

RECORDED OR FILED

AMENDMENT TO THE DECLARATION OF EASEMENTS  
AND RESTRICTIONS FOR STERLING PLACE

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RECORDER OF DEEDS  
LANCASTER, PA.

This Amendment to the Declaration of Easement and Restrictions for Sterling Place is made this 2<sup>nd</sup> day of January, 1998, by STERLING PLACE DEVELOPMENT CORP., a Pennsylvania business corporation, with principal offices at 600-A Eden Road, Lancaster, PA 17601.

WITNESSETH:

WHEREAS, Sterling Place Development Corp. ("Developer") filed a certain Declaration of Easements and Restrictions for Sterling Place dated May 21, 1996 and recorded May 23, 1996 in the Office of the Recorder of Deeds in and for Lancaster County, Pennsylvania, in Record Book 4982, Page 89 (the "Declaration"); and

WHEREAS, the Developer desires to amend the Declaration to comply with the requirements for Planned Unit Developments for the U.S. Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA");

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

1. The introductory provisions of the Declaration are hereby amended to include the legal description of Section 1 of Sterling Place which is attached hereto as Exhibit "A".

2. Section 1.01 - Association is hereby amended as follows:

1.01 Association shall mean and refer to Sterling Place Association, Inc., a Pennsylvania non-profit corporation, its successors and assigns.

3. Paragraph 1.03 - Development is deleted in its entirety and replaced with the following:

1.03 Development shall mean all townhouse lots and all semi-detached residence lots in Section 1 of Sterling Place, as shown on the Subdivision Plan for said section recorded in the Recorder's Office, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

4. Paragraph 1.06 - Open Space is hereby deleted in its entirety and replaced with the following:

1.06 Common Area - shall mean all real property (including the improvements thereto, if any) owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows: Lots 6A, 57 and 108 identified as Open Space on the recorded Subdivision Plan for Section 1 of Sterling Place.

5. Paragraphs 4.02(a) and (b) Voting Rights - Class A and Class B are deleted in their entirety and replaced with the following:

4.02 Voting Rights The Association shall have two classes of voting membership:

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

(b) Class B. The Class B member(s) shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(1) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(2) on January 1, 2005.

6. Paragraph 4.06 - Base Assessment is hereby deleted in its entirety and replaced with the following:

4.06 - Base Assessment. The Association shall levy upon the third party purchaser of all Lots from the Developer or the Developer's builder, at settlement, an initial base assessment of One Hundred Dollars (\$100.00), the proceeds of which shall be used as a reserve and working capital for the maintenance of the lawns, grounds, trees, shrubbery and athletic equipment (if any) in the Common Area, the maintenance of all stormwater detention basins and easements in the Common Area and for such other purposes as the Board of Directors may from time to time determine.

7. Paragraph 4.07 Annual Assessment is hereby deleted in its entirety and replaced with the following:

4.07 - Annual Assessment. The Annual Assessment for calendar year 1998 shall be fixed at One Hundred Dollars (\$100.00). In subsequent years, the annual base assessment shall be fixed by the Board of Directors subject to the limitations hereinafter imposed. Any proposed increase in the annual Base Assessment exceeding five percent (5%) of the preceding year's Base Assessment shall require the ratification by two-thirds (2/3) of each class of members, in person or by proxy, at a meeting duly called for this purpose.

8. Paragraph 4.08 - Special Assessment for Maintenance is hereby deleted in its entirety and replaced with the following:

4.08 - Special Assessment for Maintenance. In addition to the Annual Assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, any maintenance costs or deficit incurred in that or any prior year, provided that if any such special assessment, when added to the Annual Assessment, exceeds one hundred five percent (105%) of the previous year's Annual Assessment, then the portion of said special assessment exceeding one hundred five percent (105%) of the previous year's Annual Assessment, shall be subject to affirmative ratification by two-thirds (2/3) of each class of Members, voting in person or by proxy, at a special meeting called for that purpose. Any special assessments for maintenance pursuant to this paragraph shall be assessed against all Lots on a prorata basis, subject only to the provisions of Section 4.11 of this Declaration, as amended.

9. Paragraph 4.09 - Special Assessment for Capital Improvements is hereby deleted in its entirety and replaced with the following:

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

10. Paragraph 4.10 - Members Approval of Special Assessments is hereby deleted in its entirety.

11. Paragraph 4.11 - Uniform Rate of Assessment is hereby deleted in its entirety and replaced with the following:

4.11 - Uniform Rate of Assessment. Except as provided in this Paragraph 4.11, both annual and special assessments shall be fixed at a uniform rate for all Lots. While there is a Class B membership, the Developer shall pay no annual or special assessments on any Lots owned by the Developer. Developer shall, however, underwrite any difference between the actual expenses of the Association and assessments levied (subject to annual assessment increases as provided herein) until Class B membership converts to Class A membership in accordance with Paragraph 4.02 above. At that time, Developer's obligation to underwrite any shortfall on behalf of the Association as set forth above shall terminate; however, upon the conversion of Class B membership to Class A membership, the Developer shall pay any Annual or Special Assessment on unimproved Lots owned by the Developer (i.e., lots on which no dwelling unit has been completed) and on Lots owned by the Developer with unoccupied dwelling units at a rate equal to twenty-five percent (25%) of the assessment rate applicable to Lots owned by Owners other than the Developer. Should the conversion of Class B membership to Class A membership occur at any other time other than January 1 of any year, then the Special or Annual Assessment shall be prorated for the remainder of that year.

12. Paragraph 4.12 - Commencement of Assessment is hereby deleted in its entirety and replaced with the following:

4.12 - Date of Commencement of Annual Assessments: Due Dates. The annual Assessment provided for herein shall commence as to each Lot upon the earlier of the conveyance from Developer or the Developer's builder to the Owner or the occupancy of a residential structure on a Lot, whichever shall first occur. Owner shall pay at settlement the then current year assessment prorated to the date of settlement for each dwelling unit. The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of the Annual Assessment shall be sent to every Owner subject thereto. The due date shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of the assessments on a Lot is binding upon the Association as of the date of its issuance.

13. The following provisions are hereby added to the end of Paragraph 6.01 -  
Section II:

Additional land within the area described in Record Book 4971, Page 368, in the Recorder of Deeds Office for Lancaster County, Pennsylvania, may be annexed by the Developer without the consent of the members by no later than January 1, 2005, or any earlier date set forth in Section 5303(c)(3) of the Pennsylvania Uniform Planning Community Act, provided that the FHA and the VA determine that the annexation is in accord with the general plan heretofore approved by them.

14. Paragraph 6.03 - Covenants Running with the Land is hereby deleted in its entirety and replaced with the following:

6.03 - Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Amendment is recorded, after which they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than eighty percent (80%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

15. Paragraph 6.05 - Amendment is hereby deleted in its entirety.

16. The following provision is hereby added as Paragraph 6.07 - Owners' Easements of Enjoyment:

6.07 - Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with title to every Lot subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of recreational facilities, if any, situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by

the Members. If ingress or egress to any residence is through the Common Area, any such conveyance or encumbrance of such area is subject to the Lot Owner's easement for ingress to and from such residence. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of Members has been recorded.

17. The following provision is hereby added as Paragraph 6.08 Annexation:

6.08 - Annexation. Additional residential property and Common Area may be annexed to the Development with the consent of two-thirds (2/3) of each class of Members. This provision shall not apply to Section II of Sterling Place, which is governed by Paragraph 6.01 above.

18. The following is hereby added as Paragraph 6.09 FHA/VA Approval:

6.09 - FHA/VA Approval. As long as there is a Class B Membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area and Amendment of this Declaration of Covenants, Conditions and Restrictions.

19. The following is hereby added as Paragraph 6.10 - Conveyance or Mortgaging of Common Area:

6.10 - Conveyance or Mortgaging of Common Area. The Common Area cannot be mortgaged or conveyed without the consent of at least two-thirds (2/3) of the Lot Owners (excluding the Developer).

20. The following is hereby added as Paragraph 6.11 Insured Mortgages:

6.11 - Insured Mortgages. Nothing contained in this Declaration, as amended, shall be deemed to require that the failure of any Lot Owner to pay any assessments due hereunder shall constitute a default under any insured mortgage or to require any such mortgagee to collect any such assessments.

21. The following is hereby added as Paragraph 6.12 Replacement or Repair of Common Area Improvements:

6.12 - Replacement or Repair of Common Area Improvements. In the event of damage to or destruction of any part of the Common Area Improvements, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed,

the Association may make a Reconstruction Assessment against all Lot Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds in addition to any other Common Assessments made against such Lot Owners. In the event that the Association is maintaining blanket casualty and fire insurance on the dwelling units, the Association shall repair or replace the same from the insurance proceeds available. To the extent any such damage to the Common Area Improvements is caused by a Lot Owner or their families, guests or invitees, the liability of such Lot Owner shall be governed by the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, this Amendment to the Declaration of Easements and Restrictions for Sterling Place has been executed as of the date first above written.

STERLING PLACE DEVELOPMENT CORP.


By:

  
Kenneth C. Nottumo, President

COMMONWEALTH OF PENNSYLVANIA :  
: SS:  
COUNTY OF LANCASTER :

On this 2<sup>nd</sup> day of January, 1998, before me, the undersigned officer, personally appeared KENNETH C. NOTTURNO, who acknowledged himself to be the President of Sterling Place Development Corp., a Pennsylvania corporation, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

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

  
Jo Ann Rhinier  
Notary Public

My Commission Expires:

Notarial Seal  
Jo Ann Rhinier, Notary Public  
Manhelm Twp., Lancaster County  
My Commission Expires Jan. 4, 1999

I Certify This Document To Be  
Recorded in Lancaster Co., Pa.



Ronald N. Cohen  
Recorder of Deeds