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FIRST AMENDED
DECLARATION OF COVENANTS AND EASEMENTS
CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made and executed this 15th day of June, 1998, by SEVEN OAKS HOMEOWNER'S ASSOCIATION, INC., a Pennsylvania corporation, herein referred to as "Declarant" or ASSOCIATION,

WITNESSETH:

Whereas, Declarant is the owner of certain real property situate in the Borough of Wyomissing, Berks County, Pennsylvania, more particularly referred to herein as Common Area, and is successor in title to the original Declarant/developer who originated the Seven Oaks subdivision together with its governing instruments, including a Declaration of Covenants and Easements, Conditions and Restrictions; and

Whereas, Declarant desires to maintain the said Common Area as an adjunct of and enhancement to the residential development known as Seven Oaks, with certain portions thereof designated as permanent open space, and with Common Areas and facilities for the common benefit, use and enjoyment of the residents of Seven Oaks; and

Whereas, Declarant desires to ensure the attractiveness of Seven Oaks and to provide for the maintenance and improvement of the Common Areas and facilities and other areas of Seven Oaks; and

Whereas, Declarant intends to accomplish these goals and realize these desires by the maintenance of the corporate entity known as the Seven Oaks Homeowner's Association, Inc., and by the retention and maintenance of the Common Areas and Common Open Space, to be hereinafter described, by said Homeowner's Association;

Now Therefore, Declarant hereby declares that all of the Properties described above, including all of the residential Dwelling Units which are part of the development known as Seven Oaks shall be held, sold, conveyed and maintained subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title, or interest in or to the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of the ASSOCIATION and each Owner thereof to the extent of their respective interests.

ARTICLE I
Definitions

Section 1. The following words, when used in this Declaration (unless the context clearly indicates otherwise), shall have the following meanings:

a. "ASSOCIATION" shall mean and refer to The Seven Oaks Homeowner's Association, Inc., its successors and assigns.

b. "Common Area" shall mean and include, in addition to Common Open Space, streets, rights-of-way, off-street parking areas, accessways, walkways, utility and other servitudes and easements; and without limitation all areas and building elements not included in any Dwelling Unit, including the air space above the Upper Dwelling Unit, the downspouts, soffit and ridge vent of each multi-dwelling unit building, exterior siding and brickwork, and the attic area of each of the multi-dwelling unit buildings, provided that the loft area constructed and made a part of certain second and third floor units shall not be part of the Common Area, but shall be the responsibility of the Unit Owner.

As indicated herein, the Homeowner's Association shall maintain the Common Area in a manner which ensures its preservation, and complies with all applicable Borough, County, State, and Federal laws, and retains the functional condition thereof.

c. "Common Open Space" shall mean that area of land (including the improvements thereon) to be maintained for the use and enjoyment of the residents. It shall consist of landscaped or natural terrain including ponds (including all surface water collection, retention, and disposal facilities), recreational facilities, if any, and such buildings as are necessary to fulfill its permitted functions. The Common Open Space may be used for only those uses for which same was originally created and as limited by the Borough of Wyomissing's Zoning Ordinance, as it is, from time to time, amended.

d. "Declarant" shall mean and refer to Seven Oaks Homeowner's Association, Inc., a Pennsylvania corporation, its successors and assigns (also referred to herein as ASSOCIATION).

e. "Dwelling Unit" shall mean any part of a building on the Properties designated on the Record Plan as a single family residence. Each Lower Dwelling Unit shall include the Lot on which it is erected. Upper Dwelling Unit ownership shall not include ownership of any Lot or portion thereof.

f. "Limited Common Area" shall mean the stairway, attic storage area, patio and/or garden areas designated for the exclusive use of a Dwelling Unit Owner.

g. "Loft" shall mean that portion of the attic area above each unit and constructed as part of the living and storage area of the Dwelling Unit.

h. "Lot" shall mean and refer to a plot of land immediately subjacent to a Lower Dwelling Unit shown upon the Record Plan of the Properties with the exception of the Common or Dedicated Area.

i. "Lower Dwelling Unit" shall mean any Dwelling Unit on a Lot as indicated in the Record Plan described below. Each Lower Dwelling Unit is situated beneath one or more Upper Dwelling Units. Lower Dwelling Unit ownership shall not include ownership of the air space occupied by an Upper Dwelling Unit nor shall Lower Dwelling Unit ownership include ownership of any Common Areas or any portion of the Common Open Space.

j. "Party Wall" and "Party Ceiling/Floor" shall mean any wall, or ceiling/floor built originally as part of a building upon the Properties and placed in a dividing line or plane between two Dwelling Units as indicated on the Record Plan described hereinafter, without regard to any surveyor's error, shifting, settling, or error in construction, repair, or reconstruction which would cause the described property line or plane to deviate from the center line of a wall or ceiling/floor.

k. "Properties" shall mean and refer to all that certain real property hereinbefore described.

l. "Owner" shall mean and refer to the record fee simple Owner, whether one or more persons or entities, of any Dwelling Unit which is a part of the Properties located thereon, excluding those having such interest merely as security, however defined, for the performance of an obligation. Provided, however, a mortgagee in possession shall be deemed an Owner during the time of possession.

m. "Record Plan" shall mean and refer to the subdivision plan which has been filed of record in the Courthouse of Reading, Pennsylvania, a simplified copy of which is attached as Exhibit "B" to this Declaration.

n. "Residents" shall mean legal owners of the Dwelling Units on the Properties.

o. "Single Family" shall mean (i) a single person occupying a Dwelling Unit and maintaining a household, or (ii) a household head and one or more other persons related by blood or marriage, occupying a Dwelling Unit, living together and maintaining a common household, or (iii) not more than two unrelated persons occupying a Dwelling Unit, living together and maintaining a common household.

p. "Dwelling Unit Type" shall refer to the floor area and the model types constructed on the Properties.

q. "Upper Dwelling Unit" shall mean any Dwelling Unit situate on and supported by a Lower Dwelling Unit, consisting wholly or partially of air space. Upper Dwelling Unit ownership shall not include ownership of any Lot. Neither shall Upper Dwelling Unit ownership include ownership of any of

the Common Areas including the air space above any Upper Dwelling Unit or any portion of the Common Area or Common Open Space.

ARTICLE II

Property Rights: Common Areas and Facilities

Section 1. Common Area and Common Open Space Maintenance and Preservation. The Common Open Space shall remain in perpetuity reserved and restricted to open space, active and passive recreational facilities, and other such uses permitted by the Borough of Wyomissing Zoning Ordinance as, from time to time, amended, as the ASSOCIATION may from time to time determine.

a. The ASSOCIATION shall maintain all Common Open Space and Common Areas in a manner which ensures their preservation and is in compliance with all applicable Borough, County, State or Federal laws and retains the functional, condition thereof.

b. Funds shall be secured for Common Open Space and Common Area maintenance as provided for in Article IV.

Section 2. Owners; Easements of Enjoyment. Every Owner, tenant and invitee shall have a right and easement of enjoyment in and to the Common Area which right and easement shall be appurtenant to and shall pass with the title to and be unseverable from each and every Lot or Dwelling Unit subject to the following provisions:

a. The right of the ASSOCIATION to charge reasonable admission and other fees for the use of any active recreational facility situate upon the Common Area or Common Open Space.

b. The right of the ASSOCIATION to suspend the voting rights and right of use of the recreational facilities by a Dwelling Unit Owner for any period during which any assessment against his Lot or Dwelling Unit 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 Areas to the Borough of Wyomissing, its Municipal Authority, or a public utility for such purposes and subject to such conditions as may be agreed to by the Declarant and the Borough of Wyomissing, its Municipal Authority or a public utility as the case may be. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of the Owners has been recorded and legally accepted by the Borough of Wyomissing, its Municipal Authority, or a public utility as the case may be, or unless such dedication is required or authorized herein.

(d) The area designated as Common Area or Common Open Space shall remain open and used for recreational purposes as described above and shall be consistent with the Record Plan.

(e) The right of the ASSOCIATION to enforce its rules and regulations by an appropriate Civil Action at Law or in Equity and to charge a reasonable and appropriate penalty assessment for rule infractions.

Section 3. Delegation of Use. Any Dwelling Unit owner may delegate, in accordance with the Articles of Incorporation, the Declaration and the By-Laws, his right of enjoyment and access of the Common Areas, Common Open Space, and facilities to the members of his family, his guests, or his tenants or lessees who reside in or occupy the said Owner's unit.

Section 4. Parking Rights. Ownership of each Dwelling Unit shall entitle the Owner or Owners thereof to the use of not less than one (1) nor more than two (2) automobile parking spaces as the same are available, which space or spaces shall be as near and convenient to said Dwelling Unit as reasonably possible, together with the right of ingress and egress in and upon said parking area, such spaces not to be permanently assigned without express approval of the ASSOCIATION.

Section 5. Grant of Cross Rights, Easements, Restrictions, and Covenants. Each Dwelling Unit shall be, and it hereby is, made subject to the following rights, easements, restrictions, and covenants in favor of each adjoining and abutting and supporting or supported unit, whether such juncture is horizontal or vertical, and in favor of the ASSOCIATION.

(a) An easement within the party walls and party ceiling/floors for the installation, maintenance, use, repair, removal, and replacement of any lighting fixtures, electrical receptacles, and like fixtures which are located in any portion of any party wall or party ceiling/floor; provided, that any such installation, maintenance, use, repair, removal, or replacement of any such fixtures shall not unreasonably interfere with the adjoining or abutting Dwelling Unit, or with the use thereof, or impair or structurally weaken any load-bearing wall or ceiling/floor.

(b) An easement within the party walls and party ceiling/floors for driving and removing nails, screws, bolts, staples, and other similar fastenings from the surface of a party wall or party ceiling/floor into the common portion of such party wall or party ceiling/floor; provided that such action will not unreasonably interfere with the adjoining or abutting Dwelling Unit or the use thereof, or impair or structurally weaken any load-bearing wall or ceiling/floor.

(c) An easement for the installation, passage, maintenance, use, repair, removal, and replacement of utility equipment, meters, domestic water and sewer drains, ventilation ducts, fireplace flues, exhaust and sewer vents, and service electrical, telephone, and cable television wiring appertaining to and serving or benefiting any Dwelling Unit and required to pass across, through, or on any other unit or any party wall or party ceiling/floor; provided that no Dwelling Unit Owner or his agent shall enter an adjoining Dwelling Unit for any such purpose except at reasonable hours, upon reasonable notice to the Owner thereof, and in the presence of a person designated by such other Owner; provided, however, that, in an emergency or if the consent of such other Owner be unreasonably withheld or delayed, the ASSOCIATION or its agent or employee on behalf of the Owner requiring entry shall cause entry to be made into such other unit for the sole purpose of making necessary installation, maintenance, repair, removal, or replacement of utility equipment. All damage caused by such installation, maintenance, use, repair, removal, and replacement shall be repaired at the expense of the Owner or Owners benefiting therefrom. Utilities within the intendment of this provision include, but are not limited to, sewer, water, telephone, Cable T.V., electric, storm water traversing lots either horizontally or vertically (as from an upper unit to the ground of a lower unit.) The identity and approximate location of certain utility metering locations and the location of the telephone pedestal and cable television master connection panel included within the intendment of this provision are depicted in the Record Plan.

(d) Each Dwelling Unit Owner shall maintain all portions of his Dwelling Unit, including dedicated external utilities such as dryer vents, HVAC unit and electric service, in such condition as to ensure the exterior appearance of his Dwelling Unit, the structural support of the adjoining and abutting Dwelling Units and an impervious condition with respect to the elements, and no owner shall so fail to maintain or repair his Dwelling Unit whether as a result of deterioration over time, mishap or accident damage by fire, damage by wind, water or other elements, or otherwise without limitation, as to materially impair the exterior appearance, the habitability, or value of his or any other Dwelling Unit. In the event that a Dwelling Unit is so damaged, or the appearance, habitability, or value of a Dwelling Unit is so impaired, the proceeds from any applicable insurance policy covering the destruction or damage of any exterior, party wall or party ceiling/floor, and items affecting other Dwelling Units will be assigned to the ASSOCIATION as Trustee. The ASSOCIATION will then be liable to repair, rebuild or replace with new materials of like or better size, kind, and quality such exterior, or party wall or party ceiling/floor, or items affecting other Dwelling Units which were damaged or destroyed by such causes. Any excess of proceeds above and beyond the amount used to repair, rebuild, or replace will be distributed to the individual Owner or Owners directly affected by the damage in proportion to the amount of damage suffered.

Where no insurance was carried or where insurance coverage is inapplicable for any reason or where the insurance proceeds are insufficient to cover the cost of repair, rebuilding, or replacing, then the cost or additional cost shall be assessed by the ASSOCIATION as provided in Article IV, Section 8 below and the proceeds of this assessment shall then be used to effect the repairs in the same manner as described above. On request of any owner of a Dwelling Unit affected thereby, necessary repairs or

maintenance of any of the utilities or elements described in Section 5(c) above shall be made by or at the direction of the ASSOCIATION and the cost thereof shall be assessed by the ASSOCIATION as provided in Article IV, Section 8 below against the Dwelling Unit in which need for the repair or maintenance originated or, if the identity of such Dwelling Unit in which need for the repair or maintenance originated cannot be determined, pro rata against all units directly affected by the damage or malfunction. The determination by the ASSOCIATION as to the Owner or Owners to be so assessed shall be made by a majority of the Board of Directors thereof and shall be final without right of appeal of any kind. This provision and all insurance procured hereunder shall not apply to the contents of the buildings. The contents of any Dwelling Unit and any insurance covering such contents remain the sole responsibility and liability of the unit Owner.

(e) Stairway. Ownership of the stairway and the storage area underneath same is appurtenant to the Lower Dwelling Unit. The stairway to each Upper Dwelling Unit shall be, and hereby is declared to be a permanent easement and right-of-way on behalf and for the benefit of the Upper Dwelling Unit Owner. Each Upper Dwelling Unit Owner shall maintain and repair and keep such stairway orderly, clean, and fully maintained.

(f) Who May Enforce Cross Rights. The covenants, agreements, easements, and restrictions contained in Article II shall be enforceable by the ASSOCIATION and by any Owner or mortgagee.

(g) Upper Dwelling Unit Owners, their servants, invitees, tenants, visitors, agents, utilities, facilities, etc., shall enjoy a right of easement and access to and on the stairway for their Dwelling Unit and across, through and under the ground in front of said stairway, connecting the stairway with the nearest Common Open Space or public access and utility easement. This easement shall burden the respective lower Unit and Lot and, if needed for access, any adjacent Lower Dwelling Unit and Lot. For ingress, egress, and maintenance or moving or other special purposes, Upper Dwelling Unit Owners may cross the Lot of the Lower Unit.

(h) Portions of certain Dwelling Units shall be subject to public access and utility easements. Utilities including, but not limited to, electric, water, cable T.V. and sewer, for any or all Dwelling Units may be located within these areas, the party walls and party ceiling/floors and within the common attic area of each multi-dwelling unit building. Responsibility for removing snow and repairing walkways shall be in the ASSOCIATION. The general public, including any person or group not banned for just cause by the ASSOCIATION, may use walkways in these areas for access.

ARTICLE III Membership and Voting Rights

Section 1. Every Owner shall be a member of the ASSOCIATION. Membership shall be appurtenant to and may not be separated from ownership.

Section 2. Members shall be entitled to one (1) vote for each Dwelling Unit owned. When more than one (1) person holds an interest in any Dwelling Unit, all such persons shall be members. The vote for each Dwelling Unit shall be exercised as the owner(s) shall determine, but in no event shall more than one (1) vote be cast with respect to any Dwelling Unit.

ARTICLE IV Covenant for Maintenance and Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments.

(a) Each Owner, by acceptance of a deed for any Dwelling Unit, whether or not it shall be so expressed in such deed, including any purchaser at a judicial sale or heir or devisee of a deceased Owner, is deemed to covenant and agree to pay to the ASSOCIATION: (1) annual assessments or charges, and (2) special restoration assessments for repairs and maintenance of any Dwelling Unit and (3) special assessments for capital improvements, such assessments to be established and collected

as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the Dwelling Unit and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of the Dwelling Unit at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor in title unless expressly assumed by them.

(b) Notification. The contract seller of a Dwelling Unit shall notify the Board of Directors of the ASSOCIATION of his intent to sell the Dwelling unit so that an Estoppel Certificate may be prepared.

(c) Estoppel Certificate. Within ten (10) days of the receipt of such notification, the Board shall prepare an Estoppel Certificate which shall set forth any assessments and charges due upon such Dwelling Unit at the date of issuance and certify as to whether or not there are violations of the Governing Documents remaining on the Dwelling Unit known to the ASSOCIATION as of the date of the preparation of such Certificate. This Certificate shall be mailed to the place designated by the Seller. No conveyance shall discharge the personal liability of the Owner for unpaid assessments or charges whether or not shown on such Certificate. A reasonable fee shall be established from time to time by resolution of the ASSOCIATION to defray the cost of preparation of such Certificate and shall be paid at the time of request for such Certificate. The Certificate shall be signed by an officer of the ASSOCIATION and shall set forth whether the assessments on the specified Dwelling Unit have been paid. A properly executed Certificate of the ASSOCIATION as to the status of assessments on a Dwelling Unit is binding upon the ASSOCIATION as to any purchaser or mortgagee relying thereon in good faith as of the date of its issuance, but shall not relieve the Owner of personal liability.

Section 2. Purpose of Assessments. The assessments levied by the ASSOCIATION shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners in the Properties and for the improvement and maintenance of the Common Area, and the performance of the obligations of the ASSOCIATION, including the cost of operation of the ASSOCIATION.

Section 3. Maximum Quarterly Assessment.

- (a) The maximum annual assessment may be increased each year not more than Fifteen Percent (15%) above the annual assessment for the previous year. Increases in assessments pursuant to this sub-paragraph (a) shall not require a vote of the Members of the ASSOCIATION.
- (b) The maximum annual assessment may only be increased above the respective maximum amounts permitted by subparagraph (a) above by a vote of the Members constituting ownership of two-thirds (2/3) of the Dwelling Units, who are voting in person or by proxy, at a meeting duly called for that purpose.
- (c) The Board of Directors of the ASSOCIATION may fix the annual assessment at an amount not in excess of the maximums set forth above. Fees, if any, fixed by the ASSOCIATION for the use by members of active recreational facilities located on the Common Areas shall not be included in the annual assessment described herein.
- (d) Annual assessments may be billed and collected periodically, as determined by the Board of Directors.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the ASSOCIATION may levy, in an assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost exceeding any capital reserve theretofore accumulated of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Open Space or Common Area, including fixtures and personal property related thereto, provided that any such assessment related to the initial construction of such a capital improvement shall have the consent of at least two-thirds (2/3) of the votes of the Dwelling Units whose owners are voting in person or by proxy at a meeting duly called for that purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 & 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 above

shall be sent to all members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty-one percent (51%) of all of the Dwelling Unit votes of the membership shall constitute a quorum. If the required quorum is not present, the meeting shall be adjourned to a day certain. At any such adjourned meeting held thereafter, a quorum shall consist of not less than thirty-four percent (34%) of the total number of Dwelling Unit votes that may be cast by the membership in person or by proxy at a meeting duly called for this purpose.

Section 6. Uniform Rate of Assessment. Both annual and special assessments for capital improvements shall be fixed at a uniform rate for all units of a given unit type. The Board may authorize, in its discretion, a special assessment to be paid on a quarterly basis.

Section 7. Date of Determination of Annual Assessments: Due Dates. The annual assessments provided for herein shall be determined and announced by the Board at least thirty (30) days prior to the first day of each calendar year. Written notice of the annual assessment shall be sent to every Owner subject thereto. One-twelfth (1/12) of the annual assessment shall become due on the first day of each calendar month. Unless objection to the assessment is made by members representing at least fifty-one percent (51%) of the Dwelling Units within fifteen (15) days after the date of mailing of such notice, the same shall be deemed adopted and shall be binding on all members as provided herein. Monthly dues notices shall be a courtesy to Owners, and not a required precedent for timely payment.

Section 8. Special Assessments. In the event an Owner of any Dwelling Unit fails to maintain the premises and the improvements situated thereon as provided herein, or in the event such premises are damaged by deterioration, mishap, accident, or the elements as explicated in Article II, Section 5(d) above, the ASSOCIATION, after notice to the Owner and approval by a two-thirds (2/3) vote of the Board of Directors, shall have the right to enter upon said unit to correct and to repair, maintain and restore the unit and the utilities serving or located in more than one Dwelling Unit as described in Article II, Section 5(c) above. All costs related to such correction, repair or restoration shall become a Special Assessment upon the unit as shall be determined by the ASSOCIATION in accordance with Article II, Section 5(d) above and as such shall be regarded as any other assessment with respect to lien and other rights of the ASSOCIATION and remedies provided for nonpayment.

Section 9. Effect of Nonpayment of Assessments: Remedies of the ASSOCIATION. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum or the maximum allowed by law, should a lesser percent be the maximum amount which can be legally charged and collected. The ASSOCIATION may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Dwelling Unit. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his unit or for any other reason.

(a) Each Owner, on becoming an Owner of any Dwelling Unit, shall be deemed to covenant and agree to the enforcement of all assessments in the manner specified in this Declaration. Each Owner agrees to pay reasonable attorney's fees as established from time to time by resolution of the Board, and costs incurred in the collection of any assessment against such Owner and/or his unit, whether by suit or otherwise, or in enforcing compliance with or specific performance of the terms and conditions of the Declaration or other governing documents as against such Owner and/or his unit.

(b) Any assessment installment not paid within five (5) days after the due date shall be delinquent. Thereupon, the ASSOCIATION shall provide notice of such delinquency and may: (i) declare the entire balance of such Annual or Special Assessment due and payable in full; and, (ii) charge a late fee in an amount to be set by the Board and entered in minutes of Board meetings; (iii) in the case of Dwelling Unit Owners, upon registered, certified or personally delivered mail notice to such Owner, suspend the right of such Owner to vote and/or to use the recreational and other facilities until the assessment and accrued charges are paid in full; and (iv) employ other remedies available at law or equity or without limitation of the foregoing, by the following procedure:

1. Enforcement by Suit. The ASSOCIATION may commence and maintain a lawsuit against any Owner or Owners for such delinquent assessments as to which they are obligated. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon as herein above provided from the date of delinquency, cost of collection, court costs and a reasonable attorney's fee in such amount as the Board has by Resolution established from time to time. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving any lien secured against the related real estate .

(c) All Remedies Provided Herein Are Cumulative.

Section 10. Pursuit of Lien and Judgment. Whenever a lien is created by judicial proceedings through exercise of any rights enumerated herein, nothing contained herein shall bar the ASSOCIATION or its agents from timely pursuit of conversion of that lien to judgment, or satisfaction under such lien or judgment. Assessment liens obtained hereunder shall, however, be subordinate to the lien of any bona fide first mortgage.

Section 11. Maintenance.

(a) The ASSOCIATION shall be responsible for and shall provide, at the expense of the Unit Owners as reflected in the annual assessment, streets and grounds maintenance, trash removal, snow removal from pathways and streets, Common Area electric charges, water and sewer rents and charges, insurance as required by this Declaration, capital improvements reserve, and property management services expenses.

(b) Maintenance of unit by ASSOCIATION. If any Dwelling Unit Owner fails to maintain the interior of his unit and such failure shall jeopardize adjacent units, the ASSOCIATION, shall have the right to enter upon the unit and perform the maintenance. Such maintenance shall be made only after ten (10) days' written notice to the Owner, except in the event of any emergency. The cost of such maintenance shall be assessed against the unit upon which such maintenance is performed as a special assessment.

(c) For the purpose of performing any authorized exterior or interior maintenance permitted by this Declaration, the ASSOCIATION, through its duly authorized agents, contractors, or employees, shall have the right, after reasonable notice to the unit Owner, to enter any Dwelling Unit at reasonable hours, except in case of emergency.

(d) Any Dwelling Unit Owner shall have the right to enter an adjacent lot and/or unit for the purpose of maintenance to his unit, the common party wall or party ceiling/floor, facilities within the party wall or ceiling/floor, or facilities in the adjacent lot and/or unit which serves said Owner's unit, provided that reasonable notice and hours are observed and notice is given to the ASSOCIATION as well.

ARTICLE V

Architectural Control; Protective Covenants

Section 1. Architectural Control. Excepting any original construction, no building, fence, wall, improvement or other structure shall be commenced, erected, maintained or used upon any Lot, Properties, or Common Areas, nor shall any exterior addition to or change or alteration thereof be made, until the plans and specification showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the ASSOCIATION, or by an Architectural Control Committee (hereinafter referred to as the "Architectural Control Committee") composed of three (3) or more representatives appointed by the Board of Directors.

Any proposed change by any Owner in the existing color or finish of any exterior surface of any Dwelling Unit shall also be submitted to and approved by the Board of Directors as above provided. Whether proposed exterior maintenance constitutes a change within the meaning of this section shall be determined by the Architectural Control Committee or a simple majority thereof whose decision in this regard shall be final without right of appeal. In the event the Board of Directors or the Architectural Control Committee fails to approve or disapprove such change, design, color, and location within sixty (60) days after said plans and specifications have been submitted to it, approval shall be deemed to have been denied. It shall be the responsibility of the Architectural Control Committee to establish standards by which requested changes shall be judged.

Section 2. Protective Covenants. Without intending to limit the generality of the foregoing provisions of Section 1 of this Article V, the following restrictions are imposed as a common scheme upon all Dwelling Units:

(a) no above-ground tank for storage of gas or liquids may be maintained on any part of the Properties;

(b) firewood may be stored only on the porch or patio of a Dwelling Unit;

(c) no animals, livestock, or poultry of any kind shall be raised, bred, or kept in any Dwelling Unit or on any lot, except that dogs, cats, or other domesticated household pets may be kept, provided that they are not kept, bred, or maintained for any commercial purpose and provided that the ASSOCIATION does not consider such pets to be a nuisance. Said pets shall be under leash when in the Common Areas and all waste thereof shall be immediately disposed of by the owner; there shall be strict compliance with such additional rules and regulations as are promulgated by the ASSOCIATION relating to pets. No unit shall have more than two (2) such pets and these may be maintained only if they do not create a nuisance;

(d) no garbage, refuse, rubbish, or cutting shall be deposited on any Lot, street, sidewalk, parking area, or common Areas, but shall be placed in an appropriate sealed vinyl trash bag and deposited in the refuse collection containers provided and maintained by the ASSOCIATION.

(e) no commercial or other non-passenger vehicle of any type: motor home, recreational vehicle, or boat and no unlicensed motor vehicle of any type shall be parked in the Common Area, including automobile parking spaces other than as may be used by the Declarant in conjunction with building operations or by persons currently performing services or deliveries or improvements to the unit or as may be permitted upon application to the ASSOCIATION;

(f) no outside radio or television antennas shall be erected on a Lot or by any Dwelling Unit Owner and no additional electric supply utilities or outlets or connections shall be installed or constructed by any Dwelling Unit Owner unless and until permission for the same has first been granted in writing by the Board of Directors of the ASSOCIATION or the Architectural Control Committee;

(g) no drying or airing of any clothing or bedding shall be permitted outdoors on a Lot or any portion of the Common Area or by any Unit Owner, and clothes handling devices such as lines, reels, poles, frames, etc., shall not be erected;

(h) no noxious, unsightly, or offensive activity, including vehicle repairs, shall be conducted on any Lot or on any portion of the Common Area or by any Unit Owner, nor shall anything be permitted to be done thereon which may be or may become an annoyance or nuisance to the residents of Seven Oaks;

(i) no fence, wall, building, or other structure shall be commenced, erected, or maintained in any portion of the Common Area (except those constructed by ASSOCIATION);

(j) no above-ground swimming pool or outdoor storage shed shall be commenced, erected, or maintained on any portion of the Common Area or by any Unit Owner;

(k) each Dwelling Unit shall be used for residential living purposes only, and each Dwelling Unit shall be occupied by only a Single Family. No business or commercial enterprise or building shall be commenced, erected, or maintained in any Dwelling Unit and no business may be conducted on any part thereof; provided, however, the ASSOCIATION shall at all times have the right

to enter upon the Common Areas and facilities and Units owned by the ASSOCIATION to take any actions, including grading and other site preparation, installation of utilities, construction, reconstruction, repair, finishing and furnishing;

(l) no sign of any kind, other than signs erected and maintained by the ASSOCIATION shall be displayed to the public view on a lot or unit except for, if permitted by the Borough of Wyomissing Zoning Ordinance as it is from time to time amended, one (1) sign containing not more than one hundred forty-four (144) square inches identifying the resident of the lot or unit, and one (1) temporary un-illuminated sign containing not more than six (6) square feet advertising the Lot or Unit for sale or rent;

(m) except for required maintenance by the ASSOCIATION, the existing slope or configuration of any Lot shall not be altered, nor shall any structure, retaining wall, planting, or other activity be taken which retards, changes, or otherwise interferes with the natural flow of surface or drainage waters to the actual or threatened injury of any other Lot or Dwelling Unit, or which creates erosion or sliding problems;

(n) no penetration by any means shall be attempted or accomplished of any part of any party ceiling/floor or of the concrete slab of any Lower Dwelling Unit nor shall any penetration for any purpose other than the support of superficial attachments be attempted or accomplished until or unless approval has been first obtained from the Board of Directors of the ASSOCIATION or from the Architectural Control Committee; and

(o) access shall not be in any way prevented to nor shall any items or materials be stored or placed in those areas designated as Public Utility Areas on the Record Plan described above;

(p) The plantings and other landscape materials furnished for the Common Areas, shall be determined solely by the ASSOCIATION. Maintenance and replacement shall be the responsibility of the ASSOCIATION.

Section 3. The ASSOCIATION shall have the right to establish and enforce "no parking" areas on the streets and roadways within Seven Oaks Development in which the ASSOCIATION holds a fee interest or otherwise has the right of control. The ASSOCIATION may request the assistance of and/or delegate the enforcement of such parking regulations to the Police Department of The Borough of Wyomissing or its successors or assigns.

ARTICLE VI Enforcement of This Declaration

The ASSOCIATION and any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, easements, liens, and charges now or hereafter imposed by the provisions of this Declaration, and in the event of a violation thereof the ASSOCIATION and any Owner shall be entitled to injunctive relief and damages, or both, from the Owner or other person committing such violation. Any monies received by an Owner from any other Owner or former Owner on account of such enforcement or assessments levied by the ASSOCIATION, less all reasonable enforcement costs, shall be paid by such enforcing Owner to the ASSOCIATION. Failure by the ASSOCIATION or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE VII Condemnation

Proceeds of Award. In the event title to any portion of the Common Areas and facilities shall be taken or condemned by the exercise of the power of eminent domain, then the award or other monies payable with respect thereto shall be paid to the Owners of the Lots and/or Dwelling Units and their

respective mortgagees, as their respective interests may appear. Any such proceeds from taking or condemnation of any Common Areas shall be paid to the ASSOCIATION.

ARTICLE VIII Leases

Section 1. Terms of Leases and Agreements of Sale. Every Lease and Agreement of Sale governing a Dwelling Unit within the Seven Oaks Development shall provide that the lessee or grantee must utilize the Dwelling Unit so conveyed or leased only as a Single Family residence. All leases between an Owner and a tenant for a Dwelling Unit shall be in writing and shall provide that the terms thereof shall be subject in all respects to this Declaration and the Articles of Incorporation and By-Laws of the ASSOCIATION, and that any failure by the tenant to comply with the terms of such documents shall constitute a default under the lease, with appropriate remedies of damages and eviction.

Section 2. A copy of every current lease between an Owner and a tenant shall be placed on file with the ASSOCIATION or its agent, together with evidence that the tenant has been given a copy of the current Rules and Regulations applicable to the Seven Oaks Development, and that said tenant agrees to be bound by the rules and regulations.

ARTICLE IX Rights of Mortgagees

Section 1. Information to be Furnished. Any mortgagee of any Lot or Dwelling Unit who makes a request in writing to the ASSOCIATION for the items provided in this Section shall have the following rights:

(a) to receive from the ASSOCIATION a written statement of any default in the performance by an Owner under this Declaration including the failure to pay assessments and a copy of any notice of default sent to such Owner;

(b) to be furnished, within ninety (90) days after the end of each fiscal year of the ASSOCIATION, a copy of the annual financial statement and budget and any written report of the ASSOCIATION, including income and operating statements;

(c) to receive written notice of any meeting of Members of the ASSOCIATION at which meeting the actions to be taken would adversely affect any such mortgagee and to have its representative attend any such meeting; and

(d) to receive written notice of any proposed or actual taking or condemnation of the Common Areas and facilities and any casualty loss affecting the same within fifteen (15) days of receipt of notice of such proposed or actual taking by the ASSOCIATION or occurrence of such loss.

Section 2. Approval of Certain Actions. In addition to the votes or approvals of Owners and Members of the ASSOCIATION required by other provisions of this Declaration, the consent in writing of a two-thirds (2/3) majority of the institutional holders of first mortgages of record on the Dwelling Units (based upon one (1) vote for each first mortgage owned) shall be required for the following actions:

(a) any attempt by the ASSOCIATION only with Borough approval as permitted by its ordinances, to abandon, partition, release, subdivide, encumber, sell or transfer the Common Areas and facilities, except for the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas and facilities;

(b) any change in the method of determining the assessments or the proportional share thereof which may be levied against a Lot;

(c) any attempt by the ASSOCIATION to change, waive, or abandon the restrictions imposed herein relating to the architectural design or exterior appearance of the Dwelling Units, the exterior maintenance of the Dwelling Units and the maintenance of the Common Areas and facilities;

(d) the discontinuance of the maintenance by the ASSOCIATION of the insurance specified in Article X hereof; and

(e) any attempt by the ASSOCIATION to use hazard insurance proceeds arising from any loss or damage to the Common Area and facilities for other than the repair, replacement or construction thereof.

Section 3. Other Rights of Mortgagees. The holders of first mortgages on the Units may, jointly or singly, pay taxes and other charges which are in default and which may or have become a charge or lien against any portion of the Common Areas and facilities, and may pay overdue premiums on the insurance policies or secure any insurance policies with respect to the coverage required by Article X herein below to be maintained by the ASSOCIATION, and upon so doing, the first mortgagees making such payments shall be entitled to immediate reimbursement therefor by the ASSOCIATION.

ARTICLE X Insurance

Section 1. Insurance to be Maintained by ASSOCIATION. The ASSOCIATION shall maintain, at all times, insurance in the following types and amounts:

(a) property insurance covering all units and all improvements erected upon and comprising part of the Common Areas and facilities (including all building service equipment relating to such improvements). Such insurance shall be in an amount equal to the replacement value of such improvements exclusive of land, excavations, and other items normally excluded from coverage with at least a ninety percent (90%) co-insurance factor and an "agreed amount endorsement", such insurance to afford protection against at least the following: (i) loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage; debris removal; cost of demolition; vandalism, malicious mischief, wind, storm, and water damage and (ii) such other risks as shall customarily be covered with respect to similar improvements in projects similar in construction, location, and use. Such insurance shall name the ASSOCIATION as the insured for the benefit of the Owners.

(b) Workmen's Compensation insurance and employers liability as required by law.

(c) General liability insurance coverage on Common Areas in an amount to be determined by the ASSOCIATION.

Section 2. Insurers. The insurance set forth in this Article shall be maintained in reputable insurance companies authorized to transact business within the Commonwealth of Pennsylvania.

ARTICLE XI General Provisions

Section 1. Severability. Invalidation of any one of these covenants or restrictions by judgment or Court Order shall not affect any other provision hereof, all of which shall remain in full force and effect.

Section 2. Management. The ASSOCIATION through its Board of Directors shall have the right to contract with a third party for the purpose of managing the Properties for and on behalf of the ASSOCIATION at a compensation to be approved by the Board of Directors.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, in perpetuity. This Declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the Dwelling Units by the member votes entitled to be cast. Any amendment shall be recorded.

Section 4. Construction Easements and Rights. Notwithstanding any provision of this Declaration or of any Supplementary Declaration, the ASSOCIATION shall have an easement of ingress, egress, and use over any lands not conveyed to an Owner for occupancy for: (1) movement

and storage of building materials and equipment; (2) grading and other site improvements, installation of utilities, construction, reconstruction, repair, finishing, and furnishing; and (3) erection and maintenance of directional signs. Such easement shall be subject to such rules as may be established by the ASSOCIATION to maintain reasonable standards of safety, cleanliness, and general appearance of the Properties.

Section 5. Conflict. In the event of conflict among the governing documents, the Record Plan and Order of Approval, if any, shall control, then this Declaration, then Supplementary Declarations, then the Articles of Incorporation of the ASSOCIATION, then the By-Laws, then the Minutes of Board meetings; except that in all cases where the governing documents may be found to be in conflict with a statute, the statute shall control.

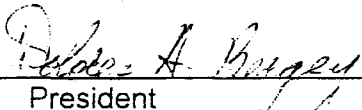
Section 6. Interpretations. Unless the context otherwise requires the use herein, the singular shall include the plural and vice versa; the use of one gender shall include all genders; and the use of the term "including, without limitation" shall indicate that the specific items enumerated are merely exemplary. The headings used herein are for indexing purposes only and shall not be used as a means of interpreting or construing the substantive provisions hereof.

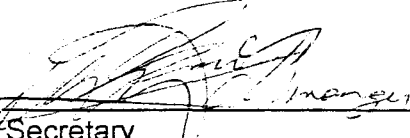
Section 7. In the event any reasonable portion of any Unit encroaches upon the Common Areas as a result of lawful construction, reconstruction, repair, shifting, settlement, or movement, a valid easement shall exist so long as the encroachment exists.

Section 8. The failure of any Unit Owner to comply with the provisions of the governing documents shall be cause for action by the ASSOCIATION and/or any aggrieved Owner for the recovery of damages and/or other relief.

In Witness Whereof, the undersigned being the Declarant herein, has hereunto set its hand and seal this 6TH day of FEBRUARY, 2002.

Seven Oaks Homeowner's Association

By: 
President

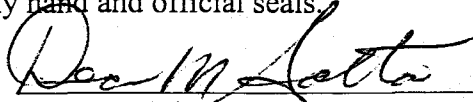
Attest: 
Secretary

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF BERKS)

: ss.

On this 6th day of FEBRUARY, 2002, before me, a notary public, personally appeared DOLORIS BERGEY and WALTER SCHWENGER who acknowledged themselves to be the President and Secretary, respectively, of Seven Oaks Homeowner's Association, Inc., a Pennsylvania corporation, and that they as such President and Secretary being authorized to do so, executed the First Amended Declarations of Covenants and Easements Conditions and Restrictions dated June 15, 1998, for the purpose therein contained by signing their names of the corporation by themselves as President and Secretary.

In witness whereof, I hereunto set my hand and official seals.



Notary Public

