

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE LAKES AT DONEGAL SPRINGS,
A FLEXIBLE PLANNED COMMUNITY

AS AMENDED BY
FIRST ADDENDUM TO
DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE LAKES OF DONEGAL SPRINGS,
A FLEXIBLE PLANNED COMMUNITY

AND AS AMENDED BY
SECOND AMENDMENT TO
DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE LAKES AT DONEGAL SPRINGS,
A FLEXIBLE PLANNED COMMUNITY

AND AS AMENDED BY
THIRD AMENDMENT TO
DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE LAKES AT DONEGAL SPRINGS,
A FLEXIBLE PLANNED COMMUNITY

AND AS AMENDED BY
FOURTH AMENDMENT TO
DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE LAKES AT DONEGAL SPRINGS,
A FLEXIBLE PLANNED COMMUNITY

TABLE OF CONTENTS

Preamble to Declaration..... 1

Preamble to First Addendum to Declaration. 4

Preamble to Second Amendment to Declaration..... 5

Preamble to Third Amendment to Declaration. 7

Preamble to Fourth Amendment to Declaration. 8

ARTICLE I DEFINITIONS..... 9

ARTICLE II DESCRIPTIONS. 12

 Section 1. Declarant's right to modify. 12

 Section 2. Property subject to this Declaration. 12

 Section 3. Name, location, and dimensions of Planned Community..... 12

 Section 4. Plats and Plans. 12

 Section 5. Units. 13

 Section 6. Party Walls. 13

 Section 7. Time Share Estates. 13

 Section 8. Convertible and Withdrawable Real Estate. 13

 Section 9. Additional Real Estate. 14

 Section 10. Financial security for completion. 14

 Section 11. Completion. 14

ARTICLE III PROPERTY RIGHTS; RESTRICTIONS. 15

 Section 1. Property Rights. 15

 Section 2. General Restrictions. 16

 Section 3. Restrictions upon Lots 1, 218 and 219. 20

 Section 4. Other Restrictions of Record. 20

ARTICLE IV ASSOCIATION MEMBERSHIP AND VOTING RIGHTS; ASSESSMENTS..... 22

 Section 1..... 22

 Section 2..... 22

 Class A..... 22

 Class B..... 23

 Voting. 23

 Section 3. Board of Directors..... 23

Section 4. Purpose of Assessments.	23
Section 5. General Common Expense Assessment.	24
Section 6. Detached Controlled Facility Assessments.	25
Section 7. Duplex Controlled Facility Assessments.	25
Section 8. Townhouse Controlled Facility Assessments.	26
Section 9. Notice and Quorum for Any Action Authorized Under Sections 2, 5, 6, 7 or 8	26
Section 10. Rate of Assessment.	26
Section 11. Date of Commencement of Annual Assessments; Due Dates; Payment.	27
Section 12. Special Assessment for Damages.	27
Section 13. Effect of Nonpayment of Assessments; Remedies of the Association; Subordination to the Lien of First Mortgages.	27
Section 14. Initial Contribution.	28
Section 15. Classes and Class Voting.	29
Detached Occupied Lot Class.	29
Duplex Occupied Lot Class.	29
Townhouse Occupied Lot Class.	29
Section 16. Emergency Assessment.	29
Section 17. Capital Improvement Fee on Resale or Transfer.	30
 ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS.	 31
 ARTICLE VI EXTERIOR MAINTENANCE OF LOTS AND DWELLINGS	
HOMEOWNER' INSURANCE.	32
Section 1. Controlled Facilities.	32
Section 2. Landscaping.	32
Section 3. Grass.	32
Section 4. Exterior of Dwellings.	32
Section 5. Roofs.	33
Section 6. Driveways and Sidewalks.	33
Section 7. Homeowners' Insurance.	33
Section 8. Cluster Mail Boxes.	33
Section 9. Utilities Services.	33

ARTICLE VII	ARCHITECTURAL CONTROL.....	34
ARTICLE VIII	POWERS AND DUTIES OF THE ASSOCIATION.	35
	Section 1. Association Duties.	35
	a. Association Property.	35
	b. Title to Property Upon Dissolution.	35
	c. Operation of Common Elements.	35
	d. Storm Water Management Basins.	35
	e. Payment of Taxes.....	36
	f. Insurance.	36
	g. Legal, Accounting and Other Services..	37
	h. Bank Accounts.....	37
	i. Association Property Services.	37
	j. Rule Making..	37
	k. Enforcement of Restrictions and Rules.	37
	l. Other.	37
	Section 2. Liability of Board Members, Declarant and Employees.....	37
ARTICLE IX	DECLARANT'S RIGHTS.....	38
	Section 1. Declarant's Rights.	38
	Section 2. Common Facilities.	38
	Section 3. Additional Real Estate.	39
ARTICLE X	PROVISIONS IN FAVOR OF MOUNT JOY BOROUGH.	41
	Section 1. Right to Approve Transfer.	41
	Section 2. Mount Joy Borough as Beneficiary..	41
	Section 3. Association Responsible for any Municipal Special Assessments.....	42
ARTICLE XI	RIGHTS OF SECURED LENDERS.....	43
	Section 1. Rights of Secured Lenders.	43
	Section 2. Obligations of Association to Secured Lenders.	43
ARTICLE XII	GENERAL PROVISIONS.....	45
	Section 1. Enforcement.	45
	Section 2. Severability.....	45
	Section 3. Amendment.....	45

(Preamble to Declaration)

THIS DECLARATION ("Declaration") is made on the date hereinafter set forth by Charlan Group, L.P., also known as Charlan Group, a Pennsylvania limited partnership with a mailing address of 1085 Manheim Pike, Lancaster, PA 17601 ("Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Mount Joy Borough, Lancaster County, Pennsylvania, which is more particularly described in the attached Exhibit "A" ("Subject Property").

WHEREAS, initially Declarant intends to establish a residential development on the Subject Property, which is to be known as The Lakes at Donegal Springs, a flexible planned community ("The Lakes at Donegal Springs").

WHEREAS, the Subject Property has been approved for subdivision by Mount Joy Borough, Lancaster County, Pennsylvania as shown on that certain plan identified as Final Subdivision Plan for The Lakes at Donegal Springs, Phase 1, prepared by Herbert Rowland & Grubic, Inc. dated August 25, 2000, last revised April 29, 2002, (herein referred to as "Final Subdivision Plan") and which such Subject Property has been subdivided by the recordation of said Subdivision Plan in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania on October 16, 2002 at Book J-214, Page 137.

WHEREAS, the Subject Property is part of a larger parcel of land owned by the Declarant and more particularly described in Exhibit "B" ("Overall Property"), depicted upon Sheets 2 and 19 of the Final Subdivision Plan, and which is situated in Mount Joy Borough, Lancaster County, Pennsylvania (referenced to herein as the "Overall Development Plan") as such Overall Development Plan as amended if amended may be approved, in whole or in phase by Mount Joy Borough.

WHEREAS, Declarant intends to develop the Overall Property as a phased development.

WHEREAS, Declarant intends to and reserves the right to add real estate to the Planned Community as the development of the Overall Property progresses ("Additional Real Estate").

WHEREAS, the Additional Real Estate is described in Exhibit "C", and is depicted as "Remaining Lands" on the Final Subdivision Plan.

WHEREAS, development and improvement of the Subject Property has been approved by Mount Joy Borough, Lancaster County, Pennsylvania pursuant to the provisions of the Mount Joy Borough Zoning Ordinance as amended and pursuant to certain terms and conditions as set forth in that certain decision dated September 9, 1999 In Re: Application of The Charlan Group, and attached hereto as Exhibit "D" (herein referred to as "Development Conditions"), which such subdivision, improvement and development of the Subject Property pursuant to the Final Subdivision Plan, the Overall Development Plan for the Overall Property and the Development Conditions is herein referred to as "Approved Development"); and

WHEREAS, the Declarant desires to provide for the preservation and enhancement of the property values, amenities, and opportunities in each phase of development of the Overall Property contributing to the personal and general health, safety and welfare of residents and for the maintenance of the Common Elements, and to this end desires to make the Subject Property subject to the terms and provisions of the Pennsylvania Uniform Planned Community Act (68 P.S.C.A. §5101, et seq.) (herein referred to as the "Act") and pursuant to the provisions of said Act, to make provision for the maintenance and administration of the Common Elements, the performance of all other obligations of the Association, the enforcement of covenants and restrictions set forth in this Declaration or in any document or plan referred to in this Declaration, and the method by which assessments and charges shall be made and enforced against each parcel of land which has been made subject to this Declaration or any Supplement or Amendment hereto and the Owner thereof for the aforesaid purposes and to subject such of the phase of the development of the Overall Property (if and as may be made subject) as and when developed to the covenants, restrictions, easements, charges and liens set forth in this Declaration, each and all of which is and are for the benefit of such phase or phases and for each Owner of a part thereof.

WHEREAS, the Final Subdivision Plan and the Approved Development allows a variety of single family housing styles within The Lakes at Donegal Springs, including but not limited to single family detached, single family duplex and townhouses.

WHEREAS, Farmington Way, Charlan Boulevard, Lakeside Crossing, and Waters Edge Drive, as provided for in the Final Subdivision Plan and the Approved Development, will be offered for dedication to Mount Joy Borough.

WHEREAS, Lot 218, as provided for in the Approved Development, will contain athletic fields, outdoor athletic courts and a parking area and will be offered for dedication to Mount Joy Borough.

WHEREAS, if Farmington Way, Charlan Boulevard, Lakeside Crossing, Waters Edge Drive and Lot 218 are not accepted for dedication by Mount Joy Borough, Declarant to the extent the property containing such improvements has been added to the Planned Community will transfer such improvements to the Association and such improvements will become Common Facilities of the Planned Community.

WHEREAS, to provide a means for meeting the purposes and intents set forth in this Declaration, the Act, and the requirements of Mount Joy Borough, the Declarant has incorporated, under the laws of the Commonwealth of Pennsylvania, "The Lakes at Donegal Springs Homeowners Association, Inc.," a non-profit corporation in which each Lot Owner in the Subject Property shall be a Member and which such Membership shall run with and be inseparable from ownership of a lot in the Subject Property.

WHEREAS, the Subject Property is, by this Declaration, made a Flexible Planned Community (as such term is defined by the Act) in accordance with the provisions of the Act.

NOW THEREFORE, Declarant hereby declares (subject to the provisions of this Declaration) that the property identified and described on Exhibit "A" shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of The Lakes at Donegal Springs and which shall run with and bind and benefit The Lakes at Donegal Springs and all persons having any right, title or interest in The Lakes at Donegal Springs or any part thereof, their heirs, personal representatives, successors and assigns.

AND FURTHER, Declarant hereby delegates and assigns to "The Lakes at Donegal Springs Homeowners Association, Inc." the power and duty of maintaining and administering the Common Elements, and ministering and enforcing the covenants and restrictions set forth in this Declaration, collecting and disbursing the assessments and charges hereinafter set forth in this Declaration and promoting the recreation, health, safety and welfare of the residents of the Planned Community.

AND FURTHER, Declarant shall have the right, but not the obligation, to declare and submit any other phases within the Overall Property to this Declaration.

(Preamble to First Addendum to Declaration)

This First Addendum to the Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs ("First Addendum") is made this 11th day of July, 2003 by CHARLAN GROUP, L.P., also known as Charlan Group, a Pennsylvania limited partnership with a mailing address of 1085 Manheim Pike, Lancaster, PA 17601 ("Declarant") and LARRY C. DOMBACH, INC., a Pennsylvania corporation with an address of 586 Kraybill Church Road, Mount Joy, PA and METZLER HOME BUILDERS, INC., a Pennsylvania corporation with an address of 1172 Penn Grant Road, Strasburg, PA 17579 ("Builder Declarants").

Background: Declarant and Builder Declarants are the owners of certain real estate in Mount Joy Borough, Lancaster County, Pennsylvania, which is more particularly described in Exhibit A to the Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a flexible planned community ("Declaration"). The Declaration is dated and was recorded on October 17, 2002 in the Office of the Recorder of Deeds for Lancaster County, Pennsylvania at Instrument Number 5123153. In order to clarify certain provisions and amend others, the Declarant and Builder Declarants have executed this First Addendum.

NOW, therefore, with the foregoing Background incorporated by reference and intending to be legally bound the parties hereto hereby agree as follows:

(Preamble to Second Amendment to Declaration)

WHEREAS, the Subject Property (as such term is defined in Article I, Section 3 of this Declaration, as amended) has been made subject to the terms and conditions of this Declaration by the following documents:

that certain *Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* ("Declaration") is of record in the Office of the Recorder of deeds in and for Lancaster County, Pennsylvania as Instrument Number 5123153; and

that certain *First Addendum to the Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* ("Declaration") is of record in the Office of the Recorder of deeds in and for Lancaster County, Pennsylvania as Instrument Number 5212474; and

WHEREAS, the Declaration was executed by **Charlan Group, L.P.**, also known as **Charlan Group**, a Pennsylvania limited partnership ("Declarant") in accordance with the provisions of the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. §5101, *et seq.* (the "Act"); and

WHEREAS, Declarant is the owner of the real property described in Exhibit "C" attached to and made a part of this Declaration (referred to herein as the "Additional Real Estate"); and

WHEREAS, the Additional Real Estate has been approved for subdivision by Mount Joy Borough Township, Cumberland County, Pennsylvania as shown on that certain plan identified as *Final Subdivision Plan Phase 2 for The Lakes at Donegal Springs -Two Dartmouth Green* prepared by Robert Gabriel & Associates, Inc., Mount Joy, Pennsylvania, dated 8/13/2004, last revised 3/15/2005 (herein referred to as the "Second Subdivision Plan") and which such Additional Real Estate has been subdivided by the recordation of said Second Subdivision Plan in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania on April 20, 2005 in Subdivision Plan Book J-223, Page 113; and

WHEREAS, the Additional Real Estate is one of a number of parts (each such part is herein referred to as a "Property Phase") of a certain larger parcel of land described in Exhibit "B" attached to and made a part of this Declaration (referred to herein as the "Overall Property") situate in Mount Joy Borough, Lancaster County, Pennsylvania, as shown on Sheets 2 and 19 of the *Final Subdivision Plan for The Lakes at Donegal Springs, Phase 1*, prepared by Herbert Rowland & Grubic, Inc. dated August 25, 2000, last revised April 29, 2002, recorded in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania on October 16, 2002 at Book J-214, Page 137 (herein referred to as "Overall Development Plan"), as such Overall Development Plan as amended if amended may be approved, in whole or in Property Phases, by Mount Joy Borough; and

WHEREAS, Declarant reserved the right to add real estate to the Planned Community as the development of the Overall Property progresses ("Additional Real Estate").

WHEREAS, the Additional Real Estate is described in Exhibit "C", and is depicted as "Remaining Lands" on the Final Subdivision Plan.

WHEREAS, Declarant desires to make the Additional Real Estate subject to the terms and provisions of the Pennsylvania Uniform Planned Community Act and to the terms, conditions and provisions of this Declaration; and

WHEREAS, in accordance with the provisions of Article IX, Section 3 of this Declaration, Declarant desires to amend the Declaration pursuant to the provisions of Section 5219 of the Act in accordance with Section 5211(a) of the Act, for the purpose adding the Additional Real Estate to the Subject Property of the Declaration.

NOW, THEREFORE, Declarant hereby declares that the Additional Real Estate, being a portion of The Lakes at Donegal Springs and each part of, or Lot in, the Additional Real Estate (excepting any part thereof, if any, Conveyed or to be Conveyed to Governmental/Public Service Entities) is and shall be held, transferred, sold, conveyed and occupied subject to the easements, covenants, conditions, restrictions, charges and liens set forth in this Declaration.

(Preamble to Third Amendment to Declaration)

WHEREAS, the Subject Property (as such term is defined in Article I, Section 3 of this Declaration, as amended) has been made subject to the terms and conditions of this Declaration by the following documents:

that certain *Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* ("Declaration") is of record in the Office of the Recorder of deeds in and for Lancaster County, Pennsylvania as Instrument Number 5123153; and

that certain *First Addendum to the Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* ("Declaration") is of record in the Office of the Recorder of deeds in and for Lancaster County, Pennsylvania as Instrument Number 5212474; and

that certain *Second Amendment to the Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* ("Declaration") is of record in the Office of the Recorder of deeds in and for Lancaster County, Pennsylvania as Instrument Number 5473474; and

WHEREAS, as set forth in Article II, Section 5 of this Declaration, as amended, there are Two Hundred Fifteen (215) Lots within the Subject Property; and

WHEREAS, pursuant to the terms of Article XII, Section 3 of this Declaration, the Owners of not less than one hundred seventy two (172) of the Lots (being not less than eighty percent (80%) of all Lots) desire to amend this Declaration.

NOW, THEREFORE, this Declaration is amended as follows:

(Preamble to Fourth Amendment to Declaration)

WHEREAS, the Subject Property (as such term is defined in Article I, Section 3 of this Declaration, as amended) has been made subject to the terms and conditions of this Declaration by the following documents:

that certain *Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* ("Declaration") is of record in the Office of the Recorder of deeds in and for Lancaster County, Pennsylvania as Instrument Number 5123153; and

that certain *First Addendum to the Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* ("Declaration") is of record in the Office of the Recorder of deeds in and for Lancaster County, Pennsylvania as Instrument Number 5212474; and

that certain *Second Amendment to the Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* ("Declaration") is of record in the Office of the Recorder of deeds in and for Lancaster County, Pennsylvania as Instrument Number 5473474; and

that certain *Third Amendment to the Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* ("Declaration") is of record in the Office of the Recorder of deeds in and for Lancaster County, Pennsylvania as Instrument Number 5542206; and

WHEREAS, as set forth in Article II, Section 5 of this Declaration, as amended, there are Two Hundred Fifteen (215) Lots within the Subject Property; and

WHEREAS, pursuant to the terms of Article XII, Section 3 of this Declaration, the Owners of not less than one hundred seventy two (172) of the Lots (being not less than eighty percent (80%) of all Lots) desire to amend this Declaration.

NOW, THEREFORE, this Declaration is amended as follows:

ARTICLE I DEFINITIONS

Section 1. "Association" shall mean and refer to The Lakes at Donegal Springs Homeowners Association, Inc., a Pennsylvania non-profit corporation, its successors and assigns, to be as constituted and defined in Article IV.

"Association property" shall mean all real and personal property owned by the Association.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Planned Community, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Subject Property" shall mean and refer the real estate described in Exhibit A, and the real estate described in Exhibit "C" including Lots 1 and 219, and those streets identified on the Final Subdivision Plan and the Second Subdivision Plan.

Section 4. "Common Elements" shall mean the Common Facilities and Controlled Facilities, as both terms are defined below.

Section 5. "Common Facilities" shall mean any portion of the Planned Community owned and/or maintained by the Association except the Controlled Facilities. The Common Facilities in The Lakes at Donegal Springs shall include but not be limited to the entrance signs at present constructed and/or to be installed by Declarant as part of the initial construction (and any and all replacements) on the Lots, storm water management systems, storm water management facilities and other improvements upon Lots 1 and 219, as shown upon the Final Subdivision Plan, open space as shown on the Final Subdivision Plan, and Lot 218 as described in the Development Conditions, if added to the Planned Community and if not accepted for dedication by Mount Joy Borough. The Common Facilities shall be maintained by the Association. Any entrance signs shall be owned and maintained by the Association. All roadways, excluding driveways, to the extent not accepted for dedication by Mount Joy Borough or any other governmental entity shall be Common Facilities.

Section 6. "Controlled Facilities" any real estate within the Planned Community, whether or not a part of a Lot, that is not a Common Facility but is maintained, improved, repaired, replace, regulated, managed, insured or controlled by the Association, including but not limited to storm water management facilities and storm water management systems located on the Lots, the exterior of any townhouse or duplex buildings constructed upon such Occupied Lots, including roofs, front porches/stoops (but excluding decks, patios, back porches, windows, doors and exterior lighting), the landscaping and grass on Occupied Lots and the driveways and sidewalks on Occupied Lots. Controlled Facilities include Townhouse Controlled Facilities, Duplex Controlled Facilities and Detached Controlled Facilities as hereafter defined.

Section 7. "Lot" shall mean and refer to lots or any other plot of land (whether improved or unimproved) included on the Final Subdivision Plan or the Second Subdivision Plan and any amendment to such plan or subsequent subdivision plan which has been added to the Planned Community under the terms of this Declaration. The word "Lot" shall specifically exclude Lot 218 as described in the Development Conditions (to be dedicated to Mount Joy Borough), Lot 118 as described in the Development Conditions (to be dedicated to the Mount Joy Borough Authority), and any other parcel of real estate dedicated to Mount Joy Borough, Mount Joy Borough Authority, or other governmental entity or authority.

Section 8. "Occupied Lot" shall mean a Lot intended for residential use which (a) has been conveyed or leased to a non-Declarant; or (b) has been occupied by a non-Declarant; or (c) has been issued a certificate of occupancy by a governmental entity.

Section 9. "Declarant" shall mean and refer to Charlan Group, L.P., also known as Charlan Group, a Pennsylvania limited partnership, its successors and assigns for the purpose of development, who shall, unless expressly delegated and assumed in writing, have common authority and responsibility for development of the Subject Property. Declarant may assign the rights and delegate the duties of Declarant herein in whole or in part to one or more assignees, who shall, unless expressly assuming, in writing, have such common authority and responsibility for development of the Subject Property, be (an) assignee Declarant(s). There is no limit to the number of persons or entities who may become assignee Declarants, but Declarant shall retain such common authority and responsibility for development of the Subject Property unless expressly delegated and assumed in writing. A purchaser from the Declarant is not the successor Declarant unless specifically designated as the successor Declarant in a recorded instrument. A purchaser of less than all of the remaining Lots owned by the Declarant is not a successor Declarant, but may be an assignee Declarant. A purchaser of all of the remaining Lots owned by the Declarant, other than the purchaser of the last Lot, will be designated as the successor Declarant in a recorded instrument.

Section 10. "Planned Community" shall mean and refer to The Lakes at Donegal Springs, the planned community created under this Declaration and subsequent amendments thereto.

Section 11. "Detached Controlled Facilities" Detached Controlled Facilities shall include the yards of all Occupied Lots containing detached dwellings, including but not limited to grass, trees and shrubbery; and the driveways of all the detached dwellings upon Occupied Lots; and the sidewalks situated upon each Detached Occupied Lot.

Section 12. "Duplex Controlled Facilities" Duplex Controlled Facilities shall include the exterior of all of duplex dwellings in the Planned Community on Occupied Lots, including but not limited to roofs, front porches/stoops, shutters, door and window trim, siding, and spouting but specifically excluding decks, patios, back porches, windows, doors and exterior lighting; and the yards of all Occupied Lots containing duplex dwellings, including but not limited to grass, trees and shrubbery; and the driveways of all the duplex dwellings upon Occupied Lots; and the sidewalks situated upon each Duplex Occupied Lot.

Section 13. "Townhouse Controlled Facilities" Townhouse Controlled Facilities shall include the exterior of all of townhouse dwellings in the Planned Community on Occupied Lots, including but not limited to roofs, front porches/stoops, shutters, door and window trim, siding, and spouting but specifically excluding decks, patios, back porches, windows, doors and exterior lighting; and the yards of all Occupied Lots containing townhouse dwellings, including but not limited to grass, trees and shrubbery; and the driveways of all the duplex dwellings upon Occupied Lots; and the sidewalks situated upon each Townhouse Occupied Lot.

Section 14. Terms not defined in this Declaration shall have the same definition as set forth in the Act.

ARTICLE II DESCRIPTIONS

Section 1. Declarant's right to modify. All of the descriptions set forth in this Article II are subject to the right of Declarant to modify the descriptions pursuant to the provisions of this Declaration.

Section 2. Property subject to this Declaration. The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration is the Subject Property, located in Mount Joy Borough, Lancaster County, Pennsylvania, as described in Exhibit "B" attached hereto and made a part hereof. There is no real estate in which the Owners will own only an estate for years, and there are no noncontiguous parcels of real estate comprising the Planned Community. There are no encroachments by or upon any portion of the Planned Community

Section 3. Name, location, and dimensions of Planned Community. The name of the community to be developed pursuant to the terms of this Declaration is "The Lakes at Donegal Springs." The location and dimensions of the community to be developed pursuant to the terms of this Declaration are shown and depicted on:

- a. the Final Subdivision Plan as Phase 1 and described in Exhibit "A"; and
- b. The Second Subdivision Plan and described in Exhibit "C".

Section 4. Plats and Plans. The Plats are the recorded Final Subdivision Plan for the Lakes at Donegal Springs, which has been recorded in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania at Plan Book J-214, Page 137 and the Second Subdivision Plan which has been recorded in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania in Subdivision Plan Book J-223, Page 113 . Pursuant to §5210(a) of the Act, separate plats and plans are not required because all of the information required by § 5210 is contained in the Final Subdivision Plan or the Second Subdivision Plan or this Declaration. The Certifications required by §5210(i)(3) of the Act is attached hereto as Exhibit "E" and Exhibit "F." Existing improvements to the Subject Property are shown on the Plats. All improvements shown on the Plats, with the exception of buildings, **MUST BE BUILT** and the intended location and dimensions of all such improvements (the location and dimensions of which are capable of being shown on a plan) are shown on the Plats. The location and dimensions of all easements serving or burdening any portion of the Subject Property (the location and dimensions of which are capable of being shown on a plan) are shown on the Plats. **The buildings depicted upon the Plat, specifically those buildings depicted upon Sheets 6, 7, 9-11, 20, 22, 23 and 25, are conceptual in nature, were only included for purposes of storm water management and erosion and sedimentation calculations, and NEED NOT BE BUILT.**

Section 5. Units. Each Unit is defined and described as being a Lot as shown on the Final Subdivision Plan or the Second Subdivision Plan upon which one or more residential dwellings are or may be erected, excepting therefrom any Lot or Lots which are Common Facilities and further excepting therefrom Lots to be conveyed to governmental/public service entities. The terms Unit and Lot are synonymous. The identifying number of each Unit is the Lot Number for such Lot as shown on the Final Subdivision Plan or the Second Subdivision Plan, i.e. the Plats. The vertical boundaries of each Unit are the Lot boundaries as shown on the Final Subdivision Plan or the Second Subdivision Plan, i.e. the Plats. There are no horizontal boundaries to any Unit and there are no horizontal boundaries of any Unit which are not shown on the Final Subdivision Plan or the Second Subdivision Plan. The Plat referenced herein identifies and depicts each Unit and the boundaries thereof. There are no buildings that contain or comprise all or part of any Unit that are located within or must be built within any portion of the Subject Property. The buildings depicted upon the Plat, specifically those buildings depicted upon Sheets 6, 7, 9-11, 20, 22, 23 and 25, are conceptual in nature, were only included for purposes of storm water management and erosion and sedimentation calculations, and **NEED NOT BE BUILT.**

There are Two Hundred Fifteen (215) Lots within the Subject Property which are intended for residential construction, and two (2) open space lots which are intended for ownership by the Association

Section 6. Party Walls. Each wall, the centerline of which is a boundary line between two Units is a Party Wall. To the extent not inconsistent with this Declaration, the general rules of law regarding Party Walls and liability for damage due to negligence or willful acts or omissions shall apply thereto. The cost of reasonable repair and maintenance of a Party Wall shall be shared by the Owners who make use of the Party Wall in proportion to such use. If a Party Wall is damaged or destroyed by fire or other casualty, any Owner who has used the Party Wall may restore it, and if thereafter the other Owners make use of the PartyWall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of the restoring Owner to a larger contribution under any rule of law regarding liability for negligent or willful acts or omissions. An Owner who through negligent or willful act causes the Party Wall to be exposed to the elements shall bear the entire cost of furnishing the necessary protection against such elements. The right of any Owner to contribution from any other Owner under the provisions of this section shall be appurtenant to the land and shall pass to each Owner's successors in title.

Section 7. Time Share Estates. There are no time-share estates created by the provisions of this Declaration.

Section 8. Convertible and Withdrawable Real Estate. There is no Convertible Real Estate in which additional Units, Common Elements, and Limited Common Elements or any combination thereof may be created. There is no Withdrawable Real Estate which may be withdrawn from the Planned Community.

Section 9. Additional Real Estate. [Deleted]

Section 10. Financial security for completion. Declarant, by this Declaration, guarantees to the Association that all improvements to the Subject Property and the Common Elements as shown on the Final Subdivision Plan shall be completed, excluding the construction of dwellings. No third-party guarantee, bond, escrow, letter of credit or other mechanism is provided by the Declarant to the Association to assure, for the benefit of the Association, completion of the improvements and the Common Elements. Only the Declarant's own guarantee is provided to the Association to assure completion of the improvements and the Common Elements.

Notwithstanding the foregoing, Declarant has posted, with the Mount Joy Borough, a third-party letter of credit, in addition to the Declarant's own guarantee of completion, to assure, for the benefit of the Mount Joy Borough, completion of public improvements to the Subject Property, in accordance with the provisions of the Pennsylvania Municipalities Planning Code (53 P.S. §10101, et seq.).

Section 11. Completion. Any portion of the Planned Community, improvement to the Subject Property, or Common Facility will be deemed to be completed upon the recording of a certificate executed by an independent registered surveyor, architect or professional engineer stating that the portion of the Planned Community, improvement to the Subject Property, or Common Facility is substantially completed in accordance with the descriptions set forth in this Declaration, the Plats and the public offering statement and so as to permit the use of such portion of the Planned Community, improvement to the Subject Property or Common Facility for its intended use.

ARTICLE III
PROPERTY RIGHTS; RESTRICTIONS

Section 1. Property Rights.

a. Every Lot Owner shall have a right an easement of enjoyment in and to the streets constructed within the Planned Community which right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the right of the Association to adopt reasonable rules and regulations for the use of the such roadways, if such roadways are not accepted for dedication by Mount Joy Borough.

b. Every Lot Owner shall have a right an easement of enjoyment in and to the Common Facilities which right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the right of the Association to adopt reasonable rules and regulations for the use of the such lot and improvements.

c. The Association shall have a right and easement over, upon, in, under and across the Lots for purposes of repairing, maintaining, altering, replacing and/or reconstructing the Common Elements, including but not limited to the storm water management facilities and systems, the entrance signs and surrounding flower beds, shrubs, lawn, landscaping and all other improvements related thereto including without limitation the lawn area adjacent to the entrance or development sign and the Controlled Facilities. Except as set forth in Article IV, Section 12, the Association shall repair, maintain, alter, replace, reseed, replant and/or reconstruct, if and when necessary, the Common Elements, including but not limited to storm water management facilities and systems, the entrance or development signs, surrounding flower beds, shrubs, lawn, landscaping, and all other improvements related thereto as described above and Controlled Facilities, at its sole cost and expense. This easement may be used by the employees, representatives, agents, contractors and/or subcontractors of the Association for the above purposes. Such use shall be limited so as to minimize the intrusion upon, and inconvenience to the Owners of the Lots. The Lot Owners shall be entitled to the fullest use of their Lot(s) (subject to this easement) which does not substantially interfere with the limited purpose of this easement.

d. For so long as the Declarant or successor to or assign of Declarant is engaged in developing or improving any portion of the Overall Property, there is hereby reserved to Declarant and to any and all successor or assignee Declarant(s), an unlimited blanket easement and a right-of-way for free and uninterrupted right of entry, ingress, egress and regress upon, over, under, through and across the entire Subject Property for the purpose of Declarant's discharge of all of Declarant's obligations or of Declarant's exercise of the rights of Declarant as set forth in this Declaration, any and all development activities, erection and maintenance of identification, directional and promotional signs, conduct of sales activities including maintenance of any office or model homes, storage, movement and use of building and construction materials, equipment and personnel, construction and modification of structures including dwellings, Common Elements including storm water management facilities, storm water management systems, retaining walls, cartways, vehicle and pedestrian areas and utility services, and grading and regrading, including removal of existing vegetation including trees, all

to the extent Declarant shall, in Declarant's sole judgment, deem appropriate or necessary in the development of the Subject Property.

e. There is hereby explicitly reserved to the Declarant, during and only during the Development Period (seven years from the date of the recording of this Declaration) the unrestricted option to subject the Subject Property to easements or licenses in favor of governmental/public service entities as are required for the provision of public utilities to and through the Overall Property and/or as are reasonably required for the construction of improvements to the Overall Property in accordance with all laws, ordinances and regulations of all governmental entities having jurisdiction thereof. The grant by the Declarant of such easements and/or licenses shall effect the Association not greater than a) the effects of the easements and licenses set forth in this Declaration together with b) the effects of development and improvement of the Subject Property in accordance with the Approved Development.

Section 2. General Restrictions. The following restrictions are hereby placed on Lots in the Planned Community:

a. No building or structure shall be erected, constructed, located, maintained or used upon any Lot except one (1) single family dwelling per Lot, which dwelling shall not be used for any purpose other than that of a single family residence (detached, duplex or townhouse). This requirement for exclusive residential use shall not restrict the maintenance of quiet professional offices on any Lot, provided that such professional offices are maintained as a part of the dwelling and in accordance with plans and specifications approved by the Architectural Committee ("Committee") (as constituted and appointed pursuant to Article VI) and provided the establishment of such office is permitted by applicable Zoning Ordinance as in effect at that time.

b. No dwelling house, garage, building or structure of any character or driveway or fence shall be erected, constructed, located, maintained or used on any Lot (nor shall any addition to, change, or alteration thereof be made) unless and until the contractor who will perform the construction and the specifications and plans showing the nature, kind, shape, height, materials, floor plans, exterior color scheme, location, front and rear facings, elevations and landscaping and grading plans (together with a statement of the estimated costs) have been submitted to and approved in writing by the Committee and a copy thereof as finally approved lodged permanently with the Committee. The Committee shall have the right to decline to approve any plans and specification submitted which are not suitable or desirable, in the Committee's opinion, for aesthetic or other reasons, taking into consideration the effect of the building or other structures as planned on the adjacent or neighboring properties and whether the plans are in keeping with and are in general harmony with the surroundings. All construction and landscaping shall be promptly completed in accordance with the approved plans and specifications; and there shall be no change or deviation from the approved plans and specifications without the prior written approval of the Committee. The Board of Directors of the Association may establish a reasonable fee for such architectural review.

c. No exterior antennae or receiving device shall be erected or maintained on any Lot or improvement thereon. Satellite dishes which do not exceed twenty four inches (24") in diameter or other receiving devices, which are installed such that they are not visible from the front of the home are excepted from this subsection.

d. Except for the erection of temporary chemical toilets by the Declarant or Owner during construction of dwelling house, no outside toilet or closet shall be erected on the Property.

e. No animal or poultry of any kind shall be kept within the Planned Community except those commonly recognized as domestic house pets. No more than two domestic house pets over the age of six months and no kennel, doghouse or other pet shelter larger than four (4) feet by four (4) feet by four (4) feet in height shall be permitted on any Lot. Domestic pets shall be confined to the Owner's Lot and shall not be permitted to defecate or run free in the Planned Community. No Owner shall keep, breed or maintain any domestic house pet on any Lot for commercial purposes. Installation and maintenance of an "invisible fence" or other unseen device which restricts or inhibits the movement of said pet from the Lot is allowed without approval of the Committee. Such invisible fencing is encouraged but not required by this Declaration.

f. No fences of any type of construction shall be erected on any Lot, unless first approved by the Committee and only to the extent required to comply with applicable Borough ordinances or other applicable laws. Notwithstanding the deemed approval language of Article VII hereof, it is understood and agreed that fences shall not be permitted except by written special exception approved by the Committee. In the event the Committee fails to approve a request for a fence in writing it shall be deemed to have been disapproved. No wood or metal tool, garden, or similar type sheds or structures shall be permitted unless approved by the Committee.

g. No advertising signs or billboards except real estate signs offering any dwelling unit or Lot for sale, none of which shall exceed four (4) square feet in size, shall be permitted on any Lot. Customary identification signs, however, shall be permitted on a Lot provided the same do not exceed one (1) square foot in size. Developer's entrance signs and project identification signs and builder's job location signs shall be permitted as approved by the Declarant. Mailbox design and location shall be approved by the Committee.

h. No garbage or trash containers shall be located in the front or side lawn area of any Lot for more than a twenty-four (24) hour period. Any vegetable garden or garden plot shall be maintained only to the rear of the improvements erected on the Lot and no closer than three feet (3') to any Lot boundary line. Such vegetable garden or garden plot shall not be visible from the street and shall be kept free from unsightly weeds. The Owner shall remove all dead crops in a timely fashion and shall control soil erosion. All garbage or trash storage areas shall be screened.

i. No exterior storage or parking of recreational vehicles, including but not limited to trail motorcycles, mini-bikes, motor cycles, snowmobiles, campers, motor homes, boats, etc., shall be permitted. No exterior storage or parking of commercial vehicles (except those in the process of making deliveries or providing services) shall be permitted, including by way of reference and not limitation tractor trailers, panel trucks, and vehicles exceeding twenty-two feet (22') in length.

j. Except as is reasonable during construction phases, no rubbish or debris of any kind shall be placed or permitted to accumulate upon any Lot and no odors shall be permitted to arise therefrom so as to render any such Lot or any portion thereof unsanitary, unsightly, offensive or detrimental to any other Lot or dwelling unit in the vicinity thereof or to the occupants thereof. No noise or other nuisance shall be permitted to exist or operate upon any Lot so as to be offensive or detrimental to any other Lot or dwelling unit in the vicinity thereof or to the occupants thereof. Without limiting the generality of any of the foregoing provisions, no horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be located, used or placed on any Lot without approval of the Committee. Notwithstanding the foregoing, exterior speakers (for the reproduction of music) shall be allowed in accordance to local laws, ordinances or regulations.

k. No improvements upon any Lot within the Planned Community shall be permitted to fall into disrepair, and each improvement shall at all times be kept in good condition and repair. Except as set forth in this Declaration, all maintenance, repair and upkeep shall be the responsibility of the Owner of the Lot and dwelling unit in need thereof.

l. All utilities including electric, telephone and television cable lines shall be underground.

m. The Committee shall possess the right to control the ridge line of roofs and color of roofs.

n. There shall be no interference with the established drainage pattern over any Lot within the Planned Community unless adequate provision is made for proper drainage and is approved by the Committee and Mount Joy Borough. For the purposes hereof, "established drainage" is defined as the drainage which exists at the time the overall grading of the Planned Community is completed or which is shown on any subdivision plan.

o. No activities shall be conducted on any Lot and no improvements may be constructed which are or might be unsafe or hazardous to any person or property.

p. All excavated earth within the boundaries of a Lot, in excess of the amount required for proper grading of the Lot, must be deposited at a place specified by the Declarant within the limits of the development or adjoining lands of the Declarant, unless written consent is given for its removal.

q. No above-ground pools shall be permitted. In-ground pools shall be permitted subject to applicable zoning laws, maximum impervious coverage limits, and Committee approval.

r. No poles or appliances upon which to hang or expose laundry shall be erected or maintained on any Lot, nor shall any device, or material be affixed to any tree(s) for that purpose unless approved by the Committee.

s. No utility "night lights", security lights (except for standard flood lights), or other exterior lighting (except for standard lamp posts and walkway lights) shall be permitted unless approved by the Committee.

t. The provisions of this Declaration shall run with the land, shall enure to the benefit of and be enforceable by the Declarant, any Owner, or the Association. The violation of any of the provisions is hereby declared to be a nuisance which may be remedied by appropriate legal proceedings. Failure of any party to enforce, or to restrain the breach of any provisions herein, shall be in no way deemed a waiver of the right to do so, or as a waiver of such restriction, condition, covenant or agreement. The Declarant, its legal representatives, successors and assigns, shall not be responsible, either personally or as a fiduciary, for the default of any subsequent purchaser or Owner of any portion of the Planned Community, nor obliged to enforce compliance with any provisions herein, in the event of default by such purchaser or Owner.

u. All Owners of each Lot shall be bound by and subject to the By-Laws, rules, regulations and assessments of the Association and all provisions relating to the Common Elements as set forth herein, which rules and regulations and provisions will require, inter alia, the payment (as provided herein) of an annual fee(s) as assessed for the maintenance and repair of the Common Elements and which fees or costs are assessable against the Lots as set forth herein.

v. Nothing in these restrictions shall limit the right of a Declarant to complete excavation, grading and construction of improvements to any Lot or dwelling unit within the Planned Community, or to alter said excavation, grading and construction of improvements, or to construct such additional improvements as such Declarant deems advisable in the course of development of the Overall Property, or to use any structure in the Planned Community as a construction office or model home or real estate sales or leasing office. Declarant need not seek or obtain Committee approval of any improvement constructed or placed by Declarant on any Lot or any property owned by Declarant. The rights of Declarant pursuant to this Declaration may be assigned by Declarant by recorded instrument which specifically designates a successor or assignee Declarant.

w. Declarant may, at Declarant's sole discretion and without the prior written approval of the Committee and/or the Owner of any Lot, construct (i) an entrance sign(s) on the end lots fronting on Musser Road, Charter Lane or Donegal Springs Road. Once constructed, the entrance signs shall become the property of the Association and shall be maintained, repaired and, when necessary, replaced by the Association, at the Association's sole cost and expense, except as provided in Article IV for damages by an Owner or the Owner's lessee, licensee, employee, agent, guest or invitee.

x. Except as provided on a duly recorded, final subdivision/land development plan for a phase of The Lakes at Donegal Springs, the Declarant shall have no obligation to develop the Overall Property, Additional Real Estate and/or Common Facilities; and nothing (except as provided on a duly recorded, final subdivision/land development plan) contained in this Declaration shall bind or obligate Declarant to develop the Overall Property, Additional Real Estate and/or Common Facilities.

y. No Lot shall be subdivided beyond what is shown on the Final Subdivision Plan of The Lakes at Donegal Springs or the Second Subdivision Plan.

z. The maximum number of Lots in the Planned Community shall be two hundred fifteen residential Lots (215), three open space Lots, and one Lot to be transferred to the Mount Joy Borough Authority, inclusive of Lots that may be created within the Additional Real Estate.

aa. No Lots may be owned in time-share estates.

Section 3. Restrictions upon Lots 1, 218 and 219. The following restrictions are hereby placed on Lots 1, 218, and 219 in the Planned Community:

a. Except as outlined in the Development Conditions for the Subject Property no further development shall occur on Lots 1, 218 and 219, provided, however, that if the Borough formally accepts dedication of Lot 218, this restriction shall not apply.

b. The use of Lot 219 shall be limited to recreation, storm water management and open space uses.

Section 4. Other Restrictions of Record. The following restrictions upon the Property or portions thereof are contained within the public record:

a. Restrictions, covenants and conditions as set forth in Record Book, Z-39, Page 386.

b. Rights granted Pennsylvania Power and Light Company, as set forth in Record Book 7018, Page 272.

c. Rights granted to The Manufacturers Light and Heat Company, as set forth in Record Book H-30, Page 46.

- d. Rights granted Mount Joy Borough Authority, as set forth in Record Book W-70, Page 433.
- e. Rights granted Sprint, as set forth at Instrument Number 5060926.
- f. Rights granted by Mount Joy Mennonite Church, as set forth at Instrument Number 5077835.
- g. Rights granted to and by Pennsylvania Department of Transportation, as set forth at Instrument Number 5092847.
- h. All easements as shown on the Final Subdivision Plan, as set forth at Plan Book J-214, Page 137.
- i. Storm Water Management Agreement and Declaration of Easement with Mount Joy Borough, to be recorded.
- j. Declaration of Zoning Conditions, to be recorded.
- k. Land Development Agreement with Mount Joy Borough, to be recorded.

ARTICLE IV
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS; ASSESSMENTS

Section 1. The Association is a non-profit, non-stock corporation organized and existing under the laws of the Commonwealth of Pennsylvania and charged with the duties and vested with the powers prescribed by law and set forth in the Declaration and the Association Articles of Incorporation and By-Laws ("Governing Documents"), as such may be amended from time to time, provided no other Governing Documents other than this Declaration shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

Section 2. The Association shall have two classes of members. The qualifications and rights of each class shall be as follows:

Class A. Every Unit Owner shall be a member.

Membership shall include an undertaking by an Owner to comply with and be bound by the Articles of Incorporation, the By-Laws and amendments thereto, this Declaration, and the policies, rules, and regulations at any time adopted by the Association in accordance with the By-Laws and this Declaration.

Membership in the Association shall terminate on such member's ceasing to be an Owner of a Unit.

Each member in good standing shall be entitled to vote on each matter submitted to a vote of the members, provided however, that each member shall be an Owner. In the event that a Unit is owned by more than one individual, for example husband and wife as tenants by the entirety, the owner as an entity shall have one vote, which may be cast by any individual, i.e. either the husband or the wife. A member shall have one vote for each Unit owned by such Owner. Good standing shall mean that the member has paid all assessments provided in this Declaration, including penalties, interest and fees, and is in compliance with Association regulations, bylaws and this Declaration.

At membership meetings all votes shall be cast in person, or by proxy registered with the secretary.

The Board of Directors is authorized to establish regulations providing for voting by mail.

Class B. The Class B member(s) shall be the Declarant; and the Declarant shall be entitled to five (5) votes for each Unit owned by Declarant, so long as Declarant retains the right to control the Board of Directors, as set forth below.

a. Until the 60th day after conveyance of Fifty Four (54) Units (being 25% of the Units which may be created in the Overall Property pursuant to the terms of this Declaration) to Owners other than a Declarant, Declarant shall have the right to appoint and remove any and all officers and members of the Board of Directors. Declarant may not unilaterally remove any members of the Board of Directors elected by Owners other than Declarant.

b. Not later than 60 days after conveyance of Fifty Four (54) Units (being 25% of the Units which may be created in the Overall Property pursuant to the terms of this Declaration) to Owners other than Declarant, not less than 33% of the directors comprising the Board of Directors shall be elected by Owners other than Declarant.

c. Not later than the earlier of (i) seven years after the date of the recording of this Declaration, (ii) 60 days after One Hundred Sixty Two (162) Units (being 75% of the Units which may be created in the Overall Property) have been conveyed to Owners other than Declarant (iii) two years after all Declarants have ceased to offer Lots for sale in the ordinary course of business, or (iv) two years after any development right to add new units was exercised, all members of the Board of Directors appointed by Declarant shall resign, and the Owners (including Declarant to the extent of Lots owned by Declarant, i.e. as a Class A Member) shall elect a new members to Board of Directors to replace the resigning members.

Voting. As used in this Article IV, the phrase "majority vote of the Owners" shall mean a majority of the votes cast at a meeting of the Owners at which a quorum (as set forth in Section 9 of this Article IV) is present in person or in proxy.

Section 3. Board of Directors. The Association shall be governed by a Board of Directors consisting of at least five (5) directors, which shall have the powers set forth in the By-Laws of the Association, as may be amended from time to time by a majority vote of the Unit Owners. Notwithstanding the foregoing, during the period of Declarant control of the Association, there may be less than five (5) directors but not less than three (3) directors upon the Board.

Section 4. Purpose of Assessments. The annual and special General Common Expenses assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Planned Community and for the improvement and maintenance of the Common Facilities and the maintenance, repair and replacement of the storm water management facilities and storm water management systems located upon the Lots.

Separate assessments for the maintenance of the Controlled Facilities, excluding storm water management facilities and storm water management systems on the Lots, shall be made against Units containing similar style dwellings (i.e. townhouses, duplexes and detached dwellings) which (a) have been conveyed or leased to a non-Declarant; or (b) have been occupied by a non-Declarant; or (c) have been issued a certificate of occupancy by a governmental entity (referred to herein as "Occupied Lots"). Controlled Facility maintenance shall include but not be limited to the repair or replacement of the roofs, front porches/stoops, siding, and the exterior appearances of the townhouse and duplex dwellings constructed upon the Occupied Lots (excluding decks, patios, back porches, windows, doors and exterior lighting) and the maintenance, repair and replacement of all grass, landscaping, driveways and sidewalks on all Occupied Lots.

Each Lot Owner shall be responsible for a share of the General Common Expenses equal to the proportion of the total number of Lots owned by that Owner divided by the number of Lots within the Subject Property ("General Common Expense Liability").

Each Occupied Lot Owner shall be responsible for a share of the respective Controlled Facility Expenses equal to the proportion of the total Occupied Lots owned by such owner divided by the total number of Occupied Lots which contain a similar style dwelling (e.g. townhouse, duplex or detached) (collectively "Controlled Facility Expense Liability", separately, "Detached Controlled Facility Expense Liability", "Townhouse Controlled Facility Expense Liability" and "Duplex Controlled Facility Expense Liability").

Section 5. General Common Expense Assessment.

a. Until December 31, 2003, the annual General Common Expense assessment shall be Sixty Dollars (\$60.00) per Lot, excluding any Controlled Facilities assessment, damage assessment or special assessment.

b. From and after January 1, 2004, the annual General Common Expense assessment may be fixed by the Board of Directors of the Association in accordance with the budget prepared by the Board of Directors and the General Common Expense Liability for each Lot, subject to the right of the Lot Owners to reject the budget under 68 Pa.C.S.A. §5303.

c. In addition to the annual General Common Expense assessments authorized above, the Association may levy, in any assessment year, a special General Common Expense assessment applicable to that year only, for the purpose of defraying, in all or in part, the cost of any construction, reconstruction, repair or replacement of an improvement upon or to the Common Facilities or stormwater management facilities or systems located on the Lots, including fixtures, landscaping and personal property related thereto, provided that any such assessment shall have the approval of the Owners.

Section 6. Detached Controlled Facility Assessments.

a. Until December 31, 2003, the annual Detached Controlled Facility Assessment shall be Seven Hundred Fifty Dollars (\$750.00) per Occupied Lot with a single family detached dwelling thereon ("Detached Occupied Lot").

b. From and after January 1, 2004, the annual Detached Controlled Facility assessment may be fixed by the Board of Directors of the Association in accordance with the budget prepared by the Board of Directors and the Detached Controlled Facility Expense Liability for each Detached Occupied Lot, subject to the right of the Detached Occupied Lot Owners to reject the budget under 68 Pa.C.S.A. §5303. Provided that the Detached Controlled Facility Assessment shall not be increased more than ten percent (10%) above the assessment for the previous fiscal year, without a majority vote of the Owners.

c. In addition to the annual Detached Controlled Facility assessments authorized above, the Association may levy, in any assessment year, a special Detached Controlled Facility assessment applicable to the Detached Occupied Lots for that year only, for the purposes of defraying in all or in part, the cost of any reconstruction, repair, replacement, ice and snow removal or any other Detached Controlled Facility maintenance related expense, provided that any such assessment shall have the approval of the Detached Occupied Lot Owners.

Section 7. Duplex Controlled Facility Assessments.

a. Until December 31, 2003, the annual Duplex Controlled Facility Assessment shall be One Thousand Thirty Dollars (\$1030.00) per Occupied Lot with a single family duplex dwelling thereon ("Duplex Occupied Lot").

b. From and after January 1, 2004, the annual Duplex Controlled Facility assessment may be fixed by the Board of Directors of the Association in accordance with the budget prepared by the Board of Directors and the Duplex Controlled Facility Expense Liability for each Duplex Occupied Lot, subject to the right of the Duplex Occupied Lot Owners to reject the budget under 68 Pa.C.S.A. §5303. Provided that the Duplex Controlled Facility Assessment shall not be increased more than ten percent (10%) above the assessment for the previous fiscal year, without a majority vote of the Owners.

c. In addition to the annual Duplex Controlled Facility assessments authorized above, the Association may levy, in any assessment year, a special Duplex Controlled Facility assessment applicable to the Duplex Occupied Lots for that year only, for the purposes of defraying in all or in part, the cost of any reconstruction, repair, replacement, ice and snow removal or any other Duplex Controlled Facility maintenance related expense, provided that any such assessment shall have the approval of the Duplex Occupied Lot Owners.

Section 8. Townhouse Controlled Facility Assessments.

a. Until December 31, 2003, the annual Townhouse Controlled Facility Assessment shall be One Thousand Thirty Dollars (\$1030.00) per Occupied Lot with a single family townhouse dwelling thereon ("Townhouse Lot").

b. From and after January 1, 2004, the annual Townhouse Controlled Facility assessment may be fixed by the Board of Directors of the Association in accordance with the budget prepared by the Board of Directors and the Townhouse Controlled Facility Expense Liability for each Townhouse Occupied Lot, subject to the right of the Townhouse Occupied Lot Owners to reject the budget under 68 Pa.C.S.A. §5303. Provided that the Townhouse Controlled Facility Assessment shall not be increased more than ten percent (10%) above the assessment for the previous fiscal year, without a majority vote of the Owners

c. In addition to the annual Townhouse Controlled Facility assessments authorized above, the Association may levy, in any assessment year, a special Townhouse Controlled Facility assessment applicable to the Townhouse Occupied Lots for that year only, for the purposes of defraying in all or in part, the cost of any reconstruction, repair, replacement, ice and snow removal or any other Townhouse Controlled Facility maintenance related expense, provided that any such assessment shall have the approval of the Townhouse Occupied Lot Owners.

Section 9. Notice and Quorum for Any Action Authorized Under Sections 2, 5, 6, 7 or 8.

Written notice of any meeting called for the purpose of taking any action authorized under Sections 2, 5, 6, 7 or 8 shall be sent to all members not less than fourteen (14) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or proxies entitled to cast fifty percent (50%) of all the votes of membership or specific Occupied Lot Owners, as the case may be, 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 (and any meeting thereafter until a quorum is present in person or in proxy) shall be one-half (1/2) of the required quorum at the preceding meeting, but in no case shall a quorum be less than 10% of the Lot Owners entitled to vote on a matter. No such subsequent meeting shall be held more than sixty (60) days' following the preceding meeting. The action shall be deemed approved if a majority of the quorum present shall vote in favor of such action.

Section 10. Rate of Assessment. With the exception of assessments for damage done as provided herein and assessments for Controlled Facilities maintenance as provided herein, both annual and special General Common Expense assessments must be fixed at a uniform rate for all Lots.

Section 11. Date of Commencement of Annual Assessments; Due Dates; Payment. The annual assessments, including General Common Expense and the Controlled Facilities assessments, provided for herein, shall commence on the first day of the month following the conveyance of the first Lot within the Planned Community to an Owner other than a Declarant. Notwithstanding anything to the contrary contained in this Declaration, a Declarant shall have no responsibility or obligation to pay any Controlled Facilities assessment on any Lot which is not an Occupied Lot. A Declarant shall be responsible to mow its non-Occupied Lot(s) at its sole cost. The first annual General Common Expense assessment and Controlled Facilities assessment, if applicable, shall be assessed and adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the each annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual General Common Expense assessment and Controlled Facilities assessments shall be sent to every Owner subject thereto. Except as otherwise established by the Board of Directors of the Association, the annual assessments, both General Common Expenses and Controlled Facilities, shall be payable in full without notice or demand on or before February 28 of each calendar year. The Board of Directors may authorize the collection of assessments in monthly or quarterly installments.

Section 12. Special Assessment for Damages. Any repair, maintenance and/or replacement of the Common Elements or Controlled Facilities (and the expenses associated therewith) necessitated by the negligence or deliberate actions of any Owner or the Owner's lessee, licensee, employee, agent, guest or invitee shall be the sole responsibility of the (i) Owner causing such damage or (ii) in the event a lessee, licensee, employee, guest, agent or invitee of an Owner shall cause such damage, the Owner whose lessee, licensee, employee, guest, agent or invitee caused such damage. For purposes of collection, in the event the responsible Owner shall fail to reimburse and/or pay the Association the cost and expense of any repair, maintenance or replacement as required by this paragraph, the unpaid expenses shall be treated as an "assessment" in accordance with the provisions of this Article IV and collected in accordance therewith.

Section 13. Effect of Nonpayment of Assessments; Remedies of the Association; Subordination to the Lien of First Mortgages.

a. The annual and special assessments payments plus (i) interest at the rate of fifteen per cent (15%) per annum or the maximum interest rate permitted by law, whichever is lower, (ii) late payment fees equal to twenty per cent (20%) of the assessment if not paid within thirty (30) days of when due, and (iii) costs and expenses of collection, including reasonable attorneys fees in an amount not less than \$250, shall be (in accordance with this Article IV, Section 13) a continuing lien and charge on the Lot against which each such assessment is made. Each such assessment, plus interest, late fees and costs for collection (as provided above) shall also be the personal obligation of the person who was the Owner of the Lot at the time when the assessment fell due. The Owner further agrees by his acceptance of title to a Lot that the Association shall be vested with the right and power in its own name to take and prosecute all suits which may, in the opinion of the Association, be necessary or advisable for the collection of such delinquent assessments.

b. Each Lot shall be subject to a lien in favor of the Association for any assessment levied against that Lot. Such lien shall (1) date from the date of the assessment (2) be enforced in like manner as enforcement of a mortgage lien (3) be prior to all other liens and encumbrances on the Lot except (i) liens for real estate taxes and other governmental assessments or charges against the Lot; (ii) liens and encumbrances created prior to the recordation of this Declaration; and (iii) mortgages on the Lot given to secure first mortgage holders whenever recorded, whether such recordation occurs prior to or after the date of the assessment or the due date of any installment thereof.

c. The Association shall, within ten days after written request from any Lot Owner and for a reasonable charge, furnish each Lot Owner with a certificate setting forth:

- i. the amount of any assessment currently due and owing by said Lot Owner;
- ii. the amount of assessments for the current calendar year; and
- iii. if then proposed by the Association, the amount of any proposed special assessment and/or the proposed assessment for the next calendar year.

d. A purchaser of any Lot shall not be liable (and no Lot shall be subject to any lien) for any unpaid assessment greater than the amount set forth in the Association's certificate.

Section 14. Initial Contribution. At the closing for the initial transfer of title from a Declarant to a non-Declarant purchaser of each Lot, the Association shall collect from such purchasers an amount equal to Three Hundred Dollars (\$300) plus two (2) months of the then current assessments applicable to the Lot upon conveyance (including both General Common Expense and Controlled Facility Assessments), which monies shall be deposited into an initial working fund under control of the Association. The initial contribution shall constitute a nonrefundable payment to the Association, to be used by the Association to pay start up expenses, to prepay certain expenses such as insurance premiums, to pay operating expenses of the Association and to provide an initial reserve against future expenses. No Lot Owner is entitled to a refund of these monies by the Association upon the subsequent conveyance of his Lot or otherwise. Such payments do not constitute advance payments of regular or special assessments.

Section 15. Classes and Class Voting.

In addition to the classes set forth in Section 2 of this Article IV, the Association shall have the following Voting Classes:

Detached Occupied Lot Class

The Detached Occupied Lot Class shall be comprised of and limited to Memberships appurtenant to Detached Occupied Lots.

Duplex Occupied Lot Class

The Duplex Occupied Lot Class shall be comprised of and limited to Memberships appurtenant to Duplex Occupied Lots.

Townhouse Occupied Lot Class

The Townhouse Occupied Lot Class shall be comprised of and limited to Memberships appurtenant to Townhouse Lots.

If any issue shall solely affect the Units and/or the Owners of Units, the Memberships of which appurtenant thereto are within a Voting Class, and such issue shall not affect Units and/or the Owners of Units, the Memberships appurtenant thereto of which are not within the Voting Class, such issue shall be decided by vote of only the Memberships of such Voting Class.

If any issue shall, in whole or in part, affect the Units and/or the Owners of Units, the Memberships of which appurtenant thereto are within a Voting Class, such issue shall not be decided unless the vote of only the Memberships of such Voting Class shall concur with and be in agreement with such decision.

Section 16. Emergency Assessment

The Executive Board may, by a two-thirds (2/3) vote, impose a Special Assessment for any unusual, unanticipated or emergency maintenance, repair or other expense required pursuant to the terms of this Declaration or any law to be paid by the Association (including, after depletion of reserves, any unexpected expenditures not provided by the budget or unanticipated increases in the amounts budgeted).

Section 17. Capital Improvement Fee on Resale or Transfer

Subject to the provisions of the Act and specifically subject to the limitations of § 5302(a)(12) of the Act, the Grantee of an ownership interest in a Unit, by the acceptance of such ownership interest, including without limitation any purchaser at judicial sale or heir or devisee of a deceased Owner, by the acceptance of ownership to a Unit obligates and binds such Grantee or Owner, and the heirs, successors and assigns of such Grantee or Owner, to, upon the conveyance of the interest in the Unit, other than the first Conveyance of a Unit from a Declarant or Assignee Declarant, to such Unit Owner, pay a Capital Improvement Fee in an amount as established by the Executive Board from time to time in an amount which shall not exceed the annual assessment against the Unit for such Unit's General Common Expense Liability for the most recently completed fiscal year of the Association.

ARTICLE V
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Each Owner of any Lot, other than the Declarant, hereby covenants by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree: (a) to become a member of the Association and to be bound by all of its rules and regulations and to be subject to all of the duties and obligations imposed by ownership of, and membership in, said Association; and (b) to pay to the Association: (1) annual assessments or charges; and (2) special assessments for damage done to the Common Elements by an Owner, or such Owner's lessees, invitees, guest, licensees, agents and employees, such assessments to be established and collected as provided in Article IV of this Declaration, including but not limited to damages done to the Common Facilities and/or Controlled Facilities.

ARTICLE VI
EXTERIOR MAINTENANCE OF LOTS AND DWELLINGS
HOMEOWNER' INSURANCE

Section 1. Controlled Facilities. Pursuant to this Article, the Declarant explicitly reserves the right to have all Controlled Facilities maintained, improved, repaired, replaced, regulated, managed, insured, or controlled by the Association, as is set forth in more detail below with respect to each such facility.

Section 2. Landscaping. At the time of the completion of the Planned Community, it shall be landscaped by the Declarant, at the Declarant's expense as part of the development of the Planned Community. Subsequently, Lot Owners shall not be permitted to install additional landscaping or to alter the landscaping, except that Lot Owners shall have the right to plant flowers, if they so desire, in the mulched beds within their Lot. The future installation of additional landscaping shall be done by the Association, and shall be paid for from the applicable Controlled Facilities Assessments. The regular care and maintenance of all landscaping and shrubbery shall be the responsibility of the Association, and shall be paid for from the applicable Controlled Facilities Assessments. The regular care and maintenance of all landscaping and shrubbery within a fenced area (as approved by the Committee) shall be the responsibility of the Lot Owner.

Section 3. Grass. The regular care and maintenance of all grass within the Planned Community shall be the responsibility of the Association, and shall be paid from the applicable Controlled Facilities Assessments. Care and maintenance shall include, but not be limited to regular mowing during the mowing season, fertilization at the appropriate times, watering when necessary (and permitted under local regulation), etc. The regular care and maintenance of all grass within a fenced area (as approved by the Committee) shall be the responsibility of the Lot Owner. The care and maintenance of grass on non-Occupied Lots shall be the responsibility of the Lot Owner.

Section 4. Exterior of Dwellings. The exterior of duplex and townhouse dwellings constructed upon the Duplex Occupied Lots or Townhouse Occupied Lots, including the exterior surface of walls, window and door trim, fences (but not fences constructed by the Lot Owner), shutters, front porches/stoops, down spouts and gutters, but excluding decks, patios, back porches, windows, doors and exterior lighting, shall be painted or stained, or otherwise cared for or maintained by the Association, at times that the Association deems are appropriate in order to maintain a pleasing aesthetic appearance within the Planned Community. Such care and maintenance shall be paid from the applicable Controlled Facilities Assessments, as shall be determined by the Association. No Lot Owner shall be permitted to change the exterior appearance of his dwelling without the permission of the Association and the Committee. Owners of detached dwellings shall be individually responsible for the maintenance, repair and replacement of their individual dwelling.

Section 5. Roofs. The care, maintenance, repair and replacement of the roofs of duplexes and townhouses constructed upon the Duplex Occupied Lots or Townhouse Occupied Lots within the Planned Community shall be the responsibility of the Association, and shall be paid for from the applicable Controlled Facilities Assessments. Owners of detached dwellings shall be individually responsible for the maintenance, repair and replacement of the roof of their individual dwelling.

Section 6. Driveways and Sidewalks. The care, maintenance, repair and replacement of the driveways and sidewalks constructed upon Occupied Lots shall be the responsibility of the Association, and shall be paid for from the applicable Controlled Facilities Assessments. The maintenance of driveways and sidewalks undertaken by the Association shall include the removal of snow and ice from such sidewalks and driveways. The easement granted to the Association under Article III, Section 1.c. shall be deemed to include the right to store snow upon the Lots.

Section 7. Homeowners' Insurance. The owner of each Lot shall be obligated to insure the Lot and all improvements thereon, including but not limited to all Controlled Facilities located thereon, at least to the assessed value of the Lot and improvements against fire, hazards and other casualties. Upon the request of the Association, the Lot Owner shall provide proof of such insurance. If any Lot Owner fails to insure his or her Lot and improvements, the Association shall have the right, but not the obligation, to procure insurance for said Lot and to bill the Lot Owner for the cost of such insurance; and upon failure of the Lot Owner to reimburse the Association, the Association shall have the right to declare such cost to be part of that Lot Owner's assessment, with all of the lien powers set forth herein.

Section 8. Cluster Mail Boxes. The regular care and maintenance of cluster mail boxes serving the Townhouse Occupied Lots and Duplex Occupied Lots shall be performed by the Association. The Association may assign such obligation to the United States Postal Service. Such care and maintenance, if any, shall be paid from the applicable Controlled Facilities Assessments, as shall be determined by the Association. Owners of Detached Occupied Lots shall be responsible for the maintenance and repair of the mail box serving their individual Lot.

Section 9. Utilities Services. The owner of each Lot shall be solely responsible for contracting within the appropriate utility providers and paying the cost of the utility services provided to the Lot directly to the utility providers. The Association shall have no responsibility or obligation to provide utility services to the Lots intended for residential use.

ARTICLE VII
ARCHITECTURAL CONTROL

Except as shown in plans and specifications approved by the Declarant, no house, garage, building or structure of any character or driveway or fence shall be erected, constructed, maintained, located or used within the Planned Community nor shall any addition to, change or alteration thereof be made (including changes in color scheme) unless and until the contractor who will perform the construction and the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme, location, front and rear facings, roofing and elevations thereof have been submitted to and approved in writing by a Committee composed of three (3) or more members appointed annually by the Board of Directors. Except as set forth in Article III, Section 2.f. (fences), in the event the Committee fails to approve or disapprove such plans and specifications within thirty (30) days after said plans and specifications have been submitted to it, approval shall be deemed to have been granted. The Committee shall have the right to decline to approve any such plans and specifications submitted which are not suitable or desirable, in its opinion, for aesthetic or other reasons, taking into consideration the effect of the building or other structures as planned for the adjacent or neighboring property, and whether the plans are in keeping and general harmony with the surroundings.

Notwithstanding the foregoing, so long as Declarant owns any Lot, the Committee need only be composed of two persons, and the Committee shall be appointed solely by the Declarant and the persons appointed by the Declarant need not be members of this Association.

ARTICLE VIII
POWERS AND DUTIES OF THE ASSOCIATION

Section 1. Association Duties. The Association shall have the obligation, subject to and in accordance with this Declaration, to perform each of the following duties for the benefit of the Owners of each dwelling unit or Lot within the Planned Community.

a. Association Property. To accept and exercise jurisdiction over all property, real and personal, conveyed to and/or to be maintained by the Association, including the storm water management basins. Upon completion of construction of Farmington Way, Charlan Boulevard, Lakeside Crossing, and Waters Edge Drive, Declarant will offer Farmington Way, Charlan Boulevard, Lakeside Crossing, and Waters Edge Drive for dedication and transfer responsibility for the Common Facilities to the Association. Upon completion of the improvements upon Lot 218, as shown upon the Final Subdivision Plan, Declarant will offer such lot and improvements to Mount Joy Borough for dedication. If such improvements are not accepted for dedication by Mount Joy Borough, Declarant reserves the right to transfer ownership of such real estate to the Association.

b. Title to Property Upon Dissolution. To convey, upon dissolution of the Association, the assets of the Association to an appropriate public agency or agencies to be used for purposes similar to those for which the Association was created, or to a non-profit corporation, association, trust or other organization organized and operated for such similar purposes.

c. Operation of Common Elements. To operate, maintain and repair all the Common Elements designated by the Declarant herein or on a duly recorded, final subdivision/land development plan or in which it owns easements either for operation and maintenance purposes or for the benefit of Association members; and to keep all improvements of whatever purpose from time to time located thereon in good order and repair.

d. Storm Water Management Basins. In addition to the Association's general obligation to maintain the storm water management basins located on Lots 219 and 1, the Association shall:

i. maintain, repair and/or replace an aerating fountain or other mechanism within the storm water management basin upon Lot 219 to prevent algae growth or insect infestation;

ii. maintain, repair and/or replace a minimum of five warning signs around the perimeter of the basin located upon Lot 219 indicating (a) the depth of the basin, (b) that swimming is prohibited, and (c) in winter that ice may be too thin for skating; and

iii. allow local fire companies to withdraw water from either basin if necessary or appropriate during firefighting activities.

e. Payment of Taxes. To pay all real property taxes and assessments levied upon any property conveyed, leased or otherwise transferred to the Association, to the extent not assessed to the Owners. Such taxes and assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring the payment is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes.

f. Insurance. To obtain and maintain in force at all times the policies of insurance with limits of coverage not less than as follows:

(1) Fire and All Risk extended perils insurance on all improvements owned by the Association, the amount of such insurance to be not less than eighty percent (80%) of the aggregate value thereof.

(2) One Million Dollars (\$1,000,000) of liability coverage, combined single limit per occurrence, covering personal injury and property damage, with a deductible of not more than Five Thousand Dollars (\$5,000) insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction. The Borough of Mount Joy, its elected and appointed officials, employees, and agents, shall be named as additional insureds on any such insurance policies.

(3) Worker's compensation insurance to the extent necessary to comply with any applicable laws.

(4) One Million Dollars (\$1,000,000) of officers and directors liability coverage, with a deductible of not more than Five Thousand Dollars (\$5,000), which shall name as insureds all officers and directors of the Association.

(5) Such other insurance, including indemnity and other bonds as required by law, or as the Board shall deem necessary or expedient to carry out the Association functions as set forth in this Declaration and the Articles and By-Laws of the Association.

The liability insurance referred to above shall name as separately protected insureds, the Association, the Board, the Committee, and their representatives, members and employees, with respect to any liability arising out of the maintenance or use of any Association property. Every policy of insurance obtained by the Association shall contain an express waiver, if available, of any and all rights of subrogation against the Board, the Committee, and their representatives members and employees.

g. Legal, Accounting and Other Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association property, enforcement of the provisions of this Declaration, or in performing any of the other duties or rights of the Association; and to retain, contract with and pay employees, agents, and contractors to perform any of the duties, obligations or rights of the Association.

h. Bank Accounts. To maintain or deposit Association moneys in any federally insured bank in any insured account, including but not limited to checking accounts, savings accounts, and certificates of deposit. The Association shall maintain separate accounts exclusively for moneys received on account of any road assessments.

i. Association Property Services. To pay for water, sewer, garbage, electrical, telephone, gas, maintenance, and gardening service, and other necessary utility or other services for the Association property.

j. Rule Making. To make, establish, promulgate, amend and repeal the Association's rules.

k. Enforcement of Restrictions and Rules. To perform such other acts, whether or not expressly authorized by the Declaration, as may be reasonably necessary to enforce any of the provisions of the Declaration and the Architectural Committee Rules.

l. Other. To carry out the duties of the Association set forth in this Declaration, the Articles and the By-Laws of the Association.

Section 2. Liability of Board Members, Declarant and Employees. Except as set forth in the By-Laws of the Association, neither any Member of the Board, the Declarant, the Committee nor any employee of the Association shall be personally liable to any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, the Declarant, the Board, or any other representatives or employees of the Association, or the Committee; and the Association shall indemnify and hold harmless, to the maximum extent permitted by law, such Board Member or other person from and of all claims and demands and expenses (including reasonable counsel fees) arising by reason of any alleged wrongful act or omission. Nothing contained herein shall be construed to limit the liability of the Association.

ARTICLE IX
DECLARANT'S RIGHTS

Section 1. Declarant's Rights. Declarant shall be afforded all rights as permitted by applicable law and this Declaration.

Section 2. Common Facilities.

a. If any street or other real estate intended to be dedicated to a governmental entity or authority, as set forth in the Final Subdivision Plan, or any one of them, are not accepted for dedication (individually and collectively, "Rejected Improvements"), Declarant reserves the right to designate the Rejected Improvements as Common Facilities of the Planned Community and shall transfer ownership of the Rejected Improvements to the Association no later than the date of the conveyance or lease of the last Lot owned by the Declarant within the Planned Community.

b. This obligation shall be binding upon successor declarants.

c. Until such time as the Rejected Improvements are conveyed to the Association, the Declarant shall retain ownership thereof, and Declarant shall remain responsible for the real estate taxes due thereon and the costs associated with the Rejected Improvements.

d. Declarant shall convey the Rejected Improvements to the Association by deed for no consideration, but may reserve rights-of-way or other easements over under and through the Rejected Improvements as Declarant deems appropriate.

e. Once conveyed to the Association, the Association (and the Lot Owners as a Common Expense) shall be responsible for the cost of the maintenance, repair and replacement of the Rejected Improvements, including the removal of snow and ice. The conveyance of the Rejected Improvements would likely lead to an increase in the expenses of the Association and common expense assessments to the Lot Owners.

f. Declarant may not transfer the Rejected Improvements or portion thereof until the improvements contemplated upon the portion to be conveyed have been completed (as certified by a registered surveyor, engineer or architect) or Declarant has posted adequate security to guarantee the completion of such improvements.

g. Declarant shall complete the Rejected Improvements before the conveyance or lease of the last unit by the Declarant. Declarant need not provide any security (other than its own promise) for the completion improvements which may be designated as Common Facilities.

Section 3. Additional Real Estate.

a. Declarant reserves the unfettered right to create additional Lots, Common Elements, Limited Common Elements or both (including but not limited to "Controlled Facilities") within the Additional Real Estate and to add the Additional Real Estate to the Planned Community. The Additional Real Estate is described in Exhibit "C" and depicted on Sheet 2 of the Final Subdivision Plan as "Remaining Lands."

b. Declarant's rights in this Section 3 shall extend for a period of seven (7) years from the date of the recording of the Declaration. Declarant may add any portion of the Additional Real Estate. Declarant may exercise its rights at any time and is not required to add real estate in any particular order. Declarant's powers under this Section 3 shall be exercisable at any time and on multiple occasions.

c. If Declarant exercises its rights under this Section 3, the Owners of the Lots added or created within the Planned Community shall have voting rights set forth in Article IV of this Declaration. Because there will be additional Lot Owners, and therefore additional votes, upon the creation of additional Lots within the Planned Community an individual Lot Owner's voting strength a percentage share of General Common Expenses and Controlled Facility expenses (to the extent such Lots become Occupied Lots) will decrease.

d. The maximum number of residential Lots that Declarant may create within the Additional Real Estate is one hundred fifty three (153) residential Lots. The Lots will be restricted to residential uses, excepted those intended to be Common Facilities or dedicated to a governmental entity or authority. Declarant may create additional Lots which may be conveyed to the Association as Common Facilities or dedicated to a governmental entity.

e. The buildings that may be erected on the additional real estate will be generally compatible with the remainder of the Planned Community in terms of architectural style, quality of construction and materials employed. The type and size of the buildings may vary significantly. Declarant intends for the construction of detached, duplex and townhouse single family dwellings within the Additional Real Estate, in addition to Common Elements to serve such Additional Real Estate, but reserves the right to construct other types of dwellings upon the Additional Real Estate. Declarant makes no representation as to the final location of any buildings or other improvements to be constructed within the Additional Real Estate.

f. Declarant may construct Common Facilities, Limited Common Facilities and Controlled Facilities within the additional real estate which shall be maintained by the Association as set forth in this Declaration. Such improvements may include streets, storm water management facilities, dwellings, landscaping, and other improvements consistent with the nature and character of the Planned Community. Declarant makes no assurances as to the proportion of limited common elements or facilities to Units which may be created within the Additional Real Estate.

g. All Lots created within the Additional Real Estate, once added to the Planned Community, will be subject to all of the terms of this Declaration (and any amendment thereto). If any Additional Real Estate is not made subject to this Declaration, no assurances are made regarding the manner of use of the Additional Real Estate, including without limitation, number of residences or size of other uses.

h. Declarant makes no assurances as to the use or development of the Additional Real Estate if it is not added to the Planned Community.

ARTICLE X
PROVISIONS IN FAVOR OF MOUNT JOY BOROUGH

Section 1. Right to Approve Transfer. The Association shall not transfer the Common Facilities (or any portion thereof) without the prior written approval of Mount Joy Borough ("Borough").

Section 2. Mount Joy Borough as Beneficiary. The Borough shall be a third-party beneficiary of the provisions of this Declaration requiring the Association to maintain the Common Elements and the Owners to maintain their Lots. The Borough shall have the right, but not the obligation or responsibility, to enforce the provisions of the Declaration requiring the Association to maintain the Common Elements and the Owners to maintain their Lots. The Borough shall have the right to compel repairs to the Common Elements and to the Lots in the event of the Association's or Owners' failure to fulfill their obligations pursuant to this Declaration. The Borough shall have the right, after notice and opportunity to cure as set forth below, to perform these obligations and be reimbursed for all expenses incurred. The amount of any such expenses incurred by the Borough plus the Borough's reasonable attorneys' fees may be filed as a municipal lien by the Borough, or the Borough may pursue any other remedy available to it at law or in equity against either the Lots, the Owners of the Lots or against the Association for failure to reimburse the Borough for such expenses incurred in repairing either the Common Elements or the Lots, all as set forth below.

The Borough shall provide written notice to such Owner or Association and an opportunity to cure the said obligation for a period of 30 days from the date of such notice or, if the nature of such failure is such that it cannot be reasonably cured within the said 30 day period, such additional time as may reasonably be necessary to cure such failure if the Owner or Association promptly begins efforts to effect the cure and diligently prosecutes the cure to completion.

Provided the Borough has given the notice and opportunity to cure, as aforesaid, the Borough shall have the right, in order to preserve the taxable values of the Lots and to prevent the Common Elements from becoming a public nuisance, to enter upon the said Common Elements and/or Lots and to take any action necessary to remedy such failure. Such action by the Borough shall not constitute a taking of the said Common Elements nor vest in the public any rights to use the same.

The cost of any such repairs and/or maintenance by the Borough shall be assessed, at the Borough's option, against the Association, the Owners of the Lots, or each of the Lots.

The Borough shall have the right, thereafter, to file a Notice of Lien in the Office of the Prothonotary for Lancaster County, Commonwealth of Pennsylvania in accordance with applicable law.

The rights granted to Mount Joy Borough herein are in addition to any rights granted the Borough under the Storm Water Management Agreement dated August 15, 2002.

Section 3. Association Responsible for any Municipal Special Assessments. In the event of any municipal special assessments imposed upon the Common Facilities, the Association shall be responsible for the same. Nothing contained herein shall prohibit the Association from collecting the municipal special assessments from the Lot Owners pursuant to the terms of this Declaration.

ARTICLE XI
RIGHTS OF SECURED LENDERS

Section 1. Rights of Secured Lenders. In order to induce Secured Lenders to make loans secured by liens upon Lots or lands within the Lakes at Donegal Springs, subject to the provisions of §5221 of the Act, the Association shall not, without the prior written consent of at least fifty percent (50%) of first mortgagees of individual Lots (or as otherwise required by governmental financing agencies or entities having jurisdiction thereof including but not limited to the Department of Housing and Urban Development, Federal Housing Administration, Federal Home Administration, Veterans Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and similar entities, ("Financing Agencies") and two-thirds (2/3) of Owners other than the Declarant:

- a. by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer any of the Common Facilities owned directly or indirectly excepting, however, conveyances to governmental/public service entities consistent with common property use are excepted;
- b. change the method of determining the obligation, assessments, dues or other charges which may be levied against an Owner;
- c. by act or omission, change, waive or abandon regulations or enforcement pertaining to restrictive covenants, the maintenance of the Common Elements, or the upkeep of lawns and plantings;
- d. fail to maintain fire and extended coverage on insurable Association property on a basis as required by Financing Agencies; and
- e. use hazard insurance proceeds for losses to Common Elements for other than the repayment for, replacement or reconstruction of such Common Elements.

Section 2. Obligations of Association to Secured Lenders. As further inducement to Secured Lenders, subject to the provisions of the Act, the Association shall:

- a. not make liable any mortgagee who obtains title to a Lot, pursuant to the remedies provided in the mortgage, for such Lot's unpaid assessments, installments thereof or charges which accrue prior to the acquisition of title to such Lot by the mortgagee;

b. allow mortgagees of Lots to, jointly or singly, pay taxes or other charges against the Common Elements and pay overdue premiums on hazard insurance policies, or secure new hazard insurance policies on the lapse of a policy for such Common Elements and mortgagees making such payment shall be owed immediately reimbursement therefor from the Association;

c. give written notification, upon written request, to any first mortgagee, at the address designated in the request, of any default in the performance by any individual Lot mortgagor or such individual Lot mortgagor's obligations pursuant to the terms of the Declaration;

d. limit any agreement for professional management or any contract providing for services from or by the Declarant to that required by any federal agencies having jurisdiction thereof and provide for termination in accord with standards of federal agencies. Any management agreement shall remain consistent with the Governing Documents.

ARTICLE XII
GENERAL PROVISIONS

Section 1. Enforcement. The Declarant, the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure of the Declarant, the Association or of any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the Planned Community, for a term of thirty (30) 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 by an instrument signed by not less than eighty percent (80%) of the Owners of all Lots, except for amendments to the term of the Declaration, to Article VIII of the Declaration and/or to Article X of this Declaration which must be approved by at least eighty percent (80%) of the Owners of the Lots and Mount Joy Borough. Technical amendments, not amending Article VIII and/or Article X of this Declaration, may be made by the Board of Directors in accordance with the terms of the Act. Any amendment shall not be effective until recorded.

The Certification required by §5210(i)(3) of the Act is attached hereto as Exhibit "F."

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 17th day of October, 2002.

Declarant
CHARLAN GROUP, L.P. also known as
CHARLAN GROUP, a Pennsylvania limited
Partnership, by its general partner, Tri-Des, Inc.

By: _____
Name: _____
Title: _____

EXHIBIT A

Description of Subject Property



5123153
Page: 36 of 61
10/17/2002 11:18AM

Description of Subject Property
For The Charlan Group
Mount Joy Borough
Lancaster County, Pennsylvania

ALL THAT CERTAIN tract of land situate on the easterly side of Musser Avenue, S.R. 4017, in Mount Joy Borough, Lancaster County, Pennsylvania, comprised of Phase I as shown on a final subdivision plan entitled The Lakes at Donegal Springs, prepared by Herbert, Rowland & Grubic, Inc., last revised date of April 29, 2002, Project No. 0565.014, sheets 3 and 4 of 28, said tract of land being more fully bounded and described as follows:

BEGINNING at the northwesterly corner thereof, said point of beginning being a point on the easterly proposed right-of-way line of Musser Avenue, S.R. 4017; thence through lands of the Charlan Group the following 11 courses and distance: (1) South 82 degrees 06 minutes 44 seconds East, a distance of 124.64 feet to a point; (2) South 03 degrees 41 minutes 14 seconds West, a distance of 186.23 feet to a point; (3) South 52 degrees 46 minutes 42 seconds East, a distance of 110.14 feet to a point; (4) South 82 degrees 03 minutes 01 seconds East, a distance of 210.55 feet to a point; (5) North 62 degrees 40 minutes 50 seconds East, a distance of 148.47 feet to a point; (6) North 58 degrees 14 minutes 10 seconds East, a distance of 61.94 feet to a point; (7) North 25 degrees 52 minutes 03 seconds East, a distance of 107.05 feet to a point; (8) South 64 degrees 07 minutes 57 seconds East, a distance of 412.50 feet to a point; (9) South 25 degrees 52 minutes 03 seconds West, a distance of 63.00 feet to a point; (10) along a curve to the left having a radius of 12.00 feet and an arc length of 18.85 feet, the cord of said arc bearing South 19 degrees 07 minutes 57 seconds East, a distance of 16.97 feet to a point; (11) South 64 degrees 07 minutes 57 seconds East, a distance of 88.00 feet to a point on the northerly right-of-way line of a 50-foot wide unopened street to be known as Farmington Way; thence crossing said unopened street and along various recorded subdivision lots the following 7 courses and distances: (1) South 25 degrees 52 minutes 03 seconds West, a distance of 278.43 feet to an iron pipe found; (2) South 10 degrees 23 minutes 07 seconds West, a distance of 362.02 feet to an iron pin found; (3) North 89 degrees 06 minutes 41 seconds West, a distance of 231.06 feet to an iron pin found; (4) North 00 degrees 41 minutes 04 seconds East, a distance of 29.77 feet to an iron pin found; (5) North 88 degrees 38 minutes 17 seconds West, a distance of 200.11 feet to an iron pin found; (6) North 88 degrees 41 minutes 57 seconds west, a distance of 130.11 feet to an iron pin found; (7) South 01 degrees 16 minutes 39 seconds West, a distance of 210.00 feet to a point near the centerline of Donegal Springs Road, S.R. 4002; thence in and along Donegal Springs Road, S.R. 4002 North 88 degrees 41 minutes 33 seconds West, a distance of 36.00 feet to a point; thence crossing Donegal Springs Road, S.R. 4002 and along various recorded subdivision lots the following 6 courses and distances: North 01 degrees 13 minutes 22 seconds East, a distance of 178.38 feet to an iron pin found; (2) North 88 degrees 34 minutes 20 seconds West, a distance of 96.54 feet to an axle found; (3) North 88 degrees 44 minutes 54 seconds West, a distance of 194.16 feet to a point; (4) North 17 degrees 33 minutes 29 seconds East, a distance of 14.15 feet to an iron pipe found; (5) North 00 degrees 36 minutes 31 seconds West, a distance of 67.74 feet to an iron pipe found; (6) North 88 degrees 47 minutes 58 seconds West, a distance of 179.93 feet to a point near the centerline of Musser Avenue, S.R. 4017; thence in and along Musser Avenue, S.R. 4017 the following 5 courses and distances: (1) North 16 degrees 01 minutes 39 seconds East, a distance of 129.85 feet to a point; (2) along a curve to the left having a radius of 1,180.00 feet and an arc length of 99.84 feet, the chord of said arc bearing North 11 degrees 12 minutes 24 seconds East, a distance of 99.81 feet to a point; (3) North 08 degrees 46 minutes 58 seconds East, a distance of 313.58 feet to a point; (4) North 07 degrees 53 minutes



16 seconds East, a distance of 1,008.56 feet to a point; (5) North 07 degrees 38 minutes 30 seconds East, a distance of 586.47 feet to a point; thence crossing Musser Avenue, S.R. 4017 South 67 degrees 39 minutes 05 seconds East, a distance of 31.01 feet to a point on the proposed easterly right-of-way line of Musser Avenue, S.R. 4017; thence along said easterly right-of-way line South 07 degrees 38 minutes 30 seconds West, a distance of 93.46 feet to a point on the northerly right-of-way line of a proposed roadway entrance; thence along said northerly right-of-way line along a curve to the left having a radius of 27.00 feet and an arc length of 42.41 feet, the chord of said arc bearing South 37 degrees 21 minutes 30 seconds East, a distance of 38.18 feet to a point; thence crossing said proposed roadway entrance South 07 degrees 38 minutes 30 seconds West, a distance of 50.00 feet to a point on the southerly right-of-way line of said proposed roadway entrance; thence along said northerly right-of-way line along a curve to the left having a radius of 27.00 feet and an arc length of 42.41 feet, the chord of said arc bearing South 52 degrees 38 minutes 30 seconds West, a distance of 38.18 feet to a point on the proposed easterly right-of-way line of Musser Avenue, S.R. 4017; thence along said proposed easterly right-of-way line the following 2 courses and distances: (1) South 07 degrees 38 minutes 30" West, a distance of 381.20 feet to a point; (2) South 07 degrees 53 minutes 16 seconds West, a distance of 636.19 feet to a point, the place of beginning.

Containing 20.32 Acres

EXHIBIT B

Description of Overall Property



5123153

Page: 39 of 61

10/17/2002 11:18AM

Description of Overall Property
For The Charlan Group
Mount Joy Borough
Lancaster County, Pennsylvania

ALL THAT CERTAIN tract of land situate on the easterly side of Musser Avenue, S.R. 4017, in Mount Joy Borough, Lancaster County, Pennsylvania, comprised of the overall boundary as shown on a final subdivision plan entitled The Lakes at Donegal Springs, prepared by Herbert, Rowland & Grubic, Inc., last revised date of April 29, 2002, Project No. 0565.014, sheet 2 of 28, said tract of land being more fully bounded and described as follows:

BEGINNING at the northwesterly corner thereof, said point of beginning being a railroad spike found near the centerline of Musser Avenue, S.R. 4017; thence crossing Musser Avenue, S.R. 4017, along various recorded subdivision lots the following 12 courses and distances: (1) South 67 degrees 39 minutes 05 seconds East, a distance of 696.04 feet to a 2" iron pipe found; (2) South 67 degrees 41 minutes 33 seconds East, a distance of 506.76 feet to an iron pin found; (3) South 67 degrees 34 minutes 48 seconds East, a distance of 261.06 feet to an iron pipe found; (4) South 26 degrees 48 minutes 59 seconds West, a distance of 22.18 feet to a point; (5) South 67 degrees 31 minutes 03 seconds East, a distance of 79.53 feet to an iron pin found; (6) South 25 degrees 52 minutes 03 seconds West, a distance of 1,391.33 feet to an iron pipe found, the last mentioned course having crossed a 50-foot wide unopened street to be know as Farmington Way; (7) South 10 degrees 23 minutes 07 seconds West, a distance of 362.02 feet to an iron pin found; (8) North 89 degrees 06 minutes 41 seconds West, a distance of 231.06 feet to an iron pin found; (9) North 00 degrees 41 minutes 04 seconds East, a distance of 29.77 feet to an iron pin found; (10) North 88 degrees 38 minutes 17 seconds West, a distance of 200.11 feet to an iron pin found; (11) North 88 degrees 41 minutes 57 seconds West, a distance of 130.11 feet to an iron pin found; (12) South 01 degrees 16 minutes 39 seconds West, a distance of 210.00 feet to a point near the centerline of Donegal Springs Road, S.R. 4002; thence in and along Donegal Springs Road, S.R. 4002 North 88 degrees 41 minutes 33 seconds West, a distance of 36.00 feet to a point; thence crossing Donegal Springs Road, S.R. 4002 and along various recorded subdivision lots the following 6 courses and distances: North 01 degrees 13 minutes 22 seconds East, a distance of 178.38 feet to an iron pin found; (2) North 88 degrees 34 minutes 20 seconds West, a distance of 96.54 feet to an axle found; (3) North 88 degrees 44 minutes 54 seconds West, a distance of 194.16 feet to a point; (4) North 17 degrees 33 minutes 29 seconds East, a distance of 14.15 feet to an iron pipe found; (5) North 00 degrees 36 minutes 31 seconds West, a distance of 67.74 feet to an iron pipe found; (6) North 88 degrees 47 minutes 58 seconds West, a distance of 179.93 feet to a point near the centerline of Musser Avenue, S.R. 4017; thence in and along Musser Avenue, S.R. 4017 the following 5 courses and distances: (1) North 16 degrees 01 minutes 39 seconds East, a distance of 129.85 feet to a point; (2) along a curve to the left having a radius of 1,180.00 feet and an arc length of 99.84 feet, the chord of said arc bearing North 11 degrees 12 minutes 24 seconds East, a distance of 99.81 feet to a point; (3) North 08 degrees 46 minutes 58 seconds East, a distance of 313.58 feet to a point; (4) North 07 degrees 53 minutes 16 seconds East, a distance of 1,008.56 feet to a point; (5) North 07 degrees 38 minutes 30 seconds East, a distance of 586.47 feet to a point, the place of beginning.

Containing 55.78 Acres



EXHIBIT C

Description of Additional Real Estate



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Page: 41 of 61
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Description of Additional Real Estate
For The Charlan Group
Mount Joy Borough
Lancaster County, Pennsylvania

ALL THAT CERTAIN tract of land situate on the easterly side of Musser Avenue, S.R. 4017, in Mount Joy Borough, Lancaster County, Pennsylvania, comprised of the remaining lands as shown on a final subdivision plan entitled The Lakes at Donegal Springs, prepared by Herbert, Rowland & Grubic, Inc., last revised date of April 29, 2002, Project No. 0565.014, sheets 3,4 and 5 of 28, said tract of land being more fully bounded and described as follows:

BEGINNING at the northwesterly corner thereof, said point of beginning being a point on the easterly proposed right-of-way line of Musser Avenue, S.R. 4017; thence along various recorded subdivision lots the following 6 courses and distances: (1) South 67 degrees 39 minutes 05 seconds East, a distance of 665.02 feet to a 2" iron pipe found; (2) South 67 degrees 41 minutes 33 seconds East, a distance of 506.76 feet to an iron pin found; (3) South 67 degrees 34 minutes 48 seconds East, a distance of 261.06 feet to an iron pipe found; (4) South 26 degrees 48 minutes 59 seconds West, a distance of 22.18 feet to a point; (5) South 67 degrees 31 minutes 03 seconds East, a distance of 79.53 feet to an iron pin found; (6) South 25 degrees 52 minutes 03 seconds West, a distance of 1,112.90 feet to a point on the northerly right-of-way line of a 50-foot wide unopened street to be know as Farmington Way; thence through lands of the Charlan Group the following 11 courses and distances: (1) North 64 degrees 07 minutes 57 seconds West, a distance of 88.00 feet to a point; (2) along a curve to the right having a radius of 12.00 feet and an arc length of 18.85 feet, the chord of said arc bearing North 19 degrees 07 minutes 57 seconds West, a distance of 16.97 feet to a point; (3) North 25 degrees 52 minutes 03 seconds East, a distance of 63.00 feet to a point; (4) North 64 degrees 07 minutes 57 seconds West, a distance of 412.50 feet to a point; (5) South 25 degrees 52 minutes 03 seconds West, a distance of 107.05 feet to a point; (6) South 58 degrees 14 minutes 10 seconds West, a distance of 61.94 feet to a point; (7) South 62 degrees 40 minutes 50 seconds West, a distance of 148.47 feet to a point; (8) North 82 degrees 03 minutes 01 seconds West, a distance of 210.55 feet to a point; (9) North 52 degrees 46 minutes 42 seconds West, a distance of 110.14 feet to a points; (10) North 03 degrees 41 minutes 14 seconds East, a distance of 186.23 feet to a point; (11) North 82 degrees 06 minutes 44 seconds West, a distance of 124.64 feet to a point on the easterly proposed right-of-way line of Musser Avenue, S.R. 4017; thence along said easterly proposed right-of way line the following 2 courses and distances: (1) North 07 degrees 53 minutes 16 seconds East, a distance of 636.19 feet to a point; (2) North 07 degrees 38 minutes 30 seconds East, a distance of 381.20 feet to a point on the southerly right-of-way line of a proposed roadway entrance; thence along said southerly right-of-way line along a curve to the right having a radius of 27.00 feet and an arc length of 42.41 feet, the chord of said arc bearing North 52 degrees 38 minutes 30 seconds East, a distance of 38.18 feet to a point; thence crossing said roadway entrance North 07 degrees 38 minutes 30 seconds East, a distance of 50.00 feet to a point on the northerly right-of-way line of said roadway entrance; thence along said northerly right-of-way line along a curve to the right having a radius of 27.00 feet and an arc length of 42.41 feet, the chord of said arc bearing North 37 degrees 21 minutes 30 seconds West, a distance of 38.18 feet to a point on the easterly proposed right-of-way line of Musser Avenue, S.R. 4017; thence along said easterly proposed right-of-way line North 07 degrees 38 minutes 30 seconds East, a distance of 93.46 feet to a point, the place of beginning.

Containing 35.46 Acres



EXHIBIT D

Conditional Use Approval



BEFORE BOROUGH COUNCIL
OF THE BOROUGH OF MOUNT JOY
Lancaster County, Pennsylvania

IN RE: :
: :
APPLICATION OF THE CHARLAN :
GROUP :

DECISION

I. FINDINGS OF FACT

1. Applicant is The Charlan Group, 1085 Manheim Pike, Lancaster, Pennsylvania 17601 ("Applicant").
2. The property which is the subject of this application is located on the east side of Musser Road, approximately 200 feet north of the intersection of Musser Road and Donegal Springs Road, Mount Joy Borough, Lancaster County, Pennsylvania (the "Property").
3. Applicant is the record owner of the Property.
4. The Property is located in the R-2 Medium Density Residential District as shown on the Official Zoning Map of the Borough of Mount Joy.
5. Notice of the hearings on the within application was duly advertised and posted in accordance with the provisions of the Pennsylvania Municipalities Planning Code ("MPC") and the Zoning Ordinance of Mount Joy Borough (the "Zoning Ordinance").
6. Public hearings were held before Borough Council of the Borough of Mount Joy ("Borough Council") on this application on July 19, 1999, and August 9, 1999.
7. Applicant was represented at the hearing by its principal, George C. Desmond, and its consultants, Kara M. Kalupson and Brian Rohland of Herbert, Rowland & Grubic, Inc.
8. The following persons appeared and became parties to the hearing:
 - A. Jerry Abers, 461 Charter Lane, Mount Joy, Pennsylvania.
 - B. Debbie Adams, 477 Charter Lane, Mount Joy, Pennsylvania.
 - C. Phyllis Landis, 1079 Donegal Springs Road, Mount Joy, Pennsylvania.

D. Melissa Sweigart, 1050 Donegal Springs Road, Mount Joy, Pennsylvania.

E. Patrick West, 483 Charter Lane, Mount Joy, Pennsylvania.

9. Applicant had no objection to the above-named persons becoming parties to the hearing.

10. Applicant agreed on the record that members of Borough Council who were not present at a hearing could familiarize themselves with the record and participate in the Decision.

11. The Property is an undeveloped tract of land containing approximately 56 acres.

12. Applicant proposes to develop the Property with a residential cluster development to be known as The Lakes at Donegal Springs (the "Development").

13. The Development will contain 215 residential lots, three open space lots, and a lot (Lot No. 118) to be dedicated to Mount Joy Borough Authority (the "Authority") which will be joined with an existing pumping station lot. Exhibits A-1, A-6, A-8.

14. The Development will contain 76 single family detached dwelling lots, 76 single family semi-detached dwelling lots, and 63 townhouse dwelling lots. Exhibits A-1, A-6, A-8.

15. Applicant will develop the Property at a density of 4.65 dwelling units per acre. Exhibit A-7.

16. Applicant proposes to dedicate a lot containing approximately six acres to the Borough for park and recreation purposes (the "Borough Lot") which is a portion of the area identified as Lot 218 on Exhibit A-8.

17. Applicant will improve the Borough Lot with a full-size soccer field, full-size basketball court, tennis court, and off-street parking facilities.

18. Applicant will create two additional open space lots which will be owned and maintained by a homeowners' association (the "Association") which Applicant will create (the "Association Lots"), i.e. Lot 1 and a Lot to be designated as Lot 219 which will include those portions of Lot 218 as depicted on Exhibit A-8 that will not be dedicated to the Borough.

19. Lot 219 will contain a storm water retention pond/lake (the "Lake").

20. At its perimeter, the Lake will be two feet deep and will slope gradually to a depth of 12 feet.

21. A fountain will be installed at the deepest portion of the Lake to aerate and circulate water and prevent algae.

22. Applicant proposes to install riprap with a width of five feet around the perimeter of the





Lake.

23. Applicant does not propose to install a fence around the Lake.

24. The Lake will be designed so that there will be a depth of one foot between the level in the Lake during a 100 year storm and the top of the berm.

25. The Lake will be designed so that there will be two feet of storage for storm waters above the normal depth of the Lake, not including the one foot depth between the top of the berm and the depth of the 100 year storm.

26. Applicant proposes to provide 18.07 acres of open space, 6.12 acres to be contained in the Borough Lot.

27. The Borough Lot will not contain any storm water management facilities.

28. At least two acres of the Association Lots will not contain storm water management facilities.

29. Applicant will provide at least 50% of the required 16.29 acres of open space which do not contain storm water management facilities.

30. Applicant will install a ten feet wide landscape buffer along the entire boundary of the Property as shown on Exhibit A-8.

31. With the exception of a portion of the frontage along Musser Road, the perimeter of the Property will be developed with single family detached dwellings.

32. The remainder of the Musser Road frontage of the Property will be abutted by the Association Lots.

33. Applicant will install buffer zones between each housing type.

34. Applicant will install street trees along the proposed street system.

35. Musser Road is a state highway.

36. The Pennsylvania Department of Transportation ("PennDOT") will have to approve all improvements to Musser Road.

37. Applicant proposes to widen Musser Road from Donegal Springs Road to Wood Street and dedicate additional right-of-way such that there will be a 30 feet right-of-way from the centerline of Musser Road to the Property.

38. Applicant proposes that it will install a 12 feet wide cartway on Musser Road and a four feet wide paved shoulder from Donegal Springs Road to Wood Street.



39. Applicant does not propose to install curbs along Musser Road.
40. Applicant does not propose to install sidewalks along Musser Road except for the portion to be developed as single family detached dwelling lots.
41. Applicant proposes to install a pathway within the Association Lots adjacent to Musser Road which will serve the same purpose as a sidewalk.
42. The Borough presented review letters from the Borough Engineer which were identified as Staff Exhibit 1, Staff Exhibit 2, and Staff Exhibit 3.
43. Applicant testified that it would meet all of the comments of the Borough and Authority Engineer set forth in Staff Exhibit 1, Staff Exhibit 2, and Staff Exhibit 3.
44. The proposed development will be provided with public water service and public sewer service.
45. All persons recognized as parties spoke in opposition to the application.
46. Persons testified concerning the safety hazards presented by the Lake, traffic issues, and density issues.

II. CONCLUSIONS OF LAW

1. Residential cluster developments are permitted by conditional use approval subject to the specific criteria set forth in Section 502.3.E of the Zoning Ordinance.
2. Section 603 of the Zoning Ordinance sets forth standards and criteria governing the review and approval of conditional uses.
3. An applicant for approval of a conditional use application has the duty of presenting evidence and the burden of proof that the application meets the specific requirements of the zoning ordinance. *Appeal of Stagebrush Promotions, Inc.*, 98 Pa. Commonwealth Ct. 634, 512 A.2d 776 (1986); *Bray v. Zoning Board of Adjustment*, 48 Pa. Commonwealth Ct. 523, 410 A.2d 909 (1980).
4. An applicant who meets the specific and objective requirements of a zoning ordinance is entitled to the granting of a conditional use unless protestants demonstrate that the proposed use jeopardizes public health, safety and welfare. *Bailey v. Upper Southampton Township*, 690 A.2d 1324 (Pa. Cmwlth. 1997).
5. Fears of neighboring residents and speculation of harm, without more, cannot sustain an



objector's heavy burden; rather protestants must prove there is a high degree of probability that the proposed use will substantially affect the health and safety of the surrounding community. *East Manchester Township Zoning Hearing Board v. Dallmeyer*, 147 Pa. Commonwealth Ct. 671, 609 A.2d 604 (1992).

6. Lay opinions concerning increased traffic does not provide sufficient evidence of detriment to public health, safety and welfare to support denial of a conditional use application. *Bailey v. Upper Southampton Township*, supra.

7. A hearing body has the power to impose conditions on an approval if evidence indicates that a proposed use may have an adverse effect because the hearing body is obligated to reduce that impact to an acceptable level, if it can, by imposing conditions rather than denying the application. *Edgmont Township v. Springton Lake Montessori School, Inc.*, 154 Pa. Commonwealth Ct. 76, 622 A.2d 418 (1993).

8. Applicant has met all the standards and criteria set forth in the Zoning Ordinance for the grant of a conditional use to authorize development of the Property as a residential cluster development.

9. Conditions must be attached to the grant of the conditional use to protect and preserve the surrounding neighborhood and to implement the purposes of the Zoning Ordinance and the MPC.

III. DISCUSSION

Council has listened carefully to the concerns voiced by the many Borough residents who attended the hearings on this application. Council is encouraged that Borough residents have shown an interest in proceedings before Borough Council.

Borough Council is constrained by the requirements of state law in considering this application. The name "conditional use" is unfortunate and misleading. Under state law, if an applicant demonstrates that it meets the express standards and criteria in a zoning ordinance, the applicant is entitled to approval of the application unless protestants provide evidence that the proposal is substantially detrimental to public health, safety and welfare. The courts have expressly stated that where concerns relate to items such as traffic, the evidence meets this standard where there is expert testimony by traffic engineers.

Borough Council does not have the power to deny the application because it proposes a greater

density than some members of Council and some residents might desire. Similarly, Council does not have the power to deny the application because lot sizes are small. Applicant has demonstrated that it meets the specific and objective standards in the Zoning Ordinance, and no expert testimony was presented demonstrating that the Development would be detrimental to public health, safety and welfare. Borough Council also notes that in its review the Lancaster County Planning Commission commented that the Development was not dense enough. It is the position of the Lancaster County Planning Commission that development without boroughs should be eight dwelling units per acre.

Borough Council has heard the residents' concerns. The conditions imposed in this Decision attempt to mitigate possible adverse effects of the Development and insure the safety and well-being of Borough residents. Members of Council have included conditions beyond those suggested by the Borough staff and submitted at the hearing in direct response to concerns residents expressed.

IV. DECISION

The Borough Council of the Borough of Mount Joy hereby grants the conditional use application of The Charlan Group to develop the Property located on the east side of Musser Road, approximately 200 feet north of the intersection of Musser Road and Donegal Springs Road, Mount Joy Borough, Lancaster County, Pennsylvania, as a residential cluster development to be known as The Lakes At Donegal Springs. The grant of conditional use approval is subject to and only granted on the basis of full and strict compliance with the following conditions:

1. Applicant shall provide the Development with public sewer service and public water service and shall pay all applicable tapping, connection and customer facilities fees imposed by the Authority.

2. Applicant shall enter into an agreement with the Authority concerning the improvements to be made to the Authority's sanitary sewer system and Applicant's assumption of such costs for the sewer system improvements as are determined by the Authority to be fairly allocable to Applicant. Applicant shall present the Borough with evidence that such an agreement has been reached prior to the approval of the final subdivision/land development plan for the Development, and Applicant shall comply with all terms of such agreement with the Authority.

3. Applicant shall enter into an agreement with the Authority concerning the improvements to be made to the Authority's public water system, including but not limited to the installation of (i) a 12 inch water transmission main along Musser Road from its intersection with Wood Street to the



southern property line of the Property at Developer's sole cost and expense and (ii) the continuation of said 12 inch water line from the intersection of Street A and Musser Road to Donegal Springs Road, for which cost the Authority shall reimburse Applicant. The water transmission main shall be in accordance with all applicable Authority specifications. Applicant shall present the Borough with evidence that such an agreement has been reached prior to the approval of the final subdivision/land development plan for the first phase of the Development, and Applicant shall comply with all terms of such agreement with the Authority.

4. Applicant shall dedicate all necessary easements for utility facilities to the Authority. Applicant, at Applicant's sole cost and expense, shall prepare legal descriptions and plans for all utility easements, which shall be acceptable to the Authority Solicitor.

5. Applicant shall improve Musser Road (SR 4017) from Wood Street to Donegal Springs Road at Applicant's sole cost and expense. The improvements to Musser Road shall include the widening of the cartway, installation of sidewalks and the installation of curbing as shown on Exhibit A-5, together with the installation of sidewalks and curbs in front of the properties identified as 1093 Donegal Springs Road and 395 Musser Road if Applicant can obtain the necessary rights-of-way. All work shall be in accordance with Borough and Pennsylvania Department of Transportation ("PennDOT") specifications. All sidewalks in front of dwelling lots shall be four (4) feet wide concrete in accordance with Borough specifications. Applicant shall be permitted to install a six (6) feet wide asphalt walkway through the open space lots abutting Musser Road, such walkway to have a base of four (4) inches of 2A modified stone and two (2) inches of ID3 asphalt. Applicant shall prepare and submit all necessary applications and documentation to PennDOT to obtain all required PennDOT approvals and permits for such improvements. If PennDOT shall refuse to grant a highway occupancy permit for the improvements within the PennDOT right-of-way described in this Condition, Applicant shall be permitted to install improvements within the PennDOT right-of-way as required by PennDOT.

6. Applicant shall submit all applications which it is required to file with PennDOT to the Borough for the Borough's comments prior to submission to PennDOT. The Borough shall be permitted to review such applications and include its comments, including comments of the Borough Engineer, with the applications when the applications are submitted to PennDOT. Applicant shall reimburse the Borough for any fees and expenses charged by the Borough Engineer for such review. To the extent that PennDOT regulations require that the Borough be the applicant for such permit, Applicant shall



prepare and submit such application at Applicant's sole cost and expense and shall reimburse the Borough for any fees and expenses charged by the Borough Engineer for reviewing applications made in the Borough's name.

7. Applicant shall construct all streets within the Development in accordance with all applicable Borough specifications. Each street shall have a right-of-way width of fifty (50) feet and a cartway width of thirty-four (34) feet. Applicant shall provide each street within the Development with sidewalks, meeting all Borough specifications, on both sides. Applicant shall provide all streets with vertical curbs, meeting all Borough specifications, excepts for sides of streets developed with townhouse dwellings. Sides of streets upon which townhouse dwellings front may be provided with rolled curb or slant curb, the construction of which shall meet the requirements of the Borough Engineer.

8. The Borough shall not be required to accept dedication of and/or maintain any of the streets within the development after construction unless the Borough takes formal action to accept dedication. The Development must have at least seventy-five (75%) percent of the dwelling units completed along a street before Applicant may offer dedication of such street to the Borough.

9. Applicant shall update the Traffic Impact Study for The Lakes at Donegal Springs prepared by Herbert, Rowland & Grubic, Inc. (the "Traffic Impact Study"), at the time Applicant submits a final subdivision/land development plan for Phase Two of the Development and at the time Applicant submits a final subdivision/land development plan for Phase Three of the Development. If Applicant submits its application final subdivision/land development plan for Phase One of the Development more than two years after the date of this Decision, Applicant shall also prepare and file an update of the Traffic Impact Study at the time Applicant submits its application final subdivision/land development plan for Phase One of the Development.

10. Applicant shall require all contractors to use Donegal Springs Road and Musser Road to travel to the Development. Applicant shall not permit its contractors to use Wood Street or Charter Lane for travel to the Development. Applicant shall install a construction entrance to the Property to protect the street system of the Development from damage by heavy construction vehicles. Applicant's contractors shall use Wood Street or Charter Lane only as necessary to make improvements to such streets or to install utility facilities within the rights-of-way of such streets. If the Borough provides Applicant with notice that Applicant's contractors are not in compliance with this condition and Applicant fails to require its contractors to comply with this condition, the Borough may, at the



Borough's option, assess a penalty against Applicant in the amount of \$500.00 per each day that construction traffic uses any street other than Donegal Springs Road or Musser Road to reach the Development or withhold permits for additional construction until Applicant presents the Borough with adequate assurances that Applicant's contractors shall comply with this condition.

11. Applicant shall require all contractors to keep existing Borough and State streets free of construction debris, silt, and other impact of the construction of the Development. If the Borough provides Applicant with notice that Applicant's contractors are not in compliance with this condition and Applicant fails to require its contractors to comply with this condition, the Borough may, at the Borough's option, assess a penalty against Applicant in the amount of \$500.00 per each day that construction debris, silt, and other impact of the construction of the Development are found on Borough or State streets or withhold permits for additional construction until Applicant presents the Borough with adequate assurances that Applicant's contractors shall comply with this condition.

12. At such time as Applicant dedicates the streets within the Development to the Borough, Applicant shall provide the Borough with a traffic study of such street system meeting PennDOT regulations to enable the Borough to impose speed limits, stop intersections, and other traffic regulations. Applicant shall reimburse the Borough for all costs incurred by the Borough to prepare and enact the Ordinance imposing such traffic regulations. Applicant shall also reimburse the Borough for all costs associated with the acceptance of dedication of the streets and shall post maintenance security to secure the structural integrity and proper functioning of such streets in accordance with the requirements of MPC Section 509(k).

13. Applicant shall maintain all streets within the Development during development and until such streets are accepted by the Borough or other long-term provisions are made for maintenance. Such maintenance shall include, but not be limited to, the removal of snow and ice during winter months. If Applicant does not promptly remove snow from streets in which there are occupied dwellings, the Borough may remove the snow and ice or provide other winter maintenance such as salting and charge the cost thereof to the Applicant. If Applicant fails to pay such costs within 30 days after the date of an invoice for such costs, Applicant shall be in violation of this condition.

14. Applicant shall contribute the sum of \$47,300.00 to the Borough which shall be applied toward improvements to the Borough's road system and to the intersection of Donegal Springs Road and Union School Road (the "Roadway Contribution"). Applicant shall pay the Roadway Contribu-



tion in equal installments as Applicant or its successors applies for building permits. Any person making application for a building permit for a lot within the Development shall pay the sum of Two Hundred Twenty (\$220.00) Dollars as the required portion of the Roadway Contribution. The Borough shall not be required to issue any permits or approvals, including but not limited to permits or approval to allow construction of dwellings upon other lots within the Development, if the required per unit Roadway Contribution is not paid at the time of application for a building permit.

15. Applicant shall contribute the sum of Forty (\$40.00) Dollars per residential lot to the Borough for fire protection and prevention purposes, which the Borough may donate 75% to Fire Department Mount Joy and 25% to Florin Fire Company (the "Fire Protection Contribution"). Applicant shall pay the Fire Protection Contribution as Applicant or its successors applies for building permits. Any person making application for a building permit for a lot within the Development shall pay the sum of Forty (\$40.00) Dollars as the required Fire Protection Contribution. The Borough shall not be required to issue any permits or approvals, including but not limited to permits or approval to allow construction of dwellings upon other lots within the Development, if the required per unit Fire Protection Contribution is not paid at the time of application for a building permit.

16. Applicant shall contribute the sum of Thirty (\$30.00) Dollars per residential lot to the Borough for emergency medical services purposes, which the Borough may donate to the Mount Joy-Rheems Emergency Medical Service (the "EMS Contribution"). Applicant shall pay the EMS Contribution as Applicant or its successors applies for building permits. Any person making application for a building permit for a lot within the Development shall pay the sum of Thirty (\$30.00) Dollars as the required EMS Contribution. The Borough shall not be required to issue any permits or approvals, including but not limited to permits or approval to allow construction of dwellings upon other lots within the Development, if the required per unit EMS Contribution is not paid at the time of application for a building permit.

17. Applicant shall contribute the sum of Thirty (\$30.00) Dollars per residential lot to the Borough for library services, which the Borough may donate to the Mount Joy Public Library (the "Library Contribution"). Applicant shall pay the Library Contribution as Applicant or its successors applies for building permits. Any person making application for a building permit for a lot within the Development shall pay the sum of Thirty (\$30.00) Dollars as the required Library Contribution. The Borough shall not be required to issue any permits or approvals, including but not limited to permits



or approval to allow construction of dwellings upon other lots within the Development, if the required per unit Library Contribution is not paid at the time of application for a building permit.

18. Applicant shall install street lighting along all streets within the Development in accordance with Borough policies. Such street lighting shall be of the same design as the street lighting in the Arbor Rose Estates and The Orchards developments.

19. Applicant shall install landscaping within the Property in accordance with the plan submitted as Applicant's Exhibit A-8. All landscaping on individual lots shall be installed prior to the issuance of a Certificate of Use and Occupancy to enable occupancy of the dwelling on such lot.

20. Applicant shall install all improvements within Lot 218 for the use of the future residents of the Development as shown on Applicant's Exhibit A-1. Applicant shall improve Lot 218 with recreational facilities including but not limited to a full size basketball court, a full size tennis court, a full size soccer field, and a tot lot (of a size and with improvements acceptable to the Borough), and with an improved off-street parking lot containing at least forty (40) parking spaces. Applicant shall post financial security in an amount acceptable to the Borough engineer and in a form acceptable to the Borough solicitor to secure the completion of these improvements prior to the execution of the Final Subdivision/Land Development Plan for Phase One of the Development by the Borough.

21. Applicant shall install a pedestrian and bicycle path (the "Path") within the stub extending from Donegal Springs Road through Lot 6 to Street B and also between Lot 1 and Lot 115 which shall connect with the Development's internal street system, as shown on Exhibit A-5. The Path shall be improved with a permanent, all weather surface suitable for pedestrian and bicycle traffic. The Path shall also be improved with lighting acceptable to the Borough. Applicant shall dedicate the portion of the Path within Lot 218 to the Borough. If the Borough does not accept dedication of the Path, the Path shall become part of the common open space and shall be permanently maintained in the same manner as the common open space. It is the present intention of the Borough that the Borough shall not accept any portion of the Path located outside of Lot 218 and that such portions of the Path shall be maintained as common open space.

22. Applicant shall comply with the requirements of the Borough Subdivision and Land Development Ordinance concerning dedication of park and recreational land. Applicant shall be permitted to count Lot 218 toward meeting such requirement.

23. Applicant shall provide for the permanent maintenance of Lot 218 unless Lot 218 shall



be accepted by the Borough.

24. Applicant shall provide for the permanent maintenance of Lot 1 and Lot 219 upon which the Lake and detention basin will be installed unless Lot 1 and Lot 219 shall be accepted by the Borough. The Borough does not intend to accept dedication of Lot 1 or Lot 219.

25. Applicant shall directly connect the underground storm water management facilities serving the Development to the inlet/outlet structure on the Pennsbury Manor development located to the rear of Lot 141 in order that the storm water flowing from such Pennsbury Manor storm water management facility shall flow through the storm water management facilities serving the Development.

26. Applicant shall directly connect the underground storm water management facilities serving the Development to the inlet/outlet structure located to the rear of Lot 118 in order that the storm water flowing from such storm water management facility shall flow through the storm water management facilities serving the Development.

27. Applicant shall establish an automatic membership association for the homeowners within the Development (the "Association"). Applicant shall provide the documentation for the creation of the Association to the Borough Solicitor for review, and such documentation shall be in a form acceptable to the Borough Solicitor. Any such documentation shall provide that the Borough shall have the right to approve any transfer of the common open space and shall grant the Borough the right, but not the obligation, to maintain the common space and file liens for the cost of such maintenance in accordance with the requirements of Article VII of the MPC.

28. Applicant shall establish a reserve fund for the Association which may be used to maintain the common area until such time as there are sufficient funds in the Association to perform such maintenance.

29. The Association shall maintain liability insurance coverage for claims arising out of the maintenance or operation of the open space areas and storm water management facilities for as long as the Association is obligated to maintain such facilities. The Association shall, upon request of the Borough, present the Borough with certificates of insurance evidencing coverage of at least \$500,000 for property damage and at least 1,000,000 for personal injury, including death. The Borough, its elected and appointed officials, employees, and agents, shall be named as additional insureds on any such insurance policies.

30. Applicant shall provide for the long-term maintenance of all storm water management



facilities to be installed within the Development, including but not limited to the detention basin and the Lake. Such maintenance shall specifically address the Lake and the prevention of insect, algae or other conditions which may occur if the Lake is not properly maintained. Applicant shall enter into a Storm Water Management Agreement and Declaration of Easement with the Borough in a form acceptable to the Borough Solicitor to insure long-term maintenance of the storm water management facilities.

31. Applicant, its successors and assigns, including the Association, shall maintain warning signs at appropriate locations around the Lake. Such signs shall indicate the depth of the Lake, that swimming is prohibited, and that ice may be too thin for skating. Applicant shall submit proposed signs to the Borough for review and approval before Applicant erects such signs. Applicant shall erect not less than five signs around the perimeter of the Lake, and Applicant or the Association, as applicable, shall replace such signs which are damaged or otherwise removed.

32. Applicant shall include in the documentation for the Association a specific statement that local volunteer fire companies shall have the right to withdraw water from the Lake if necessary or appropriate during firefighting activities.

33. Applicant shall include both in the Association documents and as a note on the final plan a limitation on the transfer of Lot 219, including the Lake, to the Association or to a non-profit entity acceptable to the Borough. In any transfer of Lot 219, the use of Lot 219 and the Lake shall be restricted to recreation, storm water management and open space uses.

34. Applicant shall prepare and record a declaration of covenants and restrictions which shall prevent further development of Lots 1, 218 and 219 and which shall provide for the maintenance of Lot 1, Lot 218 (unless accepted by the Borough), Lot 219, the storm water management facilities and all common parking areas. The declaration of covenants and restrictions shall be in a form acceptable to the Borough solicitor.

35. Applicant shall demonstrate to the satisfaction of the Borough Engineer that storm waters flowing from the Development and the Lake installed in Lot 219 and west under Musser Road (SR 4017) onto the property located on the west side of Musser Road shall have runoff flow characteristics substantially similar to the existing flows or Applicant shall install piping through the property on the west side of Musser Road to drain storm waters to Donegal Creek.

36. Applicant shall enter into a land development agreement with the Borough in a form



substantially similar to the document referred to at the hearing to set forth the responsibilities for the development of the Property and to identify required improvements, lands and improvements to be dedicated, and contributions to the Borough.

37. Applicant shall comply with all forty-three (43) notes set forth on Applicant's Exhibit A-8 in the development of the Development except as modified by these Conditions.

38. Applicant shall address, in a manner satisfactory to the Borough Engineer and the Authority Engineer, all of the comments set forth in Staff Exhibit 1, Staff Exhibit 2, and Staff Exhibit 3.

39. Applicant shall provide financial security to secure the completion of storm water management facilities, streets, and other improvements indicated on Applicant's Exhibit A-8. Such financial security shall be in an amount acceptable to the Borough Engineer and a form acceptable to the Borough solicitor and shall be provided prior to the execution of the final subdivision/land development plan by the Borough.

40. Applicant shall obtain all permits and approvals required by the Mount Joy Borough Subdivision and Land Development Ordinance, the Mount Joy Borough Storm Water Management Ordinance, the Mount Joy Borough Zoning Ordinance, the Mount Joy Borough Building Code, and all other applicable Borough ordinances and regulations.

41. The construction schedule for the Development shall be generally in accordance with the sequence set forth on Applicant's Exhibit A-4.

42. Applicant shall be entitled to proceed with the submission of preliminary subdivision and plan reflecting and incorporating these conditions within a period of six months following the date of this approval. If such plan is filed within said period, this decision shall remain in force and effect to enable Applicant to commence and complete development of the Property in accordance with the time limitations of Section 508(4) of the MPC, which time limitations shall commence as of the date of the filing of the preliminary subdivision and land development plan incorporating the conditions imposed by this Decision. Provided, however, if a preliminary subdivision plan is not submitted within six months from the date of this approval or if a preliminary subdivision plan is not approved within one year from the date hereof or if the development of the Property is not completed within six years from the date hereof, the approvals granted by this Decision shall expire unless Council grants an additional extension of time.



43. Applicant shall at all times comply with and adhere to the Preliminary Subdivision Plan presented as Applicant's Exhibit A-8 and the testimony presented to Borough Council at the hearings on July 19, 1999, and August 9, 1999, except to the extent modified by the conditions imposed upon the granting of this conditional use and except to the extent changes to the Preliminary Subdivision Plan and the Final Subdivision Plan are approved by the Borough.

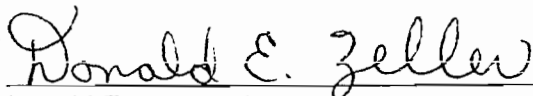
44. Applicant shall reimburse the Borough for one-half of the appearance fee of the court reporter within 30 days after receipt of an invoice from the Borough for such fee.

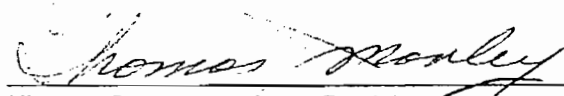
45. Any violation of the conditions contained in this Decision shall be considered a violation of the Zoning Ordinance and shall be subject to the penalties and remedies contained in the Pennsylvania Municipalities Planning Code.


46. The foregoing conditions shall be binding upon the Applicant, its successors and assigns, and any other party having an interest in the Property.

47. The Borough may cause this Decision, or a suitable memorandum thereof, to be recorded in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania, indexed against Applicant as grantee. Applicant shall execute and acknowledge such documents as are necessary to permit recording and indexing, and the Borough shall not be required to issue any permit or certificate until such documents are executed if Applicant is requested to do so. The cost of recording shall be borne by the Applicant.

BOROUGH COUNCIL OF THE BOROUGH
OF MOUNT JOY


Donald Zeller, President


Thomas J. Manley, Vice-President


John H. Bowman

[signature lines continue]

Crystal Cooper
Crystal Cooper

William A. Lambert, Jr.
William A. Lambert, Jr.

Stanley Longenecker
Stanley Longenecker

A. Paul Ocampo
A. Paul Ocampo

Cheryl Ann Rebman
Cheryl Ann Rebman

Carol A. Spickler

Dated and filed September 9, 1999, after hearings held on July 19, 1999, and August 9, 1999.

The undersigned certifies that a copy of this Decision was served upon all parties on or prior to September 10, 1999.

Raymond Sigurdson



5123153
Page: 59 of 61
10/17/2002 11:18AM

EXHIBIT E

Surveyor Certificate



THE LAKES AT DONEGAL SPRINGS
CERTIFICATE

I, ALBERT B. KLING, hereby certify as follows:

1. I am an independent registered PROFESSIONAL LAND SURVEYOR
2. This Certificate is given pursuant to Section 5210(b) and (i) of the Uniform Planned Communities Act, Act of December 19, 1996, P.L. 1336, No. 180, as amended (68 Pa.C.S.A. §5101 et seq.), and pertains to The Lakes at Donegal Springs, a flexible planned community, located in Mount Joy Borough, Lancaster County, Pennsylvania. The Final Subdivision and Land Development Plan for Phase 1 of The Lakes at Donegal Springs, as prepared by our firm, and recorded at J-214, Page 137 ("Final Plan"), contains all of the information required by Section 5210 of the Uniform Planned Communities Act, provided that the Additional Real Estate as described in the Declaration of Covenants, Conditions and Restrictions for the Lakes at Donegal Springs, a Flexible Planned Community is labeled as "Remaining Lands" upon the Final Plan. Further, all buildings shown within the Final Plan for Phase 1, specifically those buildings depicted upon Sheets 6, 7, 9-11, 20, 22, 23 and 25, are conceptual in nature, were only included for purposes of storm water management and erosion and sedimentation calculations, and **NEED NOT BE BUILT**.

IN WITNESS WHEREOF, this Certificate is executed this 16th day of October, 2002.

(Professional seal)

Albert B. Kling



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Page: 61 of 61
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EXHIBIT "F"

CERTIFICATION

I, Robert B. Gabriel, hereby certify that:

1. I am an independent Pennsylvania registered LANDSCAPE ARCHITECT.
2. I am aware of the requirements of Section 5210 of the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. §5101, *et seq.* (the "Act"), relating to the contents of plats and/or plans.
3. The *Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* as amended by *First Addendum to the Declaration of Covenants, Conditions and Restrictions for The Lakes at Donegal Springs, a Flexible Planned Community* and by *Second Amendment to Declaration of Covenants, Conditions and Restrictions for The Lakes At Donegal Springs, a Flexible Planned Community* ("Declaration"), together with the Final Subdivision Plan for the Lakes at Donegal Springs, which has been recorded in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania at Plan Book J-214, Page 137 and the Second Subdivision Plan which has been recorded in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania in Subdivision Plan Book J-223, Page 113, in accordance with Article II, Section 4, Plats and Plans, of the Declaration contain all information required by § 5210 of the Act.

Dated this 4 day of AUGUST, 2005.

Robert B. Gabriel

