

HIDDEN SPRINGS
COMMUNITY RULES AND REGULATIONS

Dear Hidden Springs Homeowner:

Welcome to Hidden Springs - a distinguished adult community. It is our hope that you will enjoy your new home and will be a resident of Hidden Springs for many years.

We have compiled a list of rules and regulations for Hidden Springs in this handy reference manual. This list should answer most of your questions about the Community. If you have additional questions, please feel free to contact the management office anytime during working hours -- Monday to Friday, 9:00 a.m. to 5:00 p.m.

Again, welcome to Hidden Springs - your new home.

Deliveries

All deliveries must be made to your home. If you are unable to accept a delivery please arrange to have a neighbor accept delivery for you. No deliveries will be accepted at the sales office.

Occupancy

Permanent occupancy of homes at Hidden Springs will be limited to two (2) persons per each bedroom in the home. One occupant must be 55 years or older, and all occupants shall be not less than 18 years of age. Although Hidden Springs is an adult community, there will be times when children will be visiting. We request that all visiting children be registered at the management office.

Registering

Pennsylvania law states that upon arrival all residents must register the make, model, serial number and number of occupants of each home. Hidden Springs has the right to refuse admittance to anyone without stating a reason. Subletting of any home is not permitted. All residents must own their own homes.

Pets

One small pet (i.e., no more than 25 pounds and no more than 12 inches from floor to top of head) per household is permitted and must be approved by Hidden Springs management. When outdoors, pets must be leashed and accompanied by the owner at all times. Pets may not be tethered or tied up outside the home. Pet messes must be cleaned immediately. Pets are not

permitted on flower beds or lawns of other homes. No dog houses, kennels, runs or like shall be permitted. Noisy or unruly pets or those that cause complaints will not be allowed to remain.

Please inform visitors not to bring pets.

Lot Size

Hidden Springs reserves the right to make adjustments to lot sizes. The rent for each lot is based on the lot type (corner, perimeter, interior), not the actual square footage of the lot. Lot dimensions shown on site plans are for Hidden Springs construction use. Hidden Springs will not stake lot corners for residents.

Home Maintenance

Each resident of Hidden Springs is responsible for the maintenance and upkeep of his or her home at his or her own cost and expense. An 8 X 8 wooden storage shed is provided for each home. Any replacement and/or additional storage shed must be approved in advance, in writing, by Hidden Springs management. No storage of any kind is permitted under the home.

Cable television is available through several vendors. External TV and radio antennas are prohibited at Hidden Springs, provided that an owner may install one (1) satellite dish, not more than eighteen (18) inches in diameter, in the rear of the property.

Hidden Springs will not allow the following: fences, exterior clothes lines or above-ground fuel storage tanks (provided that 20 pound propane tanks for exterior barbecue grills are allowed at Hidden Springs.).

Home Improvements

Many Hidden Springs residents will want to make exterior home improvements, including, but not limited to, awnings, enclosures, and additions. Because this affects the appearance of the whole community, Hidden Springs requires that all improvements and structures be approved by the Management.

Before exterior work begins, Hidden Springs requires that residents submit a drawing or picture showing the design, appearance and dimensions of the structure along with a lot plan showing the placement of the structure on the lot. Hidden Springs will then calculate the percentage of lot coverage and setback requirements for the additional structure. Based on this information Hidden Springs will approve or disapprove the exterior improvement.

Residents must then apply to Franconia Township for a building permit. Please note that Franconia Township has the final decision to grant a building permit and allow the structure to be built. Construction may not begin until Hidden Springs has approved the design and Franconia Township issues a building permit.

Be advised that due to the limited size of Hidden Springs lots, permit applications may be rejected if a neighbor builds an additional structure before the new residents build their proposed structure, due to setback requirements.

Any disruption or damage to your lot caused by the construction of the additional structure will be repaired, if necessary, by a Hidden Springs landscaper. The landscaper will invoice the homeowner directly for all repairs and replacements.

Lawn Maintenance

Attractively designed and well maintained landscaping is very important to Hidden Springs. We ask that you cut, trim, remove weeds, fertilize, edge and water your lawn whenever needed. If you are unable to care for your lawn, you must retain a lawn care company at your expense.

Residents are responsible for maintaining all shrubs, trees and flower beds located on their lots. The only exception to this rule is that Hidden Springs will maintain the street trees which were originally planted by Hidden Springs.

If any resident fails to care for his or her lot and keep it neat and orderly, Hidden Springs reserves the right to enter the lot and do the necessary lawn maintenance for which the resident will be charged. To avoid damage to underground utility lines, residents must receive permission from Hidden Springs management in advance, in writing, before starting any digging, and further must contact Pennsylvania One Call (811) before digging. Mowing is permitted between the hours of 8:00 a.m. and 8:00 p.m.

Hidden Springs encourages lawn improvements; however, shrubs, trees and other improvements may not be removed when you vacate the home.

Utilities and Service

Hidden Springs residents are responsible for maintenance and upkeep of their own drains and pipes within their homes and on their lots.

Trash Removal

Trash removal service is included in your lot rental fee. The trash pick-up schedule will be provided to you by Hidden Springs management. You must place trash either in bags or cans in front of your home on the scheduled trash pick-up day. All cans and containers must be kept in your storage shed or in your home, but not stored outside. No trash should be placed outside for pickup before 7:00 p.m. on the night before the scheduled trash pickup day.

Vacating Requirements

Residents must give written notice to Hidden Springs management at least sixty (60) days before they move from Hidden Springs. If you are planning to physically remove your home from Hidden Springs, all rent, fees, charges and assessment must be paid to the end of the term of your lease. Hidden Springs reserves the right to prevent removal of the home until the above mentioned fees are paid.

Be advised that prior to moving any home a removal permit must be obtained from the proper authorities, and you must deliver to Hidden Springs management a copy of the permit, and evidence that you have obtained all required insurance and utility approvals. The vacating resident will be solely responsible for all costs and expenses associated with removing the home from the lot.

New Residents.

All new residents purchasing homes in the Community must provide the Hidden Springs management with a copy of the agreement of sale, within five days after signing, and the HUD-1 settlement statement after closing on the home, before signing the Lease. New residents must

further provide evidence of each resident's age, by means of a copy of a drivers license or other form acceptable to management.

Selling Your Home

We hope that our residents will live at Hidden Springs permanently. However, job transfers and other circumstances arise, causing a change in residence. Hidden Springs is ready to assist you in the sale of your home. Each resident has the right to sell his or her home in place, on site by themselves or through Hidden Springs sales office, provided the following criteria are met:

1. All new purchasers must be approved by Hidden Springs management within five (5) days after signing the agreement of sale, and the proposed sale will be subject to Hidden Springs' right of first refusal as set forth below.
2. The purchaser's financial responsibility must be deemed satisfactory by Hidden Springs management.
3. The purchaser must execute a lease with Hidden Springs.
4. Hidden Springs reserves the first right and option to purchase the home at the cash price set out in the agreement of sale. Hidden Springs may exercise such purchase right by notifying the selling resident within seventy two (72) hours after Hidden Springs receives the signed agreement of sale.
5. No signs of any type will be permitted on the lawn of the home except signs provided by licensed real estate brokers.

Only Hidden Springs management has the right to rent a lot to residents or prospective residents of this community. No part of this right is now or ever shall be delegated to any other person or entity. No lot shall be in any way rented, leased, sublet or otherwise occupied by any person other than those to whom management has rented.

Vehicles

A speed limit of ten (10) miles per hour is observed throughout the Hidden Springs Community at all times. Unlicensed persons are not permitted to operate a motor vehicle within the Community. Motorcycles, motor scooters, mini -bikes, unlicensed or inoperable vehicles are not permitted in Hidden Springs, and all motor vehicles must have valid, current registration and inspection stickers. Any unlicensed, non-inspected or uninsured vehicles shall be subject to towing by Hidden Springs at the expense of the owner.

Each resident has two (2) paved, private parking spaces in front of the home. Short-term parking for guests is permitted on the street, but only during daylight hours. Overnight parking is limited to the visitor parking spaces available throughout the Community, and may be used only by visitors (not by residents) and for a period not to exceed one week.

All travel trailers, campers, vehicles, boats and snowmobiles and other recreation vehicles ("RVs") must be owned and registered to a Hidden Springs homeowner, and must meet the following requirements:

1. All RVs must have current registration, inspection and insurance at all times and a copy of the current registration and insurance must be on file at Hidden Springs Management Office at all times.

2. A separate designated parking area will be provided for parking RVs, to be allocated on a first come, first served basis. This is only a parking area, and no other facilities or services are available. The Recreation Vehicle Parking is an unsecured area. Parking is at your own risk.

Hidden Springs Clubhouse

One of the advantages of living at Hidden Springs is the opportunity and enjoyment of the facilities at the Clubhouse. The Hidden Springs Clubhouse has a large community room, a full kitchen, a lounge area for cards, games and intimate gatherings around the working fireplace, restrooms on each floor with lower level restrooms providing showers, a completely fenced-in lap pool with patio area, and a raised deck off the community room.

Swimming Pool

The Community swimming pool opens Memorial Day and closes on Labor day. Hours and days of operation will be established by the management. THERE IS NO LIFEGUARD AND ALL USE OF THE SWIMMING POOL IS AT YOUR OWN RISK.

Pool Safety.

The following safety rules apply to the use of the swimming pool:

1. No glass containers of any kind are permitted inside the pool area.
2. No balls, inner tubes, rafts, inflatable air mattresses or similar objects are permitted. Spouting of water and other unhygienic action is prohibited.
3. All swimmers must shower before entering the pool.

4. No person with fever, cold, running sores, bandages or diapers will be allowed the use of the pool.
5. No pets are allowed at the pool or recreational property.
6. The use of bathing caps is recommended, but not required.
7. All trash, other refuse, and cigarette ashes and butts shall be placed in containers provided by Hidden Springs.
8. Swimmers must wear proper attire in pool. (Swimsuits)
9. All persons are urged not to enter the pool for at least one hour after meals.
10. No diving is permitted.
11. All injuries must be reported to the manager.
12. All users of the pool must obey all posted signs. No alcohol of any kind is permitted in or near the pool.

Guests

1. Residents will be permitted to invite six (6) guests per week, per household (three at a time guest limit). A 'week' consists of Monday through Sunday.
2. Residents are responsible for the conduct of their guests and must accompany all guests to the pool.

3. Hidden Springs, at any time, may restrict the number of guests permitted to enter the pool or revise or eliminate any rules dealing with guests.

4. Guest Fees: Individual Guest Pass \$1.00

All guest passes must be purchased during regular office hours. Weekend passes must be purchased by 3:00 p.m. on the previous Friday.

Clubhouse Use

Residents must have a Hidden Springs Identification Card to use any of the recreational facilities. The Clubhouse will remain locked when office is closed unless previous arrangements have been made by reservation and deposit. To reserve the Clubhouse, residents must fill out a Hidden Springs Clubhouse reservation form. A refundable deposit check in the amount of \$100.00 payable to Hidden Springs Realty, Inc. and a non-refundable fee check in the amount of \$25.00 payable to Hidden Springs Realty, Inc. are required one week prior to the event. Please make sure there are two separate checks. The refundable deposit will be refunded upon inspection of the facilities on the next working day after the function, assuming no damage has been done and the clubhouse has been properly cleaned up by the resident. No deposit or fee is required for community or management functions. The Clubhouse may be reserved for private use by the residents during the weekend and evening hours. However, the pool cannot be reserved for private use or private events. If the Clubhouse is used for community or private functions, all rooms must be returned to order before the deposit is returned. Please leave rooms in the same condition that you found them. Hidden Springs Management and Community activities take priority over private functions.

All reservations are on a first come first served basis. At the time a resident reserves the Clubhouse, he or she must present evidence of liability insurance, covering the resident's proposed use of the Clubhouse, with a minimum of \$300,000 in coverage. The pool may not be reserved for private use.

General Rules for Clubhouse Use

1. No pets are allowed in the Clubhouse.
2. Children under 18 years of age must be accompanied by a resident at all times.
3. No swimsuits are allowed upstairs at any time.
4. The use of the recreational facilities is restricted to times determined and established by management. Any person who shall use or attempt to use any facility at any time other than when it is officially open or authorized for use will be considered a trespasser.
5. The use of the pool is permitted by Hidden Springs residents and guests and subject to these guidelines and other rules which may be from time to time established by Management.
6. Alcoholic beverages are not permitted within the Clubhouse.
7. All persons using the recreational facilities do so at their own risk and sole responsibility. Management does not assume responsibility for any accident, injury, loss or damage to personal property, or any other loss incurred in connection with such use.
8. Residents and guests covenant and agree with the Management, for and in consideration of, the use of any Hidden Springs facilities, and other good and valuable

considerations, to make no claim against the Management for or on account of a loss or damage to life, limb or property sustained.

9. Residents agree to save Management harmless from all liabilities and action of whatsoever nature by any guest or guests of the resident growing out of any Hidden Springs facilities.

10. The entire facilities at Hidden Springs are under the direct supervision of the Management. They have the authority and duty to evict anyone from the pool or other Hidden Springs facility for the day, after fair warning of a misconduct. Repeated offenses may subject the offender to suspension of Hidden Springs privileges as may be determined by Management.

11. The Clubhouse, pool and other community facilities may only be used by residents who are current in all payments due under their leases and otherwise in good standing. Any resident who is delinquent in any payment or otherwise default under his or her lease will not be permitted to use the Clubhouse, pool or other facilities, and shall not be entitled to reserve or use the Clubhouse for any purpose until all delinquencies and other defaults are fully cured.

12. The telephone located in the coffee room is for emergency calls only.

13. The exercise room and billiard room are for the exclusive use of Hidden Springs residents.

General Rules and Information

1. Please avoid trespassing on other residents' lots.

2. Please be considerate of your neighbors by keeping noise to a minimum after 10:00 p.m. Loud parties are not allowed at any time.
3. Vendors are not permitted to solicit in Hidden Springs except by permission of management. Vendors will be issued an identification card by Hidden Springs. If a vendor is soliciting without an ID card please contact the sales office immediately. Authorized vendors are permitted to deliver goods and provide services between the hours of 9:00 a.m. and 6:00 p.m. Hidden Springs residents are permitted to invite to their home any vendor of their own choosing.
4. Hidden Springs residents assume all responsibility of any kind associated with their personal property.
5. Hidden Springs shall not be liable for any damage or injury which may be sustained by the resident or any other person as a consequence of the failure, breakage, leakage or obstruction of the water, sewer, waste or soil pipes, or the electrical system; or by reason of the elements; or resulting from the carelessness, negligence or improper conduct on the part of any other resident or the resident's or other resident's agents, guests, licensees, invitees, sublessees, assignees or successors; or attributable to any interference with, interruption of or failure, beyond the control of Hidden Springs, of any services to be furnished or supplied by Hidden Springs. Residents are urged to obtain the necessary insurance against these contingencies.
6. Any Hidden Springs resident who is convicted of a felony while living at Hidden Springs, whether the felony is committed within or outside the community, shall be subject to eviction.

7. All signs (for sale), billboards or advertising structures of any kind are prohibited in Hidden Springs, except as expressly noted above with regard to broker for-sale signs.

8. Hidden Springs reserves the right to remove and store a home at the owner's expense if the home has suffered substantial damage such as fire, vandalism, etc. and has not been repaired and restored within a reasonable amount of time, or which has been abandoned for 30 days or more. Hidden Springs will not be responsible for safeguarding the home or its contents.

9. Open space areas are available to all Hidden Springs residents and guests.

10. All outdoor storage must be inside the wooden storage shed provided for each lot.

Hidden Springs reserves the right to make additions or changes to these regulations when necessary. Residents will be advised of the changes in the regulations at least thirty (30) days in advance thereof. Hidden Springs does not want to evict anyone from this Park, but any violation of these regulations may make eviction necessary. Your suggestions and comments are always welcomed and encouraged. We reserve the right to enter any lot (not home) at any time. Thank you for your cooperation.

We hope our residents will be happy in their new homes. These rules and regulations should help to make living at Hidden Springs an enjoyable experience for everyone.

If you have questions or problems regarding your community, please call the sales office. Hidden Springs staff are here to help make living at Hidden Springs an enjoyable and happy experience.

**ADDENDUM TO HIDDEN SPRINGS
COMMUNITY RULES AND REGULATIONS**

This Addendum to Hidden Springs Rules and Regulations is made as of the 15th day of May, 2010 and is effective immediately and binding upon all residents of Hidden Springs.

The Rules and Regulations of Hidden Springs are hereby amended to provide that Hidden Springs, in accordance with the requirements of the Montgomery County Public Health Code, will NOT allow:

(i) Any liquefied petroleum gas to be used at individual lots or homes for any purpose, excepting only outdoor barbecue grills. Gas cylinders for barbecue grills **MUST** be properly connected to the grill by copper or suitable metallic tubing, and **MUST** be located outside (and not under) the home, and at least five (5) feet away from any door to the home;

(ii) Any bottled gas for cooking or heating purposes to be used at individual lots or homes, except as set forth in (i) above;

(iii) Any fuel combustion inside any home for any reason.

In addition, all homes must contain fire extinguishers of a type approved by the Fire Underwriter Laboratories (a B-C classification type) bearing the Underwriter's label.