DECLARATION OF COVENANTS FOR HICKORY HILLS FOSTER TOWNSHIP, LUZERNE COUNTY, PENNSYLVANIA

-2014-

HICKORY HILLS PROPERTY OWNERS ASSOCIATION
20 HICKORY HILLS DRIVE
WHITE HAVEN, PA 18661
(570) 443-8108
hickoryhills@pa.metrocast.net

Table of Contents

<u>Artic</u>	<u>le</u>		Page
I-	Property Subject to Declarations		5
	Section 1.01	Description of Property	
	Section 1.02	Declaration of the Property	
	Section 1.03	Name and Address of Property Owners Association	
11-	Definitions		5
	Section 2.01	Definitions	
111-	Applicability		7
	Section 3.01	Applicability	
	Section 3.02	Interpretation	
	Section 3.03	Supplement to Prior Covenants.	
IV-	Plans		8
	Section 4.01	Plans	
V-	Common Elements		8
	Section 5.01	Common Facilities.	
	Section 5.02	Maintenance and Repair of the Common Facilities.	
	Section 5.03	Use of Common Facilities.	
	Section 5.04	Alteration to Common Elements by Lot Owner.	
	Section 5.05	Common Expense Liability.	
	Section 5.06	Conveyance or Encumbrance of Common Facilities.	
	Section 5.07	Obsolescence.	
VI-	The Association		9
	Section 6.01	The Association.	
	Section 6.02	Membership in Association.	
	Section 6.03	Certificate of Voting.	
	Section 6.04	Board of Directors.	
VII-	Insurance		11
	Section 7.01	Liability Insurance.	
	Section 7.02	Property Insurance.	n en
	Section 7.03	General Insurance Provisions.	
	Section 7 04	Disposition of Insurance Proceeds.	5

A III.	Lasements	12
	Section 8.01 Utility Services Easements.	
	Section 8.02 Assignment of Rights.	
	Section 8.03 Ingress, Egress and Regress.	
	Section 8.04 Public Easements.	
	Section 8.05 Association and Board of Directors.	
	Section 8.06 Easement for Construction.	
	Section 8.07 Continuing Easements and Declarant Rights.	
	Section 8.08 Prior Easements Preserved.	
IX-	Assessment of Taxes	14
	Section 9.01 Assessment of Taxes.	
X-	Lot Owner Obligations	14
	Section 10.01 Assessment Obligation.	
	Section 10.02 Amount of Assessments.	
	Section 10.03 Time of Payment.	
	Section 10.04 Effect of Non-Payment of Assessment.	
	Section 10.05 Lien of Assessments.	
	Section 10.06 Method of Enforcing Collection of Assessments.	
	Section 10.07 Unpaid Assessments at the Time of Execution Sale Agains	t a Lot.
	Section 10.08 Voluntary Sale of a Lot.	
	Section 10.09 Mortgage Foreclosure. Section 10.10 Assignment of Assessments.	
	Section 10.11 Lot Owners' Negligence.	
XI-	Transfer of Lots	17
	Section 11.01 Transfer of Lots.	
XII-	Leasing of Lots: Use Restrictions	17
	Section 12.01 Leasing of Lots.	
	Section 12.02 Use Restrictions.	
XIII-	Architectural Review 20	
	Section 13.01 Dwellings.	
	Section 13.02 Application Contents and Process.	
	Section 13.03 Exclusion from the Architectural Review.	
	Section 13.04 Architectural Review. Section 13.05 Fees.	
	Section 13.06 Waiver.	
	Section 13.07 No Liability.	
	Section 13.08 Township Zoning Ordinance.	<u>.</u>

		Restrictions.		
	Section 13.10	Amount of Dues.		
XIV-	Compliance and Default		23	
	Section 14.01	Compliance and Default.		
	Section 14.02	Hearing Procedure.		
XV-	Indemnification of Officers, Board of Directors and 24			
		Committee Members		
	Section 15.01	Indemnification.		
XVI-	Amendments		25	
	Section 16.01	Number of Votes Required.		
	Section 16.02	Recording Amendment.		
	Section 16.03	Limitation of Action to Challenge Amendment.		
	Section 16.04	Unanimous Consent.		
	Section 16.05	Execution of Amendment.		
	Section 16.06	Technical Corrections.		
XVII-	Notice		26	
	Section 17.01	Notice.		
XVIII-	· Miscellaneous Provisions		26	
	Section 18.01	Severability.		
	Section 18.02	Headings.		
	Section 18.03	Compliances with Law.		
	Section 18.04	Effective Date.		
	Section 18.05	Binding.		
	Section 18.06	Construction.		
	Section 18.07	Governing Law.		
	Section 18.08	Excusable Delays.		
	Section 18.09	Approval Rights.		
	Section 18.10	Continuation.		

Section 13.09 Compliance with the Hickory Hills Property Owners Association Deed

Article I Property Subject to Declarations

Section 1.01 Description of Property. The Declarant is the owner of the common elements
within Hickory Hills, which is a community located in Foster Township, Luzerne County, Pennsylvania,
as more fully described in Map Book 25 at Pages 23-24, Map Book 27 at Pages 10-11 and Map Book
27 at Pages 15A-15B and Luzerne County Deed Book <u>2181</u> at Page 469 , Luzerne
County Deed Book 2111 at Page 1031 Luzerne County Deed Book
2111 at Page 1039 Luzerne County Deed Book 1934 at Page
1193, Luzerne County Deed Book2111 at Page1044, Luzerne County
Deed Book 2462 at Page 454 , Luzerne County Deed Book 2462 at Page 458 ,
Luzerne County Deed Book 2462 at Page 517 , Luzerne County Deed Book 2461 at Page
741 Luzerne County Deed Book 2462 at Page 470 Luzerne County Deed Book
2151 at Page 983 Luzerne County Deed Book 2111 at Page 1046 , Luzerne County
Deed Book 2111 at Page 1027 Luzerne County Deed Book 1811 at Page 8
Luzerne County Deed Book 1811 at Page 9 , Luzerne County Deed Book 1811 at
Page 10 , Luzerne County Deed Book 1984 at Page 1197 , Luzerne County Deed Book
1984 at Page 1194 Luzerne County Deed Book 1984 at Page 1195 Luzerne County
Deed Book 2462 of Page 519 Luzerne County Deed Book 1924 of Page 37 ;
together with the easements, rights and appurtenances belonging thereto ("Hickory Hills" or the
"Property"). The Property known as Hickory Hills shall be subject to these Covenants.

Section 1.02 Declaration of the Property. The Declarant hereby ratifies, confirms and declares that the Property and all easements, rights and appurtenances belonging thereto remain subject to the legal standards found in the retroactive provisions of the Pennsylvania Uniform Planned Community Act, Act No. 1996-180, Pa. C.S.A. § 5101 et seq(the "Act"), which is incorporated herein by reference as it applies to a planned community created before February 2, 2007, the effective date of the Act. The Property includes all of the Common Elements of Hickory Hills.

Section 1.03 Name and Address of Property Owners Association. The name and address of the Association governing the Hickory Hills Community is the "Hickory Hills Property Owners Association, a Pennsylvania Nonprofit Corporation, with a principal office address of 20 Hickory Hills Drive, White Haven, Pennsylvania 18661 ("Association").

Article II Definitions

Section 2.01 Definitions. The words and terms when used in this Declaration of Covenants are to be defined according to the following meanings given:

"Amenities" means property owned or under the control of the Association for the use and benefit of the members and their guests, including such things as the pool, lake, ball field, clubhouse and playgrounds.

"Articles of Incorporation" means the Articles of Incorporation, as amended, filed with the Pennsylvania Corporation Bureau for the Hickory Hills Property Owners Association.

"Assessments" means those levies, charges, assessments, or sums payable by the Lot Owners from time to time upon notification by the Association, as provided in this Declaration of Covenants.

"Association" means the Hickory Hills Property Owners Association, its successors and assigns.

"Board of Directors" means the Board of the Directors of the Association, who are members in good standing duly elected or appointed as the case may be under the By-Laws of the Association and as whole comprised of no fewer than three (3) members and no more than thirteen (13) members as determined by the Board of Directors by a majority vote under the By-laws. The Board of Directors is responsible for managing the business, operation and affairs of the Association on behalf of the Lot Owners in compliance with and subject to the governing documents and the retroactive provisions of the Act.

"By-Laws" means the By-Laws of the Hickory Hills Property Owners Association with an effective date of August 3, 2013.

"Capital Improvement Fund" means funds earmarked or set aside by the Board of Directors for the acquisition of real or personal property; the purchase of equipment; or the improvement or expansion of existing real or personal property.

"Common Elements" includes Common Facilities within Hickory Hills.

"Common Expenses" shall mean expenditures made by or financial liabilities of the Association, together with any allocations to reserves such as the Capital Improvement Fund, for which the Lot Owners are liable as provided in this Declaration of Covenants. Common Expenses are sometimes referred to herein as general Common Expenses.

"Common Facilities" means all portions of Hickory Hills that are owned by the Association including the amenities as depicted on the Plan.

"Community" means the development known as Hickory Hills, as depicted on the Plan and consisting of all lot owners.

"Declarant" means the Hickory Hills Property Owners Association, a Pennsylvania nonprofit corporation, its successors or assigns.

"Declaration of Covenants" "Declaration" or "Covenants" means this Declaration of Covenants, Easements, Conditions and Restrictions and all exhibits attached thereto, recorded in the Office of the Recorder of Deeds of Luzerne County, as the same may now or hereafter be amended or supplemented.

"Director" shall mean a member of the Board of Directors.

"Dwelling" means any residence erected on or to be erected on a Lot.

"In Good Standing" means a member in compliance with this Declaration, the By-Laws, and Rules and Regulations of the Association and who has paid all dues by the due date listed on the invoice and paid all assessments and other charges levied by the Association including attorney fees, interest, fines and collection costs.

"Lot Owner" means the record owner, whether one or more persons, of fee simple title to any lot, whether improved with a dwelling or not, and designated for separate ownership that is part of Hickory Hills, but excluding persons having an interest in any Lot merely as security for the performance of an obligation.

"Member" means a member of the Association and a record owner of a lot, whether one or more persons, excluding a person having an interest in a lot merely as security for the performance of an obligation.

"Person" includes any natural individual, corporation, partnership, association, trust or other legal entity or any combination.

"Plans" means the subdivision plats approved by Foster Township and recorded in the Luzerne County Recorder of Deeds Office at the time of creation of the initial development known as Hickory Hills.

"Property" means the real estate of the Association, which is subject to this Declaration of Covenants and the retroactive provisions of the Act.

"Rules and Regulations" means the policies and procedures established from time to time by the Board of Directors to govern the conduct of its members and the use and occupancy of their properties.

"Township" means Foster Township, Luzerne County, Pennsylvania

Article III Applicability

Section 3.01 Applicability. The Property is subject to the retroactive provisions of the Act, the Bylaws and all Rules and Regulations issued by the Board of Directors of the Association from time to time to govern the conduct of its members and the use and occupancy of the Property. Ownership, rental or occupancy of any of the lots in the Community shall be conclusively deemed to mean that the lot owner, tenant or occupant has accepted and ratified this Declaration, the Bylaws and such Rules and Regulations and will comply with them, as well as with the governing documents for the Association.

Section 3.02 Interpretation. In the event of a conflict of interpretation between the provisions set forth in the Bylaws and this Declaration, this Declaration shall govern. In the event of a conflict of interpretation between the provisions in the Act and in this Declaration, this Declaration shall govern.

Section 3.03 Supplement to Prior Covenants. This Declaration of Covenants is meant to supplement those Declarations of Covenants, Easements, Conditions and Restrictions recorded in the Luzerne County Recorder of Deeds Office in Deed Book 1984 at Page 1200 and Deed Book 1739 at Page 307. In the event that this Declaration conflicts with the Declarations in Deed Book 1984 at Page 1200 or Deed Book 1739 at Page 307, or any other covenants of public record, this Declaration shall control and supersede the previously recorded covenant.

Article IV Plans

Section 4.01 Plans. The Plans of the Hickory Hills Development were previously recorded in Luzerne County Map Book 25 at Pages 23-24, Map Book 27 at Pages 10-11, and Map Book 27 at Pages 15A-15B. The Plans describe the Property and the location of the lots. The Community consists of those Lots as shown on the Plans. No lot may be subdivided or separated into more than one lot, and no two or more lots may be consolidated into one lot for the purpose of avoiding multiple lot assessments.

Article V Common Elements

Section 5.01 Common Facilities. The Common Facilities includes all portions of Hickory Hills that are owned by the Association including the amenities as depicted on the Plan. The Declarant reserves the right to acquire, designate and create other Common Facilities.

Section 5.02 Maintenance and Repair of the Common Facilities. The Association shall provide for the current, regular and periodic maintenance, repair and replacement of the Common Facilities. The cost and expense of the Common Facilities shall be a Common Expense.

Section 5.03 Use of Common Facilities. The Association has an easement through the Common Facilities as may be reasonably necessary for the purposes of discharging its obligations or

exercising special rights. In addition, and except as may otherwise be provided by this Declaration, the By-laws, or a subsequent rule, regulation, or policy of the Board of Directors, each lot owner may use the Common Facilities in common with all other lot owners in accordance with the purposes for which they are intended without hindering or encroaching upon the lawful rights of any lot owners.

Section 5.04 Alteration to Common Elements by Lot Owner. No lot owner may make any improvements or alterations or do any work to any of the Common Elements. No lot owner may impair any easement or improvement in the Common Elements without the consent of a majority of the Board of Directors.

Section 5.05 Common Expense Liability. Each lot owner agrees to pay to the Association the owner's share of the Common Expenses assessed against the owner. The obligation to pay assessments is a covenant running with each lot, inseparable from each lot, and any conveyance, lease, devise or other disposition or mortgage or other encumbrance of any lot shall extend to and include the assessment liability, whether or not expressly referred to in the instrument effecting any transfer. No lot owner may be exempt from liability with respect to the payments of assessments by waiver of the enjoyment of the right to use any of the Common Facilities or by abandonment of the owner's lot or otherwise. The obligation to pay Assessments is absolute and unconditional and shall not be subject to set-offs or counterclaims.

Section 5.06 Conveyance or Encumbrance of Common Facilities. Subject to the retroactive provisions of the Act, the Association may convey or encumber all or a portion of the Common Facilities by a 2/3 (two-thirds) majority of ballots returned by eligible voting members.

Section 5.07 Obsolescence. Subject to the provisions of the Act, in the event that the Board of Directors shall determine that any of the Common Facilities is obsolete, the Board of Directors may call for a vote of the lot owners to determine whether those Common Facilities should be demolished or replaced. In the event that fifty-one percent (51%) of ballots returned from eligible voting members shall determine that those Common Facilities should be demolished or replaced, the costs thereof shall be assessed equally against all of the lot owners.

Article VI The Association

Section 6.01 The Association. The Association is the governing body for all of the lot owners and, except as otherwise provided in this Declaration, is responsible for the maintenance, repair, replacement, cleaning, sanitation, management, regulation, operation and administration of the Common Elements. The duties of the Association shall be undertaken as provided in this Declaration and in the Bylaws, but nothing in them shall be construed so as to preclude the Association from delegating any of these duties to a manager or agent or to any other person subject to the authority of the Association. The Common Expenses incurred or to be incurred for the maintenance, repair, replacement, insurance, administration, management, regulation, operation and use of the Common Elements and the making of any additions or improvements thereto shall be assessed by the Association against, and collected from, the lot owners in accordance with Article X below and the Act.

Section 6.02 Membership in Association

- a. All lot owners shall be members of the Association. Membership in the Association shall be limited to the lot owners of Hickory Hills.
- b. A property owner is entitled to only one (1) vote regardless of the number of lots owned. When more than one person holds an interest or interests in any lot, all persons shall be members, and the vote for the lot shall be exercised as provided in Section 6.03 below and in the Bylaws, but in no event shall more than one (1) vote be cast with respect to any lot. Otherwise, every member of the Association shall be entitled to all of the other rights and obligations of membership.
- c. Only lot owners in good standing and entitled to vote shall be considered "Lot Owners" for purposes of obtaining a quorum, or determining the percentage of Lot Owners voting on a matter. A lot owner shall be deemed to be "in good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Association if, and only if, the Person shall have fully paid all Assessments made or levied against the lot owner and against the Lot by the Board of Directors together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to the lot owner and against the lot owner's lot, no later than the date set by the Board of Directors, and shall have no other violations against the lot.
 - d. In the event that a lot owner shall lease or permit another to occupy the owner's lot in accordance with the provisions of this Declaration, the tenant or occupant shall be permitted to use the Common Facilities of the Community subject to all of the same limitations as would be applicable to the lot owner, but shall not vote in the affairs of the Association. The owner shall relinquish amenities usage to their tenant.
 - e. Every lawful transfer of title to a lot shall also include membership in the Association and, upon making such transfer, the previous lot owner's membership shall automatically terminate. Except as otherwise expressly provided, membership in the Association may not be assigned or transferred without the transfer of legal title to a lot and any other attempt to assign or transfer the membership shall be void and of no effect.
 - f. The purchase and ownership of a lot does not convey or confer upon the purchaser the right, title or interest in and to the lake, stream, swimming pool, building, clubhouse and other types of Community Facilities and improvements, whether for recreational use or not.
 - g. Membership in the Association shall automatically terminate when a member sells, transfers, or otherwise conveys the member's lot.

Section 6.03 Certificate of Voting. If a lot is owned by one person, the lot owner's right to vote shall be established by the recorded title to the lot. If a lot is owned by more than one person, the person entitled to cast a vote for the lot shall be designated in a certificate signed by all of the recorded owners of the lot and filed with the Secretary of the Association. If a lot is owned by a corporation, joint venture, partnership or unincorporated association, the natural person who shall be entitled to cast the votes of that lot shall be designated in a certificate for this purpose, signed by that entity in accordance with its governing documents, and filed with the Secretary of the Association. The natural person designated in the certificate shall be known as the "Voting Member."

A certificate shall be valid until revoked in writing by an owner of the lot, or until superseded by a subsequent certificate, or until a change in the ownership of the lot concerned. If a lot is owned by more than one person, and the lot owners do not designate a voting member by the filing of a certificate with the Secretary of the Association, then they shall lose their right to vote until such time as they could agree on a voting member and filing the necessary certificate with the Secretary of the Association.

Section 6.04 Board of Directors. Subject to the provisions of this Declaration and the Bylaws, the Board of Directors shall have the general power to act on behalf of the Association. The Board of Directors shall consist of three (3) to thirteen (13) Directors, who shall be elected, removed and replaced from time to time by the Members.

Article VII Insurance

Section 7.01 Liability Insurance. The Board of Directors shall obtain or cause to be obtained a broad form comprehensive general liability insurance including medical payments in such amounts against such risks and with such insurance companies as the Board of Directors shall from time to time determine.

Section 7.02 Property Insurance. The Board of Directors shall obtain or cause to be obtained blanket "all-risk" hazard insurance coverage covering damage to property, insuring the Common Facilities ("the Insurable Property"). The Insurable Property shall be insured in and for the interest of the Association in an amount equal to the maximum insurable replacement value, as determined by the Board of Directors, with an "agreed amount endorsement" or its equivalent and an "Inflation Guard Endorsement" (provided these two endorsements are commonly available and required by prudent institutional mortgage investors in the area of the Community).

Section 7.03 General Insurance Provisions. All policies purchased by the Association shall be for the benefit of the Association, the Board of Directors, the lot owners, and their mortgagees, as their interests may appear; however, it shall not be necessary to name each Board of Directors member or each individual Lot Owner. Mortgagee endorsements may be issued upon request. The company or companies with whom the Board of Directors shall place its insurance coverage, as provided in this Declaration, must be qualified and reputable companies, authorized to do business in the Commonwealth of Pennsylvania and rated A by A.M. Best Company, Inc. or a comparable rating. Premiums for such coverage and other expenses related to insurance shall be paid by the Association and charged as a Common Expense. All policies shall provide that they may not be cancelled or substantially modified, by any party, without at least thirty (30) days prior written notice to the Association and to each first mortgagee listed in the insurance policies. Association insurance policies shall be held by the Board of Directors. The duty of the Board of Directors shall be to receive all proceeds as are paid and hold the same for the purposes elsewhere stated in this Declaration, and for the benefit of the Association, the lot owners and their respective mortgagees as their interest may appear.

Section 7.04 Disposition of Insurance Proceeds.

- a. Any portion of the Community for which the Association is required to maintain insurance is damaged or destroyed shall be repaired or replaced promptly by the Association unless:
 - (i) The Community is terminated;
 - (ii) The repair or replacement would be illegal under applicable law, or
 - (iii) Fifty-one percent (51%) of all eligible lot owners in good standing vote not to rebuild.
- b. In the event the damage or destruction is repaired or replaced, the following provisions shall apply;
 - (i) If the Association is responsible for making the repair or replacement, the Board of Directors shall promptly obtain reliable and detailed estimates of the costs of repairing or replacing the damage or destruction and shall negotiate the contract for the repair or replacement.
 - (ii) If the net proceeds of the insurance are insufficient to pay for the estimated cost of repair and restoration of any Common Elements, or for the actual cost thereof if the work has been done, the Board of Directors shall promptly, upon the determination of a deficiency, levy a special Assessment against all lot owners based on the lot owners Common Expense Percentage for that portion of the deficiency as is attributable to the Common Elements.
 - (iii) Any insurance proceeds received by the Association remaining after paying all of the costs of the repairs and the replacements shall be paid into the general fund or distributed to the eligible lot owners in proportion to their respective Common expense percentage, as determined by the Board of Directors.
- c. If any part of the Common Elements are damaged or destroyed and not repaired or replaced, the following shall apply:
 - (i) The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Community, as determined by the Board of Directors.
 - (ii) The insurance proceeds shall be paid into the general fund or distributed to the eligible lot owners in proportion to their respective common expense percentage, as determined by the Board of Directors.

Article VIII Easements

Section 8.01 Utility Services Easements. The Board of Directors may grant easements for the present and future installation and maintenance, including the right to read meters, service or repair lines and equipment, and to do everything and anything necessary to properly maintain and furnish the following services, which, for the purposes of this Declaration, are defined as "Utility Services":—

electric, water, sewer, gas, cable and facilities and appurtenances necessary to the same, which shall apply to the Property. Nothing contained in this section is intended to create public easements over the Property. The easements provided for in the Section, if granted, shall be limited to the person identified in each grant of easement. Easements for installation and maintenance of utilities and drainage facilities are also reserved over the front and rear five (5') feet of each lot. All lots through which a pipe line right of way now passes, or may pass, or whose boundaries are, or may be, within forty (40') feet of the boundaries of such right of way are sold and conveyed under and subject to all easements and rights of way for pipe line or pipe lines as granted by prior owners in the chain of title.

Section 8.02 Assignment of Rights. The rights granted in this Declaration to the Declarant may be assigned by the Declarant.

Section 8.03 Ingress, Egress and Regress. Each lot owner shall have an easement, subject to any Rules and Regulations of the Association, in common with all other lot owners to use the roads, parking areas and driveways as a means of ingress, egress and regress to and from the Property and the adjoining roads of Hickory Hills.

Section 8.04 Public Easements. Fire, Police, Health, School Buses and Sanitation and other public service personnel vehicles shall have a permanent perpetual easement for ingress and egress over and across the Common Elements in the performance of their respective duties.

Section 8.05 Association and Board of Directors.

- a. The Association and its Board of Directors, officers, agents and employees, shall have the irrevocable right and easement to have access to each lot as may be necessary for the inspection, maintenance and repair or replacement of the Common Elements if any repairs are reasonably necessary for public safety or to prevent damage to the Common Elements; or to promote and protect the aesthetics within the Community or to abate any violation of law, orders, Rules or Regulations of the Association or of any governmental authorities having jurisdiction.
- b. The Association and the Board of Directors shall have the right to grant permits, licenses and easements over and through the Common Elements for the necessary, useful or proper maintenance and operation of the Community.

Section 8.06 Easement for Construction. The Association as successor Declarant has the right and privilege without let or hindrance with respect to construction of the approved but undeveloped lots and Common Facilities in Hickory Hills, to go upon any and all of the lots and Common Facilities for purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the lots or Common Facilities (including, without limitation, to change the grade of grounds or to install drainage control devices so as to control possible drainage or runoff of storm water in connection with the development of the Property or adjacent land).

Section 8.07 Continuing Easements and Declarant Rights. Sections 8.01, 8.02, 8.03, 8.04, 8.05 and 8.06 shall run with the land and inure to the benefit of and be binding upon (as applicable) the Association, each lot owner, each mortgagee, lessee, occupant or other person having any interest in any lot or in the Common Elements at the time of reference.

Section 8.08 Prior Easements Preserved. Nothing in this Declaration shall terminate, alter, limit, restrict, modify, amend, enlarge, expand, interfere with or adversely affect existing easements, including but not limited to rights of access, egress, ingress, or other similar rights previously granted, excepted, reserved, assigned, designated, noted or described in the Plans, the deed into the Association for the Property and the Common Facilities, prior deeds, assignments, declarations, and other instruments filed of record, or that appear in the Declaration of Covenants and Restrictions for Hickory Hills, in the chain of title of the Property through the date this Declaration is recorded or that otherwise arise by operation of law. All such easements, rights and other interests are specifically preserved.

Article IX Assessment of Taxes

Section 9.01 Assessment of Taxes. Each lot is and shall be assessed and taxed as a separate parcel of real estate and each lot owner is charged with the payment of all taxes, municipal claims and liens assessed, or filed against the owner's Lot.

Article X Lot Owner Obligations

Section 10.01 Assessment Obligation.

- a. Each lot owner agrees to pay to the Association all assessments including, but not limited to: (i) regular assessments for general Common Expenses to be made annually (or more frequently if approved by the Board of Directors) due and payable as determined by the Board of Directors based upon the budget of the Association; (ii) special assessments, which assessments are to be fixed, established and collected from time to time as provided in this Declaration; (iii) delinquency assessments, as established from time to time by the Board of Directors, against any lot owner whose Assessments are delinquent for a period exceeding ten (10) days after the due date ("delinquency Assessments"); (iv) Assessments for limited Common Expenses; (v) any fines or interest charges; and (vi) Assessments for what may from time to time be determined by the Association to be Common Expenses.
- b. The assessments and costs of collection (including attorneys' fees and other costs authorized in the Act) shall be a charge on the lot and shall be a continuing lien upon the lot from the time each assessment or costs of collection become due. Each assessment and costs of collection pursuant to the Act shall also be the personal obligation of the lot owner at the time when the assessment first became due.
- c. The Association shall have the right to assess as limited Common Expenses charges against any one or more lots to provide services or equipment which are exclusively for those lots. Except for limited Common Expenses which are included in the regular assessments, all assessments for limited Common Expenses shall be paid by each lot owner within thirty (30) days of receipt of notice from the Association.

Section 10.02 Amount of Assessments. Each lot owner is legally obligated to contribute to the general Common Expenses of the Association providing for the administration and maintenance, replacement and repair of the Common Elements of the Community, the administration and maintenance of the Association and all of its real and personal property, in the amounts as shall be determined by multiplying the general Common Expense Percentage of the lot by the total General Common Expenses for the Community computed on an annual basis based upon amounts established in the budget prepared by the Board of Directors. Limited Common Expenses shall be assessed in accordance with this Declaration. No lot owner may be exempt from contributing toward these expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the owner's lot or by set-off or counterclaim.

Section 10.03 Time of Payment. Except as otherwise provided in this Declaration, payment by the lot owner of their share of the expenses aforesaid shall be made at the discretion of the Board of Directors, provided that all regular and special Assessments may be declared by the Board of Directors annually and payable either on a monthly basis or an annual basis. The failure of the Board of Directors to formally declare any such annual Assessment shall result in the regular assessment for the immediately preceding period being the payment of the assessment due and payable for the next period. In the event assessments are not paid as required, the Board of Directors may assess fines, delinquency assessments and the costs of collection, including attorney's fees, court costs, etc.

Section 10.04 Effect of Non-Payment of Assessment. Any Assessment or installment (whether for general Common Expenses or limited Common Expenses) not paid within thirty (30) days after the due date shall bear interest from the due date at the rate not greater than (a) fifteen percent (15%) per annum, or (b) the highest rate permitted by the Act. The Association shall have the right to accelerate payment of all remaining proposed installment payments of any assessments for a period of twelve (12) months including the amount of any special assessments. The Association may bring an action at law or in equity against the lot owner personally obligated to pay the same, or foreclose the lien described in Section 10.05 below against the lot or do both, or may seek and obtain any other remedy provided at law or in equity.

Section 10.05 Lien of Assessments. All Assessments and costs of collection thereof, including attorneys' fees shall constitute a lien against the lot in favor of the Association; provided that delinquency assessments, all fines, fees, charges, late charges, interest and costs of collection thereof, including attorneys' fees shall be subordinate to the lien of any first mortgage on a lot. The Association lien shall be effective from and after the time the assessment or charge becomes due. If the assessment is payable in installments and one or more installments is past due, the entire unpaid balance of the assessment becomes effective as a lien from the due date of the delinquent installment. Upon full payment of all sums secured by the lien and a preparation fee, the party making payment shall be entitled to a recordable satisfaction of lien to be prepared and recorded at the lot owner's sole expense. The lien of the Association shall have the priority accorded Association liens by Section 5315 of the Act.

Section 10.06 Method of Enforcing Collection of Assessments. Any assessment charged against a lot, may be enforced by a lawsuit brought by the Board of Directors on behalf of the Association or of the members of the Association in an action at law or equity. Any judgment

against the lot owner and the lot owner's lot shall be enforceable in the same manner as is otherwise provided by law. Reasonable attorneys' fees and court costs incurred by the Board of Directors incident to the collection of any assessments or the enforcement of any lien, together with all sums advanced and paid by the Board of Directors for taxes and payments on account of superior liens which may be required to be advanced by the Board of Directors in order to protect its lien, shall be payable by the lot owner and secured by such lien.

Section 10.07 Unpaid Assessments at the Time of Execution Sale Against a Lot. In the event that title to a lot is transferred by Sheriff's sale pursuant to execution upon any lien against the lot, the Board of Directors may give notice in writing to the Sheriff of any unpaid assessments which are a charge against the lot, but have not been reduced to a lien, and the Sheriff shall pay the assessments of which the Sheriff has such notice out of the proceeds of the sale which remain for distribution after payment of all other claims which the Sheriff is required by law to pay, including any claims of the Association given priority by the Act, but prior to any distribution of the balance to the former lot owner against whom the execution issued. The purchaser at a Sheriff's sale and the lot involved shall not be liable for unpaid assessments which became due prior to the Sheriff's sale of the lot, except as provided under the Act. Any unpaid assessments which cannot be promptly collected from the former lot owner may be reassessed by the Board of Directors as a general Common Expense to be collected from all of the lot owners involved, including the purchaser or acquirer of title at the Sheriff's sale, his successors and assigns. To protect its right to collect unpaid assessments, which are a charge against a lot, the Board of Directors may, on behalf of the members of the Association, purchase the lot at Sheriff's sale, provided that purchase is authorized by the affirmative vote of the majority of the Board of Directors, and if it does so purchase, the Board of Directors shall thereafter have the power to sell, convey, mortgage or lease the lot, to any person whatsoever.

Section 10.08 Voluntary Sale of a Lot. Upon the voluntary sale or conveyance of a lot, or any other transfer of the lot, by operation of law or otherwise, except a transfer described in Sections 10.07 or 10.09, and a transfer by deed in lieu of foreclosure to a holder of a mortgage, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments for Common Expenses which are charges against the lot as of the date of the sale, conveyance or transfer, but that joint and several liability shall be without prejudice to the right of the grantee to recover from the grantor, in the amount of any unpaid assessments which the grantee may pay, and until any assessments are paid, they shall continue to be a charge against the lot that may be enforced in the manner set forth in Section 10.07. Any person who shall have entered into a written agreement to purchase a lot; however, shall be entitled to obtain a written statement from the Association setting forth the amount of unpaid assessments charged against the lot owner and the lot, and if the statement does not reveal the full amount of the unpaid assessments as of the date it is rendered, then after transfer of title neither the purchaser nor the Lot shall be liable for the payment of the amount in excess of the unpaid assessments shown on the statement.

Section 10.09 Mortgage Foreclosure. If a mortgagee of a first mortgage of record or other purchaser of a lot acquires title to the lot as a result of foreclosure of the first mortgage, or by deed in lieu of foreclosure, the acquirer of title, its successors and assigns, shall be liable only for the share of Common Expenses or other charges by the Association pertaining to the lot or chargeable to the

former lot owner which had accrued for a period of no more than six (6) months prior to acquisition of title as a result of the foreclosure.

Section 10.10 Assignment of Assessments. The Association may pledge or assign its right to collect and receive Assessments to a financial institution in order to secure a loan for the financing of the costs of maintaining, repairing or replacing any portion of the Common Facilities, if the Association does not have sufficient reserves to pay the costs of maintenance, repair or replacement.

Section 10.11 Lot Owners' Negligence. Each lot owner shall be obligated to reimburse the Association for any expenses incurred by it in repairing or replacing any part or parts of the Common Elements damaged by the lot owner's act, omission or negligence or by the act, omission or negligence of the lot owner's tenants, agents, guests or licensees, promptly upon receipt of the Association's statement. The required reimbursement shall be considered an unpaid assessment collectable in any manner provided in this Declaration for unpaid and past due annual assessments. This includes the cost of cleaning drainage pipes and ditches.

Article XI Transfer of Lots

Section 11.01 Transfer of Lots. Any lot owner may at any time transfer all rights of ownership in the owner's lot to any other person, and it shall not be necessary to secure the prior consent of any other lot owner. However, the Association shall first be given the right to purchase the lot at the same price and upon the same terms and conditions as those being proposed by a bona fide third party purchaser, the Association herein being given the right of first refusal on every lot. All lot owners, however, shall comply with the appropriate retroactive provisions of the Act that apply to the sale or transfer of a Lot.

Section 11.02 Payment to Association. At the settlement on each transfer of a lot each new owner shall pay to the Association a sum equal to the annual assessment.

Section 11.03 Unpaid Dues at Time of Settlement. At the settlement on each transfer of a lot each new owner shall pay to the Association pro-rated dues based on the number of months left in the fiscal year from the date of the settlement to the end of the fiscal year.

Article XII Leasing of Lots: Use Restrictions

Section 12.01 Leasing of Lots.

a. All leases shall provide that the lessee shall be subject in all respects to the provisions of this Declaration, the Bylaws and the Rules and Regulations of the Association, as may from time to time be promulgated by the Board of Directors. The leasing of a lot shall not affect the liability of the

lot owner with respect to all obligations under this Declaration, the Bylaws and all Rules and Regulations.

b. In no event shall the lessee be responsible to the Association for any amount of unpaid Assessments.

Section 12.02 Use Restrictions. Each lot shall be subject to the following restrictions:

- a. Each Lot shall be used for residential purposes only; provided (subject to Subsection I, below) that occupation carried on in the Lot are permitted only if (1) that use is incidental to the lot's primary residential use; (2) any lot owners who pursue such incidental occupational use of their lot shall have no employees, customers or clients at the Lot; (3) the activity causes no external impacts whatsoever that are visible or observable from outside the Dwelling, and (4) the lot owner shall obtain prior approval from all other authorities having jurisdiction over the use of the Lot and (5) no increase in trash being placed in the compactor.
- b. Except for work done by the Association as successor Declarant in connection with the construction and marketing of any new previously approved lots, nothing shall be built, caused to be built or done in or to any part of Hickory Hills which will alter or cause any alteration to the Common Elements without the prior written approval of the Board of Directors.
- c. Each lot owner or occupant shall maintain the owner's lot in a safe, clean and sanitary manner and condition, in good order and repair and in accordance with all applicable restrictions, conditions, ordinances, codes and any Association Rules or Regulations.
- d. No lot owner or occupant of any Lot shall carry on, or permit to be carried on, any practice on his Lot or on the Property which unreasonably interferes with the quiet enjoyment and proper use of another Lot or the Common Facilities by the lot owner or occupant of any other lot, or which creates or results in a hazard or nuisance on the Property.
- e. No sign, banner, flag (except the flags not to exceed fifteen (15) square feet and name and/or address signs), billboard or advertisement of any kind, including, without limitation informational signs, "for sale" or "for rent" signs and those of contractors and subcontractors, shall be erected on the Lot without the prior written consent of the Board of Directors, which may be withheld absolutely. Lot owners may not erect any sign on a Lot or on any of the Common Elements.
- f. Lot owners or occupants may not obstruct the Common Elements in any way, including but not limited to, interfering with any storm water drainage. Lot owners must keep drainage ditchesclean. Lot owners will be billed for actual costs if the Association must clean out their drainage ditch or pipe to prevent damage to roadways. Lot owners or occupants may not store anything in or on the Common Facilities without the prior written approval of the Board of Directors.
- g. No commercial, industrial, recreational or professional activity not permitted by the present zoning or other applicable laws or ordinances, shall be pursued on any Lot at any time. If zoning regulations change to expand the scope of activities that lot owners may pursue lawfully within the Lot, a lot owner may apply to the Board of Directors for approval to commence the

permitted use of his Lot. Each application shall be considered by the Board of Directors on their individual basis. Once the Board of Directors has given its approval to a particular use of a lot, it may not revoke the approval as long as the nature and scope of the approved use remains unchanged. No lot owner shall permit their lot to be used or occupied for any prohibited purpose.

- h. Lot owners shall not keep on any Lot animals, wildlife, livestock, exotic animals or poultry of any kind, other than domesticated household birds and fish, house dogs or domesticated house cats; provided that in no event shall a lot owner or occupant of any lot keep more than a total of four (4) dogs or cats, or any combination thereof, provided that they are not kept, bred or maintained for any commercial purpose, Pets shall not be permitted to run loose or uncontrolled on their lot and the Common Elements. Lot owners shall immediately clean up any waste left by their pets anywhere on the Property or Common Areas and roads.
- i. No portion of the Property shall be used or maintained as a dumping ground for rubbish, trash, new or used lumber or wood, metal scrap, garbage or other waste, except that material may be kept in the Lot or in areas of the Property designated for this purpose by the Association as successor Declarant (in connection with its construction) or by the Board of Directors, provided that these materials are kept in sanitary containers in a clean and sanitary condition. Lot owners shall dump these containers in a timely manner. Empty containers shall be removed promptly.
- j. To the extent permitted by law, a DBS antenna, NDS antenna or transmission-only antenna may be erected on a Lot provided it is not greater than 1 meter in diameter and prior approval of the Board of Directors is obtained. No television broadcast antenna of any size or masts of any size attached to any of the above-listed antennas may be erected. Qualified antennas must be erected on the rear of Lot, unless that placement impedes reception in which event the antenna may be erected in another location on the Lot provided that it is screened by landscaping or other material where reasonable. No antenna may be erected on Common Facilities.
- k. Each lot owner shall maintain those portions of his Lot for which the lot owner is responsible in a manner satisfactory to the Association and in accordance with the Declaration and any Rules and Regulations of the Association. Trash, garbage or other waste shall be kept at all times in sanitary containers and properly bound and disposed of. In the event that a lot is not so maintained, the Association shall have the right to enter upon the Lot to maintain the same, after giving the lot owner at least fifteen (15) days written notice to cure any maintenance problems or deficiencies. In the event that the Association exercises its right of entry for maintenance purposes, the Association shall have the right to assess the particular lot owner for the cost of such maintenance. The Association, by its Board of Directors, shall have the right to establish Rules and Regulations governing the maintenance of any lot.
- I. Driveways, streets and other exterior parking areas in Hickory Hills shall be used by owners, occupants and guests for fully operable, licensed, inspected, insured, and registered four-wheel passenger vehicles, motorcycles, standard bicycles, recreational vehicles, vans, motor homes, boats, trucks, or non-commercial vehicles. Parking any of the same at the entrance area is strictly prohibited. Tractor trailers (cab and trailer or cab only) are not to be brought into the development by owners or their guests and cannot be parked at the development entrance.

m. All-terrain vehicles are strictly prohibited from traveling on Hickory Hills roadways and Common Areas. This includes dirt bikes, three-wheelers, ATV's, snowmobiles, UTV's and other such vehicles. Such vehicles must be conveyed by trailer or in a legal vehicle when traversing HHPOA roads and common areas. Violators will be issued a citation and assessed a fine in accordance with this Declaration.

- n. Unlicensed drivers may not operate a vehicle of any kind on Hickory Hills roadways or Common Areas.
- o. Shooting, hunting or the discharge of any weapon is strictly prohibited except for self-defense in Hickory Hills.
 - p. No lot owner may subdivide or partition a Lot.
- q. No lot owner shall perform or permit to be performed any work to any portion of the owner's Lot, which work may require access to, over or through Common Facilities (except access to the Lot over the private streets) or other Lots without the prior consent of the Board of Directors except in the case of an emergency. All work may only be performed by a person who shall deliver to the Board of Directors prior to commencement of the work, in form satisfactory to the Board of Directors.
 - (i) Releases of the Board of Directors and the Association for all claims that such person may assert in connection with the work.
 - (ii) Indemnifies of the Board of Directors and the Association, holding each and all of them harmless from and against any claims asserted for loss or damage to persons or property, including, but not limited to, Common Facilities or other lots.
 - (iii) Certificates of insurance, including liability and workman's compensation coverage, in amounts and with companies reasonably acceptable to the Board of Directors, and
 - (iv) All other information and protections which the Board of Directors may reasonably require.

Article XIII Architectural Review

Section 13.01 Dwellings.

a. No building alteration on a lot hereby conveyed shall be made to exceed two and one-half stories in height, and a private garage for not more than three cars.

- b. No structure of a temporary character trailer, basement, tent, shack, garage, barn or other out-building shall be used on any lot at any time as a residence, either temporarily or permanently.
- c. No Individual water supply or sewage disposal system shall be permitted on any lot or building site unless such system is located, constructed and equipped in accordance with the requirements, standards and recommendations of the State or local public health authorities.
- d. Installation of a sub-surface septic tank system for disposal of sewage is prohibited if there is "available" a central sanitary sewer system with on-site treatment facilities that the Lot can be connected to for disposal of sewage.
- e. No additions or alterations shall be made upon the premises hereby conveyed without first obtaining the approval, in writing, of the grantor as to location, elevation, plan and design. Plans, drawn in scale, must be submitted for approval. They should show dimensions of lot, lot and section number, location of buildings with respect to Lot lines, location of well and septic tank on lot, and their locations with respect to wells and septic tanks in adjoining lots, if any. State Board of Health requirements and suggestions are to be followed in these matters. The Grantor shall approve or disapprove the said location, plan and design within fifteen (15) days after the same have been submitted.
- f. No owner shall clear a Lot of brush, trees or anything else except after having first obtained the approval of the Association in writing, such approval to specify the time and manner in which such clearing shall be made. Clear-cutting of lots is prohibited.
- g. All lake and stream front Lots are subject to an easement of way over a ten (10) foot strip of land or path abutting and parallel to the water's edge for the use in common of the Grantor and all owners of lots at Hickory Hills, their successors, heirs, assigns and houseguests, which path the Grantee agrees to maintain in good passable condition at all times.
- h. No part of any enclosed structure erected upon the within-described parcel except porches and steps and approved fences shall be within forty (40) feet of the front lot line, no less than ten (10) feet from the side or rear lines. This restriction, condition and covenant shall apply to the grantee, his, her or their heirs and assigns.
- i. No improvement or alteration shall be commenced, erected, installed or maintained upon a Lot before the Lot Owner submits to the Board of Directors an application requesting the Board of Directors' review and obtains prior written approval of the improvement, addition or alteration.

Section 13.02 Application Contents and Process.

- a. The Board of Directors shall have the right to establish design criteria and standards for alterations, additions and improvements within the Property.
- b. Each lot owner shall submit to the Board of Directors by mail or personal delivery to the Association, plans and specifications showing the nature, kinds, shape, height, materials and location

of the lot owner's proposed change, alteration or addition to the Lot. The submission shall contain proof of compliance with all applicable coded, laws and ordinances.

- c. The Board of Directors has the right to approve or disapprove any proposed construction.
- d. The Board of Directors shall review the plans to determine whether they are consistent with the design criteria, if any, developed by the Board of Directors.
- e. The Board of Directors shall issue a written decision to the lot owner within 45 days after the date the lot owner's submission, completed in compliance with the requirements of this Article and any Rules and Regulations, is received by the Board of Directors. The 45-day period can be extended by mutual agreement of the lot owner and the Board of Directors and, if the Board of Directors requires additional information to make its decision, the 45-day period will be extended for the period of time equal to the number of days between the date the request for additional information was made to Owner and the date the additional information was received by the Board of Directors. The decision of the Board of Directors is final, conclusive and binding upon all lot owners. No lot owner shall commence work or make a commitment for work requiring approval under this Article unless and until the lot owner receives written confirmation of approval under this Article.
 - (i) If the submission is disapproved, the reasons for disapproval shall be included in the written decision. A decision of disapproval is final but without prejudice; the lot owner is permitted to resubmit the lot owner's submission, modified or amended, for review by the Board of Directors in accordance with the provisions of this Article.
 - (ii) If a conditional approval is given, commencement of the work described in the submission constitutes an acceptance by the lot owner of all conditions of approval set by the Board of Directors.
 - (iii) If no decision is issued within the 45-day period as it may have been extended, the proposal described in the submission is deemed denied.

Section 13.03 Exclusion from the Architectural Review. The provisions of this Article shall not apply to the Association.

Section 13.04 Architectural Review. The Board of Directors may delegate its rights and duties under this Article in whole or in part to an architectural review committee under applicable provisions of the Bylaws. If delegation has been made to an architectural review committee, the architectural review committee shall exercise the rights and carry out the responsibilities as may be delegated by the Board of Directors.

Section 13.05 Fees. The Board of Directors may adopt a schedule of fees that may be charged for the review of submission under this Article.

Section 13.06 Waiver. The Board of Directors is authorized to interpret the requirements affecting lots under this Article of the Declaration and the applicable provisions of any Rules and Regulations. The Board of Directors is authorized to grant reasonable waivers from these requirements but only upon a finding by the Board of Directors that the lot owner has furnished sufficient evidence to substantiate to the satisfaction of the Board of Directors.

Section 13.07 No Liability. Neither the Association, the Board of Directors, the officers of the Association, nor any other person or committee exercising rights of review or approval under this Article shall have any liability to any person arising from or related to the exercise of or failure to exercise the rights of review under this Article, the issuance of or failure to issue any decision under this Article, or the grant of or failure to grant any waiver under this Article.

Section 13.08 Township Zoning Ordinance. The foregoing use restrictions are not intended to and do not expand permitted uses under the Foster Township Zoning Ordinance.

Section 13.09 Compliance with the Hickory Hills Property Owners Association Deed Restrictions. The lots and lot owners, their respective family, guests, invitees, licensees, tenants and other occupants, shall also comply with all obligations as set forth in the deeds for all lots in Hickory Hills, as they may be amended from time to time, and which are incorporated herein by reference. Any default by a lot owner or others under the Hickory Hills Deed Covenants shall also constitute a default under this Declaration.

Section 13.10 Amount of Dues. Lot owners will be billed at the rate of dues set for a lot improved with a dwelling one (1) year after the start of construction regardless of stage of completion.

Article XIV Compliance and Default

Section 14.01 Compliance and Default.

- a. Each lot owner shall be governed by and shall comply strictly with the terms, covenants, conditions and restrictions of the Act, this Declaration, the Bylaws and any Rules and Regulations of the Association adopted pursuant thereto, and the same as they may be amended from time to time.
- b. The Board of Directors shall have the power to adopt, amend and enforce compliance with such reasonable Rules and Regulations relative to the operation and use of the Common Elements consistent with the provisions of this Declaration and the Act, including but not limited to enforcement procedures and penalties for violations as the Board of Directors shall deem appropriate. All Rules and Regulations shall be adopted or amended, from time to time, by means of appropriate resolutions duly approved by the Board of Directors in accordance with the Bylaws. The Rules and Regulations and any amendments to them shall be available to each lot owner or occupant of a lot promptly after the adoption thereof and shall become binding upon all lot owners, their successors in title and assigns, and occupants.

- c. Failure of any lot owner, other than the Declarant, to comply with any provisions of the Act, this Declaration, the Bylaws or any Rules and Regulations shall entitle the Association or the other lot owners to the remedies provided in this Declaration and the Act, and also to the following relief, none of which remedies shall be exclusive of any other remedies:
 - (i) To sue for the recovery of damages or for injunctive relief, or both.
 - (ii) The prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees, provided, however, that no attorneys' fees may be recovered against the Association and/or its Board of Directors in any action unless the court shall first expressly find that the Association and/or its Board of Directors acted in bad faith.
- d. The failure of the Association, the Board of Directors, or any lot owner to enforce any covenant, restriction or other provision of the Act, this Declaration, the Bylaws or the Rules and Regulations of the Association adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

Section 14.02 Hearing Procedure. No lot owner shall have the right to object, challenge, commence any suit at law or in equity or take any other action under any act, power or authority now in force or later to be enacted except after following the procedures established by the Board of Directors by rule or regulation consistent with the provisions of this Section. The Board of Directors or a committee as may be appointed by the Board of Directors, shall hear claims from lot owners of alleged violations of the Declaration, the Bylaws and the Rules and Regulations (other than violations with respect to Assessment obligations) of the Association provided that a written request for appeal is received by the Association within thirty (30) days from the date of the written notice of the violation. The Board of Directors or the committee shall hold a hearing on any claim within thirty (30) days after the receipt by the Board of Directors of the formal written notice of a claim by a lot owner. A decision shall be issued in writing by the Board of Directors or such committee within ten (10)days after the conclusion of the hearing. If a written request for an appeal is not received by the Association within the 30 day time period, then the violation shall be deemed to be admitted with the violator being responsible for all fines and penalties. The procedures set forth in this Section shall be the exclusive method of a violator to be heard on the merits of a violation, and the violator waives the right to raise any defenses in a subsequent civil enforcement proceeding on the collection of the fines and costs. The Board of Directors shall have the right to establish various rules and procedures governing the operation and administration of the hearing process and the enforcement of this Declaration, the Bylaws and the Rules and Regulations. Unless the internal remedies provided by this Section and Rules and Regulations as may be promulgated by the Board of Directors shall be expressly waived by the Association, or the Association fails or refuses to act, no action at law or in equity shall be commenced by any lot owner until this internal remedy is pursued to exhaustion. Any action by a lot owner against any other lot owner arising out of any term, covenant or condition contained in this Declaration, the Bylaws of any Rule or Regulation shall be subject to the same procedures. In hearings before the Board of Directors or the committee designated by the Board of Directors, all parties shall be entitled to be represented by counsel.

Committee Members

Section 15.01 Indemnification. The Association shall indemnify every Board of Directors member, officer and committee member, and their heirs, executors and administrators, against all losses, costs and expenses, including attorneys' fee, reasonably incurred in connection with any action, suit or proceeding to which the person may be made a party by reason of being or having been a Board of Directors member, officer or a committee member, except when the person shall be finally adjudged in the action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with the person covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as a Board of Directors member, officer or committee member in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which a Board of Directors member, officer or committee member may be entitled. All loss, cost and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated by the Association as general Common Expenses. Nothing contained in the Article; however, shall be deemed to obligate the Association to indemnify any member who is or has been a Board of Directors member, officer or a committee member of the Association with respect to any duties or obligations assumed or liabilities incurred by the member under and by virtue of a membership in the Association.

Article XVI Amendments

Section 16.01 Number of Votes Required. Subject to the other provisions of this Declaration, and the retroactive sections of the Act relative to amendments, this Declaration, including the Plans may be amended only by a vote or agreement of the eligible lot owners in good standing to which at least sixty-seven (67%) percent in the Association are allocated.

Section 16.02 Recording Amendment. Every amendment to this Declaration of Covenant must be recorded in the Office of the Luzerne County Recorder of Deeds and shall be indexed in the name of the Association in both the grantor and grantee indexes.

Section 16.03 Limitation of Action to Challenge Amendment. No action to challenge the validity of an amendment adopted by the Association under Section 16.01 may be brought more than one year after the amendment is recorded.

Section 16.04 Unanimous Consent. Except to the extent expressly permitted or required by other provisions of this Declaration or the Act, without unanimous consent of all lot owners affected, no amendment may create or increase special declarant rights, alter the terms or provisions governing the completion or conveyance or lease of Common Facilities or increase the number of lots or change the boundaries of the Community, the common expense liability or voting strength in the Association allocated to a lot or the uses to which any lot is restricted. In addition, no declaration provisions pursuant to which any special declarant rights have been reserved to a declarant shall be amended without the express written joinder of the declarant in such amendment.

Section 16.05 Execution of Amendment. Amendments to this Declaration to be recorded by the Association shall be prepared, executed, recorded and certified by the Secretary and the President of the Board of Directors.

Section 16.06 Technical Corrections. If any amendment to the declaration is necessary in the judgment of the Board of Directors to do any of the following:

- a. Cure an ambiguity;
- b. Correct or supplement any provision of this Declaration, including the Plans, that is defective, missing or inconsistent with any other provision of this Declaration or with the Act;
- c. Conform to the requirements of any agency or entity that has established national or regional standards with respect to loans secured by mortgages or deeds of trust or units in planned community or so-called "PUD" projects, such as Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation; the Board of Directors may affect an appropriate corrective amendment without the approval of the lot owners or the holders of liens in the Community, upon receipt of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of the Act; or
- d. Comply with any statute, regulation, code or ordinance which may now or hereafter be made applicable to the Community or Association, or to be made a reasonable accommodation or permit a reasonable modification in favor of handicapped, as may be defined by prevailing Federal or State laws or regulations applicable to the Association, lot owners, residents or employees; then, at any time, the Board of Directors may, at its discretion, effect an appropriate corrective amendment without the approval of the lot owners or the holders of liens on all or any part of the Community, upon receipt of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this Act.

Article XVII Notice

Section 17.01 Notice. All notices required to be served upon eligible lot owners pursuant to the Act, this Declaration or the Bylaws shall be sufficient if delivered to the lot or mailed to the lot owner at the lot mailing address by regular mail. The effective date of a notice shall be the date of delivery to the Lot in the case of actual delivery and a date five (5) days after deposit in the mail in the case of notice sent by mail.

Article XVIII Miscellaneous Provisions

Section 18.01 Severability. If any provisions of this Declaration are determined to be invalid, the determination shall not affect the validity or effect of the remaining provisions hereof or the Bylaws or any Rules and Regulations, all of which shall continue in effect as if such invalid provisions had not been included herein.

Section 18.02 Headings. The Headings herein are for reference purposes only and shall not affect the meaning or interpretation of this Declaration.

Section 18.03 Compliances with Law. The Association shall comply with all governmental laws, ordinances and regulations.

Section 18.04 Effective Date. This Declaration shall become effective when it has been recorded.

Section 18.05 Binding. This Declaration shall inure to the benefit of and shall be binding upon the Declarant and all lot owners as well as their respective successors, grantees, heirs and assigns.

Section 18.06 Construction. Number and gender, as used in the Declaration, shall extend to and include both the singular and plural and all genders as the context and construction require.

Section 18.07 Governing Law. This Declaration shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

Section 18.08 Excusable Delays. Whenever performance is required of any Person under this Declaration, the Person shall use all due diligence to perform and take all necessary measures in good faith to perform, provided, however, that if completion of performance shall be delayed at any time by reason of acts of God, war, civil commotion, riots, strikes, picketing or other labor disputes, unavailability of labor or materials, damage to work in progress by reason of fire or other casualty, inability or delays in receiving approvals or permits, provided such Person has used all due diligence and good faith in seeking such approvals or permits in a timely manner, unforeseen site conditions, or any cause beyond the reasonable control of such Person, then the time for performance as specified in this Declaration shall be appropriately extended by the amount of the delay actually so caused. This provision shall not operate to excuse any Person from the prompt payment of Assessments or other sums required to be paid under this Declaration .

Section 18.09 Approval Rights. Nothing contained in this Declaration shall limit the right of the Association and the Association's Board of Directors to exercise its business judgment or act in a subjective manner with respect to any matter as to which it has been granted the right and any exercise shall not be deemed inconsistent with any covenant of good faith or fair dealing implied by law to be a part of this Declaration. The Board of Directors and the Association may each act in its sole, commercially reasonable discretion and business judgment and, with respect to any requested consent, and any action shall not be deemed to be inconsistent with any covenant of good faith and fair dealing otherwise implied by law to be a part of this Declaration.

Section 18.10 Continuation. No breach of this Declaration shall (a) entitle any lot owner or other person to cancel, rescind or otherwise terminate this Declaration or the person's duties and liabilities under this Declaration; or (b) defeat or render invalid the lien of any other lien made in good faith and for value as to any Lots or the Common Facilities. This limitation does not impair any other rights or remedies for the breach that a person may have under this Declaration or otherwise under applicable laws.

IN WITNESS WHEREOF, the Association has signed this Declaration below this \(\lambda \) day of					
tabrown_ 20 19.					
ATTEST:	HICKORY HILLS PROPERTY OWNERS ASSOCIATION				
By: Melissa Kramer	By: Mr Thlan				
Name: Melissa Krames Title: Secretary	Name: Willam WILKUS Title: President				
Commonwealth of Pennsylvania: : SS.					
County of Luzerne:					
On this, the day of 2014, before me, a Notary Public, the undersigned officer, personally appeared,					
IN WITNESS WHEREOF, I hereunto set my hand and official seal. Notary Public					

NOTARIAL SEAL TRACY A GALLAGHER Notary Public BUTLER TWP, LUZERNE COUNTY My Commission Expires Oct 17, 2014