DECLARATION OF CONDOMINIUM OWNERSHIP

Made on the 14th day of March, 1979, by Minnock Construction Company, a PA corporation, henceforth referred to as the "Developer".

Recitals:

- 1. Minnock Construction Company, referred to as the "Developer", is the sole owner of a specific property located in the Township of Ross, County of Allegheny, Commonwealth of Pennsylvania. This property is further detailed in Exhibit "A" attached hereto.
- 2. The Developer, with this Declaration, submits the aforementioned property to the regulations of the Unit Property Act of the Commonwealth of Pennsylvania (Act of July 3, 1963, P.L. 196, 68 P.S. §700.101 et. seq.). This is done to initiate McKnight East Plaza II, a Condominium. The property will, henceforth, adhere to the stipulations of the previously mentioned Act and the covenants, conditions, and restrictions outlined in this document. These are set in place to maintain the property's value and desirability. All regulations will apply to every entity possessing any rights, titles, or interests in the property. These regulations are binding on their heirs, administrators, successors, and assigns, ensuring benefits for each property owner.

ARTICLE I: Definitions

Within this Declaration, unless the Unit Property Act suggests otherwise, the following terms have the associated meanings:

- **A. Property:** Refers to the land, the buildings upon it, and all subsequent improvements. This includes ownership in fee simple and all easements, rights, and appurtenances affiliated with the property, set to be governed by the Unit Property Act's provisions.
- **B. Building:** This denotes any multi-unit structure or set of structures, and associated improvements, designated for business, commercial, industrial, or any other legitimate purposes. It can also be for a combination of such uses, either constructed or planned for construction on the property.
- C. Unit: Refers to the interior section of the building that constitutes the Unit, bound by the unit's boundaries but excluding interior load-bearing walls and pillars. It also excludes any utility components like pipes, wires, conduits, ducts, vents, etc., serving multiple Condominium Units or a different Unit than their location. The vertical boundaries are as depicted in the Declaration Plan. For a Unit bounded by a wall, the wall encompasses any doors, windows, or other fixtures in their closed state. The boundaries extend to the unfinished surface of the wall from the Unit's side. This means the Unit covers any finishes like paint or wallpaper on that surface. For Units partly or wholly consisting of unenclosed space, the boundary is as shown in the Declaration Plan. The horizontal boundaries are the unfinished surfaces of the floor's top and the ceiling's bottom. However, in instances where there's a stairway or any opening in the floor or ceiling, the

boundary becomes the surface extended from the nearest adjacent unfinished surfaces of the floor top or ceiling bottom, as applicable.

- **D. Unit Designation:** This signifies the number, letter, or a mix of both, pinpointing a Unit in the Declaration Plan.
- **E. Unit Owner:** Indicates the individual or individuals who own a Unit in fee simple.
- **F. Majority of Unit Owners:** Represents the owners who collectively possess more than 50% interest in the undivided ownership of the common elements, as outlined in this Declaration.
- **G. Declaration:** Refers to this specific document that subjects the property to the Unit Property Act's stipulations, inclusive of any amendments added.
- **H. Supplemental Declaration:** This term refers to any subsequent document where the Developer includes the Second or Third Phases to this Condominium.
- **I. Declaration Plan:** Is a survey of the property, executed as per Section 402 of the Unit Property Act.
- **J.** Code of Regulations: Refers to the set of governing rules established in line with the Unit Property Act to oversee and manage the property. This also includes any modifications made over time.
- **K. Common Elements:** Represents every part of the property excluding the units.
- **L. Limited Common Areas:** These are specific common areas and facilities earmarked for the exclusive use of certain unit(s) and not available to others.
- M. Common Expenses: This encompasses:
 - 1. Administration, maintenance, repair, and replacement costs of the common elements.
 - 2. Utility charges not billed or metered separately.
 - 3. Expenses unanimously agreed upon as common by all Unit Owners.
 - 4. Costs declared common either by the Act, the Declaration, or the Code of Regulations.
 - 5. Expenses categorized as common by the Council based on this Declaration, the Code of Regulations, or any amendments to these documents.
- **N. Council:** Describes a board consisting of a specified number of Pennsylvania residents, as stated in the Code of Regulations. These individuals need not be Unit Owners but are responsible for managing the property's business and operations on behalf of the Unit Owners in adherence to the Unit Property Act.
- **O. Association:** Refers to the "McKnight East Plaza II Association of Unit Owners", which operates as a collective in line with this Declaration and the Code of Regulations.

ARTICLE II: Name and Descriptions

- **1. Name:** The designated name for the property, the buildings, and the Association of Unit Owners within this condominium is "McKnight East Plaza II."
- 2. Description of Property: The property, now aligned with the condominium ownership model under Pennsylvania's Unit Property Act, is situated in Ross Township, Allegheny County, Pennsylvania. As depicted in the soon-to-be-recorded Declaration Plan, it comprises lot no. 2 in the McKnight East Plaza II Plan of Lots, officially documented at the Recorder of Deeds Office of Allegheny County, Pennsylvania in Plan Book Volume 106, page 84. The Developer also retains the prerogative to incorporate lots nos. 3 and 4 from the McKnight East Plaza II Plan of Lots into the condominium structure via supplemental declarations. If pursued, these lots and their respective condominium units will fall under this Declaration's jurisdiction. The property will embody real estate, units, and common elements as illustrated in the forthcoming Declaration Plan.
- **3. Description of the Building:** The initial phase encompasses an integrated office building as delineated on the Declaration Plan. This includes units as outlined and identified in Exhibit B titled "First Increment." These units are associated with the percentage of ownership detailed in Exhibit B under "First Increment."

ARTICLE III: Units and Common Elements

- **1. Identification of Units:** Units can be recognized by the number and/or letter as shown on the Declaration Plan.
- **2. Common Elements:** This includes all components of the property except for the Units. Specifically, this incorporates:
 - **A.** The land where the building stands, and sections of each building not part of a Unit, excluding interior unit doors.
 - **B.** Foundations, structural components, supports, main walls, roofs, floors, and building entrances and exits.
 - C. Outdoor areas, parking zones, driveways, staircases, corridors, washrooms, walkways, and stoops.
 - **D.** Areas of the land and building dedicated solely for managing, operating, or maintaining the common elements—this includes facilities like trash rooms, electric closets, storage rooms, and elevators (if present).
 - E. Central utilities and services installations.
 - F. Any equipment or installations intended for communal use.
 - G. All essential elements of the building crucial for its existence, operation, maintenance, safety, and general communal use.
 - H. Facilities specified in this Declaration as common elements.

- **3. Limited Common Areas:** Any balcony attached to a Unit is considered a limited common area, exclusively for the use of the corresponding Unit. Maintenance expenses for these areas are deemed common expenses.
- 4. Incremental Development: The developer holds the exclusive right to roll out this project incrementally. The developer reserves the right, within two years from this Declaration's date, to record a "First Supplemental Declaration." If such a Declaration is recorded, then Lot No. 3 (comprising buildings identified as 600 and 800) will integrate into the condominium and align with the Unit Property Act. The common elements' percentage will adhere to Exhibit B under "Second Increment." Additionally, the developer retains the right, within four years from this Declaration's date, to file a "Second Supplemental Declaration." In this scenario, Lot 4, inclusive of Building 1000, will be added, and the common elements' ownership percentage will comply with Exhibit B, termed "Final Increment." The developer solely determines any further progression. Unless the first and second supplemental declarations are duly recorded as described, Lots Nos. 3 and 4, also known as lots nos. 3 and 4 in the McKnight East Plaza XI Plan of Lots (recorded in the Recorder's Office of Allegheny County in Plan Book Volume 106, page 84), will remain excluded from the condominium structure.

ARTICLE IV: Use and Ownership

The property, including the buildings, the Units, and the common elements, is intended for specific purposes. Its use is restricted as follows:

- 1. **Purpose of Units**: All Units are exclusively for office and related uses. However, this doesn't restrict the developer from using any condominium unit they own for promotional, marketing, or display purposes as "model offices."
- 2. **Modification of Units**: Units cannot be subdivided or divided into smaller Units. Moreover, no portion of any Unit can be added to or incorporated into another Unit, nor can any section be sold or transferred separately.
- 3. **Use of Common Elements**: All Unit Owners, their tenants, employees, business guests, and invitees can use the common elements. However, this is subject to the Code of Regulations and any rules established by the Council.
- 4. **Prohibited Actions by Owners**: Owners must not engage in activities within their Units that:
 - o Jeopardize the property's structural soundness or safety.
 - o Increase insurance rates or risk cancellation of insurance for the property.
 - o Are harmful, offensive, or disrupt the peaceful use of other Units.
 - Require changes to the common elements to comply with any applicable laws or regulations.
 - o Violate any laws.
- **5.** No owner of a Unit shall, without the written approval and consent of the Condominium Council, place or suffer to be placed or maintained:

- (i) On any exterior door, wall, or window of the Unit, or upon any door, wall, or window of the common elements, any sign, awning, or canopy, or advertising matter or any other thing of any kind.
- (ii) Any decoration, lettering, or advertising matter on the glass of any window or door of the Unit.
- (iii) Any advertising matter within the Unit which shall be visible from the exterior thereof.

The Council shall establish reasonable and uniform regulations permitting the placement and maintenance by each owner of identifying signs and insignia of such sizes and materials and in such locations as shall be aesthetically suitable and appropriate to the design and function of the property.

ARTICLE V

Common Expenses and Common Profits

The developer, for each Unit owned, hereby covenants, and each subsequent Unit Owner, by acceptance of a deed thereof, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Council or its designee as representatives of McKnight East Plaza II Condominium, such assessments and/or charges as may be levied by the Council to cover the reasonable share of common expenses incurred in maintaining, improving, and managing McKnight East Plaza II as a condominium. Such assessments and/or charges shall run with the land and shall be a continuing lien upon the Unit or Units against which such assessments and/or charges were made. Such assessments and/or charges may be enforced in any court of law or equity having jurisdiction thereof, as provided by the Act.

The common profits of the property shall be distributed among, and the common expenses shall be charged to, the Unit Owners according to the percentage of the undivided interest of each in the common elements as set forth in this Declaration and any amendments thereto.

ARTICLE VI Easements

- 1. Should any part of a Unit or common element encroach upon another, a valid easement for that encroachment and its maintenance exists, so long as it stands. If the building is partially or totally destroyed and then rebuilt, encroachments of parts of Units or common elements due to construction will be permitted, and a valid easement for said encroachments and their maintenance shall exist.
- 2. Each Unit Owner has a shared easement with all other Unit Owners to use and repair elements like pipes, wires, cables, public utility lines, and others located in each Unit or part of the common elements. Moreover, each Unit will benefit from and be subject to support and shelter from other Units or common elements as required for its enjoyment and the maintenance of structural common elements.
- 3. Every Owner and their invitees shall have a right of entry and exit to their unit via the common elements and private roads on the property.

- 4. The Council has the right to reasonably access each Unit to inspect it, remove violations, and maintain, repair, or replace the elements necessary for the upkeep of the facilities which benefit from the aforementioned easements.
- 5. If any portion of the common elements or a Unit encroaches upon another Unit or any part of the common elements—whether due to the construction, settling, or shifting of the building—a valid easement exists for that encroachment and its maintenance for as long as the building stands. If the building, Unit, or any adjoining common elements are partially or totally destroyed due to fire, other catastrophes, condemnation, or eminent domain proceedings and are then rebuilt, encroachments due to such rebuilding shall be permitted, and valid easements for these encroachments and their maintenance shall exist.
- 6. No Unit Owner shall undertake any work that might jeopardize the structural integrity or safety of the property or infringe upon any easement without unanimous consent from the Unit Owners affected by it.

ARTICLE VII

Separate Mortgages, Taxes, Utility Charges, and Expenses

- 1. **Mortgages:** Each Unit Owner has the right to mortgage or encumber their respective Unit along with their proportionate share in the common elements. No Unit Owner shall have the authority to mortgage or otherwise encumber the property, except as specified above.
- 2. **Taxes:** Real estate taxes will be individually assessed to each Unit Owner for their Unit and their corresponding percentage of ownership in the common elements, as outlined in the Unit Property Act.
- 3. **Utilities:** Each Unit Owner is responsible for their own telephone, gas, electric, and other utilities which are separately metered or billed by the respective utility company. Utilities that are not individually metered, such as heating and cooling for communal spaces like hallways and lavatories, will be considered a common expense. Alternatively, at the Council's discretion, these costs can be pro-rated among Units that utilize these services, ensuring that any unit which demands a disproportionate amount of common utilities or services pays accordingly.
- 4. Condominium Expenses: The Declarant, for each Unit, covenants, and every subsequent Unit Owner, by accepting a deed (whether or not expressly stated in the deed), agrees to pay the Council, or its appointed representative, any assessments and charges levied by the Council. These charges cover each Unit's reasonable share of common expenses for the upkeep, enhancement, and management of McKnight-East Plaza II Condominium. These assessments and charges will be attached to the land and form a continuing lien against the Unit(s) they are assessed upon. Such assessments and charges can be enforced in any court of law or equity as stipulated by the Act. The lien of these assessments and charges is subordinate to the lien of any primary mortgage.

ARTICLE VII Council and Voting

1. **First Council Members:** The initial members of the council are Patrick Minnock, Patricia Deigan, and Edward Sloan. They will serve until their successors are elected at

- the first annual meeting of the Unit Owners, as outlined in the Code of Regulations. If any of these members were to pass away, resign, or be unable to serve for any other reason, the remaining council members would elect a successor or successors to fulfill the rest of the term.
- 2. **Voting:** Every Unit Owner will automatically become a member of the Association. When an individual ceases to be a Unit Owner, their membership will automatically end, and the succeeding Unit Owner will inherit the membership. At any Association meeting, each Unit Owner will have a voting power equivalent to the percentage of ownership in the common elements allocated to their Unit by this Declaration and any subsequent amendments. The inaugural meeting of Unit Owners will occur as specified in the Code of Regulations.

ARTICLE IX Insurance

The Council, or an appointee designated by the Council as the insurance trustee for all Unit Owners, will procure and maintain the following insurance policies, without affecting the rights of each Unit Owner to individually insure their own unit:

- 1. **Insurance for the Condominium Project:** This should cover the full replacement value with a replacement cost endorsement to ensure payment of all losses without deducting for depreciation. This insurance shall provide protection against:
 - A. Loss or damage from fire or other risks as part of the standard extended coverage endorsement and additional extended coverage endorsement. However, it will exclude coverage for furniture, fixtures, or personal properties provided or installed by the Unit Owners.
 - o **B.** Other customary risks for projects with similar construction, location, and usage. This includes vandalism, malicious mischief, and other insurances the Council deems necessary over time.
 - o C. Public liability insurance, with coverage amounts determined by the Council. This insurance will cover each Council member, all Condominium officers, the managing agent or manager, and every Unit Owner regarding liabilities associated with the common elements or any actions taken on behalf of the condominium.
 - o **D.** Workmen's Compensation insurance, as required by applicable laws.
 - E. Any other relevant insurance policies that the Council might consider appropriate in the future.
- 2. The insurance premiums will be considered a common expense and will be levied by the Council against every Unit Owner.
- 3. The Council, or its designated representative, holds the sole authority to adjust losses under the aforementioned insurance policies.
- 4. Each Unit Owner is responsible for insuring the contents of their Unit, any additions or improvements made to it, their personal property irrespective of its location, and their personal liability.

ARTICLE X Maintenance and Alterations

- 5. Each Unit Owner is responsible for all maintenance, repairs, and replacements within their respective unit, at their own expense.
- 6. No Unit Owner is permitted to alter any common elements or to add to or improve them without the prior written consent of the Council.

ARTICLE XI

Repair or Reconstruction

7. In the event of damage to or destruction of the building, the Council shall promptly repair and restore using the insurance proceeds, if available for that purpose. Unit Owners directly affected by the damage or destruction will be assessed for any deficiency in proportion to their respective undivided ownership in the common elements.

Article XII

Units Subject to Declaration, Code of Regulations, and Rules

8. All present and future Unit Owners, tenants, mortgagees, and unit occupants are subject to and must comply with the stipulations of this Declaration, the attached Code of Regulations, and any amendments made over time. All properly established rules and regulations for McKnight East Plaza II are also binding. Accepting a deed, entering into a lease, or occupying a Unit signifies agreement with these instruments. Each Unit Owner, tenant, occupant, or mortgagee is deemed to have accepted these provisions as covenants running with the land. They bind any party with an interest or estate in a unit as if these provisions were explicitly detailed in every deed, conveyance, or lease. The developer is not obligated to submit additional properties to this Declaration of Condominium for McKnight East Plaza II.

ARTICLE XIII Amendment

While the developer holds a minimum of fifty percent (50%) of the Units, this Declaration may be amended by a majority vote of Unit Owners, in accordance with the stipulations of the Unit Property Act. Once this threshold is surpassed, any amendment, subject to the Act's constraints, requires an eighty percent (80%) majority vote from the Unit Owners. Nevertheless, no amendment that alters the ownership interest of specific Units will be sanctioned unless all the affected Unit Owners provide written consent. An amendment will not be deemed valid until duly recorded. This Article doesn't infringe upon, or in any way restrict, the developer's prerogative to submit supplemental declarations or influence the ownership interest in common elements as articulated in Article III of this Declaration.

ARTICLE XIV Removal

The property can be exempted from the Act's provisions with a formally recorded written ratification, endorsed by all Unit Owners, and all mortgage, judgment, or other lien holders affiliated with the Units. Upon such removal, former Unit Owners transition into tenants-incommon of the property, as prescribed by the Unit Property Act. The undivided interest each Unit Owner held in the common elements prior to the removal will define their share in the property post-removal.

ARTICLE XV Developer's Rights

- 1. The developer hereby secures, for itself or its successors/assigns, a five-year easement post this document's date (or until the total units in McKnight East Plaza II are both completed and occupied, whichever occurs first). This easement grants unrestricted access and construction rights on the Common Elements for activities like grading, paving, utilities installation, landscaping, and other completion tasks. They also retain the privilege to utilize any existing utility right of way, as well as access and roadways delineated in other official records. This stipulation is meant for any adjacent property or part thereof presently or subsequently acquired by the developer.
- 2. Minnock Construction Company, for a span of two years post the Declaration's recording, is appointed the attorney-in-fact on behalf of the Unit Owners. They have the authority to present a Supplemental Declaration Plan, incorporating Lot No. 3 from the McKnight East Plaza II Plan, as logged in PBV 1006, page 84, into the McKnight Plaza II Condominium. Upon this action, the common element percentages attached to the conveyed Units will align with Exhibit B, labeled "Second Increment". Additionally, they are empowered to introduce a second Supplemental Declaration Plan within four years of the Declaration's recording, adding Lot No. 4 from the said Plan into the Condominium. In this scenario, the common element percentages for the conveyed Units will mirror Exhibit B, denoted as "Final Increment". The choice to alter the Declaration Plan rests solely with Minnock Construction Company, and this power of attorney is recognized as being associated with a vested interest.

ARTICLE XVI Invalidity

Should any provision of this Declaration be found invalid, such invalidity shall not affect the remaining provisions. All other provisions will continue in full force and effect, as if the invalid provision had never been included.

ARTICLE XVII Interpretation

In instances of disputes among Unit Owners or when interpretation of this Declaration, the Code of Regulations, or the Rules and Regulations of the Association is required, the Council will provide a resolution. The Council's decision is final and binding on all Unit Owners.

ARTICLE XVIII Conflicts

This Declaration aligns with the stipulations of the Unit Property Act. If there's any discrepancy between this Declaration and the Act's provisions, the Act will prevail.

EXHIBIT A

LEGAL DESCRIPTION FOR PROPOSED McKnight EAST PLAZA II, BUILDING NOS. 200 and 400, BEING LOT NO. 2 IN THE McKnight East Plaza II Plan of Lots AS RECORDED IN PLAN BOOK VOLUME 106, PAGE 84

All that certain parcel or tract of land situated in Ross Township, Allegheny County, Pennsylvania, described as follows:

Beginning at a point on the southerly side of Kinvara Drive. This point is at the dividing line of Lot 1 in the McKnight East Plan of Lots No. 1, as recorded in the Recorder's Office of Allegheny County in Plan Book Volume 103, page 4. This is also the dividing line of the herein described Lot No. 2 in the McKnight East Plaza II Plan of Lots, recorded in the Recorder's Office of Allegheny County in Plan Book Volume 106, page 84.

From the starting point, moving along the southerly side of Kinvara Drive, continue in an easterly direction by the arc of two curves, one with a radius of 300.00 feet spanning 93.47 feet and another to the right with a radius of 25.00 feet spanning 32.44 feet. This reaches a point on the westerly side of McKnight Park Drive.

Continuing along McKnight Park Drive, moving South 43°08'29" East 260.17 feet to a point. This point lies on the dividing line of Lot Nos. 2 and 3 in the aforementioned McKnight East Plaza II Plan of Lots, as well as the centerline of a 30-foot drainage and utility easement.

From there, moving South 50°22'47" West 257.35 feet to a point on the property line now or formerly of W.F. Paul. Continuing along this boundary, move North 32°25'19" West 234.70 feet to another point, which is common to Lot No. 1 and Lot No. 2.

Continuing along the dividing line of Lot No. 1 and Lot No. 2, the path follows several courses: North 56°25'11" East 10.00 feet, North 12°00'00" East 110.00 feet, and North 9°37'18" West 18.42 feet. This completes the description, returning to the place of beginning.

The entire described area encompasses approximately 1.488 acres.

Additionally, there is a 10-foot easement for ingress, egress, and regress on Lot No. 3 in the aforementioned McKnight East Plaza II Plan of Lots. The easement starts on the southerly side of McKnight Park Drive and follows specific points moving South, West, then North, and then East back to the beginning.

The property is subject to any easements, rights of way, or public utilities, sewers, drainage, etc., shown on the Declaration Plan, Exhibit "A," for McKnight East Plaza II as recorded in Allegheny County. It's also subject to any easements, rights of way, or exceptions from prior records.

The land described is a part of Parcel "A" in the McKnight East Plan of Lots No. 1, as recorded in Plan Book Volume 103, Page 4.

EXHIBIT B

MCKNIGHT - EAST PLAZA II CONDOMINIUM PERCENTAGE OF OWNERSHIP

In the case of incremental development, the common interest of each Unit upon completion of each increment shall be:

FIRST INCREMENT

UNIT	SQUARE FOOTAGE	PERCENTAGE OF OWNERSHIP
201	1,427	8.3724%
202	1,380	8.0967%
203	1,439	8.4429%
204	1,380	8.0967%
205	1,516	8.8946%
206	1,380	8.0967%
401	1,380	8.0967%
402	1,427	8.3724%
403	1,380	8.0967%
404	1,439	8.4429%
405	1,380	8.0967%
406	1,516	8.8946%
TOTAL	17,044	100.00%

SECOND INCREMENT

UNIT	SQUARE FOOTAGE	PERCENTAGE OF OWNERSHIP
206	1380	4.0483%
401	1380	4.0483%
402	1427	4.1862%
403	1380	4.0483%

404	1439	4.2214%
405	1380	4.0483%
406	1516	4.4473%
601	1427	4.1862%
602	1380	4.0483%
603	1439	4.2214%
604	1380	4.0483%
605	1516	4.4473%
606	1380	4.0483%
801	1380	4.0483%
802	1427	4.1862%
803	1380	4.0483%
804	1439	4.2214%
805	1380	4.0483%
806	1516	4.4473%

TOTAL SQUARE FOOTAGE: 34,088

TOTAL PERCENTAGE OF OWNERSHIP: 100.00%

FINAL INCREMENT - MCKNIGHT EAST PLAZA II

UNIT	SQUARE FOOTAGE	PERCENTAGE OF OWNERSHIP
201	1427	3.3490
202	1380	3.2387
203	1439	3.3771
204	1380	3.2387
205	1516	3.5578
206	1380	3.2387
401	1380	3.2387
402	1427	3.3490
403	1380	3.2387
404	1439	3.3771
405	1380	3.2387
406	1516	3.5578
601	1427	3.3490
602	1380	3.2387
603	1439	3.3771
604	1380	3.2387
605	1516	3.5578
606	1380	3.2387
801	1380	3.2387
802	1427	3.3490
803	1380	3.2387

804	1439	3.3771
805	1380	3.2387
806	1516	3.5578
1001	1380	3.2387
1002	1427	3.3490
1003	1380	3.2387
1004	1439	3.3771
1005	1380	3.2387
1006	1516	3.5578

TOTAL SQUARE FOOTAGE: 42,611.00 sq. feet TOTAL PERCENTAGE OF OWNERSHIP: 100.00%

CODE OF REGULATIONS FOR MCKNIGHT EAST PLAZA II, A CONDOMINIUM

This Code of Regulations is adopted pursuant to the Unit Property Act of the Commonwealth of Pennsylvania (Act of July 3, 1963).

ARTICLE I

Name and Location

The name of this condominium association is McKnight East Plaza II (hereinafter referred to as the "Association"). Its principal office is located in Ross Township, Allegheny County, Pennsylvania.

ARTICLE II Definitions

Unless the context clearly indicates otherwise, the words and phrases contained herein shall have the same meanings as the identical words and phrases as defined in the Declaration of Condominium, recorded with respect to the Property known as McKnight East Plaza II.

ARTICLE III Purpose

The purpose of the Association is to create an agency to which shall be delegated and assigned the powers of maintaining and administering the Property and enforcing the covenants, restrictions, and conditions of the Declaration and this Code of Regulations.

ARTICLE IV

Identification of the Property

The Property involved herewith is located in Ross Township, Allegheny County, Pennsylvania and has been appropriately submitted to the provisions of the Unit Property Act by the recording of a Declaration of Condominium and a Declaration Plan simultaneously herewith in the Office of the Recorder of Deeds of Allegheny County, Pennsylvania.

ARTICLE V Membership

- 1. The members shall consist of all Unit Owners of the Property in accordance with the respective percentage of ownership of the said Unit Owners in the Common Elements of the Property.
- 2. Except as provided herein or in the Declaration, membership shall not be transferable. The membership of each Unit Owner shall terminate upon a sale, transfer, or other disposition of his ownership interest in the Property, accomplished in accordance with the provisions of this Declaration. Upon such termination, the membership shall automatically transfer to and be vested in the new owner succeeding to such ownership interest.

ARTICLE VI Meetings of Members

- 1. Meetings of the membership shall be held at the Property or at such other suitable place convenient to the membership as may be designated by the Council.
- 2. One year after deeds of conveyance representing eighty percent (80%) or more of the Common Elements contained in all of the increments described in Exhibit D to the Declaration shall have been recorded or upon the filing of a certificate by the developer stating that additional increments will not be added to the project, the first annual membership meeting shall be held. Thereafter, the annual meeting of the members shall be held on the second Wednesday of November each succeeding year. At such meeting, a Council shall be elected by ballot of the members in accordance with the requirements of this Code of Regulations. The members may also transact such other business of the association as may properly come before them.
- 3. It shall be the duty of the President to call a Special Meeting of the members as directed by resolution of the Council or upon a petition signed by the owners of fifty percent (50%) of the ownership interest in the Common Elements. The notice of any Special Meeting shall state the time, place, and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.
- 4. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose, time, and place where it is to be held to each member of record.

- 5. The presence, either in person or by proxy, of the owners of at least forty percent (40%) of the ownership interest in the Common Elements shall be required for and shall constitute a quorum for the transaction of business at all meetings of members.
- 6. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.
- 7. The aggregate number of votes for all Unit Owners shall be one hundred (100) and shall be divided among the respective members in accordance with their respective percentages of ownership interest in the Common Elements. If a Unit Owner consists of more than one (1) person, the voting rights for each Unit Owner shall not be divided but shall be exercised only as a Unit. The Developer may exercise the voting rights with respect to any units, title to which is in his name.

Unless by express provision of the Act, the Declaration, or of this Code of Regulations, a different vote is required, each question presented at a meeting shall be determined by a majority vote of those present.

- 8. A member may appoint any other member, the Developer, or Management Agent as his proxy. Each proxy must be filed with the Secretary prior to the commencement of a meeting or at the time that proxies are called for.
- 9. The vote of any corporate, partnership, or trust member may be cast on its behalf by any officer, partner, trustee, or beneficiary, or by their proxy.

ARTICLE VII Council

- 1 The officers of the association shall be governed by a Council selected by the Developer and need not be members of the association. Until such time as deeds of conveyance have been recorded conveying 80% in common interest and thereafter, until their successors have been elected by the Unit Owners, the Council shall consist of those persons named in the Declaration. Thereafter, the Council shall be composed of three (3) persons, and each Council member shall be a Unit Owner; or if a Unit Owner shall be a corporation, partnership, or trust, then an officer, partner, or beneficiary of such Unit Owner shall be named
- 2 The Council shall have the powers and duties necessary for the administration of the affairs of the association and shall have all powers and duties referred to in the Declaration and may do all such acts provided by the Unit Property Act to be done by the Council, or by the Unit Owners collectively, except such acts as are by law or by this Code of Regulations or by the Declaration directed to be exercised by the members individually. The powers of the Council shall include, but not be limited to, the following:
 - a. to elect the officers of the association;
 - **b.** to administer the affairs of the association and the Property;
 - c. to engage the services of a manager or managing agent for the Property and to

fix the terms of such engagement and the compensation and authority of such manager or managing agent, subject to any contract previously entered into by the Developer;

- **d.** to promulgate and enforce rules and regulations concerning the operation and use of the Property or of the Common Elements as may be consistent with the Declaration and this Code of Regulations and to amend the same from time to time;
- **e.** to provide for the maintenance, repair, and replacement of the Common Elements; and
- **f.** to estimate and adopt an annual operating budget and to provide for the assessment and collection from the Unit Owners of their respective shares of the estimated expenses as hereinafter provided.
- **3.** At the first annual meeting of members, the term of office of the elected Council member receiving the greatest number of votes shall be fixed for three (3) years. The term of office of the elected Council member receiving the second greatest number of votes shall be fixed at two (2) years. The term of office of the elected Council member receiving the third greatest number of votes shall be fixed at one (1) year. At the expiration of the initial term of office of each respective elected Council member, his successor shall be elected to serve a term of two (2) years. The Council members shall hold office until their successors have been elected and qualified. If the number of council members is increased, the terms of such additional Council members shall be fixed so that terms of at least 1/3 of the persons on the Council shall expire annually.
- **4.** Vacancies of Council members caused by any reason shall be filled by election by the members at the next annual meeting or at a special meeting called for such purpose.
- **5.** Annual meetings of the Council shall be held at the call of a majority of the Council members until the first annual meeting of the members and, thereafter, such meeting shall be held immediately following the annual meeting of the members and at the same place. Special meetings of the Council may be called by the President on three (3) days notice to each Council member. The Council may waive notice of a meeting or consent to, or take any action without a formal meeting.
- **6.** At all meetings of the Council, a majority of the Council members shall constitute a quorum for the transaction of business.
- 7. Any Council member may be removed from office by the vote of members owning at least seventy-five percent (75%) of the ownership interest in the Common Elements.
- **8.** Council members shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the members.

9. The Council shall have no authority to approve or authorize any capital expenditure in excess of \$10,000, nor to authorize any contract for a term of more than three (3) years, except with the approval of a majority of the Unit Owners.

ARTICLE VIII

Officers

- 1. The officers of the Association shall be a President, Vice-President, and a Secretary-Treasurer. These officers shall be elected at the first annual meeting of the Council. They shall hold office until the next annual meeting of the Council, and their successors are elected and qualify.
- **2.** Each officer of the Association shall have the powers and duties typically vested in such offices of a non-profit association, including, but not limited to, the following:
- **a. President:** The President shall be a member of the Council and shall serve as the Chief Executive Officer of the association, presiding over all meetings of the members and the Council.
- **b.** Vice-President: In the absence or disability of the President, the Vice-President shall perform the duties and exercise the powers of that office.
- **c. Secretary-Treasurer:** The Secretary-Treasurer shall manage the association's funds and securities and maintain full and accurate accounts of all receipts and disbursements in association books designed for that purpose. Such records shall be available for examination by the Unit Owners during regular business hours. This officer shall also keep minutes of all meetings of the members and the Council and, if applicable, have custody of the Association Seal and maintain the association's books, papers, and documents.
- **3.** Officers shall not receive compensation for their services, except as explicitly provided by a duly adopted resolution.

ARTICLE IX

Fiscal Management

- 1. The fiscal year of the association shall begin on the first day of January each year, except for the first fiscal year of the association, which shall start on the recording date of this Code of Regulations. The Council may change the commencement date of the fiscal year.
- 2. Within a reasonable time after the end of each fiscal year, the Council shall provide members with a statement detailing the association's income and expenditures for the prior fiscal year. The

Treasurer, following standard accounting principles and practices, shall oversee the association's books and records.

- **3.** Before the start of each fiscal year, the Council shall estimate the funds necessary for the association to cover its annual expenses. These expenses may include, but are not limited to:
- **a.** Management and administration expenses.
- **b.** The estimated costs of repairs, maintenance, and replacement of Common Elements.
- **c.** Costs of utilities that the association provides.
- **d.** Reserves, as deemed appropriate by the Council, including general operating reserves, contingencies, and reserves for replacements.
- **e.** Other expenses approved by the Council, including any operating deficiencies from previous periods.

Budget and Assessments

- 1. At least thirty (30) days prior to the start of each fiscal year, the Council will ensure that an estimated annual budget, based on its projected yearly expenses, is prepared. Every member shall receive a copy of this budget.
- **2.** By the first day of the initial month of the fiscal year addressed by this estimated annual budget, each member must pay their respective portion of the annual assessment. This payment can be made monthly, quarterly, or annually, as the Council decides. A member's assessment percentage aligns with their ownership percentage in the Common Elements.
- **3.** Until members receive the annual budget for a specific fiscal year, they should continue to pay the amount determined by the previous estimated annual budget. If a member neglects or denies payment for their share of the Common Expenses on time, it will create a lien on their property interest. The association and the Council have the right to employ and execute all legal and equitable measures provided in the Unit Property Act, the Declaration, or this Code of Regulations to collect outstanding assessments.

Revised Budget and Assessments

4. Should the Council, at any point during a fiscal year, find the membership assessments insufficient due to an alteration in its expense estimates, a revised annual budget will be prepared for the remainder of that fiscal year. The supplemental assessment becomes due on the first day of the month after the month the revised budget was distributed.

Operating Reserve

5. Upon buying a unit from the Developer, or later at the Council's request, every Unit Owner (excluding the Developer) must deposit an amount equal to twenty-five percent (25%) of the annual assessment related to their unit with the property's managing agent or as directed by the Council. This deposit, combined with those of other Unit Owners, constitutes an operating reserve for Common Expenses. The Council may utilize this reserve as deemed necessary. If this operating reserve is deemed insufficient or gets depleted, the Council can augment it via an assessment proportional to members' ownership in the Common Elements. The ongoing operating reserve is considered part of the Common Elements.

Developer's Contribution

6. For any Units unsold and retained by the Developer, the Developer must pay the Association its proportional share of the real-time operating expenses required for property management. This sum is determined by the total percentage of Common Elements the Developer owns multiplied by the operating expenses incurred in the relevant period. However, the Developer's payment should not exceed the total assessments associated with the Units they own. After the initial annual meeting of unit owners, the Developer will pay a monthly assessment for any Units they own, calculated in the same way as the monthly assessment for all other Unit Owners.

Use Restrictions

- **1. Developer's Rights:** Notwithstanding any provisions to the contrary in the Declaration or herein, the Developer retains the right to use any units they own as models, general offices, or sales offices for selling and promotional activities. This includes the promotion and sale of properties or projects other than the subject Property. The Developer can also utilize the Common Elements as needed for such purposes.
- **2.** Unit Usage: Aside from the Developer's permitted activities as specified above, no unit shall serve any purpose other than office, commercial, or related uses. All such uses are subject to the provisions outlined in this Code of Regulations and the Declaration.
- **3. Disruptions and Nuisances:** Members or their lessees are prohibited from:
 - Conducting activities or storing items that could increase insurance rates or lead to policy cancellations on the Property or its contents.
 - Obstructing or interfering with the rights of other occupants.
 - Creating unreasonable disturbances like noise or odors.
 - Committing or allowing nuisances or any illegal acts on the Property.
 - Taking actions that could jeopardize the structural integrity or safety of the Property.
- **4.** Unit Maintenance: Members must maintain their units at their own expense, ensuring they are in good condition and repair. External modifications, such as painting, decorating, or the addition of structures outside a unit, require the Council's prior written consent. Members cannot display or store items outside their unit unless permitted by the Council's rules and regulations.

- **5. Waste and Storage:** Trash and waste should be stored in sanitary containers and disposed of following the Council's established rules and regulations. Personal property of Unit Owners cannot be stored in Common Elements areas without the Council's prior written consent.
- **6. Unit Owner Responsibilities:** Unit Owners must maintain the interior of their units, including plumbing, electrical fixtures, and related appurtenances, ensuring they are in good repair. They will be held accountable for damages resulting from neglect or misuse of the Property. Owners can make internal modifications, like installing/removing partitions or altering surfaces, at their expense. However, these modifications should not compromise the building's structural integrity or disturb other Owners' enjoyment of the common elements.
- **7. Access Rights:** The Council holds an irrevocable right to access any Unit during reasonable hours, on behalf of all Owners, whenever necessary for the operation of the condominium project or to make emergency repairs. This access is essential to prevent damage to common elements or other units. Such access will be executed with minimal inconvenience to the Unit Owner whenever possible.
- **8. Electrical and Systems Use:** Members must not excessively use the electrical wiring in any building. No machinery, appliance, accessory, or equipment should be operated in a manner that causes unreasonable disturbances, as determined by the Council. Any alterations or connections to heating, air-conditioning, plumbing, water, or sewage systems require the Council's prior written approval.
- **9. Violation Consequences:** A violation of any Council-adopted rule, regulation, or any provision of the Declaration empowers the Council or any authorized management acting on its behalf to:
- a. *Access and Correct:* Enter the Unit associated with the violation to promptly rectify and remove any non-compliant structures, items, or conditions at the defaulting Unit Owner's expense without committing trespass.
- b. Legal Action: Seek legal redress, either through civil or equity courts, to halt the ongoing breach.
- c. Levy Charges: Impose an assessment or charge against any Unit Owner equivalent to the damages incurred, plus legal fees, due to the Unit Owner's violation or the violation of their guests or tenants.
- d. *Use Suspension:* If the Council has defined and shared rules regulating the use of common areas and facilities, and any individual breaches these rules, the Council can suspend such person's usage rights for up to 60 days.
- **10. Maintenance Responsibilities:** The Council is responsible for maintaining, repairing, and replacing all common areas and specific elements within the Units, as detailed in the Declaration. If such tasks arise due to a Unit Owner's negligence or misuse, the costs will be billed to the offending Unit Owner. Conversely, each Unit Owner must maintain, repair, and replace parts of

their Unit at their own expense, barring the sections maintained by the Association. Unit Owners are also accountable for any damage to other Units or common areas caused intentionally, negligently, or due to their failure to maintain or repair their own Unit.

ARTICLE XI

Indemnification

Scope of Indemnification: The Association shall indemnify and cover all reasonable expenses, including attorney fees, incurred by any Council member or officer due to any legal actions, suits, or proceedings related to their role as an officer or member of the Council. This provision is applicable even if the individual is no longer serving in the said position at the time such costs arise.

Limitations on Liability: Officers and members of the Council are shielded from liability to the Association's members for errors in judgement, negligence, and other similar oversights, except in instances where there is deliberate misconduct or bad faith on their part. When acting in good faith for the Association or the condominium project, these individuals will have no personal liability for contracts or other commitments made. The Association commits to indemnify such officers and Council members against all liabilities stemming from such agreements.

Inclusive Right: The right to indemnification outlined in this Article is not exclusive. It is inclusive of any other rights an officer or Council member may be entitled to. If an officer or Council member passes away, this right extends to their legal heirs or representatives.

Insurance Power: The Association is empowered to procure and maintain insurance for any individual serving or who has served as a Council member, officer, employee, or agent of the Association. This insurance can cover liabilities incurred in their capacity or due to their status. The insurance can be extended even if the person serves or has served in another association, partnership, joint venture, trust, or other entity at the bequest of the Association. The ability to provide insurance is irrespective of whether the Association possesses the power to indemnify the individual against such liabilities as per this section.

ARTICLE XII

Insurance

Coverage and Responsibility:

1. The Council has the responsibility to secure insurance for the Property covering damages due to fire and other standard extended coverage provisions, ensuring full insurable replacement costs of the Units and Common Elements. Additionally, comprehensive

public liability insurance is to be obtained, covering all Unit Owners, the Association, Council, Manager, and managing agent related to the Common Elements. It is the responsibility of each Unit Owner to secure insurance for the contents of their Unit, additions, improvements, personal property, and personal liability.

Damage and Reconstruction: 2. In situations where substantial damage occurs to the Common Elements, all insurance proceeds, including those from policies taken by Unit Owners for the Common Elements, will be held by the Council or Insurance Trust. These funds are meant for repair or rebuilding as per original plans and specifications. If reconstruction as per the original is not feasible due to legal restrictions, the Council may modify the plans as necessary. In case of a deficit between insurance proceeds and reconstruction costs, every Owner will bear a proportionate share. The Council can act as the representative of all Owners to engage in contracts related to this reconstruction.

Non-Reconstruction: 3. If, after significant damage, 80% or more of the Unit Owners decide not to rebuild, repair, or restore, or if such actions are not done within a reasonable timeframe, the project can be partitioned and sold. The net sales proceeds and insurance amounts will be distributed as per common interests, and the property will cease to operate under the horizontal property regime.

ARTICLE XIII

Parking

Regulation and Assignment:

1. The Council holds the authority to oversee the usage of parking areas by Unit Owners and their guests/invitees. They can assign parking spaces exclusively to each Unit, considering the ownership percentage of the Common Elements of each Unit Owner.

Temporary and Permanent Parking: 2. During developmental phases, the Developer has the right to allocate temporary parking to assist in the construction of subsequent phases. Once all phases are complete, the Developer or the Council (if elected by then) will establish permanent parking arrangements based on the Declaration Plan or other suitable arrangements to meet building standards.

ARTICLE XIV Incremental Development

Should the project undergo development in stages, this Code of Regulations will apply consistently to every stage. Owners in each development phase will possess equivalent rights and responsibilities as those from previous stages.

ARTICLE XV Amendments

1. The Code of Regulations can be amended by a majority of the Unit Owners.

2.	Any changes affecting the Developer's rights or interests require the explicit written consent of the Developer.