

**DECLARATION OF PROTECTIVE COVENANTS, EASEMENTS, RESTRICTIONS
EQUITABLE SERVITUDES, CHARGES AND LIENS**

**VILLAS AT SAGEWICKE
A RESIDENTIAL PLANNED COMMUNITY
PHASE IV, ANNEX**

This Declaration of Protective Covenants, Easements, Restrictions, Equitable Servitudes, Charges and Liens is made this 22nd day of November 2006, by Gary L. Houck, t/a Houck Properties, hereinafter referred to as "Declarant".

W I T N E S S E T H

WHEREAS, Gary Houck, t/a/ Houck Properties, is the Owner of a certain tract of land situate in West Hanover Township, Dauphin County, Pennsylvania, designated as: Sagewicke, Phase IV, consisting of eighteen (18) total lots, on the Final Subdivision Plan of Sagewicke Phase IV, as recorded in the Office of the Recorder of Deeds in and for Dauphin County in Plan Book "M", Volume 9, Pages 41-51; and Sagewicke Annex, consisting of twenty-four (24) total lots, on the Preliminary Subdivision Plan of Sagewicke Annex dated February 23, 2005, (hereinafter collectively referred to as the "Villas at Sagewicke" and/or the "Villas"); and does establish the following protective covenants, easements, restrictions, equitable servitudes, charges and liens relating to the improvements, use and enjoyment of all Lots now owned or hereafter created in said tract of land and hereby covenant and agree that all of the Lots which will be owned and conveyed under and subject to these protective covenants, which protective covenants shall run with the lots and bind the Grantees of said Lots, and their heirs, personal representatives, successors and assigns; and

WHEREAS, Declarant desires to create thereon therefor a residential neighborhood to be named the Villas at Sagewicke, with the right to the use and enjoyment of any Common Areas to be developed in the Villas at Sagewicke phases consisting of residential building lots, hereinafter "Villas".

WHEREAS, Declarant desires to ensure the attractiveness of the homes within the Villas at Sagewicke to prevent nuisances, protect and enhance the value and amenities of said Villas, and to provide for the maintenance of the Common Areas therein; and to accomplish these purposes, desires to subject the real Property included within the Villas, each and all of which is and for the benefit of said Property and each Owner thereof; and

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

WHEREAS, Declarant has incorporated a non-profit corporation for the purpose of exercising the owners and functions aforesaid within the Villas pursuant to the Declaration of Protective Covenants, Easements, Restrictions, Equitable Servitudes, Charges and Liens for each phase of the Villas.

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

PART A - DEFINITIONS

A-1. Act.

“Act” means the Pennsylvania Uniform Planned Community Act, 68 Pa. C.S.A. Section 5101 et seq. The provisions of the Act and those amendments thereto which by their terms would be applicable to this Planned Community shall apply to and govern the operation of the Planned Community, except to the extent that contrary provisions, not prohibited by the Act as amended, are contained in this Declaration (including the Plats and Plans) or the By-Laws.

A-2. Association.

“Association” shall mean and refer to the Villas at Sagewicke Homeowners Association, its successors and assigns, established pursuant to this Declaration.

A-3. Board.

“Board” means the Board of Directors of the Association elected pursuant to provisions hereof and the By-Laws.

A-4. By-Laws.

“By-Laws” means the By-Laws of the Association.

A-5. Common Area.

“Common Area” means that portion of the Property designated on a Final Plan as Common Area, or as a right-of-way, open space, pedestrian path, street islands, lighted entrance sign, and any improvements thereon and any other property, real, personal or mixed, acquired by the Association.

A-6 Common Expenses.

“Common Expenses” means the expenses or financial liabilities for the operation of the Common Areas and the Villas at Sagewicke Homeowners Association. These include:

- (i) Expenses of administration, maintenance, repair or replacement of the Common Areas;
- (ii) Expenses of mowing, trimming and pruning, mulching and fertilizing lawns as well as all front and side yard areas of a lot’s original landscaping plan;
- (iii) Expenses of snow removal (excluding de-icing and application of de-icing materials) from a lot’s front

yard sidewalks, driveway and sidewalk to the side entrance to the garage;

- (iv) Expenses of administration, maintenance, repair or replacement of the piers, entrance signage and landscaped areas, if any are erected, and may be designated at and along the entranceways, with ingress and egress to this area provided for the purposes of sign installation, maintenance and repair;
- (v) Expenses declared to be Common Expenses by the operative document or the Act;
- (vi) Expenses agreed upon as Common Expenses by the Association;
- (vi) Such reasonable reserves as may be established by the Association whether held in trust or by the Association for repair, replacement or addition to the Common Areas or any other real or personal property acquired or held by the Association.

A-7. Convertible and Withdrawable Real Estate

“Convertible and Withdrawable Real Estate” shall mean and refer to the parcel(s) more particularly identified as all that property set forth, described and attached hereto as Exhibit “A”, and upon which additional Units, Common Areas, or any combination thereof may be created or withdrawn and become subject to this Declaration and the provisions thereof.

A-8. Declarant.

“Declarant” means Gary L. Houck, an adult individual, t/a Houck Properties.

A-9. Declarant Control Period.

“Declarant Control Period” means the time period commencing on the date of recordation of this Declaration and ending on the earlier of:

- (i) Seven (7) years after the date of the first conveyance of a Lot to a Lot Owner other than the Declarant; or
- (ii) One hundred and eighty (180) days after the conveyance of seventy-five percent (75%) of the Lots to Lot Owners other than the Declarant which may be built on the Villas at Sagewicke.

A-10. Declaration.

“Declaration” means this Declaration of Protective Covenants, Easements, Restrictions, Equitable Servitudes, Charges and Liens for the Villas at Sagewicke, dated November 22, as amended or supplemented from time to time, which term sometimes is referred to in this document by use of such words as “hereto”, “hereby”, “herein”, “hereof”, and “hereunder”, or other descriptive words or phrases having similar import.

A-11. Executive Board

“Executive Board” means the Board of Directors of the Association.

A-12. Final Plan.

“Final Plan” means a subdivision or land development plan for the Villas at Sagewicke and Sagewicke Annex, or any portion thereof, as adopted by Declarant and, if applicable, as submitted to and approved by the authorities of West Hanover Township, Dauphin County, Pennsylvania, and, if applicable, on record in Dauphin County, and any supplements or amendments thereto.

A-13. Lot.

“Lot” shall mean and refer to any plot of land shown as a lot upon any recorded subdivision plot of the Villas, but shall not include the Common Area.

A-14. Maintenance.

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

A-15. Lot Owner.

“Lot Owner” means the Declarant or other individual, corporation, trust, estate, partnership, association or other legal or commercial entity (herein "Person"). Lot Owner does not include a person having an interest in a Unit solely as security for an obligation. The Declarant is the initial owner of any Unit created by this Declaration.

A-16. Majority or Majority of Lot Owners.

“Majority or Majority of Lot Owners” means the owners of more than fifty (50%) percent of the votes in the Villas at Sagewicke Homeowners Association.

A-17 Party Wall.

“Party Wall” means a wall shared within a duplex building.

A-18. Percentage Lot Interest.

“Percentage Lot Interest” means the undivided ownership interest in the Common Areas appurtenant to each Lot, as the same may be amended from time to time.

A-19. Property.

“Property” means the Property, including the land and all improvements, easements, rights and appurtenances which have been submitted to the provisions of the Act by this Declaration.

A-20. Provisions of the Act.

“Provisions of the Act” means the Act and those amendments thereto which by their terms would be applicable to this Planned Community and shall apply to and govern the operation of the Planned Community, except to the extent that contrary provisions, not prohibited by the Act, as so amended, are contained in this Declaration, including the Plats and Plans, or the By-Laws.

A-21. Public Offering Statement.

“Public Offering Statement” means the current document prepared pursuant to Section 5402 of the Act as it may be amended from time to time and provided to purchasers prior to the time of execution of a binding purchase agreement.

A-22. Rules and Regulations.

“Rules and Regulations” means such rules and regulations as are promulgated by the Board of Directors of the Association from time to time with respect to various details of the use of all or any portion of the Property, which either supplement or elaborate upon the provisions in the Declaration or By-Laws.

A-23. Sagewicke, Annex.

“Sagewicke, Annex” shall include that area designated as Lot 135 and shall also mean the “Villas at Sagewicke” and include any final Plats and Plans providing for the subdivision of a

portion of the Villas at Sagewicke, platting, *inter alia*, twenty-four (24) lots on the Preliminary Subdivision of Sagewicke Annex dated February 23, 2005, as amended.

A-24. Sagewicke, Phase IV.

“Sagewicke, Phase IV” shall mean the “Villas at Sagewicke” and include any final Plats and Plans providing for the subdivision of a portion of Sagewicke, Phase IV platting, *inter alia*, eighteen (18) lots as recorded in Dauphin County Plan Book “M”, Volume 9, Pages 41-51.

A-25. Special Declarant Rights.

“Special Declarant Rights” means Special Declarant Rights as defined in Section 5103 of the Act and such additional rights reserved for the benefit of the Declarant as set forth in the “Villas at Sagewicke Documents.”

A-26. Villas at Sagewicke.

“Villas at Sagewicke” and/or “Villas” means the residential community to be developed and constructed on the Property by Declarant, in phases, by subdivision of Lots and Common Area, by acquisition and construction of residential dwellings thereon and other improvements, including roads, utility facilities and such other improvements deemed necessary or desirable by Declarant.

A-27. Villas at Sagewicke Common Areas.

The “Villas at Sagewicke Common Areas” (hereafter the “Common Areas”) shall mean and refer to those Common Areas and properties as designated and excluding those areas of land dedicated to public use, on any Final Plan, and including those areas of land and any improvements thereto for streets (not dedicated to public use), street islands, lighted entrance sign, parking areas, driveways, pedestrian walkways, landscaping, lawn areas and any buildings, structures or appurtenances incident thereto, which properties and improvements are to be maintained for the benefit of Owners of Lots within the Villas.

A-28. Villas at Sagewicke Documents.

The “Villas at Sagewicke Documents” and/or “Villas Documents” consist of this Declaration including the Plats and Plans, the By-Laws and the Rules and Regulations.

PART B - PROPERTY SUBJECT TO THIS DECLARATION

B-1. Existing Property.

The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is more particularly described on Exhibit "A" attached hereto and as set forth on the Final Subdivision Plan of the Villas at Sagewicke, Phase IV, recorded in the Recorder of Deeds Office of Dauphin County, at Plan Book "M", Volume 9, Pages 41-51; and on the Preliminary Subdivision Plan for the Villas at Sagewicke Annex – Lot 135, dated February 3, 2005, and excluding the area designated therein as Lot 136.

PART C - PROPERTY RIGHTS

C-1. Owners' Easements of Enjoyment.

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

- (a) The right of the Association to suspend the voting rights and the right to use Common Area or any facility thereon by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules;
- (b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority for such purposes and subject to such conditions as may be agreed upon by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer is recorded. The effect of such declaration or transfer shall be to terminate the provisions of and rights and obligations of all parties bound by this Declaration with respect to such dedicated or transferred are;
- (c) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and in aid thereof, to mortgage said properties and the rights of such Mortgages in said properties shall be subordinate to the rights of the Owners hereunder;
- (d) The right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure;
- (e) The right of the Association to charge reasonable admission, use and other fees for the use of the Common Areas;

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

C-2. Delegation of Use.

Any Owner may delegate, in accordance with the By-Laws of the Association, his right of enjoyment to the Common Area and any facility thereon to the members of his family, his tenants, or contract purchasers who reside on a Lot.

C-3. Easement of Ingress, Egress and Regress.

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

C-4. Party Walls - General Rules of Law to Apply.

Each wall which is built as part of the original construction of the attached duplex dwellings upon the Villas and placed on the dividing line between the single-family dwelling units shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligent or willful acts or omissions shall apply thereto.

PART D - MEMBERSHIP AND VOTING RIGHTS

D-1. Membership.

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

D-2. Voting Rights: Classes.

The Association shall have two classes of voting membership:

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

Class B. The Declarant shall be the Class B member in the Sagewicke Homeowners Association and shall be entitled to two (2) votes for each Lot approved for construction on the Property in which it holds the interest required for membership. The Class B membership will cease and be converted to Class A membership on the happening of the earlier of the following events:

- (i) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or
- (ii) twenty (20) years from the date hereof.

From and after the happening of these events, whichever occurs earlier, the Class B member shall then be deemed to be a Class A member entitled to one (1) vote for each Lot in which it holds the interest required for membership under. A majority vote of each Class of outstanding shares shall be required for actions of the Association.

PART E - COVENANT FOR MAINTENANCE AND ASSESSMENT.

E-1. Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each Lot owned by it upon which a completed private dwelling is erected and for which a certificate of occupancy has been issued within the Villas, hereby covenants, and each subsequent Owner of any Lot (other than an Owner deemed a Declarant for such Lot) whether or not it shall be so expressed in the deed to such Lot, regardless of whether a completed dwelling home has been erected or Certificate of Compliance issued, is deemed to covenant and agrees to promptly pay to the Association: (1) annual assessments or charges, and

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

E-2. Purpose of Assessments.

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

E-3. Initiation Fee.

The initiation fee as set forth in the Offering Statement of \$300.00.

E-4. Annual Assessments for Common Expenses.

The Association may levy and collect, in each Fiscal Year, a monthly assessment upon each Lot liable therefor to provide revenues to pay all Common Expenses, including inter alia, the following:

- (a) Maintenance of the Common Area, any development sign at entrances to the Villas, traffic islands, any landscaping or lighting around any development sign or entrance area.
- (b) Trash collection, refuse and garbage removal, sewerage use, snow removal, landscaping, vermin extermination, or other similar services, if any, provided to any part of the Common Areas.
- (c) Comprehensive liability insurance coverage, insuring to the extent available, the Owners, the Declarant and the Association against any liability to the public or to Owners, their tenants or invitees, relating in any way to the ownership and/or use of the Common Area and/or any part thereof; limits of liability shall be at least Five Hundred Thousand and 00/100 (\$500,000.00) per occurrence. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Board and may be increased in its discretion.

- (d) Such workman's compensation insurance and other such insurance as applicable laws may require or as the Board may deem advisable.
- (e) Management fees and salaries or such expenses as the Association may deem necessary or desirable for the operation and Maintenance of the Common Area.
- (f) Legal, accounting, engineering or other professional fees and administrative costs necessary and proper for any one or more of: operation and maintenance of the Common Area, conduct of the affairs of the Association, or enforcement of the Declaration, or any rules and regulations.
- (g) A fidelity bond or bonds as the Association may deem necessary.
- (h) Maintenance, improvements and additions to the Common Area, which will include storm water management facilities, as the Association may deem necessary and proper, as well as any materials, supplies, labor, services, structural alterations, insurance and tax assessments which apply thereto and/or which the Association is required to secure or pay by law, by this Declaration or which the Board deems necessary and proper in its discretion.
- (i) Mechanic's and materialmen's liens arising as a result of Maintenance of the Common Area or part of it.
- (j) Real estate, sale and use and all other taxes or other governmental charges due or paid with respect to use, ownership or occupancy of the Common Area, provided, however, that real estate taxes on the Common Area shall be paid only to the extent that such taxes are assessed against the Association as the Owner of record of the Common Area. Any portion of the Common Area included within the tax assessment of a particular Lot by the appropriate taxing authorities shall be the responsibility of the Owner of such Lot and shall in no event be a responsibility of the Association.
- (k) Amounts necessary to recover any deficits from the operations of the Association in prior years.
- (l) Adequate reserves, as determined by the Board for: 1) repair, replacement or depreciation of the Common Area or any portion thereof; 2) uncollected accounts; and 3) any other contingency for which a reserve account reasonably may be established pursuant to sound accounting practices.
- (m) Expenses of mowing, trimming and fertilizing all lawns as well as trimming, pruning, mulching and fertilizing all front and side yard areas of a lot's original landscaping plan.

- (n) Expenses of snow removal (excluding de-icing and application of de-icing materials) from a lot's front yard sidewalks, driveway and sidewalk to the side entrance to the garage, if any.

E-5. Commencement of Assessments.

Assessments may begin in April 2006 at a rate to be determined by the Board.

E-6. Special Assessments for Capital Improvements.

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

E-7. Supplemental Assessments.

If the base estimated at the beginning of any Fiscal Year (commencing on or after the calendar year 2006) 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 his assessment, the Board may, at any time it deems necessary and proper, levy a supplemental assessment annually and/or monthly against each Lot except that in the event such supplemental assessment annually and/or monthly is required because of the failure of one or more Owners to promptly pay an assessment, the supplemental assessment against other Lots may be determined based upon the anticipated failure of such defaulting Owner or Owners to pay its or their share of such supplemental assessment.

E-8. Billing Assessments.

Monthly assessments are due and payable on the first day of each month. Each Owner shall pay any assessment bill levied hereunder within thirty (30) days.

E-9. Failure of Board to Fix Annual Assessments.

If a monthly assessment for Common Expenses during any Fiscal Year is not fixed before the expiration of the previous Fiscal Year, the Owners shall continue to pay the same sums they were paying in the Fiscal Year just ended as if such sums were the new assessment, and such failure to fix a new annual assessment shall not constitute a waiver, modification or release of any Owner's obligation. If the Association shall change the 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.

E.10. Fiscal Year.

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

E-11. Other Special Assessments.

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

- a) Any expenditure which the Association shall be required to make for the Maintenance of all or any part of the Common Area because of any injury thereto or misuse thereof by one or more Owners or their tenants, guests, invitees or licensees or resulting from theft or in damage to any portion of the Common Area shall be assessed as a special assessment against the Lot owned by the Owner or Owners responsible for such injury, loss or misuse, or whose tenants, guests, invitees or licensees caused such injury, loss or misuse.
- b) If the Association shall have made any expenditure on behalf of any Owner or Owners for any reason deemed necessary by the Board, the Board shall levy such expenditures as a special assessment upon the Lot owned by the Owner so benefits or who is responsible for the expenses. Such special assessments shall be levied promptly, and the debt arising from such special assessment shall be treated and due in the same manner as the assessment.

E-12. Association Purchase of Lots.

To protect its right to collect unpaid assessments which are a charge against a Lot as provided herein, the Association may, in its own name or in the name of a designee, purchase such Lot at a Sheriff's Sale or other sale, public or private. If the Association does so purchase the Lot, the Association shall thereafter have the power to sell, convey, mortgage or lease such Lot to any persons whatsoever upon any terms and conditions which it deems proper. Payment of such purchase price and the expenses or purchase by the Association shall be a Common Expense, and income from any such resale, conveyance, mortgage or lease shall be placed in the Common Expense Fund for the benefit or loss of the Owners so that their assessments may be reduced or increased by reason of such transaction. The defaulting Owner shall be responsible for any loss and liable personally for the payment thereof. The provisions hereof shall not be

construed to require the Association to purchase any Lot at a Sheriff's Sale nor shall they be construed to prevent Declarant in its capacity as developer from purchasing the same.

E-13. Notice and Quorum for Any Action.

Written notice of the time and location of any meeting called for the purpose of taking any action authorized shall be sent to all members not less than 10 days or more than 60 days in advance of the meeting. At any such meeting called, the presence of members or of proxies entitled to cast thirty-three and one-third (33 1/3%) percent of all the votes of each class membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and there shall be no quorum requirement.

No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. The above notice and quorum requirement shall supersede and be in lieu of any notice or quorum requirements at any time hereafter adopted by the Association in its By-Laws, Articles or any resolution, and may be modified only by an amendment to this Declaration. Notice and quorum requirements for all other meetings of the Association called for purposes not in any way including the taking of any action authorized under Section 3 or 4 hereof shall be governed by the Articles and By-Laws of the Association.

E-14. Uniform Rate of Assessment.

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

E-15. Effect of Nonpayment of Assessments: Remedies of the Association.

If any assessment is not paid within ten (10) days after the due date, then each such assessment, or monthly installment thereof as the case may be, shall bear and be subject to a late charge fee in such amount as determined by the Board of Directors of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at such rate per annum compounded monthly to be determined by the Board of Directors of the Association. The Association may bring an action at law against the Owner personally obligated to pay the assessment, or foreclose the lien against the property. In addition, Owner shall likewise be responsible for payment of reasonable attorneys fees and costs if the assessment and interest is more than sixty (60) days in default. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot, or any other reason.

E-16. Subordination of the Lien to Mortgages.

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

PART F - ARCHITECTURAL CONTROL

F-1. Building Plans: Approval.

Excepting any original construction by the Declarant, no building, fence, wall or other structure shall be commenced, erected or maintained upon the Lots in the Villas, until the builder and the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures, topography and finished ground elevation by the Declarant, or by an architectural committee, or other appropriate designees, appointed by Declarant. The Declarant, however, by approval of any such plans shall not assume, directly or impliedly, any responsibility, duty or liability with regard to the sufficiency, adequacy or any other aspect of such plans, to include conformity with any governmental statutes or regulations.

F-2. Site Plan: Approval.

A final site development plan showing the final grading for the Lot shall be approved by Declarant, or by Declarant's designee(s).

F-3. Approval of Plans Prior to Construction.

Written approval of the building plans and site plan must be obtained prior to the commencement of construction of any building on any Lot by Declarant, and by committee appointed by the Association. A failure to comply with this requirement may permit Declarant or Association to seek legal and/or equitable relief, as may be appropriate to enjoin the construction and/or removal of any construction commenced prior to the approval. Any such proceeding that

is necessitated by the failure to obtain approval violating Owner shall also be responsible for all of Declarant's or Association's reasonable court and legal costs, charges and fees.

F-4. Building Commencement and Completion.

Construction of the dwelling house on any Lot must commence within one (1) year of purchase of the Lot by the Owner, and completion of the dwelling house and driveway asphalt, concrete, brick or other similar material shall occur within one (1) year of commencement of construction of the dwelling house. However, the commencement of construction within one (1) year may be waived in writing by Declarant.

F-5. Landscaping Plan.

Prior to the occupancy of any dwelling located on a Lot a landscaping plan for the Lot, showing the type, size and location of the plants, trees and materials shall be submitted to and approved in writing as to conformity and harmony with Township Ordinances and Regulations and, all other governmental regulations, existing structures, topography and finished ground elevation by the Declarant, or by a landscaping committee appointed by the Declarant or his designee(s). The grass plot on the Lot and the plants and materials as shown on the landscaping plan shall be installed by the Owner within six (6) months of the commencement of construction of any dwelling on the Lot. No planting other than grass and flower beds shall be permitted in the area from the property line to the curb. Trees, shrubs and bushes of any type, form or kind are specifically prohibited in this area.

F-6. Plan Changes.

No changes shall be made in the approved plans prior to the occupancy of any dwelling house located on a Lot without the prior written approval of Declarant or his designee(s) as above provided.

F-7. Exterior Changes After Occupancy.

After the initial occupancy of any dwelling house located on a Lot, any erection of a structure (including but not limited to fences, walls and mailboxes), any addition or alteration to a lot or the exterior of a structure, or any change in the existing color or finish of any exterior surface of any building on a Lot shall not be done until plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding

structures finished ground elevation and topography, by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such change, design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

PART G - RESTRICTIVE COVENANTS

G-1. Residential Use.

The Lots shall be used for residential purposes only, and no other land use shall be permitted thereon at any time. An in-home office and/or in-home business may be conducted within a residential structure erected on a lot, but any signage advertising, identifying or relating thereto, is strictly prohibited; no parking for clients, customers or patrons shall be allowed on the roadways, and any such use must comply with any and all Township rules and regulations, and any other relevant governmental body. Otherwise, no business, professional office, store, retail operation or any other commercial or eleemosynary enterprise of any kind shall be conducted on any Lot or in or on a part of any residential structure erected on the Lot. However, a Lot may be used as a model home/sales office by Declarant or his successor or assignee of the sale of homes in the Villas as long as homes are still being built in any portion of Sagewicke.

G-2. Residential Structures.

No structure other than one (1) duplex dwelling house with an attached or detached garage and, provided the same are compatible with the nature, design, landscaping and construction of the main house and are properly landscaped and screened, storage sheds and other structures and facilities ancillary or incidental to residential use shall be erected on any Lot without approval of the Declarant and the Board of Directors of the Association.

G-3. Temporary Structures.

No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently without Township approval. Outside water closets shall not be erected or maintained on any of the said Lots after construction has been completed on said Lot. A construction trailer, or a shed

for the housing of tools, incident to the erection of dwelling houses on Lots may be erected or placed on a Lot with the written permission of the Declarant.

G-4. Size of Structures.

Each dwelling structure erected on a Lot, of a one story dwelling home, shall contain not less than sixteen hundred (1600) square feet of finished living space and of a two story dwelling home, not less than eighteen hundred (1800) square feet of finished living space. Such minimum requirements could be calculated to not include the basement, finished or unfinished, or garage, whether or not partially exposed, nor include any other accessory buildings or structures, if any, incidental to residential use. Each dwelling home shall also contain an attached or detached two or three car garage.

G-5. Exterior Materials.

No building blocks or concrete shall be used in the exterior walls of any building above the finished grade of the ground unless faced or covered with brick, natural stone, stucco, wood, approved aluminum siding, vinyl siding, or such other materials as shall have been prior approved by Declarant and the Board of Directors of the Association as above provided. Outside finishes on all chimneys shall be constructed with masonry materials and be finished with bricks, stone or Dryvit, or as approved by Declarant or his designee(s).

G-6. Excavation.

No excavation for stone, gravel or earth shall be made upon the Lot except for walls, basements or cellars, or dwellings to be constructed in accordance with this Declaration.

G-7. Grade.

No Lot Owner shall at any time raise the grade of any Lot or Lots subject to this Declaration above the grade established or to be established by the Declarant without written consent of the Declarant and the Board of Directors of the Association.

G-8. Setback.

All land within twenty-five (25) feet of any street shall be used solely for walkways, lawns, driveways and approved landscaping. No fences shall be located closer than twenty-five (25) feet from any street, except for section(s) of fencing employed as decorative landscaping.

G-9. Garages. Private garages to accommodate no more than three (3) automobiles may be erected and maintained on any of the said Lots, either as an integral part of the dwelling

house erected thereon and/or as a separate garage. If a separate garage is erected or maintained, it shall not exceed one (1) story in height, shall be accessory to the use of the dwelling house but not used as a dwelling and shall comply with all other setbacks as shown on the Final Subdivision Plan.

G-10. Storage Tanks.

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

G-11. Livestock, Poultry and Pets.

No animals, livestock or poultry of any kind shall be raised, bred or kept in any dwelling or on any Lot, except that dogs, cats or other domesticated household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose and provided that not more than five (5) pets in the aggregate may be kept on any Lot. Each Owner shall be responsible for the control of his or her domesticated household pets and shall be responsible for cleaning up after his or her pet. In the event of failure of Owner to properly clean up after his or her pet, the Association may take whatever action is necessary to clean up after the pet of Owner and may surcharge Owner for the reasonable cost thereof.

G-12. Garbage, Trash.

No garbage, refuse, rubbish, solid waste, yard waste or cuttings shall be deposited on any Lot, street, sidewalk or parking area. Containers shall not be placed on any street, sidewalk, front yard or part of the Common Area except when necessary for collection commencing twenty-four (24) hours before and ending twenty-four (24) hours after the day of collection. Containers shall regularly be kept in a location on the Lot in a side or rear yard which is unobtrusive to view from any other Lot in the Villas, and screened from view with approved fencing as provided by the rules of the Association. Containers shall be securely fastened, sufficiently tight and maintained in good condition to retain rubbish, garbage, solid waste, yard waste and cuttings therein.

G-13. Architectural Control.

No structural improvements of any kind (including, but not limited to, mailboxes and attachments thereto, etc.) shall be erected, placed or altered on any Lot until the building plans, specifications and plot plan showing the location of all structures and other improvements have been approved by the Declarant or his designee(s) and the architectural control committee

appointed by the Board of Directors of the Association as to size, quality, materials, harmony, topography, location on the Lot, finished grade elevation, landscaping, exterior lighting, color schemes, estimated costs, and all matters of exterior style and appearance, and such other information as shall be reasonably requested.

G-14. Construction Commencement and Completion.

Unless specifically exempted by sales agreement or deed, every purchase of a Lot must begin construction within twelve (12) months and complete construction of the dwelling house, and related improvements and landscaping, within eighteen (18) months after taking title to the Lot. Declarant shall have the right to repurchase, and by acceptance of the deed to any Lot, each Owner agrees to resell it to the Declarant, or its assignee or designee, any Lot where construction of the dwelling home does not commence within such twelve (12) month period. Declarant shall exercise such right by providing written notice thereof to the Lot Owner at any time after the twelve (12) month period expires and prior to the commencement of construction of the dwelling house by the Lot Owner. Settlement shall occur within thirty (30) days of the date of such notice, the purchase price shall be identical to the purchase price initially paid by the Lot Owner, transfer taxes shall be divided equally between the Declarant and the Lot Owner, and the Lot Owner shall convey by special warranty deed, good and marketable fee simple title to the Lot to Declarant, free and clear of all liens, subject only to easements existing as of the date the Lot was initially conveyed to the Lot Owner.

G-15. Commercial Vehicles.

No commercial or other non-passenger vehicle of any type and no unlicensed or non-operational motor vehicles of any type shall be permitted to remain overnight on any property of a Lot Owner within the Villas, other than as may be used by the Declarant, or a builder approved by Declarant, in conjunction with building operations. Notwithstanding the foregoing, if a property owner, as a condition of employment, is required to drive a vehicle to his home, such is permitted providing the vehicle has 10,000 pounds or less of gross vehicle weight, and is parked at all times on the owner's property. This exception shall furthermore permit only one commercial vehicle per lot within said limitations and conditions.

G-16. Boats and Campers.

No boats, campers, trailers, motor homes or other recreational vehicles shall be permitted to be parked on any Lot or on any street within the Villas to load and/or unload for more than three (3) days, unless garaged.

G-17. Radio and Television Antennas.

No radio or television antennas, or satellite dish antennas, shall be erected or maintained outside of a building on any Lot, except for satellite dishes upon approval of the Declarant and the Board of Directors of the Association which do not exceed applicable federal, state and township laws, ordinances, rules and regulations.

G-18. Nuisances.

No noxious, unsightly or offensive activity, including vehicle repairs done outside of buildings, shall be conducted on the property of a Lot Owner or on the streets, nor shall anything be permitted to be done thereon which may be or may become an annoyance or nuisance to the residents of the Villas.

G-19. Outbuildings.

All outbuildings or similar structures separate from the single family dwelling home constructed on the Lot shall be constructed with material compatible with the construction of the main dwelling home and shall be approved by Declarant or his designee(s) or by the Board of Directors of the Association prior to commencement of any construction. Any facility such as skating rinks, or skateboard ramps whether temporary or permanent are prohibited.

G-20. Signs.

No sign of any kind shall be displayed to the public view on any Lot or improvement thereon except a one-family name sign of not more than approximately one hundred forty-four (144) square inches, or one temporary sign of not more than four (4) square feet, advertising the property for sale, rent or open house; provided, during the construction or sale of homes the builder's and/or Declarant's "under construction," "model development home" and "for sale" signs of not more than thirty-two (32) square feet may be displayed.

G-21. Driveways.

All driveways and parking areas of each Lot shall be paved with asphalt or constructive materials acceptable to the Declarant and the Board of Directors of the Association and shall

furthermore comply with all Township Ordinances and Regulations. All driveways shall be paved within six (6) months of completion of the dwelling home on the Lot. Driveway aprons from sidewalk to street shall be concrete. All driveways and aprons shall be constructed of macadam, brick or concrete and shall be constructed upon completion of the single family dwelling home constructed upon the Lot, weather permitting.

G-22. Snow Removal.

The Association shall provide and be responsible only for snow removal from the following Lot areas: curbside front yard sidewalk; the front yard sidewalk to a dwelling's entrance; driveways; and the sidewalk from the driveway to the side yard garage entrance. Snow removal shall not include the supplying or applying de-icing materials or substances on any lot. All other snow removal, de-icing and inclement weather maintenance of a lot shall be the responsibility of the owner.

G-23. Mailboxes.

The location, style and design of mailboxes shall be determined by Declarant or his designee(s) and by the Board of Directors of the Association.

G-24. Swimming Pools.

No swimming pools, whether permanent or temporary, may be placed, erected and constructed upon any lot without the prior written approval of the Declarant or his designee(s) and the Board of Directors of the Association.

G-25. Re-subdivision.

Any further subdivision of any Lot on the aforesaid plan is forbidden by Declarant or by successor in title and position to Declarant, unless said subdivision is first approved by the Board of Directors of the Association.

G-26. Lot Maintenance.

1. With regard to lawns and landscaping, maintenance shall be provided by the Association only for: regular mowing, trimming and fertilizing of all grass yard areas; and grooming, trimming, pruning, mulching and fertilizing of all landscape areas in the front and side yard portions of an owner's property as set forth on the original landscape Plan for the Lot, in order that same shall be maintained similar to that maintained by other property owners in the Villas community. All other Lot and landscape area maintenance shall be the responsibility of

and provided by the Lot owner. All expenses and maintenance of all lawn and grass yard areas as well as landscape areas located within any fenced area(s) of a Lot shall be the responsibility of and provided by the Lot Owner and not the Association.

2. Each Lot landscape area shall be maintained in a neat, clean and attractive manner, consistent with its natural wooded state, prior to, during and after construction of any structure. All grass, trees and shrubbery shall be maintained and pruned regularly and kept in an attractive and orderly condition at all times. Furthermore, no trees having a diameter of six (6) inches or more shall be cut down, unless dead, damaged or diseased, without the prior approval of the Declarant or the Association. If there would occur a violation of this provision, and if Owner would fail to comply upon no less than fifteen (15) days prior notice from the Declarant or Association, the Declarant or Association may provide the required maintenance and charge and assess the Owner all costs therefor.

3. The Association shall be responsible only for and shall only maintain and repair those areas designated as open space and Common Areas in the Declaration and Final Plan and shall exclude those areas, lots and properties which are required by this Declaration or applicable law to be maintained by record Owners. The Association shall not have the duty, responsibility or liability to maintain, repair and replace, as necessary, any property or other area not designated as open space or common area or except as otherwise provided in this section. Each Lot Owner shall maintain, repair and replace, at their own expense, any and all parts or portions of their lot, including all structures and improvements thereon, except those portions thereof specifically required by this Declaration to be maintained, repaired and/or replaced by the Association.

G-27. Reconstruction.

If any structure is partially or totally damaged by fire or other casualty, the Owner shall repair or reconstruct the structure in accordance with the plans and specifications submitted to, and approved by, the Declarant or the architectural review committee. All repairs and reconstruction shall be commenced within three (3) months and complete within six (6) months after the damage has occurred. If the damaged structure is not repaired or reconstructed because of reasons beyond the Owner's control, the Owner shall clear and restore the site to its natural state within three (3) months of the date of the damage.

G-28. Landscaping and Landscape Areas.

Upon initial construction of a dwelling on a Lot, an original Landscape Plan shall be approved by the Declarant. The installation, modification and alteration of all additional landscaping and landscape areas must first be approved by the Declarant and the Board of Directors of the Association following submission of a landscape plan. Owner shall bear the actual cost of preparing the plan and the Board's review of the plan.

G-29. Storm Water Facilities.

Each Lot Owner shall maintain in a good, safe and attractive condition any storm water retention basin, swales and ditches located on said Lot in the same manner, design and plan as originally constructed and described in the Final Subdivision Plan for the Villas, defined as Existing Property herein.

G-30. Exterior Laundry Drying Facilities.

All clotheslines or other exterior laundry drying facilities, to include racks and rotating-type equipment, must be placed in the rear yard of the dwelling and be of a retractable nature. In no case may a permanent wash line or poles be installed. All clotheslines or other exterior laundry drying facilities shall be retracted and removed when not in use.

G-31. Street Right-of-Way.

The area between the edge of any public street (Lot property line) and the roadway curbing within the right-of-way along all paved streets shall be developed and maintained as part of the landscaping plan of any Lot.

G-32. Fencing.

Fences may be permitted, placed, erected or constructed upon any Lot only with prior approval of the Declarant and the Board of Directors of the Association. All fences shall be compatible and consistent throughout the Villas Community.

G-33. Gardens.

Any vegetable garden shall be located to the rear of the dwelling home.

G-34. Style.

All dwelling homes constructed in the Villas shall be historical/traditional style architecture and shall not be of contemporary modern style.

G-35. Lighting.

Exterior lighting, except for street and/or front yard post lights, shall be shielded to prevent glare and shall not directly light areas beyond Lot boundaries.

G-36. Mailboxes and Gas and/or Electric Lamp Posts.

Each dwelling home, in accordance with approved specifications of the Association, shall install at each Lot Owner's cost, a gas and/or electric lamp post and mailbox in a type and form approved by the Declarant and the Board of Directors of the Association.

PART H - MAINTENANCE OF COMMON AREA AND RIGHT-OF-WAY

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

PART I - DECLARANT'S RIGHTS

I-1. Declarant Control of the Villas at Sagewicke Homeowners Association.

(a) Subject to the Act, there shall be a period of Declarant control of the Association during which Declarant or persons designated by the Declarant, may appoint and remove the officers and members of the Executive Board. The period of Declarant control terminates no later than the earlier of:

- (1) One hundred and eighty (180) days after conveyance of seventy-five percent (75%) of the Lots that may be created, to Lot Owners other than Declarant; or
- (2) Seven (7) years after the first Lot is conveyed to a Lot Owner other than Declarant; or
- (3) Two (2) years after Declarant stops the sale of Lots.

A Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of that period, but only by Amendment to this Declaration executed by Declarant which shall not be effective until recording, but in that event, the Declarant may require, for the duration of the period of Declarant control, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

(b) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Lots that may be created to Lot Owners other than Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Lot Owners other than Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots that may be created to Lot Owners other than Declarant, not less than thirty-three and one-third percent (33-1/3%) of the members of the Executive Board must be elected by Lot Owners other than the Declarant.

(c) Notwithstanding any provisions of the Declaration or the By-Laws to the contrary, following notice of not less than ten (10) nor more than sixty (60) days in advance of any meeting under Section 5308 of the Act, the Lot Owners, by a two-thirds (2/3) vote of all person present and entitled to vote at a meeting of the Lot Owners at which a quorum is present, may remove a member of the Executive Board with or without cause, other than a member appointed by the Declarants.

Section I-2. Convertible and Withdrawable Real Estate.

(a) Convertible Real Estate. Declarant hereby explicitly reserves an option, until the seventh (7th) anniversary of the recording of the initial Declaration, to convert all or any portion or combination of the Villas, Phase IV, Sagewicke Annex - Lot 135, as more specifically described on Exhibit "A" attached hereto, (the "Convertible Real Estate") thereof from time to time in compliance with Section 5211 of the Act, without the consent of any Lot Owner or holder of a mortgage of any Lot. These options to convert and expand may be terminated prior to such anniversary only upon the filing of an amendment to this Declaration by the Declarant. Declarant expressly reserves the right to convert any or all portions of the said Convertible Real Estate at any time, at different times, in any order, without limitation and without any requirement that any other real estate be converted, added or withdrawn; provided however, that the Convertible Real Estate shall not exceed the areas identified in this Section and described in Exhibit "A" hereof. There are no other limitations on the options to convert, as applicable, Convertible Real Estate.

(b) Assurances Concerning Convertible Real Estate.

(1) Declarant makes no assurances as to the location of any improvements which may be constructed on the Convertible Real Estate. All Lots which may be created within the Convertible Real Estate will be restricted exclusively to residential use.

(2) Declarant makes no assurances as to the location, nature or character of the improvements which may be constructed on the Convertible Real Estate, except that improvements will be reasonably compatible with the residential homes in the Villas in terms of quality of construction and general architectural type. No assurances are made as to the size or type of Units that may be created in the Convertible Real Estate.

(3) All restrictions in this Declaration affecting use, occupancy and alienation of Lots shall equally apply to all Lots created in the Convertible Real Estate, excluding Lot 136. In the event that Declarant shall not convert any portion of the Convertible Real Estate, none of the assurances and restrictions made in this Declaration shall apply to such Convertible Real Estate.

(4) Declarant expressly reserves the right to create and designate Common Areas in the Convertible Real Estate. Declarant makes no assurances as to type, size or maximum number of such Common Areas within the Convertible Real Estate, nor that the proportion of Common Areas to Lots which may be created within Convertible Real Estate will be approximately equal to the proportion existing within other parts of the Villas.

(5) Upon the completion of any Units within the Convertible Real Estate, the Percentage Interests in Sagewicke shall be recomputed and reallocated in accordance with the provisions of the Declaration. The owner or owners of each Unit or Lot created in the Convertible Real Estate shall be entitled to one vote per Lot. Assessments and voting rights with regard to Units in the Convertible Real Estate shall commence upon recording of the amendment to the Declaration converting or adding, as applicable, such Convertible Real Estate.

I-3. Phasing of Development on Convertible Real Estate. No assurances are made by the Declarant regarding the portions of the areas shown as Convertible Real Estate on Exhibit "A" as to the portions where the Declarant will, if at all, exercise its option to convert the real estate or the order in which such portions, or all of the areas, will be developed. The exercise of Declarant's option to convert a certain portion of the Convertible Real Estate will not obligate the Declarant to exercise its options as to other portions.

I-4. Withdrawable Real Estate. Declarant hereby explicitly reserves an option, until the seventh (7th) anniversary of the recording of this Declaration, to withdraw all or any portion of the Convertible Real Estate at any time, at different times, in any order, without limitation and without any requirement that any other real estate be added, converted or withdrawn in compliance with Section 5212 of the Act without the consent of any Lot Owner or holder of a mortgage on any Lot. In the event any Withdrawable Real Estate is withdrawn, none of the assurances and restrictions in this Declaration regarding such Withdrawable Real Estate shall apply and Declarant and its successors shall be free to develop and use the same without restriction.

(a) In the event Declarant withdraws any portion of the Withdrawable Real Estate, Declarant shall file an amendment containing a legally sufficient description of the real estate being withdrawn. The amendment shall reallocate Common Area interests, votes in the Association and Common Area expense liabilities to the remaining Lots in the Villas Property in proportion to the respective interests, votes and liabilities of those Lots before the withdrawal, and the reallocation is effective when the amendment is recorded.

(b) Declarant shall provide easements for access, egress and ingress, utilities, signs and drainage across the Common Areas for the benefit of the withdrawn real estate if necessary. The Declarant may also provide for corresponding easements across any withdrawn real estate for the benefit of the Villas Property.

(c) The Withdrawable Real Estate shall include each and every portion of the Property as described and appearing on Exhibit "A", being the Villas at Sagewicke, Phases IV, Sagewicke Annex – Lot 135, for which, despite Declarant's best efforts, subdivision approval cannot be timely obtained or cannot be so developed due to circumstances reasonably beyond Declarant's control.

I-5 Declarant Relocation of Boundaries. Declarant reserves the right to relocate the boundaries between adjoining Lots owned by Declarant and to reallocate between such Lots their Common Area interests, votes in the Association and common expense liabilities by amendment to the Declaration.

PART J - MISCELLANEOUS

J-1. Term.

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

J-2. Transfer of Common Area.

The Declarant shall convey the Common Area to the Association by special warranty deed, at any time, after approval of a Final Plan by West Hanover Township for a Phase containing Common Area, as determined by the Declarant, but in no event later than the date that Declarant's Class B membership in the Association is terminated.

Should a Common Area consisting of piers, entrance signage and landscaped areas at and along Villas entranceways, be designated upon an individual lot, title to this common Area may be transferred to the Owner of the individual Lot being subject to the condition that the Association shall maintain this Common Area as provided in this Declaration, with ingress and egress, to be provided for the purpose of such sign installation, maintenance or repair.

J-3. Enforcement.

The Declarant, Associate or Owner of any Lot, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Any monies received by any Owner from any other Owner or former Owner on account of assessments levied by the Association, less all reasonable enforcement costs, shall be paid by such enforcing Owner to the Association. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of right to do so thereafter, in the event that any such enforcement action results in a judgment or order against the party against whom enforcement is sought, such judgment or order shall also include legal fees and costs to the party seeking enforcement. Failure to promptly prosecute such action shall not be deemed a waiver of rights under these Protective Covenants.

J-4. Severability.

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

J-5. Amendment.

This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90%) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Lot Owners. Any amendment must be recorded. Furthermore, the Board of Directors of the Association shall have the power to adopt, modify, cancel, limit, create exceptions to or expand the restrictions set forth herein pursuant to the provisions of this agreement.

J-6. Covenants Running with the Land.

These Protective Covenants and Restrictions that run with the land and shall benefit and bond the Owners of the Lots, their heirs and personal representatives, successors and assigns.

J-7. Fraud, Gross Negligence, or Other Intentional Wrongful Conduct.

No approval or disapproval of any plan submitted under these Covenants and Restrictions with respect to this Declaration shall cause any liability to have occurred by Declarant or the Association or any member thereof.

J-8. Termination of Association.

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

- (a) No improvement or structure of any kind shall be thereafter placed upon the Common Area which is not available in every respect for the use and enjoyment of the Lot Owners in the Villas.
- (b) No use or structure of any kind shall be permitted within the Common Area which is not primarily for the purpose of recreation for all of the Lot Owners of the Villas,

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

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

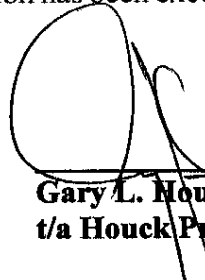
J-9. Section Captions.

Section titles or captions contained in this Declaration are inserted only as a matter of convenience and shall not affect the meaning of the Declaration in any way.

J-10. Conformity to Law; Savings Clause.

This Declaration shall be governed by and construed according to Pennsylvania law. Wherever possible, it is to be construed so as to render all of its provisions effective in accordance with the applicable law. Invalidation of any one of the provisions of this Declaration by judgment or court order shall in no way effect any other provisions hereof which shall continue in full force and effect as though the invalid provision had never been included herein.

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



Gary L. Houck
t/a Houck Properties.

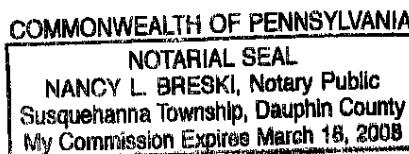
COMMONWEALTH OF PENNSYLVANIA:
COUNTY OF DAUPHIN :SS
:

On this, the 22ND day of NOVEMBER 2006, before me, a Notary Public, in and for said County and Commonwealth, personally appeared Gary L. Houck, t/a Houck Properties, who being duly sworn according to law, deposes and says that he, is an adult individual being the Declarant and as such has executed the foregoing Declaration of Protective Covenants, Easements, Restrictions, Equitable Servitudes, Charges and Liens, for the Villas at Sagewicke for the purposes therein contained by the execution thereof.

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

Nancy L. Breski
Notary Public

My Commission Expires:



98-463/76285
10/25/06

EXHIBIT A
CONVERTIBLE AND WITHDRAWABLE
REAL ESTATE
SAGEWICKE PHASE IV

ALL THAT CERTAIN lot or tract of land situate in West Hanover Township, Dauphin County, Commonwealth of Pennsylvania more particularly bounded and described as follows, to wit:

BEGINNING at a point in the center of Green Hill Road at the dividing line of land now or formerly of James R. Schrom and the subject premises:

THENCE by lands now or formerly of James R. Schrom North 29 degrees 38 minutes 27 seconds East 200.00 feet to a point; Thence by same North 74 degrees 53 minutes 09 seconds West 69.92 feet to a point; Thence by Other Lands of Houck Properties North 15 degrees 06 minutes 51 seconds East 131.51 feet to a point; Thence by same South 75 degrees 07 minutes 41 seconds East 141.44 feet to a point; Thence by same by a curve to the right having a radius of 65.00 feet and an arc length of 44.62 feet, said curve also having a chord bearing and distance of North 75 degrees 09 minutes 13 seconds East 43.75 feet to a point on the northern right-of-way line of Village Way Cul-de-sac; Thence by said right-of-way line by a curve to the left having a radius of 20.00 feet and an arc length of 20.26 feet, said curve also having a chord bearing and distance of North 65 degrees 48 minutes 06 seconds East 19.40 feet to a point on the western right-o-way line of Village Way; Thence by Other Lands of Houck Properties North 36 degrees 47 minutes 04 seconds East 63.48 feet to a point; Thence by same by a curve to the left having a radius of 100.00 feet and an arc length of 51.61, said curve also having a chord bearing and distance of North 21 degrees 59 minutes 56 seconds East 51.04 feet to a concrete monument; Thence continuing by Other Lands of Houck Properties North 07 degrees 12 minutes 47 seconds East 108.38 feet to a concrete monument; Thence by same by a curve to the left having a radius of 100.00 feet and an arc length of 41.61 feet, said curve also having a chord bearing and distance of North 04 degrees 42 minutes 27 seconds West 41.31 feet to a point;

Exhibit A
Sagewicke Phase IV (Continued)
Page 2

Thence by same North 16 degrees 37 minutes 41 seconds West 199.23 feet to a point; Thence crossing Village Way and by lines of Open Space A, Sagewicke, Phase III North 73 degrees 22 minutes 19 seconds East 220.92 feet to a point; Thence by same South 77 degrees 46 minutes 43 seconds East 123.23 feet to a point; Thence by same South 60 degrees 24 minutes 46 seconds East 156.00 feet to a point; Thence by line of Brynfield, Phase V and crossing Forney Way South 29 degrees 35 minutes 14 seconds West 697.14 feet to an iron pin; Thence by line of land now or formerly of Robert Bishop and Charles H. Kope, Jr., North 74 degrees 53 minutes 09 seconds West 256.34 feet to a point; Thence by line of land now or formerly Charles H. Hope, Jr., South 29 degrees 38 minutes 27 seconds West 200.00 feet to a point in the center of Green Hill Road; Thence along the center of Green Hill Road North 74 degrees 53 minutes 09 seconds West 51.71 feet to a point, ***the place of beginning.***

CONTAINING 5.3829 acres.

BEING the overall for Sagewicke, Phase IV as shown on the Final Subdivision Plan for Sagewicke, Phase IV. Recorded in Plan Book "M", Volume 9, Pages 41-51.

BEING SUBJECT TO conditions and restrictions as set forth on the above mentioned subdivision plan.

EXHIBIT A
CONVERTIBLE AND WITHDRAWABLE
REAL ESTATE
SAGEWICKE ANNEX

ALL THAT CERTAIN lot or tract of land situate in West Hanover Township, Dauphin County, Commonwealth of Pennsylvania more particularly bounded and described as follows, to wit:

BEGINNING at an iron pin on the western dedicated right-of-way line of Village Way at the dividing line of land now or formerly of Sagewicke Homeowners Association Open Space D, Sagewicke, Phase XA and the subject premises:

THENCE by the western dedicated right-of-way line of Village Way South 16 degrees 37 minutes 41 seconds East 199.23 feet to a point; Thence by same by a curve to the right having a radius of 100.00 feet and an arc length of 41.61 feet, said curve also having a chord bearing and distance of South 04 degrees 42 minutes 27 seconds East 41.31 feet to a concrete monument; Thence continuing by the western dedicated right-of-way line of Village Way South 07 degrees 12 minutes 47 seconds West 108.38 feet to a concrete monument; Thence by same by a curve to the right having a radius of 100.00 feet and an arc length of 51.61 feet, said curve also having a chord bearing and distance of South 21 degrees 59 minutes 56 seconds West 51.04 feet to a point; Thence by same South 36 degrees 47 minutes 04 seconds West 63.48 feet to a point; Thence by same by a curve to the right having a radius of 20.00 feet and an arc length of 20.26 feet, said curve also having a chord bearing and distance of South 65 degrees 48 minutes 06 seconds West 19.40 feet to a point on the northern dedicated right-of-way line of Village Way Cul-de-sac; Thence by said right-of-way line by a curve to left having a radius of 65.00 feet and an arc length of 44.62 feet, said curve also having a chord bearing and distance of South 75 degrees 09 minutes 13 seconds West 43.75 feet to a point; Thence by line of land of Sagewicke, Phase IV North 75 degrees 07 minutes 41 seconds West 141.44 feet to a point; Thence by same South 15 degrees 06 minutes 51 seconds West 131.51 feet to a point; Thence by line of land now or formerly of James R. Schrom and land now or formerly of Earl W. Deaven North 74 degrees 53 minutes 09 seconds West 300.08 feet to an iron pipe; Thence by line of land now or formerly of Earl W. Deaven North 60 degrees 17 minutes 23 seconds West 200.00 feet to an iron pin; Thence by same South 61 degrees 19 minutes 58 seconds West 69.21 feet to a point; Thence by Lot #136, Sagewicke Annex, North 54 degrees 03 minutes 43 seconds West 168.26 feet to a point;

Exhibit A
Sagewicke Annex (Continued)
Page 2

Thence by land now or formerly of Sagewicke Homeowners Association Open Space D, Sagewicke, Phase XB North 66 degrees 44 minutes 26 seconds East 360.00 feet to a point; Thence by same North 80 degrees 16 minutes 30 seconds East 170.71 feet to a point; Thence by land now or formerly of Sagewicke Homeowners Association Open Space D, Sagewicke, Phase XA North 71 degrees 38 minutes 14 seconds East 424.29 feet to an iron pin on the western dedicated right-of-way line of Village Way, ***the place of beginning.***

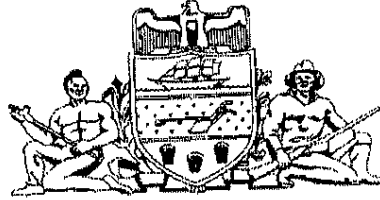
CONTAINING 6.58 acres.

BEING the overall boundary of Sagewicke Annex, Excluding Lot #136 as shown on the Final Subdivision plan Sagewicke Annex.

BEING SUBJECT TO conditions and restrictions as set forth on the above mentioned subdivision plan.

James M. Zugay, Esq.
Recorder of Deeds
(717) 780-6560

Candace E. Meck
First Deputy



Location:
Dauphin County Courthouse
Room 102
Front & Market Streets
Harrisburg, PA 17101

Recorder of Deeds

Harrisburg, Pennsylvania

CERTIFIED END PAGE

INSTRUMENT #: 20060048056
RECORD DATE: 11/22/2006 3:55:50 PM
RECORDED BY: JSTAZNIK
DOC TYPE: DECL
AGENT: CALDWELL & KEARNS RESIDENTIAL COMMERCIAL ABSTRACT
DIRECT NAME: HOUCK, GARY L.
INDIRECT NAME:

RECORDING FEES - State: \$0.50
RECORDING FEES - County: \$13.00
ACT 8 OF 1998: \$5.00
ADDITIONAL NAME FEE: \$68.00

I Certify This Document To Be Recorded
In Dauphin County, Pennsylvania.



James M. Zugay, Recorder of Deeds

THIS IS A CERTIFICATION PAGE

PLEASE DO NOT DETACH

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT