

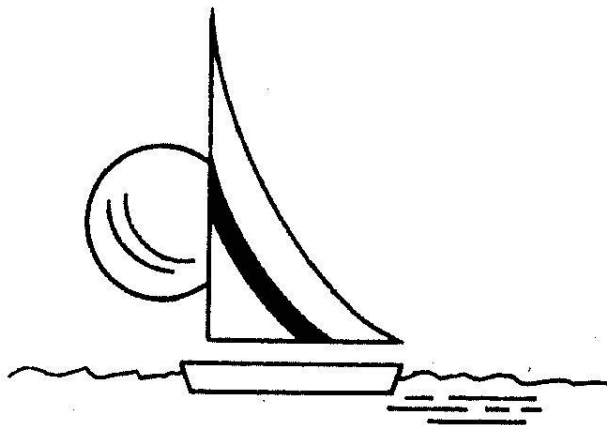


LAKE HERITAGE

PROPERTY OWNERS
ASSOCIATION, INC.

(A NON-PROFIT CORPORATION)

DEED RESTRICTIONS



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LAKE HERITAGE SUBDIVISION, ADAMS COUNTY, PENNSYLVANIA. The Warranty Deed from SELLER to PURCHASER shall contain the following restrictive covenants:

SECTION 1

Said lot shall be used exclusively for residential purposes except those lots that may be designated as business or commercial areas on the plats by Lake Heritage Property Owners Assn., forever.

SECTION 2

Not more than one single family dwelling house may be erected or constructed on any one lot, nor more than one building for garage or storage purposes and provided further that no building or structure of any kind shall be erected prior to the erection of a dwelling house. No accessory or temporary building shall be used or occupied as living quarters. No structure shall have tar paper, roll brick siding or similar material on outside walls. No house trailers, tents, shacks, or similar structures shall be erected, moved to or placed upon said premises. All buildings must be completed within six months from date the construction commences.

SECTION 3

No residence shall have less than 1,200 square feet of living space on the ground floor, or the first floor, for a one-story home, exclusive of porch area, and at least 900 square feet on the first floor above exterior grade in a two-story home with a total minimum square footage of 1,200 square feet regardless of configuration, exclusive of porch. All foundation and structural plans for any building or structure are subject to the approval of Lake Heritage, Inc., or its assigns. No porch or projection of any building shall extend nearer than twenty-five (25) feet from any road right-of-way, nor nearer than ten (10) feet from the property line of any abutting property owner, nor within sixty (60) feet from the normal high water line of Lake Heritage, nor shall any structure be erected on any easements except as shown on record plats, and in no event shall any permanent structure be erected below an elevation of 483 feet unless a permit is secured from The Pennsylvania Water and Power Resources Board.

SECTION 4

No outside toilet shall be allowed. No waste shall be permitted to enter into Lake Heritage, and all sanitary arrangements must conform with recommendations of the Board of Health and/or Lake Heritage, Inc., or its assigns. Before any septic tank, or other waste disposal system is constructed, the owner shall secure plans and specifications from the Pennsylvania Department of Health and construct said system in accordance with said plans. No drain field, or other disposal system shall be allowed nearer than sixty feet from the normal high-water mark of Lake Heritage. All sanitary installations must be behind indicated setback lines. No individual water wells shall be allowed on any residential lot and each residence shall use the water supply when available from the Public Utility supplying water to the subdivision. Contact Lake Manager or Secretary for procedure in obtaining percolation tests. (Percolation tests no longer apply.)

SECTION 5

No noxious or offensive trade or activity shall be permitted on any lot; nor shall anything be done thereon which shall be or become an annoyance or nuisance to the neighborhood. No animals or fowl shall be kept or maintained on said lot except customary household pets. No signs of any kind shall be displayed on any lot without written permission of Lake Heritage, Inc., or its successors or assigns.

SECTION 6

No boat docks, floats or other structures extending into the lake shall be constructed or placed into or on said lake without prior written approval of Lake Heritage, Inc., its successors or assigns. Use of the lake shall be in compliance with the rules and regulations of the Lake Heritage Property Owners Association, Inc., and shall conform in all respects to the recommendations and approval of the Pennsylvania Board of Health as to use of private beaches within the development.

SECTION 7

Lake Heritage Property Owners Association, for itself, its successors and licensees reserves a ten (10) foot wide easement along all road right-of-way and a five (5) foot wide easement along the side and rear lines of each and every lot for the purpose of installing, operating and maintaining utility lines and mains thereon, together with the right to trim and/or cut or remove any trees and/or brush and the right to locate guy wire braces and anchors wherever necessary for said installations, operations or maintenance; together with the right to install, operate and maintain gas and water mains, and other services for the convenience of the property owners and appurtenances thereto, sewer lines, culverts, and drainage ditches, reserving also the rights of ingress and egress to such areas for any of the purposes mentioned above. Lake Heritage, Inc., its successors and assigns, reserves seven-eighths of all mineral rights to the lands hereto. Except where an owner of two or more adjoining lots constructs a building which shall cross over through a common lot line, said lot line

shall not be subject to the aforementioned five (5) foot easement except as that portion of any waterfront lot running along or abutting the shoreline of Lake Heritage, Inc., who for itself, its successors, assigns and licensees also reserves the right to cause or permit draining of surface water over and or through said lot. Lake Heritage, Inc., its successor or assigns reserves an easement on, over or under all road rights-of-way for the purpose of installing, operating and maintaining above mentioned utilities and drainage. The owners of said property shall have no cause of action against Lake Heritage, Inc., its successors, assigns, or licensees either at law or in equity excepting in case of willful negligence, by reason of any damages caused said property in installing, operating, removing or maintaining above mentioned installations.

SECTION 8

Each purchaser in Lake Heritage shall be subject to an annual charge of \$30.00, which purchaser agrees to pay to Lake Heritage Property Owners Association, Inc., its successors and assigns, annually on the first day of April (as noted on contract) commencing in the second year following the date of this agreement, for the maintenance and upkeep of the various areas reserved for the use of the property owners, irrespective of whether the privileges of using said area are exercised or not. Purchaser further agrees that the use of any of the above-mentioned areas shall be subject to approval of purchaser for membership in Lake Heritage Property Owners Association, Inc., as herein provided and to comply with all rules and regulations from time to time promulgated by said Association. Purchaser further agrees that the charges as herein set forth, shall be and constitute a debt which may be collected by suit in any court of competent jurisdiction, or otherwise; and that upon the conveyance of any part of the lands, described herein, the grantee thereof, and each and every successive owner and/or owners shall from time of acquiring title and by acceptance of such title by deed or otherwise, be held to have covenanted and agreed as aforesaid to pay Lake Heritage Property Owners Association, Inc., its successors and assigns, all charges past and/or future, as provided for in, and in strict accordance with, the terms and provisions hereof.

As a part of the consideration herein, purchaser agrees that he will not sell, assign or convey to any person, or persons, not approved for membership in Lake Heritage Property Owners Association, Inc., and all persons owning lots in said subdivision shall be a member of said Association.

SECTION 9

No well shall be drilled or constructed, in any manner, except by Lake Heritage, Inc., its successors and assigns, within the area known as Lake Heritage Subdivision, for the purpose of securing a water supply.

SECTION 10

In consideration for general improvements to be constructed by Lake Heritage, Inc., its successors or assigns, within the area known as Lake Heritage Subdivision, the owner of the lot, described in the deed, shall pay to Lake Heritage, Inc., its successors or assigns, an amount of Five Dollars (\$5.00) per month, payable annually on the first day of April each year, beginning with the month immediately following the date when any general improvement has been constructed which is available for use in connection with said lot; Provided, however, that irrespective of the fact that other general improvements shall have been constructed by Lake Heritage, Inc., the foregoing charge of Five Dollars (\$5.00) per month shall not be imposed so long as the owner of said lot shall be a customer of the public utility water company, owning and operating waterworks facilities within Lake Heritage Subdivision, and shall pay the rates prescribed by tariffs filed by such public utility water company with the Pennsylvania Public Utility Commission. It is understood and agreed that the above-mentioned consideration, if unpaid, shall constitute a lien on or against said lot, which lien shall be equal to, and shall participate jointly with, other first liens for construction purposes hereafter placed on said lot, but inferior to those imposed for governmental purposes.

SECTION 11

These restrictions shall be considered as covenants running with the land, and shall bind the purchaser, their heirs, executors, successors, administrators, and assigns, and it's said owners, their heirs, executors, administrators, successors, or assigns, shall violate or attempt to violate, any of the covenants or restrictions herein contained it shall be lawful for any person or persons owning any such lot in the subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants or restrictions and either or prevent him or them from doing so, or to recover damages for such violation. All of the restrictions, conditions, covenants or agreements contained herein shall continue until January 1, 1976. The same may be thereafter, and from time to time, changed, altered, amended, or revoked in whole or in part by the owners of the lots in the subdivision whenever the owners of at least two-thirds of the said lots so agree in writing. Provided, however, that no changes shall be made which might violate the purpose set forth in Restriction No. 1. Any invalidation of any one of these covenants or restrictions shall in no way affect any other of the provisions thereof which shall thereafter remain in full force and effect.