

COMMUNITY DECLARATION
OF
PROTECTIVE COVENANTS, EXCEPTIONS, RESERVATIONS AND CONDITIONS
FOR UNIT I,
BEECH MOUNTAIN LAKES

Recorded in the office for Recording of Deeds,
&c. in and for Luzerne County, Pennsylvania,
in *Reed*

Book *R. S. G.* Page *1226*

Witness my hand and seal of office, this *10th*
day of *MAY* A.D. 19 *85*
Frank C. Castellino Recorder

COMMUNITY DECLARATION
OF
PROTECTIVE COVENANTS, EXCEPTIONS, RESERVATIONS AND CONDITIONS
FOR UNIT I,
BEECH MOUNTAIN LAKES

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Recitals.....	1
1. Definitions.....	1
1.1 Delegate(s).....	1
1.2 Family.....	1
1.3 Lot.....	2
1.4 Multi-Family Dwelling.....	2
1.5 Plat.....	2
1.6 Recreational Vehicle Lot.....	2
1.7 Single Family Dwelling.....	2
1.8 Unit I.....	2
2. Relation of Community Declaration to Declaration..	2
3. Standards of Construction.....	2
4. Lot Building Restrictions.....	3
4.1 Set Backs.....	3
4.2 Elevation.....	3
4.3 Single Family Dwellings.....	3
4.4 Multi-Family Dwellings.....	3
4.5 Lots Contiguous to Lakes.....	3
4.6 Minimum Square Feet.....	3
5. Reservations and Easements.....	3
5.1 Drainage Easements.....	3
5.2 Easements Reserved to Declarant.....	3
5.3 Owners' Responsibility.....	4
5.4 Additional Easements.....	4
5.5 Lake and Shoreline Maintenance.....	4
5.6 Flooding Easement.....	4
5.7 Streets.....	4
5.8 Sewer, Water, Power and Telephone Easements....	4
5.9 Trade and Business.....	5
5.10 Liability for Use of Easements.....	5
6. Delegates.....	5
6.1 Initial Delegates.....	5
6.2 Qualification.....	5
6.3 Election.....	5
6.4 Term.....	6
6.5 Removal.....	6
6.6 Disqualification and Resignation.....	6
6.7 Vacancies.....	6
7. Annexation of Subsequent Units or Parcels.....	6
7.1 Property to be Annexed.....	6
7.2 Manner of Annexation.....	7
8. Remedies.....	7
8.1 Enforcement of Community Declaration.....	7
8.2 Cumulative Remedies.....	7
8.3 Preservation of Remedies.....	8
9. Term and Amendment.....	8
9.1 Term.....	8
9.2 Termination.....	8
9.3 Amendment by Owners.....	8
9.4 Amendment by Declarant.....	9

<u>Section</u>	<u>Page</u>
10. Miscellaneous.....	10
10.1 Captions.....	10
10.2 Plural, Gender.....	10
10.3 Successors and Assigns.....	10
10.4 Interpretation.....	10
10.5 Severability.....	10
10.6 Waiver.....	10
10.7 Binding Effect.....	10
10.8 Notices.....	10
10.9 Choice of Law.....	10
10.10 Perpetuities and Other Invalidity.....	10
10.11 Title Holding Land Trust.....	10
11. Grantee's and Purchaser's Acceptance.....	11
Exhibit A	

COMMUNITY DECLARATION OF
PROTECTIVE COVENANTS, EXCEPTIONS, RESERVATIONS AND CONDITIONS
FOR UNIT I,
BEECH MOUNTAIN LAKES

THIS COMMUNITY DECLARATION OF PROTECTIVE COVENANTS, EXCEPTIONS, RESERVATIONS AND CONDITIONS FOR UNIT I, BEECH MOUNTAIN LAKES ("Community Declaration"), made as of this 10th day of MAY - 1985, by BEECH MOUNTAIN LAKES CORPORATION, a Pennsylvania corporation, for itself and its successors and assigns ("Declarant").

WHEREAS, Declarant is the owner of the real property now known as "Beech Mountain Lakes" formerly known as "Lake of the Four Seasons," a subdivision situated in the Townships of Butler, Foster and Dennison in Luzerne County, Pennsylvania, which real property is hereinafter referred to as the "Development"; and

WHEREAS, Unit I of the Development, is shown in maps and plats recorded in Map Book 32, Page 1 (a-f) ("Unit I"), all of which have been recorded in the Office for Recording of Deeds, Luzerne County, Pennsylvania; and

WHEREAS, in regard to the Development, the Developer has heretofore filed the Declaration of Protective Covenants, Exceptions, Reservations and Conditions for Beech Mountain Lakes, ("Declaration"), which Declaration is recorded in Book 2158, Page 1028 in the Office for Recording of Deeds, Luzerne County, Pennsylvania; and

WHEREAS, the Declarant now wishes to supplement the Declaration, as hereinafter set forth, with additional covenants and restrictions pertaining solely to the area platted as Unit I (excluding that part of Unit I designated as Quail Hollow Village Association as shown on a plat recorded in Map Book 32, Page 31 in the Office for Recording of Deeds, Luzerne County, Pennsylvania) ("Unit I").

NOW, THEREFORE, the property which is the subject of Unit I is and shall be held, transferred, sold, conveyed and occupied subject to the provisions of the Declaration, this Community Declaration and the provisions hereinafter set forth, which are for the purpose of protecting the value and desirability of the portion of the Development lying within Unit I, which shall run with the said property, which shall be binding on all parties having any right, title or interest in and to the said property or any part thereof, their heirs, successors and assigns, and which shall inure to the benefit of each Owner thereof.

1. DEFINITIONS

The definitions contained in the Declaration are incorporated herein and shall apply and have the same meaning in this Community Declaration as if set forth fully herein, unless the context otherwise clearly requires. In addition, the following terms used in this Community Declaration shall have the following meanings, unless the context clearly indicates otherwise:

1.1 "DELEGATE(S)" means the persons selected to represent Unit I pursuant to Section 6 hereof.

1.2 "FAMILY" means one or more persons, each related to the other by blood, marriage, or legal adoption or a group of not more than three (3) persons not so related, together with his or her domestic servants maintaining a common household.

1.3 "LOT" means any numbered and lettered lot or tract on the Plat except utility lots and other designated and/or excluded lots, tracts or areas as filed and recorded in the Office for Recording of Deeds, Luzerne County, Pennsylvania, in Map Book 32, at Page 1 (a-f), excluding that property designated as Quail Hollow Village Association as shown on a Plat recorded in Map Book 31, Page 31, and any revision thereof.

1.4 "MULTI-FAMILY DWELLING" means a detached or semi-detached building where three or more Families or dwelling Units are entirely separated by vertical walls or horizontal floors unpierced except for access to the outside or to a common cellar and used or designated as a residence of three or more Families, and shall where the same applies include village townhouses, destination units, cluster units and condominiums.

1.5 "PLAT" means the maps of Unit I recorded in the Office of the Recorder of Deeds, Luzerne County, Pennsylvania in Map Book 32, Page 1 (a-f), excluding that property designated as Quail Hollow Village Association as shown on a Plat recorded in Map Book 32, Page 31, and such revisions thereof as made from time to time, as filed in such office by Declarant.

1.6 "RECREATIONAL VEHICLE LOT" means a lot upon which no structure, temporary or permanent, shall be placed or permitted to remain.

1.7 "SINGLE FAMILY DWELLING" means a residential dwelling for one Family. Single Family Dwellings shall include but are not limited to destination units, cluster units and condominiums.

1.8 "UNIT I" means that real property described on the maps recorded in the Office of the Recorder of Deeds, Luzerne County, Pennsylvania in Map Book 32, Page 1 (a-f), excluding that property designated as Quail Hollow Village Association as shown on a Plat recorded in map Book 32, Page 31, and such revisions thereof as made from time to time, as filed in such office by Declarant.

2. RELATION OF COMMUNITY DECLARATION TO DECLARATION

This Community Declaration supplements the terms, provisions and restrictions contained in the Declaration and, together with the Declaration, shall govern the method of ownership and use of all of the property in Unit I. This Community Declaration and the Declaration shall be considered, for the purpose of interpretation and implementation regarding the method of ownership, use of and assessments relating to all of the property in Unit I, to be a single document. Whenever the provisions, requirements, standards, limitations or use restrictions contained in this Community Declaration are in excess of, or are more detailed or more stringent than those contained in the Declaration, the provisions, requirements, standards, limitations or use restrictions set forth herein, shall be deemed to be in addition to those contained in the Declaration and every Owner in Unit I including the Declarant, shall be governed by this Community Declaration, together with the Declaration. However, in all respects, should the provisions be in direct and irreconcilable conflict with the Declaration, the Declaration shall prevail.

3. STANDARDS OF CONSTRUCTION

The standards of construction set forth in the Declaration are incorporated herein and shall apply to all Units in Unit I as if fully set forth herein, including, but not limited to, the procedures for approval of plans for all buildings and structures, including their improvement of any character, by the Architectural Control Committee ("ACC").

4. LOT BUILDING RESTRICTIONS

4.1 Set Backs. Except as shown on the Plat, every dwelling shall be at least:

- (a) 50 feet from the nearest lake.
- (b) 35 feet from the front lot line.
- (c) 10 feet from each side lot line.
- (d) 40 feet from the rear lot line.

4.2 Elevation. Each dwelling on a waterfront Lot must have its first floor elevation at least at elevation one thousand sixty-six (1,066) feet.

4.3 Single Family Dwellings. No structure shall be erected on any Lot marked "SF" (Single Family Dwelling) other than one private Single Family Dwelling as defined herein. Such Single Family Dwelling shall be suitable for the use of and shall be a walled and roofed structure, used for private dwelling purposes by one Family only and for no other purpose whatsoever, with one private one or two car garage attached or detached from the dwelling and suitable only for the use of and to be used only by the occupants of such Single Family Dwelling.

4.4 Multi-Family Dwellings. No structure shall be erected on any tract marked "MF" (Multi-Family Dwelling) other than Multi-Family Dwellings as defined herein. Such Multi-Family Dwellings shall not be higher than three (3) stories and shall be suitable for the use of and shall be used for private dwelling purposes and for no other purpose whatsoever, together with an attached or detached garage allowing not more than two car spaces for each Family. Each Family, must live independently of each other and do their own cooking therein.

4.5 Lots Contiguous to Lakes. All restrictions contained in the Declaration regarding Lots which are contiguous to lakes are incorporated herein and shall apply to all Lots in Unit I as if fully set forth herein.

4.6 Minimum Square Feet. The total interior walled and roofed area of the main dwelling on a Lot shall not be less than 800 square feet, exclusive of garage, covered walks, open porches and detached structures.

5. RESERVATIONS AND EASEMENTS

All easements set forth in the Declaration are incorporated herein and fully apply to all Lots in Unit I. In addition, the following easements and reservations apply to the Lots in Unit I.

5.1 Drainage Easements. Declarant reserves for itself, its successors and assigns, for purposes incident to its development of the real property subject to these restrictions, an easement for the use and maintenance of drainage courses of all kinds designated on the Plat as "Drainage Easements." These easements are twenty (20) feet in width unless otherwise specified on the recorded Plat and are centered above the existing drainage channels.

5.2 Easements Reserved to Declarant. The Declarant excepts and reserves unto itself, its successors and assigns as follows:

(a) The private roadways in the location and of the width as set forth on the recorded Plat and the right to alter and amend the course and/or grade of said private roadways except that portion thereof which abuts any Lot which has already been sold.

(b) All coal, oil, gas, mineral, mining and drilling

rights.

(c) The exclusive right to dedicate the roads, streets and avenues in Unit I to public use without the joinder, release or consent of any Owner, grantee or transferee and his, her or their heirs and assigns, and said Owner, grantee or transferee and his, her or their heirs and assigns are required to release all damages or claims resulting therefrom.

(d) Right-of-way and easement areas which Declarant has dedicated, or will dedicate, to any municipal body, or to the appropriate utility company or companies, including cable TV, for the installation and maintenance of public utilities, for control of drainage along lot lines and for control over strips of land ten (10) feet in width along side and rear property lines and ten (10) feet in width along the front property line of all Lots as noted on the Plat together with accessory right to locate guy wires, braces or anchors.

(e) An exclusive easement for the installation and maintenance of radio and television transmission cables within the right-of-way and easement areas reserved herein.

5.3 Owners' Responsibility. On each Lot, the right-of-way and easement areas reserved by Declarant or dedicated to public utility purposes shall be maintained continuously by the Lot Owner but no structures, plantings or other materials shall be placed or permitted to remain or other activities undertaken which may damage or interfere with the installation or maintenance of utilities, which may change the direction of flow of drainage channels in the easements, which may obstruct or retard the flow of drainage channels in the easements, or which damage or interfere with established slope ratios or create erosion or sliding problems; provided, however, that where the existing location of a drainage channel would hinder the orderly development of a Lot the drainage channel may be relocated on such Lot provided the newly formed drainage swale is properly stabilized and provided such relocation does not cause an encroachment on any other Lot in the Development. Improvements within such areas shall also be maintained by the respective Lot Owners except for those which a public authority or utility company is responsible.

5.4 Additional Easements. The Lots shall be burdened by such additional easements as may be shown on the recorded Plat.

5.5 Lake and Shoreline Maintenance. A fifteen (15) foot wide strip along the line of any Lot abutting a lake is reserved for lake and shoreline maintenance.

5.6 Flooding Easement. A flowage and flooding easement is reserved on each lake front Lot equal to the lake front building set back line.

5.7 Streets. An easement and right-of-way for and under all streets and rights-of-way for the purpose of installing, maintaining and operating utilities thereon or thereunder; for the purpose of drainage control; for access to any Lot; and for purposes of maintenance of said streets.

5.8 Sewer, Water, Power and Telephone Easements. An easement is reserved through each Lot to such width as needed in the Declarant's sole discretion for sewer, water pipe, power and telephone lines, as constructed or hereinafter constructed by the Declarant or its assigns through Lots.

5.9 Trade and Business. No trade, solicitation, business, service or profession of any kind or nature whatsoever shall at any time be conducted within Unit I nor shall any building

erected thereon be used for such purposes. Notwithstanding the above, Declarant and successors thereof may operate a real estate sales office or offices within Unit I and may likewise operate any business out of such office or offices which are compatible with said sales operation. This provision shall not preclude an Owner from maintaining a personal professional library, keeping personal business records or accounts, or handling personal business or professional telephone calls or correspondence from his Unit.

5.10 Liability for Use of Easements. No Owner shall have any claim against Declarant or its licensees arising out of the exercise or non-exercise of any easement reserved hereunder or on the Plat except in case of willful or wanton misconduct.

6. DELEGATES

6.1 Initial Delegates. Three (3) Delegates shall be chosen to represent Unit I in all matters concerning the Development and the Beech Mountain Property Owners Association. The initial Delegates shall be appointed by the Declarant. One initial Delegate shall serve for a one year term, one shall serve for a two year term and one shall serve for a three year term. Thereafter, all Delegates shall be elected by the Owners in Unit I and shall serve according to the provisions of this Community Declaration.

6.2 Qualification. Except for the initial Delegates, each Delegate shall be both an Owner and Resident of his Unit within Unit I; provided that, in no event shall an Owner and his or her spouse serve as Delegates from Unit I concurrently. If a Delegate ceases to be either an Owner or a Resident of his Unit within Unit I, he shall be deemed to have resigned as a Delegate.

6.3 Election. With the exception of the initial Delegates, the Delegates shall be elected annually by the Owners of record at a meeting called for such purposes or by written ballot. Elections shall be held annually, within sixty (60) days of the anniversary date of recordation of this Community Declaration.

The election, whether at a meeting or by written ballot, shall be conducted by the Declarant, until the Association is reactivated, and thereafter, by the Board of Directors of the Association.

The Delegates shall be elected from a slate of nominees chosen by the Delegates for the current year; provided, however, that write-in votes shall be accepted.

Each Owner of record shall be entitled to one vote, in person or by proxy, for each interest in Unit I owned at the time of the meeting. All proxies shall be in writing but need not be acknowledged or witnessed and shall be filed with the Association at or previous to the time of the meeting. The person named as proxy need not himself be an Owner. All voting shall be viva voce, except that any qualified voter may demand a ballot vote, in which case the voting shall be by ballot, and each ballot shall state the name of the Owner voting and, in addition, the name of the proxy, if such ballot is cast by a proxy. All elections shall be determined by a plurality vote and an affirmative vote of a majority represented at any such meeting shall be necessary for the transaction of any election and shall constitute the act of the Owners in Unit I.

At any election of Delegates where more candidates are nominated than there are positions to be filled, the election shall be conducted by two inspectors of election to be appointed by the Board. No Delegate or candidate for Delegate shall be

eligible to appointment as inspector. The inspectors appointed to act at any meeting to elect Delegates shall supervise the election with strict impartiality, and according to the best of their ability. If there are not two inspectors present, ready and willing to act, the required number of temporary inspectors to make up such number shall be appointed by the chairman of the meeting.

6.4 Term. Except for the initial Delegates appointed by the Declarant, each Delegate shall serve for a term of two (2) years or until the election of his successor, whichever occurs later, or until his death, incapacity, resignation, or removal. Any Delegate appointed by Declarant shall serve until such time as Declarant appoints a replacement Delegate or until his successor has been qualified and duly elected by the members of the Association, pursuant to the provisions hereof. No Delegate shall serve for more than four (4) consecutive years.

6.5 Removal. At any meeting duly called for such purpose, any one or more of the Delegates, other than those Delegates appointed by Declarant, may be removed, with or without cause, by the affirmative vote of Owners in Unit I casting a majority of the total votes, and a successor shall be elected as provided in Section 6.3 herein within thirty (30) days of such meeting for the remainder of the term to fill the vacancy thus created. Said special meeting to recall a Delegate may be called by ten percent (10%) of the Owners in Unit I giving notice of the meeting and the notice shall state the purpose of the meeting. Any Delegate whose removal has been proposed by the Owners in Unit I shall be given prompt written notice of his proposed removal and shall be provided with a reasonable opportunity to attend and be heard at the meeting at which his removal is voted upon.

6.6 Disqualification and Resignation. Any Delegate may resign at any time by sending written notice of his resignation to the Association. Such resignation shall take effect upon receipt thereof by the Association. Except for those Delegates appointed by Declarant, any Delegate who ceases to be an Owner and Resident of his Unit within Unit I shall automatically be deemed to have resigned. Any Delegate who is more than thirty (30) days delinquent in the payment of any assessment or other amount owed to the Association shall be deemed to have resigned effective upon the receipt of notification of such delinquency from the Association.

6.7 Vacancies. If the office of any Delegate becomes vacant by reason of his death, incapacity, resignation, removal from office, or otherwise, the remaining Delegates shall choose a successor or successors to fill such vacancy until such time as the Owners in Unit I can elect a new Delegate. The election held for the purpose of filling such vacancy may be held at any meeting called for such purpose or by written ballot as provided in Section 6.3 herein.

7. ANNEXATION OF SUBSEQUENT UNITS OR PARCELS

7.1 Property to be Annexed. Declarant may from time to time and in its sole discretion, annex to Unit I any other real property which from time to time may be owned by Declarant and which is adjacent to the Plat. The Declarant reserves the right as a result of the said annexation to increase the mutual real or predial servitudes upon each of the Lots in Unit I and upon the roadways, easements, community areas, recreational areas, and utilities of Unit I.

7.2 Manner of Annexation. Declarant shall effect such annexation by filing or recording a map or Plat of the annexed area and by signing and recording a supplement to this Community

Declaration pursuant to Section 9 hereof which shall:

(a) Amend the description of Unit I to include the annexed areas;

(b) Amend the definition of the term "Plat" to include such map or Plat;

(c) Set forth any additional covenants, restrictions or easements specifically applicable to the annexed areas; and

(d) Contain such provisions as, in the opinion of counsel for Declarant, shall be necessary or appropriate to integrate the annexed area into Unit I and to extend the provisions of this Community Declaration to the annexed area.

Upon the filing or recording of such map or Plat and the recording of such supplement, the annexed area shall be part of Unit I and subject to this Community Declaration, as supplemented as fully and with the same force and effect as if the annexed area were part of Unit I on the date of the recording of this Community Declaration.

8. REMEDIES

8.1 Enforcement of Community Declaration. The violation of any provision of this Community Declaration by an Owner or a Resident, members of his family, his guests, licensees, or invitees shall be grounds for an action to recover sums due and/or damages, for injunctive relief, or both, and the reimbursement of all costs and attorneys' fees incurred in connection therewith, as well as late fees and interest on any delinquent amounts, which action shall be maintainable by the Association Board or the Manager, in the name of the Association, by Declarant, or, in a proper case, by an aggrieved Owner in Unit I. All such amounts, along with any other costs incurred by the Association to obtain the services of an attorney to enforce any provision of this Community Declaration, shall promptly be reimbursed by the Owner or Resident who committed or who is responsible for such violation or who caused the Association to take such action, to the Association, upon demand therefor. Unless otherwise prohibited by law, the violation of any provision of this Community Declaration shall give the Association, the Board, the Manager, and Declarant (to extent of its rights hereunder) the right:

(a) To engage the services of an attorney to initiate such action as is deemed necessary by the Board, the Manager, or Declarant, to enforce such provision, including the initiation of a suit for damages and/or to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach;

(b) To impose a reasonable monetary penalty upon such Owner in an amount to be determined by the Board of Directors; and

(c) To the extent permitted by law, to suspend some or all of such Owner's rights and privileges, including but not limited to any right to vote and the right to use (or allow others to use) any Common Areas during the period of any continuing violation of the provisions of this Community Declaration.

8.2 Cumulative Remedies. All of the remedies granted by this Community Declaration are cumulative, and the exercise of one right or remedy shall not impair the right to exercise any other remedy. The Association, the Board, the Manager, and Declarant shall not be limited to the remedies set forth in this Community Declaration, and may invoke any other or additional remedies provided for or allowed by law or in equity.

8.3 Preservation of Remedies. The failure of the Association, the Board, the Manager, or Declarant to enforce any provision of this Community Declaration shall not be construed as a waiver of any such provision or right. Rather, such provision shall continue and remain in full force and effect.

9. TERM AND AMENDMENT

9.1 Term. The provisions of this Community Declaration are intended as a supplement to the Declaration and shall become effective when recorded in the Office for Recording of Deeds, Luzerne County, Pennsylvania. This Community Declaration shall affect and run with the land and shall exist and be binding upon all parties claiming an Interest in Unit I for forty (40) years from date of recording the Declaration, after which time the same shall be extended for successive periods of ten (10) years in the same manner and at the same time as an extension of the Declaration, as provided in the Declaration.

9.2 Termination. The agreements, covenants and conditions set forth in this Community Declaration shall constitute an easement and servitude in and upon the lands to which the same pertain, and they shall run with the land and shall inure to the benefit of and be enforceable by the Declarant, and the Association. This Community Declaration shall remain in full force and effect so long as the Declaration remains in effect. Should the Declaration terminate, this Community Declaration shall thereupon terminate.

This Community Declaration shall continue to be effective for a period of forty (40) years from the date of the recording of the Declaration and for each successive ten (10) year period that the Declaration is extended as provided in Section 9.1 or until such time as termination is authorized at a duly convened meeting by (i) an affirmative vote of all Owners owning no less than seventy-five percent (75%) of the Interests in Unit I; and (ii) upon the consent of Mortgagees of Record holding mortgages on interests representing an aggregate ownership interest of seventy-five percent (75%) of Unit I property submitted to this Community Declaration; and (iii) by the prior written approval of the Association; and (iv) the Declarant for as long as it owns one (1) or more Interest in the Development.

In the event the Owners in Unit I vote to terminate the plan implemented by this Community Declaration, the Board of Directors shall file an amendment in the Office for Recording of Deeds, Luzerne County, Pennsylvania, terminating this Community Declaration and certifying that such termination has been approved by all parties designated in the paragraph above.

The provisions of this Section 9 shall not be subject to amendment without prior written consent of the Declarant for as long as it owns one (1) or more Interest in the Development.

9.3 Amendment by Owners. Subject to the rights of the Declarant under the Declaration, this Community Declaration may be amended at any time after December 31, 1985, by the affirmative vote of the then record Owners of two-thirds (2/3) of the total Interests in Unit I as long as such amendment does not operate to annul any material part hereof. Provided, however, no amendment to this Community Declaration shall be effective until and unless it is approved by a written resolution of the Board of Directors of the Association, if the Association is operational; and, further, provided so long as the Declarant is the Owner of any Unit in the Development, the Declarant's written consent must be obtained to any such amendment.

Each such amendment of this Community Declaration

shall be evidenced by an instrument in writing, signed and acknowledged by Declarant until such time as an Association is operational, and thereafter by any two (2) officers of the Association, setting forth in full the text of such amendment, the appropriate recording data for this Community Declaration, and certifying that such amendment has been approved by the affirmative vote of the then record Owners of two-thirds (2/3) of the total Interests in Unit I. Said amendment shall become effective upon the recording of said instrument in the Office for Recording of Deeds, Luzerne County, Pennsylvania.

Notwithstanding the above, the Owners in Unit I shall have no power to enact an amendment to this Community Declaration which materially affects the rights or security interests of any Mortgagee of Record, without first obtaining the written consent of such affected Mortgagee of Record.

9.4 Amendment by Declarant. Declarant reserves the right to amend this Community Declaration, without the approval of any other Owners or the Association or Mortgagees of Record, for whatever reason, at any time prior to December 31, 1985.

Anything herein to the contrary notwithstanding, Declarant reserves the right and power to record an amendment to this Community Declaration at any time and from time to time which amends this Community Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Units, (iii) to correct clerical or typographical errors in the Community Declaration or any exhibit thereto, (iv) to bring the Community Declaration into compliance with applicable laws, ordinances or governmental regulations, or (v) to restate or compile all previous amendments into a single document.

In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to make or consent to such amendments on behalf of each Owner. Each deed, Membership Certificate, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Declarant to make, execute and record such amendments. The right and power to make such amendments hereunder shall terminate at such time as the Declarant is no longer vested with or controls title to any Interest in the Development.

Any such amendments to this Community Declaration shall become effective upon the recording in the Office for Recording of Deeds, Luzerne County, Pennsylvania, of an instrument executed by Declarant, setting forth the text of such amendment in full, together with the appropriate recording data for this Community Declaration. Such amendment need only be executed and acknowledged by Declarant, and need not be consented to by any Owners, Community Association, the Association, any Mortgagees of Record, lienholders or any other parties.

10. MISCELLANEOUS

10.1 Captions. Section captions in this Community Declaration and in any exhibits annexed thereto are for convenience only and do not in any way limit or amplify the terms or provisions hereof.

10.2 Plural, Gender. As the individual application of the provisions of this Community Declaration requires: the singular forms of words shall be deemed to include the plural; the plural forms shall be deemed to include the singular; and the terms referring to one gender shall be deemed to refer to the other gender as well.

10.3 Successors and Assigns. As used in the provisions of this Community Declaration, the reference to "Declarant" is deemed also to include the successors or assigns of BEECH MOUNTAIN LAKES CORPORATION.

10.4 Interpretation. The provisions of this Community Declaration shall be liberally construed to effectuate the purpose of ensuring that the Development shall at all times be operated and maintained in a manner so as to optimize and maximize its enjoyment and utilization by each Owner as a vacation resort.

10.5 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in nowise affect any other provisions, which shall remain in full force and effect.

10.6 Waiver. No restriction, condition, obligation, or provision contained in this Community Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

10.7 Binding Effect. The provisions of this Community Declaration shall be binding upon all parties having or acquiring any interest or any right, title, or interest therein, and shall be for the benefit of each Owner, his heirs, successors, and assigns. Each Owner (including Declarant) shall be fully discharged and relieved of liability on the covenants contained therein, in his capacity as Owner, insofar as such covenants relate to each Interest, upon ceasing to own such Interest and upon paying all sums and performing all obligations thereunder, up to the time his ownership interest terminates, as provided herein.

10.8 Notices. Any notice required to be sent to any Owner under the provisions of this Community Declaration shall be deemed to have been properly sent when (i) mailed, postage prepaid, to the Owner's last known address as same appears on the records of the Association at the time of such mailing or (ii) when delivered personally to the Owner or the Association.

10.9 Choice of Law. This Community Declaration shall be construed in accordance with the laws of the Commonwealth of Pennsylvania.

10.10 Perpetuities and Other Invalidity. If any of the options, privileges, covenants or rights created by this Community Declaration would otherwise be unlawful or void for violation of (a) the rules against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provisions shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of the President of the United States at the time of recording of this Community Declaration.

10.11 Title Holding Land Trust. In the event title to any Unit is conveyed to a title holding trust, under the terms of which all powers of management, operation and control of the Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all Charges and for the performance of all agreements, covenants and undertakings chargeable or created under this Community Declaration against such Unit. No claim shall be made against any such title holding trustee

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY SUBJECT TO COMMUNITY DECLARATION
FOR UNIT I

Unit I as recorded in Map Book 32, Page 1 (a-f), Office for Recording of Deeds, Luzerne County, Pennsylvania, excluding that part of Unit I designated as Quail Hollow Village Association as shown on a Plat recorded in Map Book 32, Page 31, Office for Recording of Deeds, Luzerne County, Pennsylvania.

personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Unit and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Unit.

11. GRANTEE'S AND PURCHASER'S ACCEPTANCE

Each grantee or purchaser of any interest in Unit I shall, by acceptance of a Warranty Deed conveying title thereto or a Membership Certificate, whether from Declarant or from any subsequent Owner of such interest, accept such deed or certificate subject to each and all of the provisions of this Community Declaration and to the jurisdiction, rights, powers, privileges and immunities of Declarant. By such acceptance such grantee or purchaser shall for himself, his heirs, devisees, personal representatives, grantees, successors and assigns, lessees and/or lessors, covenant, consent and agree to and with Declarant and the grantee or purchaser of each interest in Unit I to keep, observe, comply with and perform the covenants, conditions and restrictions contained in this Community Declaration.

Witnesses:

James Triant
Paul Salita

BEECH MOUNTAIN LAKES CORPORATION

BY: Barry R. Miller
Title: Vice President

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF LUZERNE:

Personally appeared before me, the undersigned authority, a Notary Public in and for said County and State, Luzerne county, Pa. who upon oath, acknowledged himself to be Barry R. Miller of BEECH MOUNTAIN LAKES CORPORATION, a corporation, the within-named person with whom I am personally acquainted, and who acknowledged that he executed the within and foregoing instrument for the purposes therein contained, he being authorized so to do as Vice President of said Corporation.

Witness my hand and official seal of office on this the 17th day of May, 19 85.

Genevieve Pennorini
Notary Public
NOTARY PUBLIC

My commission expires: 1986
Pittston, Luzerne County, Pa.
~~My Commission Expires November 29, 1985~~

713

ENTERED FOR RECORD
 \$ 3.34P
 MAY 10 1985
 31.50
 Frank W. [unclear]
 RECORDER

RECORDED
 FEE AND TAX PAID
 RECORDERS OFFICE

MAY 10 PM 3:14

REC'D. CASTLETON

BOOK 2159 PAGE 141

92 cont