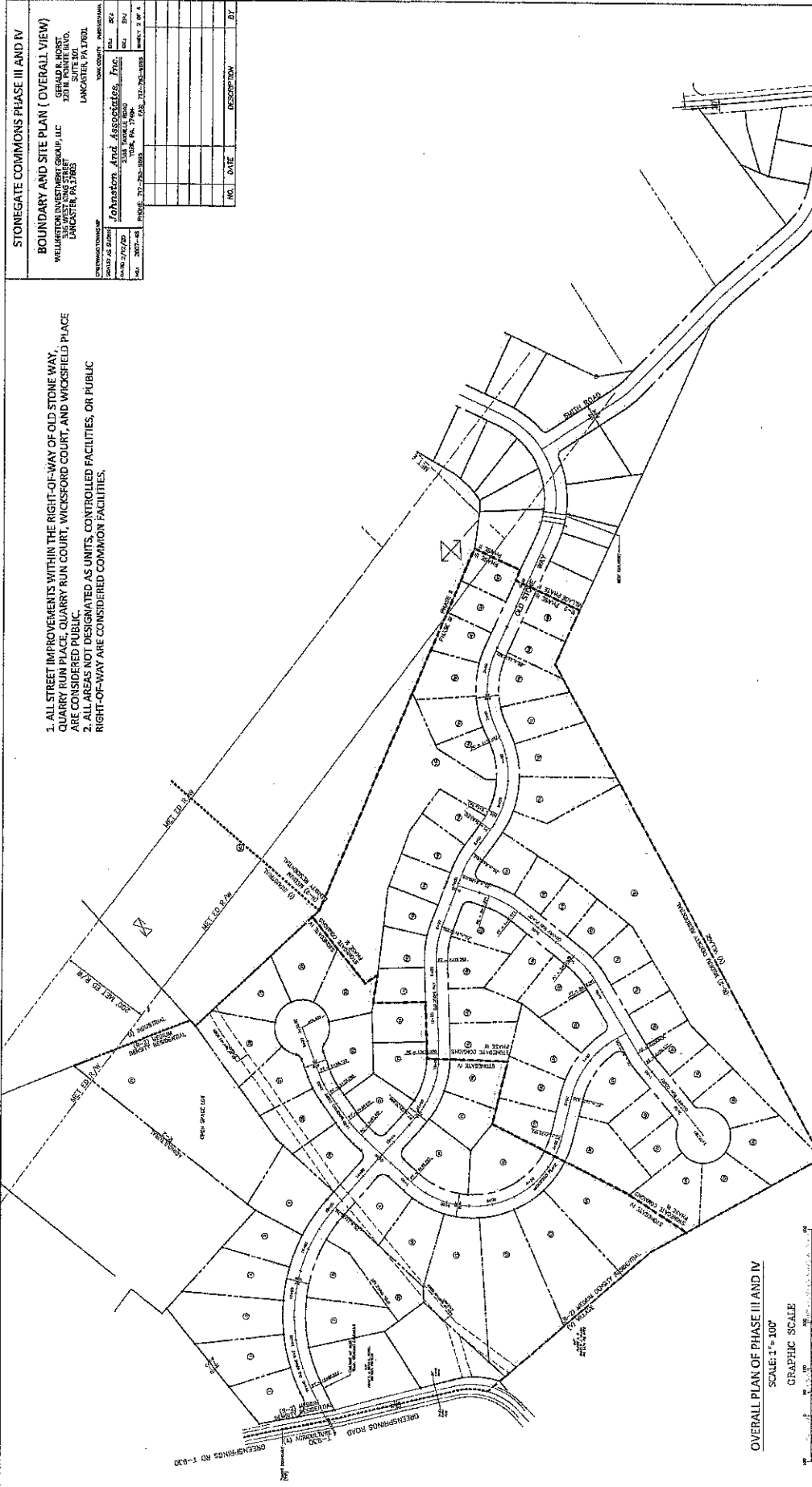
STONEGATE COMMONS PHASE III AND IV

BOUNDARY AND SITE PLAN (OVERALL VIEW)
 WELLINGTON ENGINEERING GROUP, LLC
 3746 WEST GARDEN STREET
 LANCASTER, PA 17601

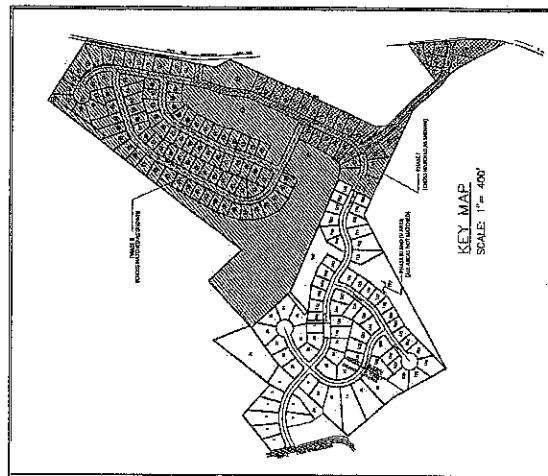
1. ALL STREET IMPROVEMENTS WITHIN THE RIGHT-OF-WAY OF OLD STONE WAY, QUARRY RUN PLACE, QUARRY RUN COURT, WICKSFORD COURT, AND WICKSFIELD PLACE ARE CONSIDERED PUBLIC.
 2. ALL AREAS NOT DESIGNATED AS UNITS, CONTROLLED FACILITIES, OR PUBLIC RIGHT-OF-WAY ARE CONSIDERED COMMON FACILITIES.

DATE	NO.	DESCRIPTION	BY

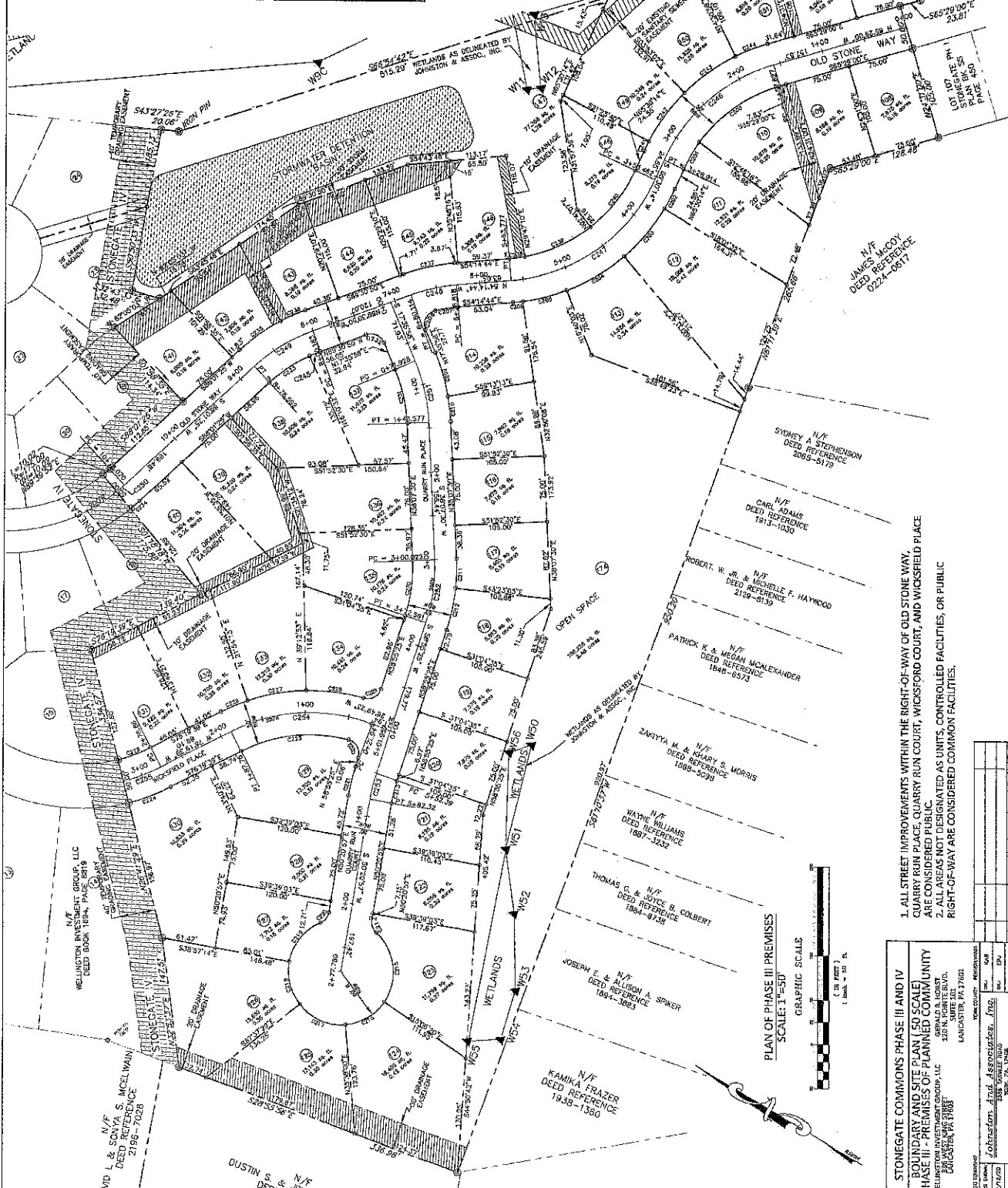
DATE	NO.	DESCRIPTION	BY



OVERALL PLAN OF PHASE III AND IV
 SCALE: 1" = 100'
 GRAPHIC SCALE
 1" = 100 FT.
 1" = 100 FT.



TRACT NO.	ACRES	OWNER	DEED REFERENCE
1	1.12	WELINGTON INVESTMENT GROUP, LLC	DEED BOOK 1054, PAGE 0187
2	1.12	DAVID L. & SONYA S. McELWAIN	DEED REFERENCE 2196-7028
3	1.12	STONEGATE COMMONS	DEED REFERENCE 1789-4019
4	1.12	STONEGATE COMMONS	DEED REFERENCE 1789-4019
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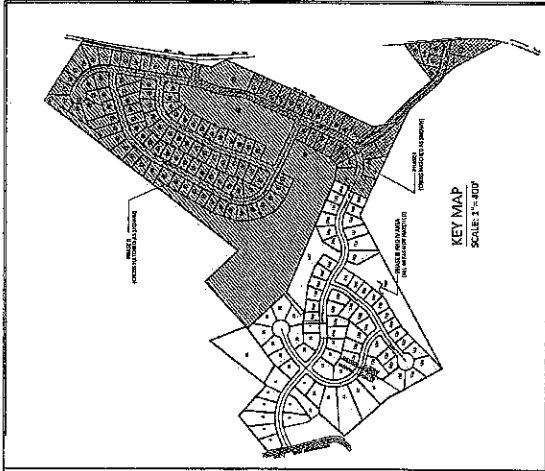
PLAN OF PHASE III PREMISES
SCALE 1" = 50'
GRAPHIC SCALE
1 inch = 50 ft.

1. ALL STREET IMPROVEMENTS WITHIN THE RIGHT-OF-WAY OF OLD STONE WAY, QUARRY RUN PLACE, QUARRY RUN COURT, WICKSFORD COURT, AND WICKSFIELD PLACE ARE CONSIDERED PUBLIC.
2. ALL AREAS NOT DESIGNATED AS UNITS, CONTROLLED FACILITIES, OR PUBLIC RIGHT-OF-WAY ARE CONSIDERED COMMON FACILITIES.

STONEGATE COMMONS PHASE III AND IV
BOUNDARY AND SITE PLAN (50 SCALE)
PHASE II - PREMISES OF PLANNED COMMUNITY
WELINGTON GROUP, LLC
320 N. FORT LE BOEUF, SUITE 800
LANCASTER, PA 17602

DATE: 1/17/20
BY: [Signature]

Johnston And Associates, Inc.
100 N. 3rd St., Suite 200
Lancaster, PA 17602
Tel: 717-291-5555



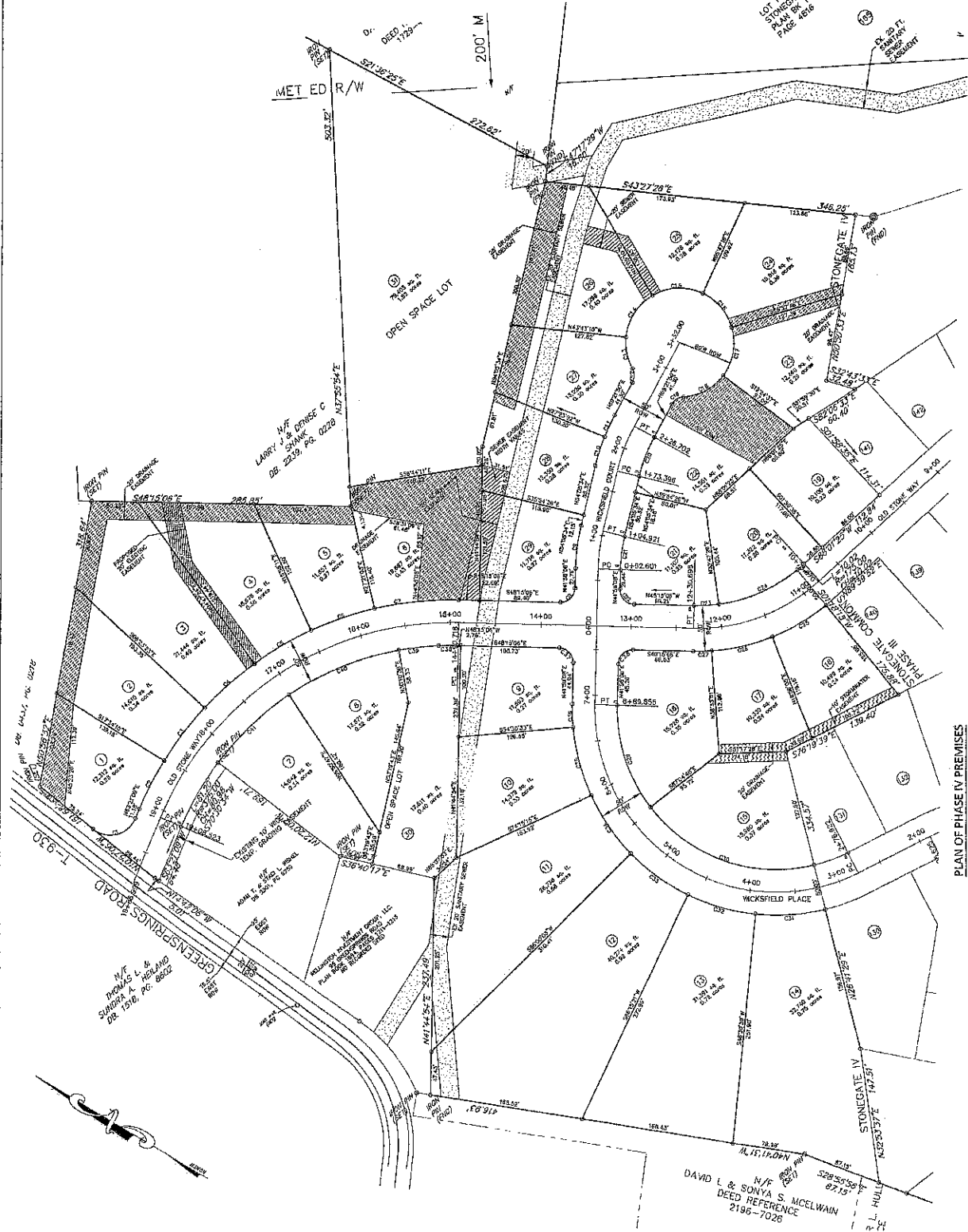
LOT	AREA (SQ. FT.)	AREA (SQ. YD.)	AREA (SQ. AC.)
1	1,234	28.1	0.64
2	1,567	35.8	0.82
3	1,890	43.5	1.00
4	2,123	49.1	1.13
5	2,456	56.8	1.29
6	2,789	64.5	1.46
7	3,123	72.2	1.64
8	3,456	79.9	1.81
9	3,789	87.6	2.00
10	4,123	95.3	2.17
11	4,456	103.0	2.35
12	4,789	110.7	2.53
13	5,123	118.4	2.71
14	5,456	126.1	2.89
15	5,789	133.8	3.07
16	6,123	141.5	3.25
17	6,456	149.2	3.43
18	6,789	156.9	3.61
19	7,123	164.6	3.79
20	7,456	172.3	3.97
21	7,789	180.0	4.15
22	8,123	187.7	4.33
23	8,456	195.4	4.51
24	8,789	203.1	4.69
25	9,123	210.8	4.87
26	9,456	218.5	5.05
27	9,789	226.2	5.23
28	10,123	233.9	5.41
29	10,456	241.6	5.59
30	10,789	249.3	5.77
31	11,123	257.0	5.95
32	11,456	264.7	6.13
33	11,789	272.4	6.31
34	12,123	280.1	6.49
35	12,456	287.8	6.67
36	12,789	295.5	6.85
37	13,123	303.2	7.03
38	13,456	310.9	7.21
39	13,789	318.6	7.39
40	14,123	326.3	7.57
41	14,456	334.0	7.75
42	14,789	341.7	7.93
43	15,123	349.4	8.11
44	15,456	357.1	8.29
45	15,789	364.8	8.47
46	16,123	372.5	8.65
47	16,456	380.2	8.83
48	16,789	387.9	9.01
49	17,123	395.6	9.19
50	17,456	403.3	9.37
51	17,789	411.0	9.55
52	18,123	418.7	9.73
53	18,456	426.4	9.91
54	18,789	434.1	10.09
55	19,123	441.8	10.27
56	19,456	449.5	10.45
57	19,789	457.2	10.63
58	20,123	464.9	10.81
59	20,456	472.6	10.99
60	20,789	480.3	11.17
61	21,123	488.0	11.35
62	21,456	495.7	11.53
63	21,789	503.4	11.71
64	22,123	511.1	11.89
65	22,456	518.8	12.07
66	22,789	526.5	12.25
67	23,123	534.2	12.43
68	23,456	541.9	12.61
69	23,789	549.6	12.79
70	24,123	557.3	12.97
71	24,456	565.0	13.15
72	24,789	572.7	13.33
73	25,123	580.4	13.51
74	25,456	588.1	13.69
75	25,789	595.8	13.87
76	26,123	603.5	14.05
77	26,456	611.2	14.23
78	26,789	618.9	14.41
79	27,123	626.6	14.59
80	27,456	634.3	14.77
81	27,789	642.0	14.95
82	28,123	649.7	15.13
83	28,456	657.4	15.31
84	28,789	665.1	15.49
85	29,123	672.8	15.67
86	29,456	680.5	15.85
87	29,789	688.2	16.03
88	30,123	695.9	16.21
89	30,456	703.6	16.39
90	30,789	711.3	16.57
91	31,123	719.0	16.75
92	31,456	726.7	16.93
93	31,789	734.4	17.11
94	32,123	742.1	17.29
95	32,456	749.8	17.47
96	32,789	757.5	17.65
97	33,123	765.2	17.83
98	33,456	772.9	18.01
99	33,789	780.6	18.19
100	34,123	788.3	18.37

**STONEGATE COMMONS PHASE III AND IV
BOUNDARY AND SITE PLAN (50 SCALE)
PHASE IV - PREMISES OF PLANNED COMMUNITY**
WELLSINGTON INVESTMENT GROUP, LLC
SERIAL A RECORD
SUBDIVISION
SITE PLAN
LANCASTER, PA 17601
DATE: 07/27/20
SCALE: 1" = 50'

Johnston, Inc. Architects, Inc.
228 STABLE ROAD
LANCASTER, PA 17601
TEL: 717-398-8888
FAX: 717-398-8888

COMMISSIONED BY: WELLSINGTON INVESTMENT GROUP, LLC
DATE: 07/27/20
SCALE: 1" = 50'

PREPARED BY: JOHNSTON, INC. ARCHITECTS, INC.
DATE: 07/27/20
SCALE: 1" = 50'



1. ALL STREET IMPROVEMENTS WITHIN THE RIGHT-OF-WAY OF OLD STONE WAY, QUARRY RUN PLACE, QUARRY RUN COURT, WICKSFORD COURT, AND WICKSFIELD PLACE ARE CONSIDERED PUBLIC.
2. ALL AREAS NOT DESIGNATED AS UNITS, CONTROLLED FACILITIES, OR PUBLIC RIGHT-OF-WAY ARE CONSIDERED COMMON FACILITIES.

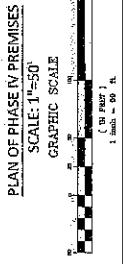


EXHIBIT "C"

Title Exceptions

1. Defects, liens, encumbrances, adverse claims, or other matters of record.
2. Easements or claims of easements not shown by public record.
3. The Declaration of Covenants, Conditions, Restrictions, and Easements for Stonegate Commons Phases III and IV, a Planned Community ("Declaration"), as the same may be amended from time to time.
4. Easements created in Article VI and Article XVIII of the Declaration.
5. Easements created or shown on any Final Plan recorded for the Planned Community.
6. Easements created or shown on any Declaration Plan recorded for the Planned Community.
7. Plan notes on any Final Plan recorded for the Planned Community.
8. Plan notes on any Declaration Plan recorded for the Planned Community.
9. Restrictions and covenants set forth in this Declaration as the same may be amended from time to time.
10. Setbacks and other conditions and restrictions imposed by any Township ordinance.
11. Any mortgages, liens, or judgments of record.

EXHIBIT "D"

List of Units and Common Expense Allocation

<u>Unit</u>		<u>Share of Common Expenses</u>
	Phase III	
108		1.35%
109		1.35%
110		1.35%
111		1.35%
112		1.35%
113		1.35%
114		1.35%
115		1.35%
116		1.35%
117		1.35%
118		1.35%
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145	1.35%
146	1.35%
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149	1.35%
150	1.35%
151	1.35%
152	1.35%
153	1.35%

Phase IV

1	1.35%
2	1.35%
3	1.35%
4	1.35%
5	1.35%
6	1.35%
7	1.35%
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18	1.35%
19	1.35%
20	1.35%
21	1.35%
22	1.35%
23	1.35%
24	1.35%
25	1.35%
27	1.35%
28	1.35%
29	1.35%
<u>Total of the 74 Units</u>	<u>99.90%</u>

EXHIBIT TWO

Declaration Plan

Declaration Plan (Plats and Plans)

The Declaration Plan for Stonegate Commons III and IV, A Planned Community, consisting of four (4) pages, has been filed in the Office of the Recorder of Deeds in and for York County, Pennsylvania, and said Declaration Plan is hereby incorporated herein and made an integral part hereof by this reference thereto. The Declaration Plan was recorded along with the Declaration to York County Plan Book GG, Page 6933. Reduced copies of the Declaration Plan are included in the following pages. However, these reduced copies are for reference purposes only, and the Declaration Plan on file in the Office of the Recorder of Deeds in and for York County, Pennsylvania, as it may be amended from time to time, supersedes the reduced version.

STONEGATE COMMONS PHASES III AND IV

A PLANNED COMMUNITY DECLARATION PLAN

CONEWAGO TOWNSHIP, YORK COUNTY, PENNSYLVANIA

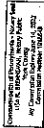
THE UNDERSIGNED HAS MADE PERSONAL OR PERSONAL REPRESENTATIVE VISUAL SURVEY OF THE PROPERTY AND HAS BEEN ADVISED BY THE ADJUTANT GENERAL OF THE COUNTY OF YORK THAT THE PROPERTY IS NOT SUBJECT TO ANY EASEMENTS, RIGHTS OF WAY, OR OTHER INTERESTS WHICH WOULD AFFECT THE PROPERTY. THE UNDERSIGNED HAS BEEN ADVISED BY THE ADJUTANT GENERAL OF THE COUNTY OF YORK THAT THE PROPERTY IS NOT SUBJECT TO ANY EASEMENTS, RIGHTS OF WAY, OR OTHER INTERESTS WHICH WOULD AFFECT THE PROPERTY.



IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL.
 JOHNSTON & ASSOCIATES, INC.
 COUNTY OF YORK, PA.

ON THIS 21st DAY OF February, 2020, BEFORE ME A Notary Public for the County of York, Pennsylvania, appeared ERIC JOHNSTON, who being being duly sworn according to law, did depose and say that the facts set forth in this Declaration Plan are true and correct to the best of his knowledge, information, and belief.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL.
 Notary Public
 MT. COMMISSION EXPIRES



THE DOCUMENTS REFERRED TO IN THIS DECLARATION PLAN ARE THE DECLARATION PLAN OF STONEGATE COMMONS PHASES III AND IV, PLANNED COMMUNITY, THE DECLARATION FOR STONEGATE COMMONS PHASES III AND IV, IS BEING MADE BY WELLINGTON INVESTMENT GROUP, LLC AND GERALD R. HORST, DECLARANTS, IN AND FOR YORK COUNTY, PENNSYLVANIA IN THAT TITLE. PAGE _____

THE FOLLOWING TERMS, WHEN USED IN THIS DECLARATION PLAN, HAVE MEANINGS ASSIGNED TO THEM IN THE DECLARATION, SUCH MEANINGS BEING INCORPORATED BY REFERENCE AND MADE PART HEREOF: "THE PROPOSER," "COMMON INTEREST DEVELOPMENT," "DECLARATION PLAN," "ADJUTANT GENERAL," "CONTINGENT FACILITIES," "UNIT," AND "UNIT DESIGNATION."

THE DECLARATION PLAN CONSISTS OF THIS INSTRUMENT AND THE AND THE FOLLOWING PLANS AND DRAWINGS, WHICH WERE PREPARED AND OR REVIEWED BY ERIC JOHNSTON, P.E., WHICH PLANS, LIMITED THROUGHOUT OF A PLANS, ARE ATTACHED HERETO AND ENCOMPASS THE TOTAL DECLARATION PLAN.
 EXHIBIT 1 - CERTIFICATION SHEET
 EXHIBIT 2 - BOUNDARY AND SITE PLAN - PHASE III (PREMISES SCALE 1" = 50 FT.)
 EXHIBIT 3 - BOUNDARY AND SITE PLAN - PHASE IV (PREMISES SCALE 1" = 50 FT.)
 EXHIBIT 4 - BOUNDARY AND SITE PLAN - PHASE V (PREMISES SCALE 1" = 50 FT.)

EACH UNIT CONSISTS OF THE ITEMS SET FORTH IN THE DECLARATION.
 THE UNIT DESIGNATIONS CONSIST OF THOSE ITEMS SHOWN IN THE BOUNDARIES.

CONTROLLED FACILITIES ARE INDICATED IN THE DECLARATION OR OF THE PLANS TOUCHING WITH THE UNIT DESIGNATION TO WHICH THEY ARE ASSIGNED.
 THE UNITS SHOWN IN THE DECLARATION PLAN ARE SUBJECT TO THE REQUIREMENTS SET FORTH IN THE DECLARATION.

INDEX OF SHEETS

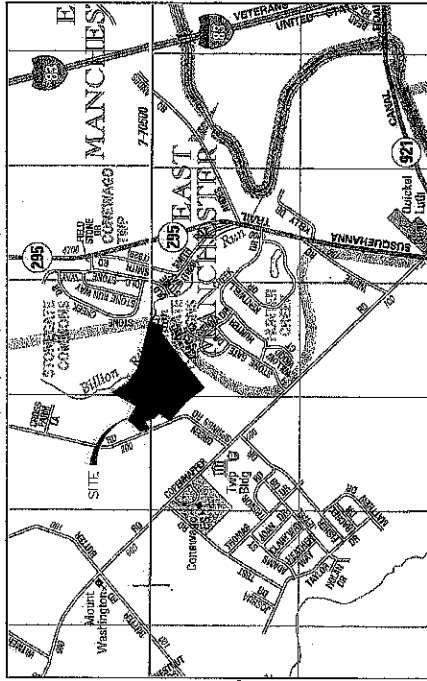
SHEET NO.	DESCRIPTION
SHEET 1	CERTIFICATION SHEET
SHEET 2	BOUNDARY AND SITE PLAN - PHASE III (PREMISES SCALE 1" = 50 FT.)
SHEET 3	BOUNDARY AND SITE PLAN - PHASE IV (PREMISES SCALE 1" = 50 FT.)
SHEET 4	BOUNDARY AND SITE PLAN - PHASE V (PREMISES SCALE 1" = 50 FT.)

PREPARED BY:
 JOHNSTON & ASSOCIATES, INC.
 2386 TAXVILLE ROAD
 YORK, PA. 17408
 PHONE: 717-793-9595

PREPARED FOR:

OWNERS/DECLARANTS

WELLINGTON INVESTMENT GROUP, LLC
 120 NORTH POINTE BLVD.
 LANCASTER, PA. 17601



LOCATION MAP

SCALE: 1" = 1000'

THE UNDERSIGNED HAS MADE PERSONAL OR PERSONAL REPRESENTATIVE VISUAL SURVEY OF THE PROPERTY AND HAS BEEN ADVISED BY THE ADJUTANT GENERAL OF THE COUNTY OF YORK THAT THE PROPERTY IS NOT SUBJECT TO ANY EASEMENTS, RIGHTS OF WAY, OR OTHER INTERESTS WHICH WOULD AFFECT THE PROPERTY.

COMMISSIONER OF PENNSYLVANIA
 COUNTY OF YORK

ON THIS 21st DAY OF February, 2020, BEFORE ME A Notary Public for the County of York, Pennsylvania, appeared GERALD R. HORST, who being being duly sworn according to law, did depose and say that the facts set forth in this Declaration Plan are true and correct to the best of his knowledge, information, and belief.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL.

Notary Public
 Notary Public
 Notary Public

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Notary Public
 Notary Public
 Notary Public

STONEGATE COMMONS PHASE III AND IV

BOUNDARY AND SITE PLAN (OVERALL VIEW)

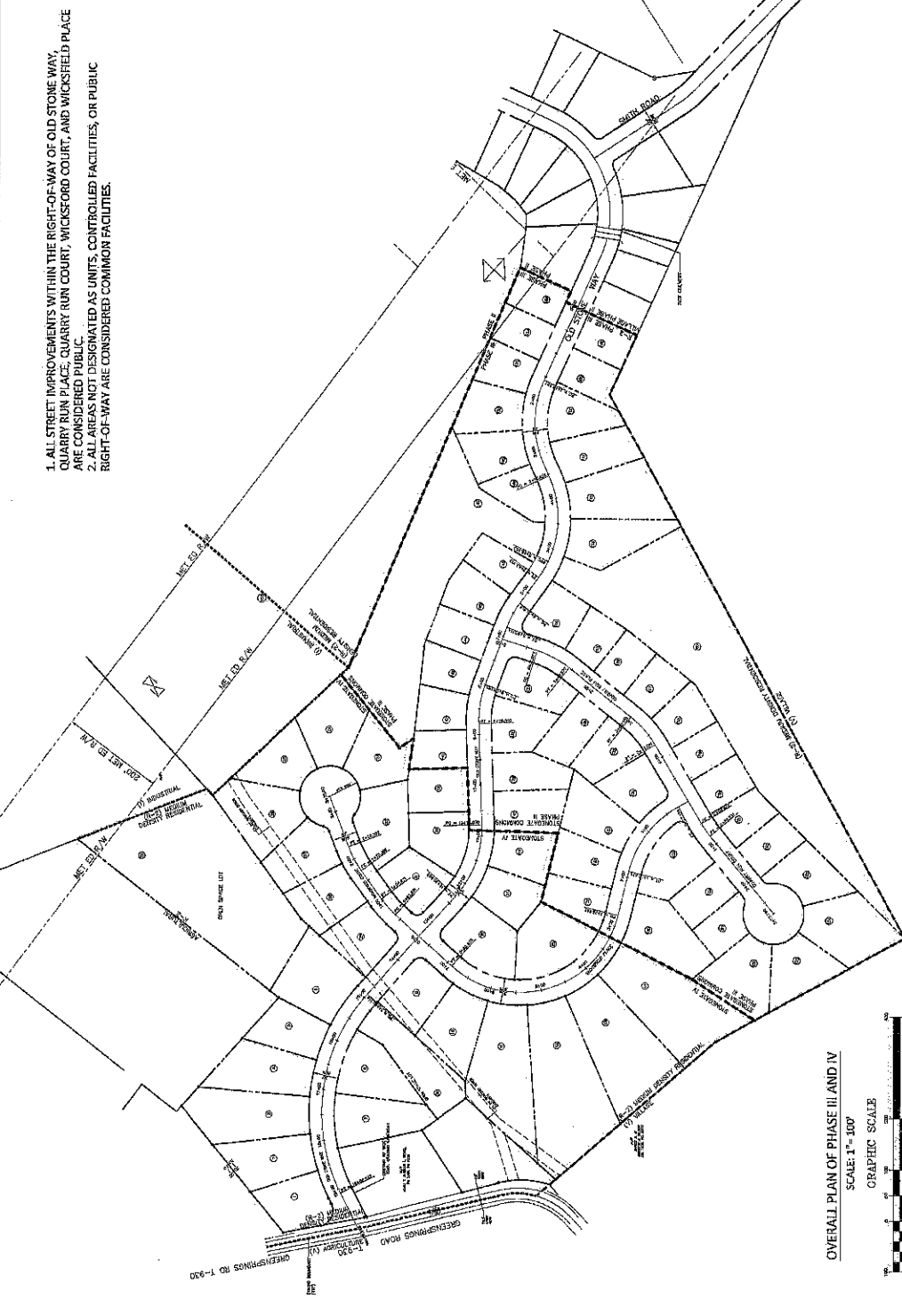
- 1. ALL STREET IMPROVEMENTS WITHIN THE RIGHT-OF-WAY OF OLD STONE WAY, QUARRY RUN PLACE, QUARRY RUN COURT, WICKSFORD COURT, AND WICKSFIELD PLACE ARE CONSIDERED PUBLIC.
- 2. ALL AREAS NOT DESIGNATED AS UNITS, CONTROLLED FACILITIES, OR PUBLIC RIGHT-OF-WAY ARE CONSIDERED COMMON FACILITIES.

WILLIAMSON ENGINEERING, LLC
 450 N. MARKET ST.
 LANCASTER, PA 17601

Lehngstom And Associates, Inc.
 208 DAVENPORT RD
 LANCASTER, PA 17601

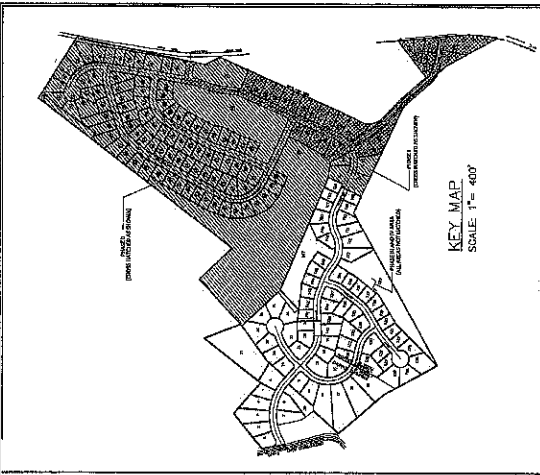
NO.	DATE	DESCRIPTION	BY

CONTRACT NUMBER: 0001-46
 GROUP AS SHOWN
 DATE: 8/17/06
 SHEET 3 OF 4

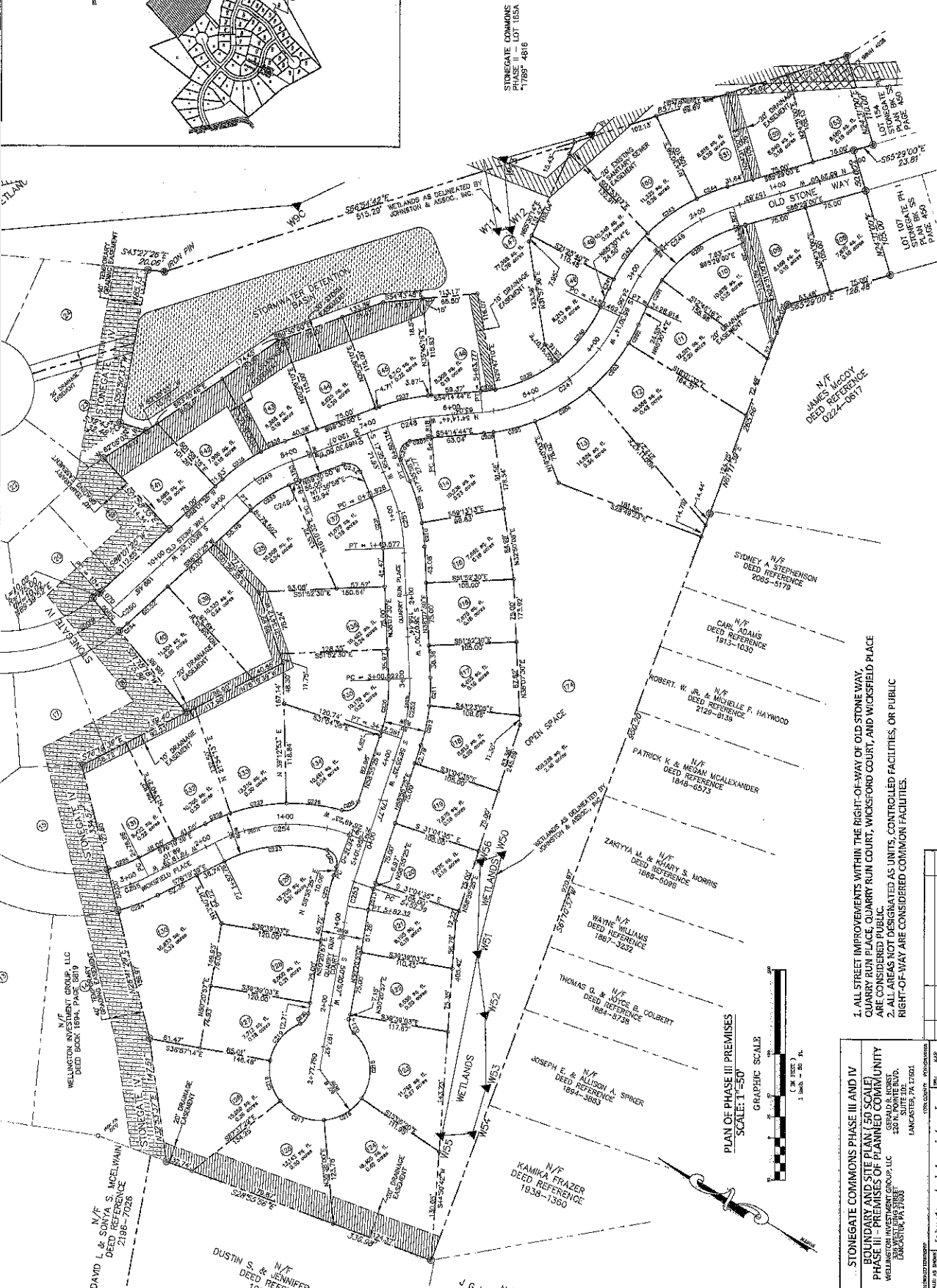


OVERALL PLAN OF PHASE III AND IV
 SCALE: 1" = 100'
 GRAPHIC SCALE
 (IN FEET)
 1 inch = 100 ft.

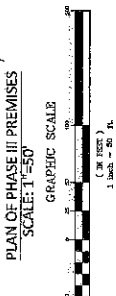




LOT NO.	AREA	DEED REFERENCE	OWNER
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4	10.00	1867-3232	WAYNE WILLIAMS
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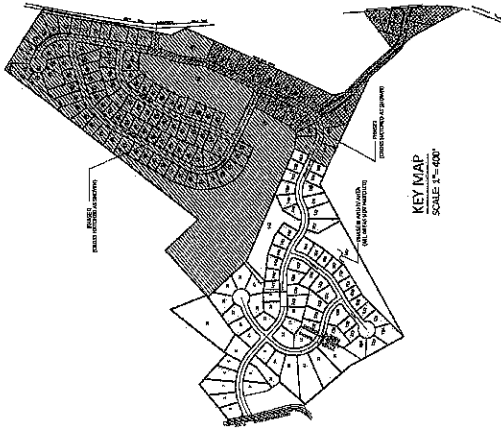


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2. ALL AREAS NOT DESIGNATED AS UNITS, CONTROLLED FACILITIES, OR PUBLIC RIGHT-OF-WAY ARE CONSIDERED COMMON FACILITIES.



DATE	BY	DESCRIPTION

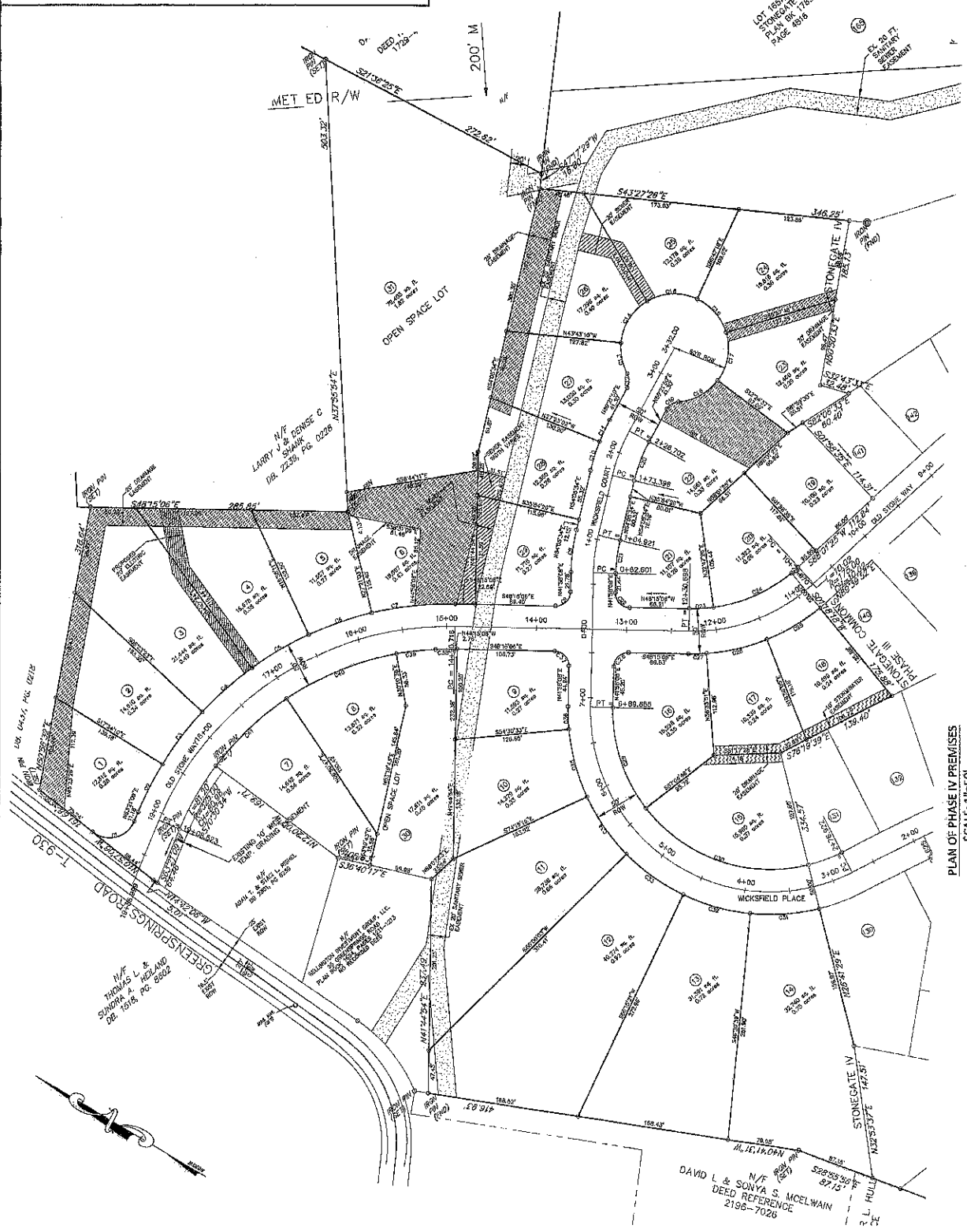
STONEGATE COMMONS PHASE III AND IV BOUNDARY AND SITE PLAN (50 SCALE) PHASE III - PREMISES OF PLANNED COMMUNITY
 WELLSFORD INVESTMENT GROUP, LLC
 150 N. JONATHAN BLVD.
 FARGO, ND 58103
 LANCASTER, PA 17601



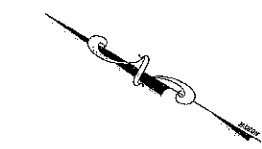
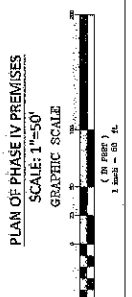
Lot No.	Area (sq. ft.)	Area (sq. m.)
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99	1,200	0.28
100	1,200	0.28

**STONEGATE COMMONS PHASE III AND IV
BOUNDARY AND SITE PLAN (50' SCALE)
PHASE IV - PREMISES OF PLANNED COMMUNITY**
WELINGTON INVESTMENT GROUP, LLC
358 WEST KING STREET
LANCASTER, PA 17602

DATE: 07-20-2016
DRAWN BY: [Name]
CHECKED BY: [Name]
SCALE: 1"=50'



1. ALL STREET IMPROVEMENTS WITHIN THE RIGHT-OF-WAY OF OLD STONE WAY, QUARRY RUN PLACE, QUARRY RUN COURT, WICKSPOND COURT, AND WICKSFIELD PLACE ARE CONSIDERED COMMON FACILITIES.
2. ALL COMMON AREAS DESIGNATED AS UNITS, CONTROLLED FACILITIES, OR PUBLIC RIGHT-OF-WAY ARE CONSIDERED COMMON FACILITIES.



DAVID L & SON/VA S. MCLEWAIN
DEED REFERENCE
2196-7026

EXHIBIT THREE

Bylaws for
Stonegate Commons Phases III and IV Homeowners Association

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STONEGATE COMMONS PHASES III AND IV HOMEOWNERS ASSOCIATION

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BYLAWS

for

STONEGATE COMMONS PHASES III AND IV HOMEOWNERS ASSOCIATION

These Bylaws have been adopted this 14th day of February, 2020, by the persons constituting all of the members of the First Executive Board of Stonegate Commons Phases III and IV Homeowners Association.

WITNESSETH:

ARTICLE I - SCOPE OF REGULATIONS

Section 1.1. Identification of the Premises. These Bylaws ("Bylaws") shall relate solely to the premises known as the Stonegate Commons Phases III and IV Planned Community located in Conewago Township, York County, Pennsylvania (the "Premises"), more fully described in the Declaration of Stonegate Commons Phases III and IV, a Planned Community, dated February 13, 2020, and the Declaration Plan attached thereto, both of which are intended to be recorded in the Recorder of Deeds Office of York County, Pennsylvania, as the same may be amended from time to time (collectively the "Declaration").

Section 1.2. Definitions. The capitalized terms used herein shall have the same definitions as such terms have in the Declaration and the Pennsylvania Planned Community Act, 68 Pa.C.S. §§ 5101, et seq., as amended (the "Act"), unless otherwise defined herein. Unless otherwise provided in the Act, in the event of inconsistencies in definitions between the Act and the Declaration, the Declaration shall control.

ARTICLE II - OWNERS ASSOCIATION

Section 2.1. Membership. Stonegate Commons Phases III and IV Homeowners Association (the "Association") is a Pennsylvania non-profit corporation, all the members of which are the Unit Owners of the Premises. The Declarant, being the initial Owner of all Units, shall constitute all of the members of the Association. A Person shall automatically become a member of the Association at the time he or she acquires legal title to his or her Unit, and he or she shall continue to be a member so long as he or she continues to hold title to such Unit. A Unit Owner shall not be permitted to resign from membership in the Association prior to the time at which he or

she transfers title to his or her Unit to another. No membership may be transferred in any way, except as an appurtenance to the transfer of title to the Unit to which that membership pertains. Transfer of membership shall be automatic upon transfer of title to a Unit, but the Association may treat the prior Unit Owner as the member for all purposes until satisfactory evidence of the Recording of the instrument transferring title shall be presented to the Secretary of the Executive Board. The date of Recording of an instrument of conveyance in the Office of the York County Recorder of Deeds shall be determinative of all disputes concerning the date of transfer of title to any Unit or Units.

Section 2.2. Meetings. Meetings of the Association shall be held in the following time, place and manner:

(a) Time and Location.

(1) Initial Board. The original members of the Executive Board shall be appointed by the Declarant as set forth in Section 13.03 of the Declaration. Thereafter, members of the Executive Board shall be elected at the Annual Meeting of the Association pursuant to Sections 2.2(a)(2) and 3.1 hereof and Article XIII of the Declaration.

(2) Annual Meetings. Unit Owners shall hold Annual Meetings for the purposes stated in Section 2.2(b) hereof (the "Annual Meetings"). The first Annual Meeting of Unit Owners shall be held at 7:30 p.m. on the first Tuesday of April occurring at least twelve (12) months after the date of incorporation of the Association, unless such date shall be a legal or religious holiday; in which event, the meeting shall be held on the next following day that is not a legal or religious holiday. Thereafter, the Association shall hold an Annual Meeting on the first Tuesday of April of each year at 7:30 p.m., or at such other time and date as the Executive Board may determine, but not more than one hundred twenty (120) days, nor less than sixty (60) days, after the end of the Association's fiscal year. Special Meetings may be called at any reasonable time and from time to time if requested by at least two (2) members of the Executive Board (after conveyance of seventy-five (75%) percent of the Units to Unit Owners other than a Declarant) or if Unit Owners who are entitled to cast at least ten (10%) percent of the votes of all members of the Association, including the Declarant, to the extent of Units owned by the Declarant shall send a written request to the Executive Board to call such a meeting ("Special Meeting"). Any requests for the Special Meeting shall be in writing addressed and delivered to the President or Secretary of the Executive Board and shall specify the reason(s) for such request. Only those reason(s) set forth in such request, and as provided to all Unit Owners, shall be discussed at the Special Meeting. The Executive Board shall hold

such meetings not less than thirty (30) days or more than sixty (60) days after receipt of such request. Both Annual and Special Meetings of the Association may be held at whatever location the Executive Board may deem convenient.

(b) Purpose and Business. Annual Meetings of the Association shall be called to elect the members of the Executive Board, unless such action is being taken pursuant to the provisions of Section 2.2(f) hereof or Section 3.4 hereof, and to conduct such other business as may be required or permitted by law or required by the Declaration or these Bylaws to be done by vote of Unit Owners. The Treasurer of the Executive Board shall present at each Annual Meeting a financial report (which may, but does not necessarily need to be prepared and certified by an independent certified public accountant) of the receipts and Common Expenses for the Association's immediately preceding fiscal year, itemizing receipts and expenditures, the allocation thereof to each Unit Owner, and any changes expected for the present fiscal year. The Treasurer shall make copies of such financial report available to each Unit Owner, not less than fifteen (15) days prior to the Annual Meeting, at each Unit Owner's request. Special Meetings of the Association shall be called for the purpose of considering matters which shall be required or permitted by law, the Declaration or these Bylaws to be done by a vote of the Unit Owners. No business shall be transacted at a Special Meeting other than as specified in the notice thereof.

(c) Notice. Notices to Unit Owners of meetings of the Association or meetings of the Executive Board, which Unit Owners who are not Executive Board members are entitled or invited to attend pursuant to Section 3.2(d) hereof, shall be delivered, either by hand or by prepaid mail, to the mailing address of each Unit or to another mailing address designated in writing by the Unit Owner to the Executive Board. The Secretary of the Executive Board shall cause all such notices to be delivered as aforesaid. Notices sent by mail shall be deemed to have been delivered on the second day after the date of mailing. Hand-delivered notices shall be deemed to have been delivered on the date of actual hand-delivery to an adult individual at a Unit Owner's Unit or of deposit in the Unit Owner's mailbox. The content and timing of notices of Annual and Special Meetings shall be as required by the Act. No subject may be dealt with at any Annual or Special Meeting of the Association except as specifically set forth herein or in the Declaration, unless the notice for such meeting stated that such subject would be discussed at such meeting.

(d) Quorum. Other than is required in Section 5.05 of the Declaration, no official business may be transacted, nor may any binding vote be taken at any meeting of the Association, either Annual or Special, unless a quorum (as defined in the Act) of Unit Owners is present in person or by proxy at the commencement of any meeting. If a quorum is not present at the commencement of any meeting, the Executive Board may reschedule the meeting for a later date and give all Unit Owners notice thereof in accordance with provisions of Section 2.2(c) hereof. The quorum at such second

meeting shall be deemed present throughout the meeting of the Association if persons entitled to cast ten (10%) percent of the votes which may be cast for the election of the Executive Board, are present in person or by proxy at the beginning of the meeting.

(e) Voting. At any meeting of the Association, the votes of the Unit Owners shall be calculated in accordance with the Declaration and voted in accordance with the provisions of Sections 5309 and 5310 of the Act. Except as otherwise provided by law, the Declaration, these Bylaws, or acts of the Association which require the approval of the Unit Owners pursuant to Section 5303(b) of the Act, all voting shall require the approval of Unit Owners together entitled to cast in excess of fifty (50%) percent of the votes of all Unit Owners present in person or by proxy at a meeting of the Association at which a quorum of Unit Owners is present in person or by proxy ("Majority"). Votes shall be cast in the following manner:

(1) Proxies. Unit Owners may cast their votes either in person or by proxy pursuant to Section 5310(b) of the Act. Any such proxy shall be in writing and shall be delivered to the Executive Board prior to the beginning of such meeting for which the proxy has been given. Such proxy shall become void, in addition to those situations provided for in the Act, when the Executive Board receives written notice of the death or judicially declared incompetence of the grantor of such proxy or of the recording of the deed evidencing the transfer of the title to the Unit from the grantor of such proxy.

(2) Voting List. The voting list shall be kept at the office of the Association and may be inspected during normal business hours by any Unit Owner, and the voting list shall be produced and kept open for inspection during all meetings of the Association.

(3) Election of Executive Board Members. In all elections for Executive Board members, each Class A Unit Owner shall be entitled to cast one vote for each vacancy to be filled at such election and each Class B Unit Owner shall be entitled to cast four votes per Unit owned for each vacancy to be filled at such election. There shall be no cumulative voting for Executive Board Members. Those candidates for election receiving the greatest number of votes cast in such election shall be elected, and if Executive Board members are being elected to unequal terms, the candidates receiving the highest number of votes shall be elected to the longest terms.

(f) Actions of Association without a Meeting. Any action required or permitted to be taken by a vote of the Unit Owners of the Association may be taken without a meeting by the written consent, stating the action so taken, of at least that number of Unit Owners whose votes would have otherwise been sufficient to take the action if a meeting had been held at which all Unit Owners were present.

(g) Conduct of Meetings. Meetings of the Association shall be conducted under such reasonable rules consistent with the Act, the Declaration and these Bylaws as the Executive Board may adopt. The Executive Board is hereby authorized to promulgate such rules.

Section 2.3. Notices. All notices and other communications to either the Association or the Executive Board shall be addressed to such body at the office of the Association, 120 N. Pointe Blvd., Suite 101, Lancaster, PA 17601, or to such other address as the Executive Board may have designated by written notice to all of the Unit Owners.

Section 2.4. Fiscal Year. The fiscal year of the Association shall be January 1 to December 31, unless changed by resolution of the Executive Board.

ARTICLE III - EXECUTIVE BOARD

Section 3.1. Composition. The Executive Board shall consist of three (3) natural individuals. Each member shall be at least eighteen (18) years of age. Other than members appointed by the Declarant, each member must be a Unit Owner. Executive Board members shall serve until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself or herself.

Section 3.2. Meetings. Meetings of the Executive Board shall be held at the following time, place and manner:

(a) Time and Location. The Executive Board shall hold an Annual Meeting within ten (10) days following the Annual Meeting of the Unit Owners for the purpose of electing officers, as more fully set forth in Section 4.1 hereof, and for any other purpose which may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of the Executive Board. At its discretion, the Executive Board may hold its Annual Meeting immediately following the Unit Owners' Annual Meeting. The Executive Board shall also hold meetings at the call of the President, or upon request to the President of the Executive Board, by at least a majority of the members of the Executive Board; provided, however, that:

(1) In any event, the Executive Board shall meet at least three (3) times each fiscal year (in addition to the Annual Meeting of the Executive Board), unless all members of the Executive Board shall waive such requirements as to a particular meeting or meetings.

(2) The first such Executive Board meeting shall be held promptly after the date on which the Declaration is recorded.

(3) There shall be a meeting of the Executive Board during the second full calendar week of the last month of each fiscal year for the purpose of adopting the Budget of the Association for the next following fiscal year of the Association.

The President shall call any Executive Board meeting requested by a majority of the members of the Executive Board for a date occurring not less than five (5) days, nor more than twenty (20) days, after receipt of such request. The President shall designate the time and location of Executive Board meetings. No business shall be transacted at Executive Board meetings other than as specified in the notice thereof, except as specifically set forth in these Bylaws or the Declaration.

(b) Notice. Not less than forty-eight (48) hours prior to the time of any Executive Board meeting, a written notice stating the date, time and place of such meeting shall be delivered, either by hand, telefax, mail or electronic mail, to each Executive Board member at the address given to the Executive Board by such Executive Board member for such purpose. Any Executive Board member may waive notice of a meeting or consent to any action of the Executive Board without a meeting. An Executive Board member's attendance at a meeting shall constitute his waiver of notice of such meeting, unless such Executive Board member's attendance is solely to object to the manner in which such notice was given.

(c) Voting. A vote in excess of fifty (50%) percent of the members of the Executive Board present and so entitled to vote at any meeting at which a quorum is present shall bind the Executive Board for all such purposes, unless otherwise provided in the Declaration or these Bylaws.

(d) Organization. Executive Board meetings may be held under such reasonable rules consistent with these Bylaws as the Executive Board may determine. The Executive Board is hereby entitled to promulgate such rules. Except for the meeting to approve the Budget of the Association referred to in this Section 3.2(d), Unit Owners who are not Executive Board members shall have no right to attend Executive Board meetings, but the Executive Board may, in its sole discretion, elect to allow such Unit Owners to attend a particular meeting or meetings. If the Executive Board does elect to allow Unit Owners who are not Executive Board members to attend a particular meeting or meetings, the Secretary of the Executive Board shall give prior notice, in the manner provided in Section 2.2(c) hereof to all Unit Owners of each meeting at which Unit Owners are entitled or invited to be present; provided, however, that the failure to give such notice shall neither invalidate any actions taken by the Executive Board at such meeting, nor impose any liability on the Executive Board or its officers and/or

members for the failure to give such notice. All Unit Owners shall have the right to attend and be heard, but not the right to vote, at the Executive Board meeting at which the fiscal year Budget of the Association shall be presented to the Executive Board for adoption. The Secretary of the Executive Board shall give Unit Owners notice of such meeting, accompanied by a copy of the proposed Budget, in the manner provided in Section 2.2(c) hereof.

Section 3.3. Resignation and Removal. Any member of the Executive Board may resign from the Executive Board at any time by written notice to the Executive Board, and upon acceptance of the resignation by the Executive Board. Except as hereinafter provided, any member (other than members designated by Declarant, who may be removed and replaced only by the Declarant, which removal and replacement may occur at any time and from time to time) may be removed from the Executive Board with or without cause by a vote for such removal by Unit Owners, including the Declarant to the extent of Units owned by the Declarant, entitled to cast at least fifty (50%) percent of the votes of all Unit Owners, such votes having been cast at any meeting of the Unit Owners, the notice for which shall contain the name of each member(s) of the Executive Board whose removal is being sought.

Section 3.4. Vacancies. Any vacancy or vacancies on the Executive Board, whether caused by resignation, death, adjudication of incompetency or an increase in size of the Executive Board, shall be filled by the Executive Board with an interim appointee who shall serve until the next Annual Meeting of the Association, at which time such vacancy may be filled by the vote of a Majority of the Unit Owners. If the vacancy results from removal by the Association, the election of a new member or members may be held at the same meeting where such removal takes place and notice of an election for removal shall be considered notice of an election to fill each vacancy so caused. The vote of more than fifty (50%) percent of the Unit Owners of the class entitled to vote for said removal present at such meeting in person or by proxy shall cause the postponement of the election to a later date, but if such vacancy is not filled within sixty (60) days after it occurs, the Executive Board shall promptly thereafter elect a replacement. The Declarant shall have the exclusive right to fill any vacancy created by the resignation or removal of an Executive Board member appointed by the Declarant.

Section 3.5. Compensation. No member of the Executive Board shall receive compensation for performing his or her duties as a member of the Executive Board, unless such compensation is expressly authorized or approved by a vote of more than fifty (50%) percent of the votes of all Unit Owners, at any Annual or Special Meeting of the Association. Executive Board members may be reimbursed for their actual out-of-pocket expenses upon presenting proof thereof to the Treasurer.

ARTICLE IV - OFFICERS

Section 4.1. Election. At the first meeting of the Executive Board and at every Annual Meeting of the Executive Board thereafter, the Executive Board members shall, if a quorum is present, elect Executive Board officers of the Association for the following year, such officers to serve for a one (1) year term and until their respective successors are elected. The officers to be elected are President, Secretary, Treasurer and such other officers as the Executive Board may from time to time find necessary or desirable. All officers shall be members of the Executive Board, and each officer may serve an unlimited number of terms, so long as such member or officer continues to be re-elected to the Executive Board. Any member may hold two (2) offices simultaneously, except that the President shall not hold any other office.

Section 4.2. Duties. The duties of the officers shall be as follows:

(a) President. The President shall be the chief executive officer of the Association and the chairperson of the Executive Board. The President shall be responsible for implementing the decisions of the Executive Board and, in that capacity, shall direct, supervise, coordinate and have general control over the affairs of the Association and the Executive Board, subject to the limitations of the laws of the Commonwealth of Pennsylvania, the Declaration and the actions of the Executive Board. The President shall have the power to sign checks and other documents on behalf of the Association and the Executive Board, or both, with the signatures of any other officers as set forth in these Bylaws or with or without the signatures of any other officers as may be determined by the Executive Board. The President shall execute on behalf of the Association any amendments to the Declaration intended to be Recorded. The President shall preside at all meetings of either body at which he or she is in attendance and shall be an ex-officio member of all committees. If the President is absent from such meeting, the Treasurer or Secretary of the Association, in that order, shall preside, and in the absence of any officer, the body holding the meeting shall elect a person to preside. If the Executive Board so provides, the President shall also have any or all of the powers and duties ordinarily attributable to the chief executive of a corporation domiciled in Pennsylvania.

(b) Secretary. Unless otherwise determined by the Executive Board, the Secretary shall keep or cause to be kept all records (or copies thereof if the original documents are not available to the Association) of the Association and the Executive Board. The Secretary shall give or cause to be given all notices, as required by law, the Declaration or these Bylaws, shall take and keep or cause to be taken and kept minutes of all meetings of the Association, the Executive Board and all committees and shall take and keep or cause to be taken and kept at the Association's office a record of the names and addresses of all Unit Owners and the voting lists referred to in Section 2.2(e)(2) hereof, as well as copies of the Declaration, the Plats and Plans, these Bylaws and the Rules and Regulations, if any, and any amendments thereto, all of which shall

be available at the office of the Association for inspection by Unit Owners or prospective Unit Owners during normal business hours and for distribution to them at such reasonable charges as may be set from time to time by the Executive Board. The Secretary shall keep or cause to be kept the register of holders of Eligible Mortgagees. The Secretary shall attest to the signature of the President and affix the corporate seal to any amendments to the Declaration intended to be recorded. The Secretary shall also perform all duties and have such other powers as are ordinarily attributable to the secretary of a corporation domiciled in Pennsylvania.

(c) Treasurer. Unless otherwise determined by the Executive Board, the Treasurer shall have the charge and custody of, and be responsible for, all funds and securities of the Association; shall deposit or cause to be deposited all such funds in such depositories as the Executive Board may direct; shall keep or cause to be kept correct and complete accounts and records of all financial transactions of the Association and the Executive Board; and shall submit or cause to be submitted to the Executive Board and the Association such reports thereof as the law, the Declaration, the Executive Board or these Bylaws may from time to time require. Such records shall include, without limitation, chronological listings of all expenditures on account of the Controlled Facilities or other permissible expenses, the amount of each Assessment assessable to individual Units, and the amount paid and the amounts due on such Assessments. Such records shall specify and itemize the maintenance, repair and replacement expenses relating to the Controlled Facilities and any other expenses incurred by the Association. The foregoing financial records shall be kept at the Association's office and shall be available there for inspection by Unit Owners or prospective Unit Owners during normal business hours. The Treasurer shall, upon request, provide any Unit Owner with a written statement executed by the Treasurer on behalf of the Association of the information required to be provided by the Association pursuant to Sections 5315(h) and 5407(b) of the Act. The Association may make a reasonable charge as determined by the Executive Board for such written statements. The Treasurer shall co-sign all checks of the Association along with the President. The Treasurer shall also perform such duties and have such powers as are ordinarily attributable to the treasurer of a corporation domiciled in Pennsylvania. The Association may as established by the Executive Board make reasonable charges for resale certificates required by the Act.

(d) Vice-Presidents and Assistant Officers. Unless otherwise determined by a resolution of the Executive Board, any Vice-President and any assistant officer shall have the powers to perform the duties of his or her respective superior officer, the President being any Vice-President's superior officer, the Secretary being any Assistant Secretary's superior officer, and the Treasurer being any Assistant Treasurer's superior officer.

Section 4.3. Compensation. The officers of the Executive Board shall serve without compensation for their services in such capacity unless such

compensation is expressly authorized or approved by a vote of more than fifty (50%) percent of the votes of all Unit Owners, at any Annual or Special Meeting of the Association. Officers may be reimbursed for their actual out-of-pocket expenses upon presenting proof thereof to the Treasurer.

Section 4.4. Resignation and Removal. Any officer may resign at any time by written notice to the Executive Board, such resignation to become effective upon approval by the Executive Board. Any officer who ceases to be a member of the Executive Board for any reason shall also be deemed to have resigned or been removed, ipso facto, from any Executive Board office he or she may have held. Any officer may be removed from his or her office at any time by a majority vote of the Executive Board whenever, in the judgment of the Executive Board members, the interests of the Association will be best served thereby, or by the vote of the Association with or without cause, in the same manner as set forth for the removal of Executive Board members in Section 3.3 hereof.

Section 4.5. Vacancies. Vacancies caused by resignation or removal of officers or the creation of new offices may be filled by a majority vote of the Executive Board members, if the vacancy resulted from the voluntary resignation of an officer or from action of the Executive Board. If, however, the vacancy resulted from action by the Association, the vacancy in the Executive Board shall be filled in the same manner as set forth in Section 3.4, and the Executive Board shall thereafter fill the vacancy in the office.

ARTICLE V - POWERS AND DUTIES OF THE EXECUTIVE BOARD

Section 5.1. Enumeration. The Executive Board shall have all of the powers and duties granted by the Act, other applicable laws and the Declaration.

Section 5.2. Architectural Control Committee. If the Declarant grants architectural control to the Board as provided in Article VIII of the Declaration, the Executive Board shall exercise architectural control of Stonegate Commons Phases III and IV Homeowners Association in accordance with the Declaration or shall appoint an Architectural Control Committee composed of three (3) or more Persons who need not be Unit Owners. The terms of said Committee members shall be determined by the Executive Board. A Committee member may serve an unlimited number of terms and may succeed himself or herself. The Board shall fill all vacancies on the Committee. Executive Board members may simultaneously serve on the Committee.

Section 5.3. Limitation. Nothing in this Article or elsewhere in these Bylaws shall be considered to grant to the Executive Board or to the officers of the Association any powers or duties which, by law, are possessed by Unit Owners. Unless otherwise

provided herein or in the Declaration, the Executive Board shall comply with the instructions of more than fifty (50%) percent of the Unit Owners present in person or by proxy, as expressed in a resolution duly adopted at any Annual or Special Meeting of Unit Owners.

ARTICLE VI - BUDGET

Section 6.1. Annual Budget. The Executive Board shall cause to be prepared an estimated Annual Budget for each fiscal year of the Association. Such Budget shall take into account the estimated cash requirements for the forthcoming year (including, by way of illustration and not limitation, reserves, salaries, wages, payroll and other applicable taxes, legal and accounting fees, supplies, materials, parts, services, general maintenance, maintenance of the Common Facilities and the Controlled Facilities and any improvements to the Common Facilities and the Controlled Facilities deemed necessary by the Executive Board, repairs, replacements, landscaping, insurance, fuel, power and all other Common Expenses) as deemed necessary by the Executive Board. To the extent that the Assessments and other cash income collected from the Unit Owners during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be taken into account.

ARTICLE VII - CONTRACTUAL POWERS

Section 7.1. Validity of Contracts With Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm or association in which one or more of the Executive Board members of the Association are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board or a committee thereof which authorized or approved the contract or transaction or because his, her or their votes are counted, if the circumstances specified in either of the following subparagraphs exist:

(a) The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board or committee and is noted in the minutes hereof, and the Executive Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board member or members.

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

Section 7.2. Inclusion of Interested Executive Board Members in the Quorum. Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 7.1 hereof.

Section 7.3. Terms of Management Contracts.

(a) The Executive Board may contract with a managing agent to provide professional management of the Premises. Any agreement for professional management of the Premises:

(1) Shall be terminable by the Executive Board for cause upon not more than thirty (30) days' written notice thereof.

(2) Shall be terminable by either party without cause (and without payment of any termination fee) upon not more than ninety (90) days' written notice.

(3) Shall have a term which does not exceed three (3) years.

(4) Shall be subject to the requirements of the Act.

(b) The Executive Board and/or the officers of the Association may delegate one or more of the following duties to a managing agent employed by the Executive Board. All duties so delegated shall be under the supervision of the Executive Board and/or the appropriate officers. The costs of employing a managing agent to perform these duties shall be borne by the Association as part of the Common Expenses of the Association:

(1) Collection of Assessments due from Unit Owners.

(2) Interviewing, hiring, paying, supervising and discharging of the personnel necessary to be employed in order to maintain and operate the Controlled Facilities.

(3) Maintenance of minute books of the Executive Board and the Association, transmittal of notices of meetings of the Association or of the Executive Board, recordation of minutes of such meetings, and

maintenance of records required to be kept by the Executive Board pursuant to the Declaration.

(4) Preparation and filing with the appropriate body, in the name of the Association, of all forms, reports and returns required with respect to the Association's employees and performance of all acts of an employer required by law with respect to the Association's employees.

(5) Collection of all charges or Assessments which may at any time become due to the Association, by way of legal process, or as may be required for the collection of delinquent Assessments from the Owners, or otherwise.

(6) Maintenance of the Common Facilities and the Controlled Facilities and directing such improvements to the Common Facilities and the Controlled Facilities as may be authorized by the Executive Board.

(7) Contracting with respect to the Premises for a period of less than one (1) year and incurring liabilities of not more than Three Thousand (\$3,000.00) Dollars and maturing less than one (1) year from the creation thereof.

(8) Compliance with orders and requirements affecting the Premises from any federal, state, county or municipal authority having jurisdiction thereover.

(9) Placement of orders for such equipment, tools, appliances, materials and supplies as are necessary to properly maintain the Common Facilities and the Controlled Facilities.

(10) Placement of and maintaining in effect all forms of insurance authorized by the Executive Board.

(11) Disbursement of salaries or any other compensation due and payable to the employees of the Association, or to agents, attorneys, or independent contractors hired by or on behalf of the Association, and payment of any taxes, fire and other insurance premiums and amounts specified for allocation to any reserve fund for replacements or any general operating fund.

(12) Providing Unit Owners and Eligible Mortgagees with copies of Planned Community Documents upon payment of a reasonable cost for copying as determined by the Executive Board and such notices to Unit Owners or Mortgagees, or both, as may be promulgated by the Executive

Board from time to time and enforcement of the Rules and Regulations relating to the Association and/or the operation and use of the Common Facilities and the Controlled Facilities.

(13) Establishment and maintenance, in a matter which indicates the custodial nature thereof, of one or more separate accounts for the deposit of monies of the Association.

(14) Maintenance of all data, receipts and records necessary to allow the Association to comply with the requirements of Sections 5315(h) and 5407 of the Act and to provide further information upon request.

(15) Complying with the Executive Board's responsibilities to Eligible Mortgagees under Article XV of the Declaration.

(c) The Executive Board and/or the officers of the Association shall not delegate architectural control pursuant to the Declaration to a managing agent. A managing agent may serve as a member of the Architectural Control Committee.

ARTICLE VIII - AMENDMENTS

Section 8.1. General Requirements. Each amendment of these Bylaws shall be effective upon its due adoption as set forth herein.

Section 8.2. Amendments to Bylaws. Except as otherwise provided in any one or more of these Bylaws, the Declaration or the Act, the provisions of these Bylaws may be amended by the vote of the Unit Owners holding at least sixty-seven (67%) percent of each class of votes in the Association.

Section 8.3. Consent of Declarant or Holders of Permitted Mortgages. If any amendment to these Bylaws shall make any change which would have a material effect upon any of the rights, privileges, powers and options of the Declarant, such amendment shall require the joinder of the Declarant. No amendment seeking to abandon or terminate the Planned Community form of Ownership of the Premises, except as otherwise provided in the Declaration, shall be effective without the prior written approval of the Declarant and the holders of all Eligible Mortgagees materially and adversely affected thereby.

Section 8.4. Curative Amendments to Bylaws. If any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, then at any time and from

time to time, the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Premises upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence. Each amendment of these Bylaws shall be effective upon its due adoption as aforesaid.

ARTICLE IX - MISCELLANEOUS PROVISIONS

Section 9.1. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity, partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof.

Section 9.2. Conflicts. The Act shall control in the event of any conflict between the provisions of the Act and the provisions of the Declaration or these Bylaws. The Act and the Declaration shall control in the event of any conflict between the provisions thereof and the provisions of these Bylaws. The Act, the Declaration and these Bylaws shall control in the event of any conflict between the provisions thereof and the provisions of the Rules and Regulations of the Association, if any.

Section 9.3. Gender/Number. Whenever the context herein so requires, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders.

Section 9.4. Pennsylvania Law. These Bylaws shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

ARTICLE X - LIMITATION OF EXECUTIVE BOARD AND COMMITTEE MEMBERS' LIABILITY

Section 10.1. Limited Liability of Members of the Executive Board, Architectural Control Committee, and Other Committees Created By the Executive Board. Members of the Executive Board, Architectural Control Committee, and any other committee that the Board may create, shall not be personally liable for monetary damages for any action taken, or failure to take any action, as a member of the Board or committee, unless: (1) the member has breached or failed to perform the duties of his or her office in good faith, in a manner he or she reasonably believes to be in the best interests of the Association, and with such care, including reasonable inquiry, skill, and

diligence, as a person of ordinary prudence would use under similar circumstances; and (2) the member's breach or failure to perform constitutes willful misconduct or gross negligence; provided, however, the provisions of this Section shall not apply to: (1) the responsibility or liability of a Board or committee member pursuant to any criminal statute; or (2) the liability of a Board or committee member for the payment of that member's personal taxes pursuant to local, state or federal law.

Section 10.2. Indemnification of Authorized Representatives. Subject to the limitations herein set forth, the Association shall indemnify, to the fullest extent now or hereinafter permitted by law, any authorized representative of the Association against all liability and expenses actually and reasonably incurred or expended in connection with any claim, suit, action or proceeding in which he or she was involved because of anything he or she may have done or failed to do in his or her role as an authorized representative of the Association. For purposes of this Article, authorized representative shall mean an Executive Board member or officer of the Association, or a person serving at the request of the Association.

Section 10.3. Determination of Entitlement to Indemnification. Any indemnification under Section 10.2 of this Article (unless ordered by a court) shall be made by the Association upon a determination that indemnification is permitted by then existing law and that the amount requested has been actually and reasonably incurred. Such determination shall be made:

- (1) by the members of the Executive Board not involved in the claim, suit, action or proceeding; or
- (2) by a disinterested person or persons named by members of the Executive Board not involved in the claim, suit, action or proceeding; or
- (3) by the Unit Owners.

Section 10.4. Advancing Expenses. Expenses incurred by an authorized representative in defending a claim, suit, action or proceeding may be paid by the Association in advance of the final disposition of such claim, suit, action or proceeding upon receipt of an undertaking by or on behalf of such authorized representative to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Association.

Section 10.5. Insurance or Indemnification Fund. The Association shall have the power, but not the obligation, to create a fund of any nature, which may, but need not be, under control of a trustee, or otherwise, to secure or insure in any manner its indemnification obligations, whether arising under or pursuant to this Article or otherwise.

Section 10.6. Scope of Article. The indemnification of authorized representatives, as authorized by this Article X, shall: (1) not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of Unit Owners or disinterested Executive Board member or otherwise, both as to action in an official capacity and as to action in another capacity; (2) continue as to a person who has ceased to be an authorized representative; and (3) inure to the benefit of the heirs, executors and administrators of such authorized representative.

Section 10.7. Reliance on Provisions. Each person who shall act as an authorized representative of the Association shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article X. The benefits of this Article X may not be withdrawn, repealed, diminished or impaired retroactively without the consent of all parties whose rights would be affected thereby.

STONEGATE COMMONS PHASES III AND IV
HOMEOWNERS ASSOCIATION

By: _____ /s/
Gerald R. Horst

By: _____ /s/
Philip R. Garland,

By: _____ /s/
Kyle Horst

EXHIBIT FOUR

Standard Agreement for the Sale of Vacant Land and Addendum

STANDARD AGREEMENT FOR THE SALE OF NEW CONSTRUCTION
 This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania Association of REALTORS® (PAR).

ASNC

PARTIES	
BUYER(S): _____ _____ _____ BUYER'S MAILING ADDRESS: _____ _____ _____	SELLER(S): _____ _____ _____ SELLER'S MAILING ADDRESS: _____ _____ _____

PROPERTY
Subdivision, Phase, Model _____ Property Address (including postal city) _____ ZIP _____, in the municipality of _____, County of _____, in the School District of _____, in the Commonwealth of Pennsylvania. Tax ID #(s): _____ and/or Identification (e.g., Parcel #; Lot, Block; Deed Book, Page, Recording Date): _____

BUYER'S RELATIONSHIP WITH PA LICENSED BROKER	
<input type="checkbox"/> No Business Relationship (Buyer is not represented by a broker)	
Broker (Company) _____ Company License # _____ Company Address _____ Company Phone _____ Company Fax _____ Broker is (check only one): <input type="checkbox"/> Buyer Agent (Broker represents Buyer only) <input type="checkbox"/> Dual Agent (See Dual and/or Designated Agent box below)	Licensee(s) (Name) _____ State License # _____ Direct Phone(s) _____ Cell Phone(s) _____ Email _____ Licensee(s) is (check only one): <input type="checkbox"/> Buyer Agent (all company licensees represent Buyer) <input type="checkbox"/> Buyer Agent with Designated Agency (only Licensee(s) named above represent Buyer) <input type="checkbox"/> Dual Agent (See Dual and/or Designated Agent box below)
<input type="checkbox"/> Transaction Licensee (Broker and Licensee(s) provide real estate services but do not represent Buyer)	

SELLER'S RELATIONSHIP WITH PA LICENSED BROKER	
<input type="checkbox"/> No Business Relationship (Seller is not represented by a broker)	
Broker (Company) _____ Company License # _____ Company Address _____ Company Phone _____ Company Fax _____ Broker is (check only one): <input type="checkbox"/> Seller Agent (Broker represents Seller only) <input type="checkbox"/> Dual Agent (See Dual and/or Designated Agent box below)	Licensee(s) (Name) _____ State License # _____ Direct Phone(s) _____ Cell Phone(s) _____ Email _____ Licensee(s) is (check only one): <input type="checkbox"/> Seller Agent (all company licensees represent Seller) <input type="checkbox"/> Seller Agent with Designated Agency (only Licensee(s) named above represent Seller) <input type="checkbox"/> Dual Agent (See Dual and/or Designated Agent box below)
<input type="checkbox"/> Transaction Licensee (Broker and Licensee(s) provide real estate services but do not represent Seller)	

DUAL AND/OR DESIGNATED AGENCY
A Broker is a Dual Agent when a Broker represents both Buyer and Seller in the same transaction. A Licensee is a Dual Agent when a Licensee represents Buyer and Seller in the same transaction. All of Broker's licensees are also Dual Agents UNLESS there are separate Designated Agents for Buyer and Seller. If the same Licensee is designated for Buyer and Seller, the Licensee is a Dual Agent. By signing this Agreement, Buyer and Seller each acknowledge having been previously informed of, and consented to, dual agency, if applicable.

Buyer Initials: _____

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Seller Initials: _____



Pennsylvania Association of Realtors®

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 rev. 1/18; rel. 4/18

1 **1. By this Agreement**, dated _____,
2 Seller hereby agrees to sell and convey to Buyer, who agrees to purchase Property lot or piece of ground (check here if lot
3 is not being conveyed) with buildings and improvements to be erected thereon.
4 **2. PURCHASE PRICE AND DEPOSITS (9-15)**
5 (A) Purchase Price \$ _____
6 (_____
7 _____ U.S. Dollars), to be accounted for as follows:
8 1. Base Price \$ _____
9 2. Lot Premium, if any \$ _____
10 3. Total Options/Extras/Alterations (see attached addendum) \$ _____
11 (B) Purchase Price will be paid by Buyer to Seller as follows:
12 1. Initial deposit, within _____ days (5 if not specified) of Execution Date,
13 if not included with this Agreement: \$ _____
14 2. Additional Deposit within _____ days of the Execution Date of this Agreement: \$ _____
15 3. **Non-refundable deposit (for pre-paid extras, options, alterations, etc.)**
16 **payable directly to seller on or before _____** \$ _____
17 4. _____ \$ _____
18 5. _____ \$ _____
19 6. _____ \$ _____
20 Remaining balance will be paid at settlement.
21 (C) All funds paid by Buyer, including deposits, will be paid by check, cashier's check or wired funds. All funds paid by Buyer
22 within 30 DAYS of settlement, including funds paid at settlement, will be by cashier's check or wired funds, but not by per-
23 sonal check.
24 (D) Deposits, regardless of the form of payment and the person designated as payee, will be paid in U.S. Dollars to Broker for Seller
25 (unless otherwise stated here: _____),
26 who will retain deposits in an escrow account in conformity with all applicable laws and regulations until consummation or ter-
27 mination of this Agreement. Only real estate brokers are required to hold deposits in accordance with the rules and regulations of
28 the State Real Estate Commission. Checks tendered as deposit monies may be held uncashed pending the execution of this Agree-
29 ment.
30 **3. SELLER ASSIST (If Applicable) (2-12)**
31 Seller will pay \$ _____ or _____ % of Purchase Price (0 if not specified) toward Buyer's
32 costs, as permitted by the mortgage lender, if any. Seller is only obligated to pay up to the amount or percentage which is approved by
33 mortgage lender.
34 **4. SETTLEMENT AND POSSESSION (9-15)**
35 (A) Settlement Date is _____, or before if Buyer and Seller agree.
36 (B) Settlement will occur in the county where the Property is located or in an adjacent county, during normal business hours, unless
37 Buyer and Seller agree otherwise.
38 (C) At time of settlement, the following will be pro-rated on a daily basis between Buyer and Seller, reimbursing where applicable:
39 current taxes; condominium fees and homeowner association fees; water and/or sewer fees, together with any other lienable municipal
40 service fees. All charges will be pro-rated for the period(s) covered. Seller will pay up to and including the date of settlement and
41 Buyer will pay for all days following settlement, unless otherwise stated here: _____
42 _____
43 (D) For purposes of prorating real estate taxes, the "periods covered" are as follows:
44 1. Municipal tax bills for all counties and municipalities in Pennsylvania are for the period from January 1 to December 31.
45 2. School tax bills for the Philadelphia, Pittsburgh and Scranton School Districts are for the period from January 1 to December 31.
46 School tax bills for all other school districts are for the period from July 1 to June 30.
47 (E) In Pennsylvania, taxing authorities (school districts and municipalities) and property owners may appeal the assessed value of a
48 property at the time of sale, or at any time thereafter. A successful appeal by a taxing authority may result in a higher assessed value
49 for the property and an increase in property taxes. Also, periodic county-wide property reassessments may change the assessed
50 value of the property and result in a change in property tax. Following settlement, the Property will be reassessed and Buyer will
51 receive an interim tax bill for the increased taxes due for the current tax period. This interim bill may not be covered by Buyer's tax
52 escrow with the lender, if any.
53 (F) Conveyance from Seller will be by fee simple deed of special warranty unless otherwise stated here: _____
54 _____
55 (G) Payment of transfer taxes will be divided equally between Buyer and Seller unless otherwise stated here: _____
56 _____
57 (H) Possession is to be delivered by deed, existing keys and physical possession to a vacant Property free of debris, with all structures
58 broom-clean, at day and time of settlement.
59 **5. DATES/TIME IS OF THE ESSENCE (9-15)**
60 (A) Written acceptance of all parties will be on or before: _____
61 (B) The Settlement Date and all other dates and times identified for the performance of any obligations of this Agreement are of the
62 essence and are binding.
63 (C) The Execution Date of this Agreement is the date when Buyer and Seller have indicated full acceptance of this Agreement by signing
64 and/or initialing it. For purposes of this Agreement, the number of days will be counted from the Execution Date, excluding the day

65 Buyer Initials: _____

Seller Initials: _____

66 this Agreement was executed and including the last day of the time period. **All changes to this Agreement should be initialed and**
67 **dated.**

68 (D) The Settlement Date is not extended by any other provision of this Agreement and may only be extended by mutual written agreement
69 of the parties.

70 (E) Certain terms and time periods are pre-printed in this Agreement as a convenience to the Buyer and Seller. All pre-printed terms and
71 time periods are negotiable and may be changed by striking out the pre-printed text and inserting different terms acceptable to all
72 parties, except where restricted by law.

73 **6. ZONING (9-15)**

74 Failure of this Agreement to contain the zoning classification (except in cases where the property {and each parcel thereof, if subdividable}
75 is zoned solely or primarily to permit single-family dwellings) will render this Agreement voidable at Buyer's option, and, if voided, any
76 deposits tendered by the Buyer will be returned to the Buyer without any requirement for court action.

77 **Zoning Classification, as set forth in the local zoning ordinance:** _____

78 **7. CONSTRUCTION AND PERMITS (9-15)**

79 **(A) Schedule of Construction**

80 1. **Commencement Date:** Seller estimates that Seller will commence construction on or about _____
81 Seller reserves the right to delay commencement of construction until Buyer has received and signed a valid mortgage com-
82 mitment in accordance with Paragraph 8.

83 2. **Completion Date:** Seller estimates completion of construction on or about _____. Buyer
84 acknowledges that the estimated Completion Date is made by Seller as an accommodation to Buyer to assist Buyer in formu-
85 lating future plans. If commencement, completion, and/or settlement are delayed due to inclement weather, strikes, delays in
86 issuance of permits, unavailability of labor or materials, or any other reason beyond Seller's control, all times and dates (includ-
87 ing settlement date) will be automatically extended accordingly **and time is not deemed to be of the essence.**

88 3. **Anticipated Settlement:** Settlement will be held on a date which is within _____ days (10 if not specified) after Seller sup-
89 plies Buyer with a written notice of settlement. However, at the time of settlement the house and premises will have been sub-
90 stantially completed. If the municipality or governmental authority requires a Use & Occupancy permit, Seller will provide one
91 at settlement.

92 4. **Settlement Deadline:** The previous paragraph notwithstanding. Should Seller be unable to settle on the Property in substantially
93 completed condition for which a Use & Occupancy permit has been issued (where required) on or before _____,
94 Buyer may terminate this Agreement and all deposit monies including amounts identified in paragraph 2 (B) of this Agreement
95 as non-refundable, will be returned to Buyer according to the terms of paragraph 23 of this Agreement.

96 **(B) Notices, Assessments and Government Requirements**

97 1. Seller will be responsible for any notice of improvements or assessments received on or before the date of settlement.

98 2. All necessary permits will be obtained and paid for by Seller prior to settlement.

99 3. Seller will comply with all restrictions and requirements imposed by any governmental authorities.

100 4. Access to a public road may require issuance of a highway occupancy permit from the Department of Transportation.

101 **(C) Landscaping and Driveway**

102 1. Seller will attempt to preserve as many of the existing trees or shrubs as reasonably possible during the construction of the im-
103 provements and house on the premises. It is expressly agreed that Seller does not guarantee or warrant the survival of any trees
104 or shrubs existing on the premises prior to construction. Any existing trees or shrubs that may die after settlement are the sole
105 responsibility of Buyer.

106 2. Seller will be responsible for top soil, rough grade, fine grade, seeding and stabilization unless otherwise stated here: _____

107
108 _____
109 Except as modified by the rules of the Homeowners Association or Condominium Association, if any, any soil washouts from
110 rain or melting snow or burnouts due to droughts after settlement are the sole responsibility of Buyer. Buyer is responsible for
111 watering, fertilizing and reseeding the lawn as necessary after settlement.

112 3. Buyer acknowledges that due to adverse weather conditions and other events beyond Seller's reasonable control, items including
113 the driveway surface, grading and seeding, exterior painting or staining, and exterior concrete surfaces may not be completed at
114 time of settlement. Unless otherwise agreed, no portion of the purchase price or option payments will be placed in an escrow ac-
115 count or withheld from Seller at settlement to compensate for incomplete items. Seller will complete the items within a reasonable
116 time after settlement as weather conditions permit.

117 4. This paragraph will survive settlement.

118 **(D) Substitutions**

119 **BUYER AND SELLER ACKNOWLEDGE THAT THE BUILDINGS AND IMPROVEMENTS ON THE PREMISES WILL**
120 **BE SUBSTANTIALLY SIMILAR TO THE ESTABLISHED BUILDING SPECIFICATIONS. BUYER ALSO ACKNOWL-**
121 **EDGES THAT SELLER HAS THE RIGHT TO MAKE SUBSTITUTIONS OF MATERIALS OR PRODUCTS OF SUB-**
122 **STANTIALLY EQUAL OR BETTER QUALITY AT SELLER'S SOLE DISCRETION, WITH NOTICE TO BUYER, AND**
123 **THAT ACTUAL MATERIALS AND PRODUCTS MAY VARY FROM SAMPLE MATERIALS AND PRODUCTS.**

123 Buyer Initials: _____

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Seller Initials: _____

124 8. MORTGAGE CONTINGENCY (1-18)

125 WAIVED. This sale is NOT contingent on mortgage financing, although Buyer may obtain mortgage financing and/or the parties may include an appraisal contingency.

126 ELECTED.

127 (A) This sale is contingent upon Buyer obtaining mortgage financing according to the following terms:

First Mortgage on the Property	Second Mortgage on the Property
Loan Amount \$ _____	Loan Amount \$ _____
Minimum Term _____ years	Minimum Term _____ years
Type of mortgage _____	Type of mortgage _____
For conventional loans, the Loan-To-Value (LTV) ratio is not to exceed _____ %	For conventional loans, the Loan-To-Value (LTV) ratio is not to exceed _____ %
Mortgage lender _____	Mortgage lender _____
Interest rate _____ %; however, Buyer agrees to accept the interest rate as may be committed by the mortgage lender, not to exceed a maximum interest rate of _____ %.	Interest rate _____ %; however, Buyer agrees to accept the interest rate as may be committed by the mortgage lender, not to exceed a maximum interest rate of _____ %.
Discount points, loan origination, loan placement and other fees charged by the lender as a percentage of the mortgage loan (excluding any mortgage insurance premiums or VA funding fee) not to exceed _____ % (0% if not specified) of the mortgage loan.	Discount points, loan origination, loan placement and other fees charged by the lender as a percentage of the mortgage loan (excluding any mortgage insurance premiums or VA funding fee) not to exceed _____ % (0% if not specified) of the mortgage loan.

144 (B) Upon receiving documentation demonstrating lender's approval, whether conditional or outright, of Buyer's mortgage application(s) according to the terms set forth above, Buyer will promptly deliver a copy of the documentation to Seller, but in any case no later than _____

145 1. If Seller does not receive a copy of the documentation demonstrating lender's conditional or outright approval of Buyer's mortgage application(s) by the date indicated above, Seller may terminate this Agreement by written notice to Buyer. Seller's right to terminate continues until Buyer delivers documentation demonstrating lender's conditional or outright approval of Buyer's mortgage application(s) to Seller. Until Seller terminates this Agreement pursuant to this Paragraph, Buyer is obligated to make a good-faith effort to obtain mortgage financing.

146 2. Seller may terminate this Agreement by written notice to Buyer after the date indicated above if the documentation demonstrating lender's conditional or outright approval of Buyer's mortgage application(s):

147 a. Does not satisfy the terms of Paragraph 8(A), OR

148 b. Contains any condition not specified in this Agreement (e.g., the Buyer must settle on another property, an appraisal must be received by the lender, or the mortgage commitment is not valid through the Settlement Date) that is not satisfied and/or removed in writing by the mortgage lender(s) within 7 DAYS after the date indicated in Paragraph 8(B), or any extension thereof, other than those conditions that are customarily satisfied at or near settlement (e.g., obtaining insurance, confirming employment).

149 3. If this Agreement is terminated pursuant to Paragraphs 8(B)(1) or (2), or the mortgage loan(s) is not obtained for settlement, all deposit monies will be returned to Buyer according to the terms of Paragraph 23 and this Agreement will be VOID. Buyer will be responsible for any costs incurred by Buyer for any inspections or certifications obtained according to the terms of this Agreement, and any costs incurred by Buyer for: (1) Title search, title insurance and/or mechanics' lien insurance, or any fee for cancellation; (2) Flood insurance, fire insurance, hazard insurance, mine subsidence insurance, or any fee for cancellation; (3) Appraisal fees and charges paid in advance to mortgage lender(s).

150 (C) The Loan-To-Value ratio (LTV) is used by lenders as one tool to help assess their potential risk of a mortgage loan. A particular LTV may be necessary to qualify for certain loans, or buyers might be required to pay additional fees if the LTV exceeds a specific level. The appraised value of the Property may be used by lenders to determine the maximum amount of a mortgage loan. The appraised value is determined by an independent appraiser, subject to the mortgage lender's underwriter review, and may be higher or lower than the Purchase Price and/or market price of the property.

151 (D) The interest rate(s) and fee(s) provisions in Paragraph 8(A) are satisfied if the mortgage lender(s) gives Buyer the right to guarantee the interest rate(s) and fee(s) at or below the maximum levels stated. If lender(s) gives Buyer the right to lock in the interest rate(s), Buyer will do so at least 15 days before Settlement Date. Buyer gives Seller the right, at Seller's sole option and as permitted by law and the mortgage lender(s), to contribute financially, without promise of reimbursement, to the Buyer and/or the mortgage lender(s) to make the above mortgage term(s) available to Buyer.

152 (E) Within _____ days (7 if not specified) from the Execution Date of this Agreement, Buyer will make a completed mortgage application (including payment for and ordering of credit reports without delay, at the time required by lender(s)) for the mortgage terms and to the mortgage lender(s) identified in Paragraph 8(A), if any, otherwise to a responsible mortgage lender(s) of Buyer's choice. Broker for Buyer, if any, otherwise Broker for Seller, is authorized to communicate with the mortgage lender(s) to assist in the mortgage loan process.

153 (F) Buyer will be in default of this agreement if Buyer furnishes false information to anyone concerning Buyer's financial and/or employment status, fails to cooperate in good faith with processing the mortgage loan application (including payment for and ordering of appraisal without delay), fails to lock in interest rate(s) as stated in Paragraph 8(D), or otherwise causes the lender to reject, refuse to approve or issue a mortgage loan commitment.

154 (G) If the mortgage lender(s), or a property and casualty insurer providing insurance required by the mortgage lender(s), requires repairs to the Property, Buyer will, upon receiving the requirements, deliver a copy of the requirements to Seller. Within 5 DAYS of receiving the copy of the requirements, Seller will notify Buyer whether Seller will make the required repairs at Seller's expense.

188 Buyer Initials: _____

Seller Initials: _____

- 189 2. If Seller will not make the required repairs, or if Seller fails to respond within the stated time, Buyer will, within 5
 190 DAYS, notify Seller of Buyer's choice to:
 191 a. Make the repairs/improvements at Buyer's expense, with permission and access to the Property given by Seller, which will
 192 not be unreasonably withheld, OR
 193 b. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of
 194 Paragraph 23 of this Agreement.

195 **If Buyer fails to respond within the time stated in Paragraph 8(G) or fails to terminate this Agreement by written**
 196 **notice to seller within that time, Buyer will accept the property, make the required repairs/improvements at Buyer's ex-**
 197 **penditure and agree to the RELEASE in Paragraph 25 of this Agreement.**

198 **FHA/VA, IF APPLICABLE**

199 (I) It is expressly agreed that notwithstanding any other provisions of this contract, Buyer will not be obligated to complete the purchase
 200 of the Property described herein or to incur any penalty for forfeiture of earnest money deposits or otherwise unless Buyer has been
 201 given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Veterans Ad-
 202 ministration, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than
 203 \$ _____ (the Purchase Price as stated in this Agreement). Buyer will have the privilege and option of pro-
 204 ceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is
 205 arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not
 206 warrant the value nor the condition of the Property. Buyer should satisfy himself/herself that the price and condition of the Property
 207 are acceptable.

208 **Warning:** Section 1010 of Title 18, U.S.C., Department of Housing and Urban Development and Federal Housing Administration
 209 Transactions, provides, "Whoever for the purpose of . . . influencing in any way the action of such Department, makes, passes, utters
 210 or publishes any statement, knowing the same to be false shall be fined under this title or imprisoned not more than two years, or
 211 both."

212 (J) **U.S. Department of Housing and Urban Development (HUD) NOTICE TO PURCHASERS: Buyer's Acknowledgement**
 213 Buyer has received the HUD Notice "For Your Protection: Get a Home Inspection." Buyer understands the importance of getting
 214 an independent home inspection and has thought about this before signing this Agreement. Buyer understands that FHA will
 215 not perform a home inspection nor guarantee the price or condition of the Property.

216 (K) **Certification** We the undersigned, Seller(s) and Buyer(s) party to this transaction each certify that the terms of this contract for
 217 purchase are true to the best of our knowledge and belief, and that any other agreement entered into by any of these parties in con-
 218 nection with this transaction is attached to this Agreement.

219 **9. CHANGE IN BUYER'S FINANCIAL STATUS (9-15)**

220 In the event of a change in Buyer's financial status affecting Buyer's ability to purchase, Buyer shall promptly notify Seller and lender(s)
 221 to whom the Buyer submitted mortgage application, if any, in writing. A change in financial status includes, but is not limited to, loss or
 222 a change in employment; failure or loss of sale of Buyer's home; Buyer's having incurred a new financial obligation; entry of a judgment
 223 against Buyer. **Buyer understands that applying for and/or incurring an additional financial obligation may affect Buyer's ability**
 224 **to purchase.**

225 **10. SELLER REPRESENTATIONS (9-15)**

226 (A) **Radon Mitigation** (See Radon Notice below)

227 1. Seller represents that the Property does not currently have a radon mitigation system and Seller will not install preparatory work
 228 for a radon mitigation system unless otherwise checked below.

229 Seller will install preparatory work for a radon mitigation system.
 230
 231

232 2. **Radon Notice:** Radon is a natural, radioactive gas that is produced in the ground by the normal decay of uranium and radium.
 233 Studies indicate that extended exposure to high levels of radon gas can increase the risk of lung cancer. Radon can find its way
 234 into any air-space and can permeate a structure. If a house has a radon problem, it usually can be cured by increased ventilation
 235 and/or by preventing radon entry. Any person who tests, mitigates or safeguards a building for radon in Pennsylvania must be cer-
 236 tified by the Department of Environmental Protection, Bureau of Radiation Protection, Rachel Carson State Office Building, P.O.
 237 Box 8469, Harrisburg, PA 17105-8469, (800) 23RADON or (717) 787-2480, www.depweb.state.pa.us.

238 (B) **Status of Water**

239 Seller represents that the Property is served by:

240 Public Water Community Water On-site Water None _____

241 (C) **Status of Sewer**

242 1. Seller represents that the Property is served by:

243 Public Sewer Community Sewage Disposal System Ten-Acre Permit Exemption (see Sewage Notice 2)

244 Individual On-lot Sewage Disposal System (see Sewage Notice 1) Holding Tank (see Sewage Notice 3)

245 Individual On-lot Sewage Disposal System in Proximity to Well (see Sewage Notice 1; see Sewage Notice 4, if applicable)

246 None (see Sewage Notice 1) None Available/Permit Limitations in Effect (see Sewage Notice 5)
 247

248 2. **Notices Pursuant to the Pennsylvania Sewage Facilities Act**

249 **Notice 1:** There is no currently existing community sewage system available for the subject property. Section 7 of the
 250 Pennsylvania Sewage Facilities Act provides that no person shall install, construct, request bid proposals for construction, alter,
 251 repair or occupy any building or structure for which an individual sewage system is to be installed, without first obtaining a

252 permit. Buyer is advised by this notice that, before signing this Agreement, Buyer should contact the local agency charged with
253 administering the Act to determine the procedure and requirements for obtaining a permit for an individual sewage system. The
254 local agency charged with administering the Act will be the municipality where the Property is located or that municipality work-
255 ing cooperatively with others.

256 **Notice 2: This Property is serviced by an individual sewage system installed under the ten-acre permit exemption provi-**
257 **sions of Section 7 of the Pennsylvania Sewage Facilities Act.** (Section 7 provides that a permit may not be required before in-
258 stallng, constructing, awarding a contract for construction, altering, repairing or connecting to an individual sewage system
259 where a ten-acre parcel or lot is subdivided from a parent tract after January 10, 1987). Buyer is advised that soils and site testing
260 were not conducted and that, should the system malfunction, the owner of the Property or properties serviced by the system at
261 the time of a malfunction may be held liable for any contamination, pollution, public health hazard or nuisance which occurs as
262 a result.

263 **Notice 3: This Property is serviced by a holding tank (permanent or temporary) to which sewage is conveyed by a water**
264 **carrying system and which is designed and constructed to facilitate ultimate disposal of the sewage at another site.** Pursuant
265 to the Pennsylvania Sewage Facilities Act, Seller must provide a history of the annual cost of maintaining the tank from the date
266 of its installation or December 14, 1995, whichever is later.

267 **Notice 4: An individual sewage system has been installed at an isolation distance from a well that is less than the distance**
268 **specified by regulation.** The regulations at 25 Pa. Code §73.13 pertaining to minimum horizontal isolation distances provide
269 guidance. Subsection (b) of §73.13 states that the minimum horizontal isolation distance between an individual water supply or
270 water supply system suction line and treatment tanks shall be 50 feet. Subsection (c) of §73.13 states that the horizontal isolation
271 distance between the individual water supply or water supply system suction line and the perimeter of the absorption area shall
272 be 100 feet.

273 **Notice 5: This lot is within an area in which permit limitations are in effect and is subject to those limitations.** Sewage fa-
274 cilities are not available for this lot and construction of a structure to be served by sewage facilities may not begin until the mu-
275 nicipality completes a major planning requirement pursuant to the Pennsylvania Sewage Facilities Act and regulations
276 promulgated thereunder.

277 (D) **Historic Preservation**

278 Seller is not aware of historic preservation restrictions regarding the Property unless otherwise stated here: _____
279

280 (E) **Land Use Restrictions**

281 1. Property, or a portion of it, is subject to land use restrictions and may be preferentially assessed for tax purposes under the
282 following Act(s) (see Notices Regarding Land Use Restrictions below):

- 283 Agricultural Area Security Law (Right-to-Farm Act; Act 43 of 1981; 3 P.S. § 901 et seq.)
284 Farmland and Forest Land Assessment Act (Clean and Green Program; Act 319 of 1974; 72 P.S. § 5490.1 et seq.)
285 Open Space Act (Act 442 of 1967; 32 P.S. § 5001 et seq.)
286 Conservation Reserve Program (16 U.S.C. § 3831 et seq.)
287 Other _____

288 2. **Notices Regarding Land Use Restrictions**

289 a. **Pennsylvania Right-To-Farm Act:** The property you are buying may be located in an area where agricultural operations
290 take place. Pennsylvania protects agricultural resources for the production of food and agricultural products. The law limits
291 circumstances where normal agricultural operations may be subject to nuisance lawsuits or restrictive ordinances.

292 b. **Clean and Green Program:** Properties enrolled in the Clean and Green Program receive preferential property tax assessment.
293 Buyer and Seller have been advised of the need to contact the County Tax Assessment Office before the execution of this
294 Agreement to determine the property tax implications that will or may result from the sale of the Property, or that may result
295 in the future as a result of any change in use of the Property or the land from which it is being separated.

296 c. **Open Space Act:** This Act enables counties to enter into covenants with owners of land designated as farm, forest, water
297 supply, or open space land on an adopted municipal, county or regional plan for the purpose of preserving the land as open
298 space. A covenant between the owner and county is binding upon any Buyer of the Property during the period of time that
299 the covenant is in effect (5 or 10 years). Covenants automatically renew at the end of the covenant period unless specific ter-
300 mination notice procedures are followed. Buyer has been advised of the need to determine the restrictions that will apply
301 from the sale of the Property to Buyer and the property tax implications that will or may result from a change in use of the
302 Property, or any portion of it. Buyer is further advised to determine the term of any covenant now in effect.

303 d. **Conservation Reserve (Enhancement) Program:** Properties enrolled in the Conservation Reserve Program or CREP are
304 environmentally-sensitive areas, the owners of which receive compensation in exchange for an agreement to maintain the land
305 in its natural state. Contracts last from 10 to 15 years and carry penalties to Seller if terminated early by Buyer. Buyer has been
306 advised of the need to determine the restrictions on development of the Property and the term of any contract now in effect.
307 Seller is advised to determine the financial implications that will or may result from the sale of the Property.

308 (F) **Real Estate Seller Disclosure Law**

309 1. Generally, the Real Estate Seller Disclosure Law requires that before an agreement of sale is signed, the seller in a residential
310 real estate transfer must make certain disclosures regarding the property to potential buyers in a form defined by the law. A
311 residential real estate transfer is defined as a sale, exchange, installment sales contract, lease with an option to buy, grant or
312 other transfer of an interest in real property where **NOT LESS THAN ONE AND NOT MORE THAN FOUR RESIDENTIAL**
313 **DWELLING UNITS** are involved. Disclosures for condominiums and cooperatives are limited to the seller's particular unit(s).
314 Disclosures regarding common areas or facilities are not required, as those elements are already addressed in the laws that
315 govern the resale of condominium and cooperative interests.

2. Buyer has received the Seller's Property Disclosure Statement before signing this Agreement, if required by law. The Seller's
Property Disclosure Law does not require a disclosure form when:

316 Buyer Initials: _____

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Seller Initials: _____

- 317 1. A one-year written warranty covering the construction will be provided;
 318 2. The building will be inspected for compliance with the applicable building code or, if none, a nationally recognized model
 319 building code; AND
 320 3. A certificate of occupancy or a certificate of code compliance will be issued for the dwelling.
 321 (G) **Public and/or Private Assessments**
 322 1. Seller represents that, as of the date Seller signed this Agreement, no public improvement, condominium or homeowner associa-
 323 tion assessments have been made against the Property which remain unpaid, and that no notice by any government or public
 324 authority (excluding assessed value) has been served upon Seller or anyone on Seller's behalf, including notices relating to vi-
 325 olations of zoning, housing, building, safety or fire ordinances that remain uncorrected, and that Seller knows of no condition
 326 that would constitute a violation of any such ordinances that remain uncorrected, unless otherwise specified here: _____
 327
 328 2. Seller knows of no other potential notices (including violations) and/or assessments except as follows: _____
 329

330 **11. WAIVER OF CONTINGENCIES (9-05)**

331 **If this Agreement is contingent on Buyer's right to inspect and/or repair the Property, or to verify insurability, environmental**
 332 **conditions, boundaries, certifications, zoning classification or use, or any other information regarding the Property, Buyer's**
 333 **failure to exercise any of Buyer's options within the times set forth in this Agreement is a WAIVER of that contingency and**
 334 **Buyer accepts the Property and agrees to the RELEASE in Paragraph 25 of this Agreement.**

335 **12. DUE DILIGENCE/INSPECTIONS (9-15)**

- 336 (A) Seller will provide access to insurers' representatives and, as may be required by this Agreement or by mortgage lender(s), to sur-
 337 veyors, municipal officials, appraisers and inspectors. All parties and their real estate licensee(s) may attend any inspections.
 338 (B) Seller will have the following utilities turned on for pre-settlement walk-through inspection; Buyer may elect to activate any addi-
 339 tional utilities.
 340 Natural Gas Propane Oil Water
 341 Sewage Electricity _____
 342 (C) Buyer reserves the right to make two pre-settlement walk-through inspections of the Property when the Property is substantially
 343 complete. Seller will notify Buyer prior to settlement of the date and time of Buyer's pre-settlement walk-through inspections of the
 344 Property. Buyer's right to make these inspections is not waived by any other provision of this Agreement.
 345 (D) At a pre-settlement inspection, Buyer and Seller will complete and sign a list of items (punch list) to be completed, modified, or re-
 346 placed within _____ DAYS (30 if not specified) after settlement. Items that cannot be completed, modified, or replaced within _____
 347 DAYS (30 if not specified) of settlement due to events beyond Seller's reasonable control will be completed by Seller as soon as is
 348 reasonably possible, not to exceed _____ DAYS (365 if not specified) after settlement. This paragraph will survive settlement.
 349 (E) Buyer's failure to inspect the Property on the dates of the scheduled pre-settlement inspections or Buyer's failure to complete and
 350 sign the pre-settlement inspection form constitutes a waiver of Buyer's right to inspect the Property, and Buyer will accept the
 351 Property at settlement in its then present condition without obligation of modification or replacement.
 352 (F) All inspectors, including home inspectors, are authorized by Buyer to provide a copy of any inspection Report to Broker for Buyer.
 353 (G) Seller has the right, upon request, to receive without charge a copy of any inspection report from the party for whom it was prepared.
 354 (H) **Notices Regarding Property & Environmental Inspections**

- 355 1. **Exterior Building Materials:** Poor or improper installation of exterior building materials may result in moisture penetrating
 356 the surface of a structure where it may cause mold and damage to the building's frame.
 357 2. **Asbestos:** Asbestos is linked with several adverse health effects, including various forms of cancer.
 358 3. **Environmental Hazards:** The U.S. Environmental Protection Agency has a list of hazardous substances, the use and disposal
 359 of which are restricted by law. Generally, if hazardous substances are found on a property, it is the property owner's responsibility
 360 to dispose of them properly.
 361 4. **Wetlands:** Wetlands are protected by the federal and state governments. Buyer may wish to hire an environmental engineer to
 362 investigate whether the Property is located in a wetlands area to determine if permits for plans to build, improve or develop the
 363 property would be affected or denied because of its location in a wetlands area.
 364 5. **Mold, Fungi and Indoor Air Quality:** Indoor mold contamination and the inhalation of bioaerosols (bacteria, mold spores,
 365 pollen and viruses) have been associated with allergic responses.
 366 6. **Additional Information:** Inquiries or requests for more information about asbestos and other hazardous substances can be directed
 367 rected to the U.S. Environmental Protection Agency, Ariel Rios Building, 1200 Pennsylvania Ave., N.W., 2810A, Washington,
 368 D.C. 20460, (202) 272-0167, and/or the Department of Health, Commonwealth of Pennsylvania, Division of Environmental
 369 Health, Harrisburg, PA 17120. Information about indoor air quality issues is available through the Pennsylvania Department of
 370 Health and may be obtained by contacting Health & Welfare Building, 8th Floor West, 625 Forster St., Harrisburg, PA 17120,
 371 or by calling 1-877-724-3258.

372 **13. CONDOMINIUM/PLANNED COMMUNITY (HOMEOWNER ASSOCIATION) PUBLIC OFFERING STATEMENT (I-00)**

- 373 (A) The Property is NOT part of a Condominium or part of a Planned Community unless checked below.
 374 (B) **CONDOMINIUM**
 375 1. Buyer acknowledges that the Property is a unit of a condominium as defined by the Uniform Condominium Act. Seller is a
 376 declarant of the condominium and is required to provide Buyer with a public offering statement.
 377 2. The delivery of the public offering statement must be made no later than the date the Buyer executes this Agreement. Buyer
 378 may cancel this Agreement within fifteen (15) days after receiving the public offering statement and within fifteen (15) days
 379 of receipt of any amendment to the Statement that materially and adversely affects Buyer.

380 Buyer Initials: _____

Seller Initials: _____

- 381 (C) PLANNED COMMUNITY (HOMEOWNER ASSOCIATION)
382 1. Buyer acknowledges that the Property is part of a planned community as defined by the Uniform Planned Community Act.
383 Seller is a declarant of the planned community and is required to provide Buyer with a public offering statement.
384 2. The declarant must provide Buyer with a copy of the public offering statement and its amendments no later than the date Buyer
385 executes this Agreement. Buyer may cancel this Agreement within seven (7) days after receiving the public offering statement
386 and within seven (7) days after receiving any amendment to the contract that would materially and adversely affect Buyer.
387 **Buyer has received a copy of the public offering statement before signing this Agreement.**

388 **14. TITLES, SURVEYS AND COSTS (9-15)**

- 389 (A) The Property will be conveyed with good and marketable title that is insurable by a reputable title insurance company at the regular
390 rates, free and clear of all liens, encumbrances, and easements, **excepting however** the following: existing deed restrictions; historic
391 preservation restrictions or ordinances; building restrictions; ordinances; easements of roads; easements visible upon the ground;
392 easements of record; and privileges or rights of public service companies, if any.
393 (B) Buyer is encouraged to obtain an owner's title insurance policy to protect Buyer. An owner's title insurance policy is different from
394 a lender's title insurance policy, which will not protect Buyer from claims and attacks on the title. Owner's title insurance policies
395 come in standard and enhanced versions; Buyer should consult with a title insurance agent about Buyer's options. Buyer agrees to
396 release and discharge any and all claims and losses against Broker for Buyer should Buyer neglect to obtain an owner's title insurance
397 policy.
398 (C) Buyer will pay for the following: (1) Title search, title insurance and/or mechanics' lien insurance, or any fee for cancellation;
399 (2) Flood insurance, fire insurance, hazard insurance, mine subsidence insurance, or any fee for cancellation; (3) Appraisal fees and
400 charges paid in advance to mortgage lender; (4) Buyer's customary settlement costs and accruals.
401 (D) Seller has the right, upon request, to receive a free copy of any title abstract for the Property from the party for whom it was prepared.
402 (E) Any survey or surveys required by the title insurance company or the abstracting company for preparing an adequate legal
403 description of the Property (or the correction thereof) will be obtained and paid for by Seller. Any survey or surveys desired by
404 Buyer or required by the mortgage lender will be obtained and paid for by Buyer.
405 (F) In the event of a change in Seller's financial status affecting Seller's ability to convey title to the Property on or before the Settlement
406 Date, or any extension thereof, Seller shall promptly notify Buyer in writing. A change in financial status includes, but is not limited
407 to, Seller filing bankruptcy; filing of a foreclosure lawsuit against the Property; entry of a monetary judgment against Seller; notice
408 of public tax sale affecting the Property; and Seller learning that the sale price of the Property is no longer sufficient to satisfy all
409 liens and encumbrances against the Property.
410 (G) If Seller is unable to give good and marketable title that is insurable by a reputable title insurance company at the regular rates, as
411 specified in Paragraph 14(A), Buyer may terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer
412 according to the terms of Paragraph 23 of this Agreement. Upon termination, Seller will reimburse Buyer for any costs incurred by
413 Buyer for any inspections or certifications obtained according to the terms of this Agreement, and for those items specified in Paragraph
414 14(C) items (1), (2), (3) and in Paragraph 14(E).
415 (H) Oil, gas, mineral, or other rights of this Property may have been previously conveyed or leased, and Sellers make no representation
416 about the status of those rights unless indicated elsewhere in this Agreement.

417 **Oil, Gas and Mineral Rights Addendum (PAR Form OGM) is attached to and made part of this agreement.**

- 418 (I) **COAL NOTICE (Where Applicable)**
419 THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDERNEATH
420 THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL
421 RIGHT TO REMOVE ALL SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE,
422 BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. (This notice is set forth in the manner provided in Section 1 of the Act of
423 July 17, 1957, P.L. 984.) "Buyer acknowledges that he may not be obtaining the right of protection against subsidence resulting
424 from coal mining operations, and that the property described herein may be protected from damage due to mine subsidence by a
425 private contract with the owners of the economic interests in the coal. This acknowledgement is made for the purpose of complying
426 with the provisions of Section 14 of the Bituminous Mine Subsidence and the Land Conservation Act of April 27, 1966."
427 Buyer agrees to sign the deed from Seller which deed will contain the aforesaid provision.

- 428 (J) This property is not subject to a Private Transfer Fee Obligation unless otherwise stated here: _____
429 **Private Transfer Fee Addendum (PAR Form PTF) is attached to and made part of this agreement.**
430 **Notices Regarding Private Transfer Fees:** In Pennsylvania, Private Transfer Fees are defined and regulated in the Private Transfer Fee
431 Obligation Act (Act 1 of 2011; 68 Pa.C.S. §§ 8101, et. seq.), which defines a Private Transfer Fee as "a fee that is payable upon the
432 transfer of an interest in real property, or payable for the right to make or accept the transfer, if the obligation to pay the fee or charge runs
433 with title to the property or otherwise binds subsequent owners of property, regardless of whether the fee or charge is a fixed amount or
434 is determined as a percentage of the value of the property, the purchase price or other consideration given for the transfer." A Private
435 Transfer Fee must be properly recorded to be binding, and sellers must disclose the existence of the fees to prospective buyers. Where a
436 Private Transfer Fee is not properly recorded or disclosed, the Act gives certain rights and protections to buyers.

437 **15. MAINTENANCE & RISK OF LOSS (9-15)**

- 438 Seller will bear risk of loss from fire or other casualties until time of settlement. In the event of damage by fire or other casualties to any
439 part of the Property included in the sale that is not repaired or replaced prior to settlement (including, but not limited to, structures,
440 grounds, fixtures, appliances and personal property), Buyer will have the option of rescinding this Agreement and promptly receiving all
441 monies paid on account of purchase price or of extending settlement until such time as Seller can deliver the Property in completed condition.
442 Buyer is hereby notified that Buyer may insure Buyer's equitable interest in this Property as of the time of execution of this Agreement.
443

444 Buyer Initials: _____

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Seller Initials: _____

445 **16. WARRANTIES (11-00)**

446 (A) **Assignment of Manufacturer's Warranties:** Seller hereby assigns to Buyer the manufacturer's warranties on all appliances,
447 equipment, and other consumer products to be installed in or on the Property. Copies of these warranties will be delivered to Buyer.
448 Seller makes no warranties, representations or guarantees with respect to the appliances, equipment and consumer products, and all
449 such warranties, representations and guarantees are hereby disclaimed. The sole remedy of Buyer as to any such items will be to
450 make such claims as are appropriate under the manufacturer's warranties.

451 (B) **Limited Warranty:** Except as set forth in any new construction warranty that may be provided herewith, **SELLER MAKES NO**
452 **OTHER REPRESENTATIONS OR WARRANTIES OF ANY NATURE, EXPRESS OR IMPLIED, INCLUDING BUT NOT**
453 **LIMITED TO THOSE OF WORKMANLIKE CONSTRUCTION, HABITABILITY, DESIGN, CONDITION, QUALITY**
454 **OR OTHERWISE AS TO THE PROPERTY AND THE RESIDENCE AND OTHER IMPROVEMENTS CONSTRUCTED**
455 **THEREON, AND SELLER HEREBY EXPRESSLY DISCLAIMS ANY SUCH REPRESENTATIONS OR WARRANTIES.**
456 Buyer hereby acknowledges and accepts such disclaimer and agrees to waive any and all rights Buyer may have by virtue of such
457 representations and warranties. Except for the warranties provided by Seller, Buyer assumes the risk of any and all damage occurring
458 in or appearing on the Property from the date of settlement, regardless of the cause thereof. Buyer's assumption of this risk is partially
459 in consideration of the amount of the purchase price of the Property which is lower than it would be if Seller was to be held responsible
460 for any such risks by virtue of said expressed or implied representations or warranties.

461 **17. RECORDING (9-05)**

462 This Agreement will not be recorded in the Office of the Recorder of Deeds or in any other office or place of public record. If Buyer
463 causes or permits this Agreement to be recorded, Seller may elect to treat such act as a default of this Agreement.

464 **18. ASSIGNMENT (2-12)**

465 This Agreement is binding upon the parties, their heirs, personal representatives, guardians and successors, and to the extent assignable,
466 on the assigns of the parties hereto. Buyer will not transfer or assign this Agreement without the written consent of Seller unless otherwise
467 stated in this Agreement. Assignment of this Agreement may result in additional transfer taxes.

468 **19. GOVERNING LAW, VENUE AND PERSONAL JURISDICTION (9-05)**

469 (A) The validity and construction of this Agreement, and the rights and duties of the parties, will be governed in accordance with the
470 laws of the Commonwealth of Pennsylvania.

471 (B) The parties agree that any dispute, controversy or claim arising under or in connection with this Agreement or its performance by
472 either party submitted to a court shall be filed exclusively by and in the state or federal courts sitting in the Commonwealth of
473 Pennsylvania.

474 **20. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT OF 1980 (FIRPTA) (9-15)**

475 The disposition of a U.S. real property interest by a foreign person (the transferor) is subject to the Foreign Investment in Real Property
476 Tax Act of 1980 (FIRPTA) income tax withholding. FIRPTA authorized the United States to tax foreign persons on dispositions of U.S.
477 real property interests. This includes but is not limited to a sale or exchange, liquidation, redemption, gift, transfers, etc. Persons purchasing
478 U.S. real property interests (transferee) from foreign persons, certain purchasers' agents, and settlement officers are required to withhold
479 up to 15 percent of the amount realized (special rules for foreign corporations). Withholding is intended to ensure U.S. taxation of gains
480 realized on disposition of such interests. The transferee/Buyer is the withholding agent. If you are the transferee/Buyer you must find
481 out if the transferor is a foreign person as defined by the Act. If the transferor is a foreign person and you fail to withhold, you may be
482 held liable for the tax.

483 **21. NOTICE REGARDING CONVICTED SEX OFFENDERS (MEGAN'S LAW) (9-15)**

484 The Pennsylvania General Assembly has passed legislation (often referred to as "Megan's Law," 42 Pa.C.S. § 9791 et seq.) providing
485 for community notification of the presence of certain convicted sex offenders. **Buyers are encouraged to contact the municipal police**
486 **department or the Pennsylvania State Police for information relating to the presence of sex offenders near a particular property,**
487 **or to check the information on the Pennsylvania State Police Web site at www.pameganslaw.state.pa.us.**

488 **22. REPRESENTATIONS (2-12)**

489 (A) All representations, claims, advertising, promotional activities, brochures or plans of any kind made by Seller, Brokers, their licensees,
490 employees, officers or partners are not a part of this Agreement unless expressly incorporated or stated in this Agreement. This
491 Agreement contains the whole agreement between Seller and Buyer, and there are no other terms, obligations, covenants, represen-
492 tations, statements or conditions, oral or otherwise, of any kind whatsoever concerning this sale. This Agreement will not be altered,
493 amended, changed or modified except in writing executed by the parties.

494 (B) Buyer acknowledges that Brokers, their licensees, employees, officers or partners have not made an assessment of the plan, drawings,
495 specifications, or such documents as have bearing on the nature and quality of the structures to be built by Seller. Furthermore, Brokers,
496 their licensees, employees, officers, and partners make no representation with respect to permits or such other evidence of government
497 approval for the construction of the structures to be built by Seller, or of the environmental conditions, the permitted uses, the financial
498 condition of Seller, or the conditions existing in the locale where the property is situated nor have they made an inspection of the
499 components, appliances, systems, or consumer products to be installed in or about the Property.

500 (C) Any repairs required by this Agreement will be completed in a workmanlike manner.

501 (D) Broker(s) have provided or may provide services to assist unrepresented parties in complying with this Agreement.

502 **23. DEFAULT, TERMINATION AND RETURN OF DEPOSITS (1-18)**

503 (A) Where Buyer terminates this Agreement pursuant to any right granted by this Agreement, Buyer will be entitled to a return of all
504 deposit monies paid on account of Purchase Price, other than those amounts designated as non-refundable, pursuant to the terms
505 of Paragraph 23(B), and this Agreement will be VOID. Termination of this Agreement may occur for other reasons giving rise to claims
506 by Buyer and/or Seller for the deposit monies.

507 (B) Where Seller terminates this Agreement due to Buyer's default, breach or failure to comply with the obligations contained in this Agree-
508 ment, or where this Agreement is terminated through no fault of Seller, then Seller has the option of retaining all sums paid by Buyer,
509 including deposit monies designated as non-refundable.

510 Buyer Initials: _____

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Seller Initials: _____

- 511 (C) Where Buyer terminates this Agreement due to Seller's default, breach or failure to comply with the obligations contained in this
 512 Agreement, then Buyer will be entitled to a return of all deposit monies paid on account of Purchase Price, **including those amounts**
 513 **designated as non-refundable**, pursuant to the terms of Paragraph 23(B), and this Agreement will be VOID.
- 514 (D) Regardless of the apparent entitlement to deposit monies, Pennsylvania law does not allow a Broker holding deposit monies to
 515 determine who is entitled to the deposit monies when settlement does not occur. Broker can only release the deposit monies:
 516 1. If this Agreement is terminated prior to settlement and there is no dispute over entitlement to the deposit monies. A written
 517 agreement signed by both parties is evidence that there is no dispute regarding deposit monies.
 518 2. If, after Broker has received deposit monies, Broker receives a written agreement that is signed by Buyer and Seller, directing
 519 Broker how to distribute some or all of the deposit monies.
 520 3. According to the terms of a final order of court.
 521 4. According to the terms of a prior written agreement between Buyer and Seller that directs the Broker how to distribute the
 522 deposit monies if there is a dispute between the parties that is not resolved. (See Paragraph 23(E))
- 523 (E) Buyer and Seller agree that if there is a dispute over the entitlement to deposit monies that is unresolved 180 days after the
 524 Settlement Date stated in Paragraph 4(A) (or any written extensions thereof) or following termination of the Agreement, whichever
 525 is earlier, then the Broker holding the deposit monies will, within 30 days of receipt of Buyer's written request, distribute the deposit
 526 monies to Buyer unless the Broker is in receipt of verifiable written notice that the dispute is the subject of litigation or mediation.
 527 If Broker has received verifiable written notice of litigation or mediation prior to the receipt of Buyer's request for distribution,
 528 Broker will continue to hold the deposit monies until receipt of a written distribution agreement between Buyer and Seller or a final
 529 court order. Buyer and Seller are advised to initiate litigation or mediation for any portion of the deposit monies prior to any distri-
 530 bution made by Broker pursuant to this paragraph. Buyer and Seller agree that the distribution of deposit monies based upon the
 531 passage of time does not legally determine entitlement to deposit monies, and that the parties maintain their legal rights to pursue
 532 litigation even after a distribution is made.
- 533 (F) Buyer and Seller agree that Broker who holds or distributes deposit monies pursuant to the terms of Paragraph 24 or Pennsylvania
 534 law will not be liable. Buyer and Seller agree that if any Broker or affiliated licensee is named in litigation regarding deposit monies,
 535 the attorneys' fees and costs of the Broker(s) and licensee(s) will be paid by the party naming them in litigation.
- 536 (G) **Unless otherwise checked in Paragraph 23(H)**, upon Buyer default, Seller may elect to retain those sums paid by Buyer, including
 537 deposit monies:
 538 1. On account of purchase price, OR
 539 2. As monies to be applied to Seller's damages, OR
 540 3. As liquidated damages for such default.
- 541 (H) **SELLER IS LIMITED TO RETAINING SUMS PAID BY BUYER, INCLUDING DEPOSIT MONIES, AS LIQUIDATED**
 542 **DAMAGES.**
- 543 (I) If Seller retains all sums paid by Buyer, including deposit monies, as liquidated damages pursuant to Paragraph 24(F) or (G),
 544 Buyer and Seller are released from further liability or obligation and this Agreement is VOID.
- 545 (J) Brokers and licensees are not responsible for unpaid deposits.

546 **24. MEDIATION (2-12)**

547 Buyer and Seller will submit all disputes or claims that arise from this Agreement, including disputes and claims over deposit monies,
 548 to mediation. Mediation will be conducted in accordance with the Rules and Procedures of the Home Sellers/Home Buyers Dispute
 549 Resolution System, unless it is not available, in which case Buyer and Seller will mediate according to the terms of the mediation system of-
 550 fered or endorsed by the local Association of Realtors®. Mediation fees, contained in the mediator's fee schedule, will be divided equally
 551 among the parties and will be paid before the mediation conference. This mediation process must be concluded before any party to the
 552 dispute may initiate legal proceedings in any courtroom, with the exception of filing a summons if it is necessary to stop any statute of
 553 limitations from expiring. Any agreement reached through mediation and signed by the parties will be binding (see Notice Regarding
 554 Mediation). Any agreement to mediate disputes or claims arising from this Agreement will survive settlement.

555 **25. RELEASE (9-05)**

556 Buyer releases, quit claims and forever discharges SELLER, ALL BROKERS, their LICENSEES, EMPLOYEES and any OFFICER
 557 or PARTNER of any one of them and any other PERSON, FIRM or CORPORATION who may be liable by or through
 558 them, from any and all claims, losses or demands, including, but not limited to, personal injury and property damage and all of the
 559 consequences thereof, whether known or not, which may arise from the presence of termites or other wood-boring insects, radon, lead-
 560 based paint hazards, mold, fungi or indoor air quality, environmental hazards, any defects in the individual on-lot sewage disposal system
 561 or deficiencies in the on-site water service system, or any defects or conditions on the Property. Should Seller be in default under the
 562 terms of this Agreement or in violation of any Seller disclosure law or regulation, this release does not deprive Buyer of any right to
 563 pursue any remedies that may be available under law or equity. This release will survive settlement.

564 **26. REAL ESTATE RECOVERY FUND (1-18)**

565 A Real Estate Recovery Fund exists to reimburse any persons who have obtained a final civil judgment against a Pennsylvania real estate
 566 licensee (or a licensee's affiliates) owing to fraud, misrepresentation, or deceit in a real estate transaction and who have been unable to
 567 collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658.

568 **27. COMMUNICATIONS WITH BUYER AND/OR SELLER (9-15)**

- 569 (A) If Buyer is obtaining mortgage financing, Buyer shall promptly deliver to Broker for Buyer, if any, a copy of all Loan Estimate(s)
 570 and Closing Disclosure(s) upon receipt.
- 571 (B) Wherever this Agreement contains a provision that requires or allows communication/delivery to a Buyer, that provision shall be satis-
 572 fied by communication/delivery to the Broker for Buyer, if any, **except for documents required to be delivered pursuant to**
 573 **Paragraph 13.** If there is no Broker for Buyer, those provisions may be satisfied only by communication/delivery being made directly to
 574 the Buyer, unless otherwise agreed to by the parties. Wherever this Agreement contains a provision that requires or allows communi-

575 Buyer Initials: _____

Seller Initials: _____

576 cation/delivery to a Seller, that provision shall be satisfied by communication/delivery to the Broker for Seller, if any. If there is no
577 Broker for Seller, those provisions may be satisfied only by communication/delivery being made directly to the Seller, unless otherwise
578 agreed to by the parties.

579 **28. HEADINGS (9-15)**

580 The section and paragraph headings in this Agreement are for convenience only and are not intended to indicate all of the matter in the
581 sections which follow them. They shall have no effect whatsoever in determining the rights, obligations or intent of the parties.

582 **29. SPECIAL CLAUSES (9-15)**

583 (A) **The following are part of this Agreement if checked:**

- 584 Sale & Settlement of Other Property Contingency Addendum (PAR Form SSP)
585 Sale & Settlement of Other Property Contingency with Right to Continue Marketing Addendum (PAR Form SSP-CM)
586 Sale & Settlement of Other Property Contingency with Timed Kickout Addendum (PAR Form SSPTKO)
587 Settlement of Other Property Contingency Addendum (PAR Form SOP)
588 Appraisal Contingency Addendum (PAR Form ACA)

589 _____
590 _____

591 (B) **The following exhibits are made part of this Agreement if checked:**

- 592 Plot Plan of Lot Options/Extras/Alterations
593 House Plan/Floor Plan/Elevation New Construction Warranty
594 Floor Plan Reversed Restrictive Covenants/Deed Restrictions
595 Building Specifications Standard Features

596 _____
597 _____
598 _____

599 (C) **Additional Terms:**

600 _____
601 _____
602 _____

603
604
605 **Buyer and Seller acknowledge receipt of a copy of this Agreement at the time of signing.**

606 **This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and which counterparts**
607 **together shall constitute one and the same Agreement of the Parties.**

608 **NOTICE TO PARTIES: WHEN SIGNED, THIS AGREEMENT IS A BINDING CONTRACT. Parties to this transaction are advised**
609 **to consult a Pennsylvania real estate attorney before signing if they desire legal advice.**

610 **Return of this Agreement, and any addenda and amendments, including return by electronic transmission, bearing the signatures**
611 **of all parties, constitutes acceptance by the parties.**

612 _____ **Buyer has received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336.**

613 _____ **Buyer has received a statement of Buyer's estimated closing costs before signing this Agreement.**

614 _____ **Buyer has received the Deposit Money Notice (for cooperative sales when Broker for Seller is holding deposit money)**
615 **before signing this Agreement.**

616 **BUYER** _____ **DATE** _____

617 **BUYER** _____ **DATE** _____

618 **BUYER** _____ **DATE** _____

619 **Seller has received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code § 35.336.**

620 **Seller has received a statement of Seller's estimated closing costs before signing this Agreement.**

621 **SELLER** _____ **DATE** _____

622 **SELLER** _____ **DATE** _____

623 **SELLER** _____ **DATE** _____

EXHIBIT FIVE
Projected Budget

STONEGATE COMMONS PHASES III AND IV HOMEOWNERS ASSOCIATION
ESTIMATED BUDGET PER FISCAL YEAR
(As of February 20, 2020, the time of filing the original Declaration)

INSURANCE: \$ 800.00 Per Year

1. Officers and Directors Liability
2. Liability on Lots 30, 31, 147, and 167

TAXES:
Anticipated that Lots 30, 31, 147, and 167 will be exempt
from real estate tax

MANAGEMENT FEES:

10% of Total Budget with Minimum Amount Per Month of \$75.00	\$ 1,280.00 Per Year
Postage, Envelopes, Mailings, Collections	\$ 600.00 Per Year
Legal fees	\$ 3,00.00 Per Year

MAINTENANCE:

2 Cuts per month at \$300.00 per cut for 5 months	\$3,000.00 Per Year
Landscaping/Entrance sign maintenance	\$2,500.00 Per Year

BEST MANAGEMENT PRACTICES (BMPs):

Street sweeping – 2 Times per year at \$ 350 per	\$ 700.00 Per Year
Water quality inlets – 2 Times per year at \$600 per	\$ 1,200.00 Per Year

REPLACEMENT ESCROW:
Lots 30, 31, 147, 167, and 22 Future Replacement Escrow \$ 1,000.00 Per Year

ESTIMATED SUBTOTAL: \$14,080.00 Per Year

10% CONTINGENCY: \$ 1,400.00 Per Year

TOTAL: \$15,580.00 Per Year

Total expenses divided by 74 Units \$215.00 Per Year per Unit
rounded up from \$210.54

Initiation Fee (Not part of Budget) \$ 250.00 Per Unit

Note: This Budget assumes full build-out of all Units. Certain budget line-items may be more or less than the amount shown until all Units are sold.

EXHIBIT SIX

Property Report, Statement of Useful Life, and Estimated Replacement Costs of Major Items

(This report is as of February 20, 2020, the time of filing the original Declaration)

Common Facilities include Lots 30, 31, 147, and 167.

The Controlled Facilities include any entrance signs to the Planned Community, the lighting and landscaping contained within any landscaping and/or sign easements at the entrance to the Planned Community, and the stormwater drainage easements, all as shown on the Final Plan.

The Common Facilities and the Controlled Facilities are referred to collectively in this Exhibit as the "Improvements."

The Improvements were to be installed in 2019 and 2020. The signs may be erected subsequent to that date. There have been no major repairs to the Improvements, and there have been no inspections of the Improvements as the Improvements have not yet been installed.

This report lists certain Improvements, and for each such item, identifies the item, the quantity of the item contained in the Controlled Facilities or the Common Facilities, the useful life estimate, and the estimated replacement cost (in current dollars). Useful life estimates are averages and useful lives of particular items may vary. Useful lives are estimated under the assumption that all items will be properly maintained and not misused.

Future Replacement Escrow for Lots 30, 31, 147, and 167 and Lot 22:

1. The Estimated Useful Life of the Pipes, Outlets, and beds is 40 Years.
Replacement cost in 2020 dollars = \$40,000.00
 $\$40,000.00/40 \text{ Years} = \$1,000.00 \text{ Per Year}$
Yearly Reserve Escrow for Lots 30, 31, 147, 167, and 22 is \$1,000.00 Per Year

Maintenance and Replacement of the Controlled Facilities:

The Controlled Facilities need regular care and will be maintained and replaced as part of the annual budget of the Association.

The streets within the Planned Community, as well as utility installations, such as sewer lines and stormwater facilities that are all contained within the public rights-of-way of the streets, will be offered for dedication to the Township or other appropriate agency upon completion.

EXHIBIT SEVEN

Acknowledgement

Page 1 of 2

This will acknowledge that _____
("Buyers), who have entered into an Agreement of Sale for Unit No. _____ in the
Planned Community known as Stonegate Commons Phases III and IV in Conewago
Township, York County, have this day received a copy of the Public Offering Statement
for Stonegate Commons Phases III and IV, a Planned Community. Buyers have
executed both copies of this Acknowledgement. Page 1 of 2 is intended to be kept in
this Public Offering Statement booklet for Buyer's future reference. Page 2 of 2 is to be
removed after execution and delivered to the Declarant, after the Acknowledgment is
executed.

WITNESS:

BUYER:

DATE: _____

EXHIBIT SEVEN

Acknowledgement

Page 2 of 2

This will acknowledge that _____
("Buyers), who have entered into an Agreement of Sale for Unit No. _____ in the
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executed.

WITNESS:

BUYER:

DATE: _____