

DECLARATION

OF

**THE BLACKBIRD LOFTS AND ARTIST STUDIOS,
A CONDOMINIUM**

**Pursuant to the provisions of the
Pennsylvania Uniform Condominium Act
68 Pa. C.S. §3101 *et seq.***

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DECLARATION OF THE BLACKBIRD LOFTS AND ARTIST STUDIOS, A CONDOMINIUM

THIS DECLARATION is made this _____ day of July, 2004, by BLACKBIRD DEVELOPMENT, LLC, a Pennsylvania limited liability company (the “**Declarant**”) as the owners in fee simple of the Real Estate herein described.

ARTICLE 1 - Submission

1.1 Declarant; Property; County; Name.

Declarant, Blackbird Development, LLC, owner in fee simple of the Real Estate, located in Allegheny County, Pennsylvania, hereby submits the Real Estate, including all easements, rights and appurtenances thereunto belonging and the Buildings and improvements erected or to be erected thereon (collectively, the “**Property**”) to the provisions of the Pennsylvania Uniform Condominium Act, 68 Pa. C.S. §3101 *et seq.*, as the same may be amended from time to time (the “**Act**”), and hereby creates with respect to the Property, a Condominium, to be known as “The Blackbird Lofts and Artist Studios, a Condominium” (hereinafter the “**Condominium**”).

1.2 Easements and Licenses.

In addition to the easements, rights and appurtenances referred to in Section 1.1 and Article 8, and others which may be granted by Declarant during the construction of the Condominium and development of the Property, the property is subject to the streetface Façade Requirements (as hereafter defined).

ARTICLE 2 - Defined Terms

2.1 Defined Terms.

The following terms when used herein shall have the meanings set forth below.

"Association" means the Unit Owners' Association of the Condominium and shall be known as the Blackbird Lofts and Artist Studios Unit Owners Association.

"Building" means any buildings erected on the Property.

“Bylaws” means the document having that name and providing for the governance of the Association pursuant to §3306 of the Act, as the same may be lawfully amended from time to time.

“Commercial Units” means, subject to Section 3.4, Unit 1 located on the first floor of the Building.

“Common Elements” means all of the Property except that portion constituting a Unit or Units, including without limitation Limited Common Elements.

"Common Expense Liability" means the liability for any Common Expenses allocated to each Unit pursuant to §3208 of the Act and this Declaration.

"Common Expenses" means the expenditures made or the liabilities incurred by or on behalf of the Association, together with any allocation to any reserves established by the Association.

"Condominium" means The Blackbird Lofts and Artist Studios, a Condominium, as described in Section 1.1 above.

"Declarant" means the Declarant described in Section 1.1 above and all successors to any Special Declarant Rights pursuant to the provisions of §3304 of the Act.

"Declaration" means this document, as the same may be amended from time to time.

"Executive Board" means the executive board of the Association.

"FHLMC" means the Federal Home Loan Mortgage Corporation.

"FNMA" means the Federal National Mortgage Association.

"Identifying Number" means the symbol which identifies each Unit in the Condominium, consisting of Unit 1; Unit 2-A; Unit 2-B; Unit 2-C; Unit 2-D; Unit 2-E; Unit 2-F; Unit 2-G; Unit 3-A; Unit 3-B; Unit 3-C; Unit 3-D; Unit 3-E; Unit 3-F; Unit 3-G; Unit 3-H.

"Limited Common Elements" means the Common Elements described as such in the Act, or described herein, or in the Plans as being Limited Common Elements.

"Limited Expenses" means the Common Expenses described as such in §3314(c) of the Act and this Declaration.

"Percentage Interest" means each Unit Owner's undivided ownership interest in the Common Elements and share of Common Expense Liability appurtenant to each Unit as set forth in Exhibit B, as the same may be amended from time to time.

"Permitted Mortgage" means any mortgage against a Unit, the name and address of the holder and servicer (if any) of which has been submitted in writing to the Executive Board. Initially, PNC Bank, N.A. shall be a Permitted Mortgagee.

"Permitted Mortgagee" is a holder of a Permitted Mortgage.

"Plans" means the plats and plans attached hereto as Exhibit C and made a part hereof, as the same may be amended from time to time.

"Property" means the Property described in Section 1.1 above.

"Real Estate" means the real estate described in Exhibit A attached hereto and made a part hereof.

"Residential Interest" means the Percentage Interest of a Residential Unit divided by the aggregate Percentage Interests of all Residential Units.

"Residential Limited Expenses" means the Limited Expenses incurred by the Association in connection with the operation of the Residential Units; specifically, the charges to provide gas, water and sewer utility services to the Residential Units, to the extent such utilities are not submetered to each Residential Unit.

"Residential Unit" means all Units in the Condominium except for the Commercial Units.

"Rules and Regulations" means the rules and regulations as are promulgated by the Executive Board from time to time, with respect to various details of the use of all or portions of the Property, either supplementing or elaborating upon the provisions in the Declaration or the Bylaws or both.

"Streetface Façade Requirements" means the streetface façade design requirements imposed by the Streetface Program of the Urban Redevelopment Authority of the City of Pittsburgh, including the Streetface Design Guidelines attached hereto as Exhibit D, so long as such requirements remain applicable to the Property.

"Unit" means a Unit as described herein and in the Plans.

"Unit Owner" means a purchaser of a Unit.

2.2 Other Capitalized Terms.

Capitalized terms not otherwise defined herein or in the Plans shall have the meanings specified or used in the Act.

ARTICLE 3 - Unit Identification and Boundaries

3.1 Unit Identification.

The Condominium consists of Commercial and Residential Units. The Condominium consists of sixteen (16) Units. The Units shall be identified as indicated on the Plans.

3.2 Plans.

The location and dimensions of the Building, the Units, the Common Elements and Limited Common Elements are shown on the Plans.

3.3 Unit Boundaries in General.

The title lines or boundaries of each Unit are situated as shown on the Plans and described as follows: all walls, floors, ceilings, doors and windows are within or comprise part of each Unit.

Each Unit shall include the items within the Unit or part of the title lines described in §3202 of the Act which are appurtenant to the Unit, as follows:

- a. All wall coverings, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces of such wall coverings, floors or ceilings are a part of the Unit, and all walls, boundary, lath, furring, wallboard, plasterboard, plaster and other portions of such boundary walls, floors or ceilings are a part of the Common Elements.
- b. If any chute, flue, duct, wire, conduit, bearing wall, bearing column or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements.
- c. Subject to the provisions of subparagraph “b”, all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit.
- d. Any balconies and terraces (including its railings), unit entrance doors and windows and related fixtures (including sills, frames and hardware) designed to serve a single Unit are a part of the Unit.

There is also included within a Unit (by way of illustration and not limitation):

- aa. The air space enclosed within the title lines described above.
- bb. All partitions which are wholly contained within such title lines, including (but not limited to), all doors, door frames, hardware, electrical outlets and wiring, telephone outlets and conduits, and other equipment and devices in such partitions serving only such Unit.
- cc. All plumbing fixtures located within title lines and serving only such Unit, and their water and waste connections.
- dd. All items of kitchen equipment located within such title lines and serving only such Unit, and such equipment’s water, waste and electrical connections.
- ee. Exhaust fans and the grilles, registers, ventilation ducts and related fixtures which serve only such Unit, whether or not any of the foregoing is located in any portion of the Common Elements.
- ff. Lighting devices (including, by way of illustration and not limitation, lamps and bulbs which are surface mounted on, recessed in, or suspended from, ceilings, walls or partitions within or on the perimeter of such Unit) serving only such Unit whether

or not such lighting devices are themselves located entirely within the title lines of such Unit.

- gg. Outlets, wires, cables, conduits, circuits and related equipment transmitting electricity for lighting and power or transmitting electrical impulses and signals (including, but not limited to, impulses and signals for telephone, telegraph and television transmission, except to the extent otherwise specifically provided herein) which serve only such Unit and which are located entirely within the title lines of such Unit.

3.4 Relocation and Subdivision of Unit Boundaries.

Relocation of boundaries between Units will be permitted in compliance with §3213 and §3214 of the Act and subject to Sections 3.5 and 9.2 below. Residential Units may not be subdivided into two or more Units. Commercial Units may be subdivided into two or more units in compliance with §3215 of the Act and subject to Section 3.5 and 9.2 below, but may not result in more than five Commercial Units. The Declarant reserves the right to subdivide or convert the Commercial Unit to create up to four (4) Residential Units and a Common Element hallway as shown on the Plans. The Declarant also reserves the right to subdivide the Commercial Unit into two or more units and to convert portions of the Commercial Unit into Common Elements or Limited Common Elements.

3.5 Alterations of Units.

Subject to requirements of law, applicable Rules and Regulations and the Streetface Facade Requirements, a Unit Owner:

- a. May make any improvements or alterations to his or her Unit that do not impair the structural integrity or mechanical systems, or lessen the support of any portion of the Building, but may not make any alterations to the Unit entrance door, nor to any exterior or portions of his or her Unit (such as, by way of example, and not limitation, balconies, terraces, french doors, exterior railings, exterior windows, including sills and hardware) without permission of the Association.
- b. May not change the appearance of the Common Elements or the exterior appearance of a Unit (including paint colors) or any other portion of the Condominium except as otherwise expressly provided herein, without permission of the Association.
- c. Shall refrain from making any alteration that will adversely affect either the fire retardant or sound absorbent quality of the Building or will violate any applicable law, ordinance or governmental rule, regulation or order.
- d. Shall obtain the approval of the Executive Board (which shall not be unreasonably withheld or delayed) for any alteration to the Building prior to the commencement of any such alteration, subject to the exemptions pursuant to the Rules and Regulations, if any.

- e. Shall expeditiously complete all alterations: (i) in accordance with the plans and specifications therefor which have been prepared at such Unit Owner's expense and which have been approved by the Executive Board prior to the commencement of such alterations, if required; and (ii) without incurring any mechanics' or materialmen's liens.
- f. Shall pay all costs and expenses incurred in connection with the Executive Board review and approval process and the preparation, review, execution and recording of any amendment to the Declaration (including the Plans) needed in order to reflect the modifications after completion of such alterations, which amendment shall be recorded by the Executive Board if such amendment conforms to the requirements of the Act in compliance with Section 9.1 below and the Bylaws.
- g. Shall not permit installation, removal, reconstruction or repair of any electrical lighting, signal transmission and/or power circuit or electric outlet box or terminal device included in such outlet box, or any items of heating or air conditioning equipment, or any ventilation or exhaust duct or related equipment, any of which is located within an interior partition of a Unit or within the ceiling above a Unit, until application has been made to and written approval has been received from the Executive Board. Such approval shall be granted only if the work performed shall be of similar or superior quality to that then prevailing in the Building and shall be performed by qualified personnel. The cost of such installation, removal, reconstruction or repair, whether undertaken by a Unit Owner or by the Association (under procedures which may be established by the Executive Board) shall be borne by the Unit Owner of the Unit benefited thereby.

ARTICLE 4 - Maintenance Responsibilities

4.1 General.

Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the boundary descriptions, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Association, respectively, in accordance with the provisions of §3307 of the Act, except as expressly set forth to the contrary herein. Further, all such maintenance and repairs shall comply with the Streetface Façade Requirements. All Common Expenses associated with the maintenance, repair and replacement of a Limited Common Element shall be assessed as Limited Expenses against the Units to which such Limited Common Element was assigned or appurtenant at the time the expense was incurred in the same proportions as the respective Percentage Interests of all such Units.

4.2 Individual Responsibility.

Each Unit Owner shall repair, replace as necessary and maintain all interior, exterior, structural and non-structural elements of the Unit or Units, and all components thereof, owned by that Unit Owner. In the event a Unit Owner shall fail to make such repair or replacement or

perform such maintenance, or in the event the need for maintenance or repair or replacement of any part of the Common Areas is caused by the negligent or intentional act of a Unit Owner or occupant, or is as a result of the failure of any Unit Owner or his, her or its predecessors in title to timely pursue to conclusion a claim under any warranty, express, implied, or imposed by law, the Association may perform the same, after written notice is delivered to the Unit Owner and the Unit Owner failed to perform within thirty (30) days thereafter; provided, however, that no such prior notice and opportunity to cure shall be available to the Unit Owner in the event of an emergency situation. If the cost incurred by the Association in so performing such repair or maintenance is not covered by insurance, the cost thereof shall constitute a special individual Unit assessment on the Unit owned by such Unit Owner. The determination that such maintenance or repairs are necessary, or that the need therefor has been so caused, shall be made by the Executive Board.

ARTICLE 5 – Identification of Units; Allocation of Votes, Common Element Interests and Common Expense Liabilities

5.1 Percentage Interests.

Attached as Exhibit “B” hereto is a list of all Units by their Identifying Numbers and the Percentage Interest appurtenant to each Unit. The Percentage Interest appurtenant to each Unit was calculated by dividing the square footage of the Unit by the aggregate square footage of all Units.

The “size” of each Unit is the approximate total number of square feet of floor space contained therein determined by reference to the dimensions shown on the Plans (inclusive of all balconies, terraces and lofts, but exclusive of all interior partitions). The Percentage Interest shall determine the share of Common Expense Liability appurtenant to each Unit.

Except as set forth in Sections 5.2 and 5.3 below, for the purpose of any vote of Unit Owners, each Residential Unit Owner shall be entitled to cast one vote for each Unit owned. The Commercial Unit Owner of Unit 1 shall initially have three (3) votes. If subdivision of Unit 1 occurs, each Unit created by such subdivision shall have at least one vote. If the subdivision creates additional Commercial Units, this allocation of votes shall first work to reduce the original three votes allocated to the Commercial Unit by allocating the two extra votes to the first two newly created Commercial Units; thereafter, if additional Commercial Units are created, they shall each have one vote. If the subdivision results in new Residential Units, they shall each have one vote, without a reduction in the number of votes of any Commercial Unit. Furthermore, if the Owner of Unit 1 subdivides its unit then it shall, in accordance with §3215 of the Act, reallocate its Percentage Interest, in accordance with the methodology set forth in this Section.

5.2 Unit Owner’s Voting Rights with Respect to Certain Limited Expense Budget Items.

Notwithstanding the provisions of Section 5.1 to the contrary, by vote of a majority of the votes held by Residential Unit Owners, the Owners of the Residential Units shall have the power to reject that portion of the budget of the Association relating to the operation, maintenance, repair or replacement of the Residential Limited Expenses even if such portion of the budget has not been rejected by a majority of all Unit Owners pursuant to §3303(b) of the Act. The provisions of §3303(b) shall govern the rights of Owners of Residential Units to reject such budget items. For the

purpose of any vote held pursuant to this subparagraph, Owners of Residential Units shall be entitled to cast one vote for each Residential Unit owned.

5.3 Unit Owner's Voting Rights with Respect to Certain Matters Relating to the Commercial Units.

Notwithstanding the provisions of Section 5.1 to the contrary, in the event of a vote of the Unit Owners to amend Section 10.2 hereof (Use and Occupancy of Commercial Units and Commercial Common Elements), the vote of (a) at least sixty-seven percent (67%) of the Residential Unit Owners and (b) at least sixty-seven percent (67%) of the Commercial Unit Owners, each voting separately as a class, shall be required to adopt such amendment.

ARTICLE 6 - Insurance; Releases; Restoration

6.1 Generally.

The Executive Board shall acquire (if and to the extent available) and pay for insurance as required by the Act in addition to and subject to the following:

- a. Such insurance as the Executive Board deems advisable in the operation, and for the protection, of the Common Elements and the Units, including, without limitation, flood insurance to the extent appropriate and available.
- b. The amount of property insurance obtained pursuant to the Act shall be equal to the full insurable value replacement cost of the insured property (excluding land, foundations, excavations or other items that are usually excluded from coverage), without deduction for depreciation. Full insurable value replacement cost coverage is to be assured by a Replacement Cost Endorsement (pursuant to which the insurer agrees to pay up to one hundred percent (100%) of the property's insurable replacement cost, but no more). It shall insure against all risks of direct physical loss commonly insured against and covered by the standard "all risk" endorsement, if available, and such other risks as FNMA, FHLMC, the Federal Housing Administration or the Veterans Administration (or their respective successors) may require by reason of their holding of one or more Permitted Mortgages. If an "all risk" endorsement is not available, a "special form" policy will be obtained. Such insurance policy(ies) may, at the option of the Board, contain a "deductible" provision in an amount determined by the Board but not to exceed (unless a higher amount is required by Pennsylvania law) the lesser of the maximum sum permitted by the then applicable FNMA or FHLMC regulations (or their successors), \$1,000 or one percent (1%) of the policy face amount. Property insurance policies shall also include (i) an inflation guard endorsement (when available), (ii) a building ordinance or law endorsement (providing for contingent liability from operation of building laws, demolition costs and increased cost of reconstruction) if enforcement of any building, zoning or land use law will result in loss or damage, increased cost of repairs or reconstruction or additional demolition or removal costs (if it is determined at the time of loss that

the Building is not in compliance with then current building, zoning, or land use laws), and (iii) steam boiler and machinery coverage endorsement if any Building has central heating or cooling, which provides that the insurer's minimum liability per accident at least equals the lesser of \$2,000,000 (as revised from time to time by the Executive Board to an amount consistent with then current requirements of FNMA and FHLMC) or the insurable value of the building housing the boiler or machinery. Policies will contain standard mortgage clauses or endorsements naming either specifically or generically the Permitted Mortgagees or their servicers followed by "its successors and assigns." Property insurance shall be written by carriers (or reinsured by companies) that at least meet the requirements for a Best's rating of B+ or financial performance index of 6 or such other minimum requirement as may be acceptable to FNMA from time to time.

- c. Each Unit Owner and the Executive Board hereby waives and releases any and all claims which she/he or it may have against any other Unit Owner, the Association, the Executive Board and members thereof, the Declarant and their respective officers, employees and agents, for damage to the Common Elements, the Units, or to any personal property located in the Units or Common Elements, caused by fire or other casualty or any act or omission of any such party, to the extent that such damage is covered by fire or other form of hazard insurance. If the act or omission of a Unit Owner, or of a member of the Unit Owner's family, a household pet, guest, occupant or visitor of such Unit Owner, caused such damage to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Executive Board, to the extent such payment is not waived or released as set forth above.
- d. Any release or waiver referred to in subparagraph "c" hereof shall be valid only if such release or waiver does not affect the right of the insured under the applicable insurance policy to recover thereunder. The Unit Owners and the Executive Board, with regard to the insurance carried by each of them, shall use commercially reasonable efforts to see that their insurance carriers agree that such release or waiver does not affect their rights to recover.
- e. If the Executive Board fails within sixty (60) days of an insured loss to initiate a claim for damages recoverable under the property insurance policy(ies) obtained pursuant to the Act, a Permitted Mortgagee may initiate such a claim on behalf of the Executive Board. The Executive Board, shall from time to time at such times as it shall deem appropriate, cause an appraisal of the Property to be made for the purpose of determining the current full insurable replacement value of the Property, without considering depreciation, and the Board shall change the amount of hazard insurance on the Property to the amount of the then current full insurable replacement value of the Property as established by such appraisal.

- f. The Association's property insurance shall cover fixtures, equipment, and other personal property and supplies of the Association, whether or not part of the Common Elements. Any fixtures, equipment, personal property, additions, alterations or improvements within the Units shall be insured by the Unit Owner and the Unit Owner shall be responsible for any loss resulting from his or her failure to do so. All physical damage insurance policies purchased by the Executive Board shall be for the benefit of and name as insured the Association for the use and benefit of the Unit Owners and their Permitted Mortgagees, as their interests may appear, and shall provide that, with respect to any single loss, if the proceeds thereof exceed \$500,000, then all such proceeds shall be paid in trust to such lending institution in the metropolitan Pittsburgh area with trust powers as may be designated by the Executive Board (which trustee is, herein referred to as the "Insurance Trustee") and the policy loss payable provision shall provide that such proceeds are payable to the Insurance Trustee as trustee for each Unit Owner and each Unit's Permitted Mortgagees. If such proceeds do not exceed \$500,000, then the policy loss payable provision shall provide that all such proceeds shall be paid to the Executive Board to be applied pursuant to the Act as trustee for each Unit Owner and each Unit's Permitted Mortgagees. If proceeds are payable to the Insurance Trustee, the Executive Board shall enter into an Insurance Trust Agreement with the Insurance Trustee which may provide that the Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness of any amounts received on account of the proceeds of any insurance policies nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in this Declaration and the Act, for the benefit of the insureds and their beneficiaries thereunder.
- g. Commercial general liability and property damage insurance as required by the Act shall be in such limits as the Board shall deem desirable provided that such limit shall not be less than One Million Dollars (\$1,000,000.00) per occurrence, as well as umbrella liability insurance with limits of no less than One Million Dollars (\$1,000,000.00) over the commercial general liability policy, for bodily injury and/or property damage, insuring the Association, the Executive Board members, the managing agent, if any, and their respective agents and employees, and the Unit Owners from any liability to the public or to the Unit Owners, their tenants or invitees, relating in any way to the ownership and/or use of the Property or any part thereof. The policy shall cover bodily injury and property damage that results from the operation, maintenance, or use of the Condominium's Common Elements, and any legal liability that results from lawsuits related to employment contracts in which the Association is a party. If the policy does not include "severability of interest" in its terms, it must include a specific endorsement to preclude the insurer's denial of a Unit Owner's claim because of negligent acts of the Association or of other Unit Owners.

- h. The Executive Board shall obtain such other forms of insurance as the Board shall elect to effect including Executive Board members' and officers' liability insurance and such Worker's Compensation insurance coverage for employees of the Association, if any, as may be necessary to comply with applicable laws.
- i. The Association shall obtain blanket fidelity insurance to protect against dishonest acts on the part of the Executive Board members, officers, agents, employees, volunteers and all others who handle, or are responsible for handling, funds of the Association. Such insurance shall name the Association as the insured and shall be in such amount as the Executive Board deems appropriate, but not less than the greater of (i) the maximum funds that will be in the custody of the Association or its agents at any time, or (ii) \$10,000 (increased every five (5) years by the same percentage as any percentage increase in the Consumer Price Index-Cities-All Urban Consumers (1982-84=100), issued by the Bureau of Labor Statistics of the United States Department of Labor or any successor index thereto), plus the amount of the Association reserve funds. Notwithstanding the foregoing, in the event that the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation reduces or increases the required amount of the fidelity insurance which the Association must maintain to less or more than the amount set forth above, the Board may decrease or increase the amount of the fidelity insurance to the amount required by such entities. Such insurance shall contain a waiver of defense based upon the exclusion of persons who serve without compensation from the definition of "employee" or such endorsement or provision as shall accomplish the same result. Any managing agent shall be required to carry its own insurance with the same coverage as set forth above.
- j. Except as otherwise provided in this Declaration, premiums for all insurance obtained or maintained by the Executive Board, fees and expenses of the Insurance Trustee, if any, and the cost of any appraisal which the Executive Board deems advisable in connection with any insurance, shall be Common Expenses.
- k. The Executive Board shall use its best efforts to secure policies providing that the policies cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual Unit Owners or any officer or employee of the Executive Board or managing agent, if any, without a prior demand in writing that the Executive Board or managing agent, as the case may be, cure the defect and without a reasonable period of time thereafter in which to cure the same. Association policies shall provide that the policy will be primary, even if a Unit Owner has other insurance that covers the same loss. The policy must require the insurer to notify in writing the Association, any Insurance Trustee and each mortgagee named in a mortgage clause at least ten (10) days before it cancels or substantially changes coverage.
- l. Insurance coverage on the furnishings, fixtures, equipment, additions, alterations, improvements and items of personal property belonging to a Unit Owner and insurance for his or her personal liability to the extent not covered by insurance

maintained by the Executive Board shall be the responsibility of each such Unit Owner.

- m. The name of the insured under each policy required pursuant to this Article 6 shall be stated in form and substance similar to the following:

The Blackbird Lofts and Artist Studios Unit Owners Association, for the use and benefit of the individual owners, or their authorized representatives, of the Condominium Units contained in The Blackbird Lofts and Artist Studios, a Condominium.

- n. If any part of the improvements in the Condominium is in a special flood hazard area, the Association shall maintain a "master" or "blanket" policy of flood insurance, the premiums to be paid as Common Expenses. The amount of flood insurance shall be equal to the lesser of one hundred percent (100%) of the insurable value of the improvements or the maximum coverage available under the appropriate National Flood Insurance Administration program. The maximum deductible amount for such policy shall be the lesser of \$5,000 or one percent (1%) of the policy face amount.

6.2 Repairs and Reconstruction After Fire or Other Casualty.

- a. Except as otherwise provided in subparagraph "d" of this Section 6.2, in the event of damage to or destruction of the Building or any part thereof as a result of fire or other casualty, the Executive Board, under the direction of the Insurance Trustee if an Insurance Trustee is required, shall arrange for and supervise the prompt repair and restoration of the Building as required by the Act. Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the redecorating of his or her own Unit.

- b. Procedure for Reconstruction and Repair.

(i) Cost Estimates. Immediately after a fire or other casualty causing damage to the Building, the Executive Board shall obtain reliable and reasonably detailed estimates of the cost of repairing and restoring the Building as required by the Act to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Executive Board or Insurance Trustee (if any) determines to be necessary.

(ii) Assessments. If the proceeds of insurance are not sufficient to defray such estimated costs of reconstruction and repair, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds and/or shall be deemed a Common Expense (and/or Limited Expense) and special monthly assessments therefor shall be levied. The funds shall be paid out of the General Common Expense fund, one or more of the Limited Expense

funds, or both, depending on whether or not the source of the shortfall can be properly determined in the opinion of the Executive Board. If such source cannot be so determined, then the shortfall shall be allocated among the funds referred to above in proportion to the relative costs of restoration in each of the categories. Costs of restoration of a Unit to the extent required to be done by the Executive Board shall be paid out of the General Common Expense Fund unless the shortfall is due to failure of the Unit Owner to carry the additionally required insurance for such insured, in which event the shortfall so caused shall be assessed against the particular Unit Owner. Unit Owners may apply the proceeds from their individual property insurance policies, if any, to the share of such Common Expense or Limited Expense, or both, as may be assessed to them. The Executive Board shall be responsible for restoring the Property only to substantially the same condition as it was immediately prior to the damage subject to Section 6.1(g), and each Unit Owner shall personally assume the additional expense of any improvements to the Unit which he or she desires, to restore it beyond such condition.

(iii) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the construction of the Property as it existed immediately prior to the casualty.

c. Disbursements of Construction Funds.

(i) Construction Fund and Disbursement. The proceeds of insurance collected on account of casualty, and the sums received by the Executive Board or Insurance Trustee from collections of assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(A) If the estimated cost of reconstruction and repair is less than \$250,000, then the construction fund shall be disbursed in payment of such costs upon order of the Executive Board.

(B) If the estimated cost of reconstruction and repair is \$250,000, or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in Pennsylvania and employed by the Insurance Trustee to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with the work and stating that: (a) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished; (b) there is no other outstanding indebtedness known to such architect for the services and materials described; and (c) the cost as estimated by such architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested, taking into account retainage.

(ii) Surplus. It shall be presumed that the final monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be used first to reimburse Unit Owners for sums paid to cover shortfalls under subparagraph “b(ii)” above in proportion to the sums so paid until full reimbursement and any remaining balance shall be divided among all Unit Owners in proportion to their Percentage Interests and shall be distributed in accordance with the priority of interest at law or in equity in each Unit.

(iii) Certificate. The Insurance Trustee shall be entitled to rely upon a certificate executed by an officer of the Executive Board certifying: (i) whether the damaged Property is required to be reconstructed and repaired; (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund or whether surplus funds to be distributed are less than the assessments paid by the Unit Owners; and (iii) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the Insurance Trustee promptly after request.

d. When Reconstruction is Not Required. In the event of insubstantial damage to the Common Elements and if the Executive Board shall elect not to repair the same or in the event there is to be no repair or replacement pursuant to §3312(g) of the Act, then in either such event any insurance proceeds received on account of such damage shall be expended and/or distributed in accordance with §3312 of the Act. If the Condominium shall be terminated pursuant to §3320 of the Act, the provisions of §3320 of the Act shall apply.

ARTICLE 7 – Description, Allocation and Restriction of Common Elements and Limited Common Elements

7.1 Limited Common Elements.

Limited Common Elements are assigned as set forth in Section 3.3 above. The Plans show parking spaces as Limited Common Elements which may be assigned initially by the Declarant with the initial sale of a Unit and if any remain unassigned, thereafter may be assigned by the Executive Board on any basis it deems suitable. Notwithstanding that the parking spaces are designated as Limited Common Elements, the Association shall be responsible for the repair, maintenance and operation thereof and the costs therefor shall constitute Common Expenses. The roof and the exteriors of the Building are General Common Elements. There are no other Common Elements or Limited Common Elements which may be allocated or assigned in the future.

7.2 Allocation of Limited Expense Liability.

Except as set forth in Article 4 above, Limited Common Elements shall be maintained and repaired by the Association and the costs of such maintenance and repair shall be apportioned among the Unit or Units served by such Limited Common Elements as follows:

- a. Residential Limited Expenses shall be assessed against, and borne by, the Residential Units on a per-unit basis, for administrative ease;
- b. Common Expenses associated with the parking spaces Limited Common Elements shall be assessed and borne as a Common Expense against all Units, notwithstanding the fact that they are denoted as Limited Common Elements and assignable to particular Units;
- c. All other Limited Expenses shall be assessed and borne as provided in §3314(c)(1) of the Act.

Any surplus funds derived from assessments for Limited Expenses shall be credited to those Unit Owners who paid such assessments (in order to reduce their future liability for such Limited Expenses) in accordance with the same formula used for assessing such Limited Expenses.

ARTICLE 8 - Easements

8.1 Utility Easements.

The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 8.1 shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electrical wires, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common Elements. Notwithstanding the foregoing, unless approved in writing by the Unit Owner or Unit Owners affected thereby, any such easement through a Unit shall be located either in substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Unit by the Declarant, or so as not to materially interfere with the use or occupancy of the Unit by its occupants.

8.2 Declarant's Use for Sales Purposes.

Declarant shall have the right to maintain signs, sales offices, management offices and models throughout the Property. Declarant may maintain signs in its Units and on the Common Elements, advertising Units in the Condominium owned by Declarant for sale or lease and other Condominium advertising in general.

8.3 Declarant's Easement to Correct Drainage.

Declarant reserves an easement on, over and under those portions of the Common Elements for the purpose of maintaining and correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance.

8.4 Easement for Repairs and Maintenance.

The Units shall be, and are hereby, made subject to an easement in favor of the Association and its agents, employees and independent contractors to accomplish any necessary repairs, maintenance and replacement of the Common Elements. The Common Elements shall be and are hereby made subject to easements (in addition to any other easements set forth herein) in favor of the Association and its agents, employees and independent contractors and any Unit or Units for which such easements are necessary for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical wiring and cable television lines and all of the utility lines and conduits which are part of the Unit and which pass across or through a portion of the Common Elements. The Units and the Common Elements shall be subject to an easement in favor of the Executive Board for inspection of the Units for the purpose of verifying performance by Unit Owners of all items of maintenance and repair for which they are responsible, for inspection and maintenance of the Common Elements situated in and or accessible from such Unit, for correction of emergency conditions in each Unit or casualties to such Common Elements and/or Units and for any of the purposes set forth herein or in any other Condominium Document. The Executive Board shall take reasonable steps to minimize the interference with the Unit Owner's use of his or her Unit and resulting from the Association's exercise of rights granted to it pursuant to this Section or any other provision of this Declaration.

8.5 Rights of the Association.

In addition to any other rights and powers that the Association may possess pursuant to this Declaration, the Bylaws, the Rules and Regulations and the Act, as they may be amended from time to time, the Association shall have:

- a. The right to grant permits, licenses and easements over the Common Elements for utilities and other purposes reasonably necessary or useful for proper maintenance or operation of the Condominium; and
- b. A reasonable right of entry into any Unit to make emergency repairs and to do other work reasonably necessary for the proper maintenance or operation of the Condominium. Each Unit Owner shall furnish the Association with a set of all keys necessary to gain access to his or her Unit in the exercise of such rights at the time any locks are changed or installed in the doors to such Unit. The Association shall maintain appropriate security measures to prevent access to such keys by unauthorized persons. The Association shall also have the right (but not the obligation), at its election, to install security locks on doors leading into the Building and to issue copies of keys, entry cards or entry codes to all Unit Owners requiring access to such areas. The Association is empowered to charge Unit Owners a reasonable fee for the cost of such security cards or keys.

8.6 Easement for Support.

To the extent necessary, each Unit and the Common Elements shall have and be subject to an easement for structural support in favor of every other Unit and the Common Elements in the Condominium.

8.7 Easement for Pedestrian and Vehicular Traffic.

The Common Elements shall be, and are hereby made subject to, an easement in favor of the Unit Owners and their invitees, tenants and servants, the Executive Board and the agents and employees of the Executive Board (i) for pedestrian traffic on, over, through and across sidewalks, stairways and in elevators as the same may from time to time exist, and (ii) for pedestrian and vehicular traffic on, over, through and across such portions of the Common Elements as may be from time to time paved and intended for such purposes.

8.8 Easements for Encroachment.

To the extent that any Unit or Common Element encroaches on any other Unit or Common Element, whether by reason of any deviation from the Plans, from the construction, repair, renovation, restoration or any improvement or by reason of the settling or shifting of any land or improvement, a valid easement for such encroachment shall exist.

8.9 Declarant's Right to Convey a Unit to the Association.

The Declarant reserves the right to convey not more than one (1) Unit to the Association subject to (i) this Declaration, the Bylaws, the Rules and Regulations, the Act, covenants, conditions, easements and restrictions of record, and, in general, all matters which buyers of Units from the Declarant take title subject to as set forth in real estate purchase contracts between Declarant and buyers of Units and (ii) a mortgage securing a note in an amount not to exceed eighty percent (80%) of the resident discount price of the Unit as initially established by the Declarant, for use as an engineer's or manager's apartment or apartments or such other lawful use as the Executive Board deems proper. Costs of closing shall be divided between Declarant and the Association as is customary between buyers and sellers of real estate in the Pittsburgh, Pennsylvania region.

8.10 Easement for Art Work.

The Common Elements shall be, and hereby are, made subject to easements in favor of (i) the Declarant during the period prior to the termination of Declarant's control (pursuant to Section 11.1(c) hereof) and (ii) thereafter, the Association, and their respective agents, employees and independent contractors, for the purpose of installing and maintaining paintings, sculptures, murals or other art work on one or more of the exterior walls of the Building. The cost of maintenance, and if approved by the Executive Board, any additional installations following the initial installation of such art work, shall be a Common Expense. This Section 8.10 is not to be construed, in and of itself, to impose (by implication or otherwise) any obligation on the Declarant or the Association to install such paintings, sculptures, murals or other art work.

8.11 Easement for Fire Escape Access.

The courtyard of Unit 1 shall be and is hereby made subject to an easement in favor of the Association and all Unit Owners for the purpose of providing access out of the Building in the event of an emergency. Accordingly, the doorway providing such access from the stairwell shall not be locked in such a fashion as would prevent occupants from exiting said door, nor shall such doorway be obstructed in anyway by the owner of Unit 1. Additionally, the owner of Unit 1 shall be responsible for maintaining, at all times, a clear pathway from said doorway to the exit doorway fronting on Butler Street.

8.12 Miscellaneous.

All easements and rights described and mentioned in this Declaration are easements appurtenant, running with the Property, Units, and Common Elements, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding upon Declarant, its successors and assigns, the Executive Board, any Unit Owner, Purchaser, Permitted Mortgagee and any other person having an interest in said Property, Units, Common Elements or any portion thereof.

ARTICLE 9 - Amendment of Declaration

9.1 Amendment Generally.

- a. This Declaration may be amended only in accordance with the procedures specified in §3219 of the Act, the other Sections of the Act referred to in §3219 thereof and the express provisions of this Declaration.
- b. No action to challenge the validity of an amendment adopted by the Association pursuant to this Section may be brought more than one year after the amendment is recorded.
- c. Every amendment to the Declaration must be recorded in Allegheny County, Pennsylvania in the same records as are maintained for the recording of deeds of real property. An amendment is effective only upon recordation.

9.2 Rights of Secured Lenders.

Subject to the limitations imposed by §3221 of the Act and except as set forth below, no amendment of this Declaration may be made without the prior written approval of all record holders of Permitted Mortgages on Units if and to the extent that such approval is required by the Act or if and to the extent that such amendment would have the effect of (a) terminating or abandoning the Condominium (unless none of the Units are conveyed by Declarant and except for termination or abandonment as a result of a taking of all the Units by eminent domain); (b) abandoning, encumbering, selling or transferring the Common Elements; (c) partitioning or subdividing any Unit or the Common Elements; or (d) changing the Percentage Interests of any Unit Owners. The granting of easements for public utilities or for other public purposes consistent with the intended

use of the Common Elements shall not be deemed to be a transfer within the meaning of this Section.

Approval of holders of first lien Permitted Mortgages on Units representing at least sixty-seven percent (67%) of all votes is required if and to the extent that such amendment would have the effect of terminating or abandoning the Condominium (except for termination or abandonment as a result of substantial destruction or a taking by eminent domain).

Amendments of a material nature to the Declaration or Bylaws must be agreed to by Unit Owners representing at least sixty-seven percent (67%) of the total allocated votes in the Association. In addition, approval must be obtained from holders of first lien Permitted Mortgages representing at least fifty-one percent (51%) of the votes of Units that are subject to mortgages held by Permitted Mortgagees. A change to any of the provisions or requirements in the Declaration or the Bylaws governing the following would be considered as material: voting rights, assessment liens, the priority of assessment liens or increases in assessments that raise previously assessed amounts by more than twenty-five percent (25%); reductions in reserves for maintenance, repair, and replacement of Common Elements; responsibility for maintenance and repairs; reallocation of interests in the Common Elements or rights to their use; redefinition of Unit boundaries; convertibility of Units into Common Elements or vice versa; expansion or contraction of the Condominium, or the addition, annexation, or withdrawal of property to or from the Condominium; hazardous and fidelity insurance requirements; the imposition of restrictions on the leasing of Units; imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit; a decision by the Association to establish self-management; restoration or repair of the Building (after damage or partial condemnation) in a manner other than that specified herein; any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs; or, any provisions that expressly benefit mortgage holders, insurers, or guarantors. Termination of the legal status of the Condominium for reasons other than substantial destruction or condemnation of the Property shall not be effectuated without the approval of holders of Permitted Mortgages that represent at least sixty-seven percent (67%) of the votes of the mortgaged Units. If a proposed amendment is properly sent to a Permitted Mortgagee for approval by certified or registered mail with a "return receipt" requested, implied approval shall be assumed when such Permitted Mortgagee fails to submit a response to such proposal for an amendment within 30 days after the proposal is received.

9.3 Rights of Declarant.

No change, modification or amendment which adversely affects the rights, privileges or obligations of the Declarant which are granted under this Declaration, the Bylaws or the Act shall be effective without the prior written consent of the Declarant, until such time as Declarant owns two (2) or fewer Units.

ARTICLE 10 - Use Restrictions

10.1 Use and Occupancy of Units and Common Elements.

The occupancy and use of the Units and Common Elements shall be subject to such reasonable Rules and Regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Property, as may be promulgated from time to time by the Executive Board, subject to the right of the Association to change such Rules and Regulations. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such Rules and Regulations or any amendments thereto. Initial Rules and Regulations shall include the following:

- a. No part of the Property shall be used for other than residential purposes except for the Commercial Units and except as reserved herein by Declarant.
- b. Except as otherwise expressly provided herein and reserved herein by Declarant, no signs, advertising or other displays shall be maintained or permitted on any part of the Property except (i) a Unit Owner attempting to sell his or her Unit may place a single "For Sale" sign outside of his or her Unit; provided such sign is no larger than one foot by two feet, and (ii) appurtenant to the Commercial Units in accordance with the Streetface Facade Requirements.
- c. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior written consent of the Executive Board except as herein expressly provided.
- d. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements which will violate any law, statute, ordinance or regulation of any governmental body or which will result in the cancellation of any insurance maintained by the Executive Board. No waste shall be committed in the Common Elements.
- e. Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the Building or on the Property and no sign, awning, canopy, shutter, radio or television antenna, satellite dish or similar signal receiving device except as otherwise permitted herein shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior written consent of the Executive Board.
- f. No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, which may be or become a nuisance to the other Unit Owners.
- g. Unit Owners shall be responsible for maintaining their Unit in good order and repair, at the expense of such Unit Owner, including (but not limited to) cleaning and replacing glass panes in any window serving such Unit; provided however the

cleaning of the exterior windows of the Residential Units which are not accessible from inside the unit shall be the responsibility of the Association and shall be a Residential Limited Expense.

- h. No clothes, sheets, blankets, laundry or other articles of any kind shall be hung out or exposed on any part of the Common Elements or exterior portions of any Unit.
- i. No dumping of debris, trash, rubbish or other unsightly material shall occur on any Unit or any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials. All refuse shall be kept in appropriate containers maintained in a clean and sanitary manner and kept from view of the adjoining property owners.
- j. Except as set forth below, no Owner of a Residential Unit may lease or sublet any Residential Unit. Leasing of Residential Units shall be permitted in the following circumstances:
 - (i) Declarant and affiliates of Declarant may rent or lease Residential Units owned by Declarant or such affiliates; and
 - (ii) in special circumstances, the Executive Board may consider granting a consent to any other Owner of a Residential Unit for leasing his or her Unit.

All leases of Residential and Commercial Units shall also be subject to the following requirements:

- (i) Any rental agreement or lease entered into by a Residential Unit Owner must be pursuant to a written lease agreement in a form approved by the Executive Board.
- (ii) A copy of each signed lease shall be furnished to the Executive Board within ten (10) days after execution thereof, as to Residential Units, and upon written request of the Executive Board with respect to Commercial Units.
- (iii) No Unit may be leased for transient or hotel purposes or for an initial term of less than thirty (30) days.
- (iv) No Residential Unit Owner may lease less than his or her entire Unit.
- (v) The rights of any lessee shall be subject to, and each such lessee shall be bound by and the Association may enforce against the lessee, the covenants, conditions and restrictions set forth in this Declaration, the Bylaws and the Rules and Regulations, and a default thereunder shall constitute a default under the lease; provided, however, that the foregoing shall not release the Unit Owner from the obligation to pay Common Expense assessments with respect to such Unit.

- k. A Residential Unit Owner may conduct professional activities within his or her Residential Unit, so long as (i) such activity is permitted by applicable zoning regulations and (ii) the Unit Owner provides written notice to the Executive Board of the professional activity to be conducted by the Unit Owner within his or her Residential Unit. No Unit Owner shall permit his or her Unit to be used or occupied for any prohibited purpose. If approved by a vote of the Unit Owners pursuant to Section 2.9(c) of the Bylaws, the Executive Board may impose additional restrictions on professional activities conducted within Residential Units.
- l. Except as set forth in subparagraphs "a" and "k" above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, altruism, exploration, or otherwise, shall be conducted, maintained, or permitted on any part of the Property except in the Commercial Units.
- m. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Property, or contents thereof, without the prior written consent of the Executive Board, which consent may be conditioned upon the Unit Owner of such Unit being required to bear the full amount of such increase. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements which will violate any law, statute, ordinance or regulation of any governmental body or which will result in the cancellation of any insurance maintained by the Executive Board.
- n. No animals, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except that household pets may be kept in Units subject to Rules and Regulations adopted by the Executive Board, which Rules or Regulations may exclude any kind of pet by type or category; provided that permitted household pets shall not be kept, bred, or maintained for any commercial purpose. All pets shall be registered with the Executive Board.
- o. Unit Owners may not install window air-conditioners, exhaust fans or any other item which protrudes through any window serving the Unit without the prior written approval of the Executive Board.

10.2 Use and Occupancy of Commercial Units and Commercial Common Elements.

The occupancy and use of the Commercial Units shall be subject to the following restrictions:

- a. The Commercial Units shall be used only for retail sales, offices, or other commercial purposes permitted by applicable zoning.
- b. In addition to the use restrictions set forth in Section 10.1, no use shall be permitted in the Commercial Units which is inconsistent with the mixed-use

environment of the Condominium. Without limiting the generality of the foregoing, the following uses shall not be permitted:

- (i) Any use which emits an unreasonable and obnoxious odor, noise, or sound which can be heard or smelled inside any of the Residential Units at such a level as to unreasonably disturb the Residential Unit Owners;
- (ii) An operation primarily used as a storage operation and any assembling or manufacturing;
- (iii) Any army, navy or governmental store or “surplus” store;
- (iv) Any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation (but this provision shall not restrict the absolute freedom of a Unit Owner to determine its own selling prices nor shall it preclude the conduct of periodic seasonal sales, promotional or clearance sales or legitimate “going out of business sales” (so long as such “going out of business sales” last for no longer than 30 days), all of which are specifically permitted);
- (v) Any central laundry, dry cleaning plant or laundromat; provided, however, this prohibition shall not be applicable to nominal supportive facilities for on-site service oriented to pickup and delivery by the ultimate consumer;
- (vi) Any automobile, truck, trailer or recreational vehicle sales, leasing, display or body shop repair operation;
- (vii) Any veterinary office or animal raising or boarding facilities or any pet shop;
- (viii) Any mortuary or funeral home;
- (ix) Any establishment selling, displaying or exhibiting pornographic materials, performance or conduct, it being understood, however, that bona fide artist expression is not intended to be restricted, or drug-related paraphernalia;
- (x) Any bar, tavern, beer distributor, liquor store, “six-pack” shop (or similar alcoholic beverage “to-go” shop), disco or dance hall or similar establishment; restaurants shall be permitted so long as for any such a restaurant the reasonably projected annual gross revenues from the sale of alcoholic beverages for on-premises consumption does not exceed thirty-three percent (33%) of the gross revenues of such business;
- (xi) Any flea market, amusement or video arcade, pool or billiard hall, car wash, or dance hall;

- (xii) Any gambling facility or operation, including but not limited to: off-track or sports betting parlor; table games such as black-jack or poker; slot machines, video poker/blackjack/keno machines or similar devices; or bingo hall; this shall not preclude the incidental retail sale of government sponsored lottery tickets;
- (xiii) Any establishment with operating hours earlier than 6:00 a.m. or later than 12:00 p.m.

10.3 Mixed Use Environment

Notwithstanding the foregoing restrictions on use applicable to Commercial Unit Owners, the Residential Unit Owners recognize and are subject to the understanding that the condominium is a mixed use environment and that the Residential Units will be subject to reasonable levels of sound and scents typical to the retail and commercial activity permitted in the Commercial Units.

10.4 Executive Board Rules and Regulations

Reasonable Rules and Regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Property, may be promulgated from time to time by the Executive Board, subject to the right of the Association to change such Rules and Regulations. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Unit Owners by the Executive Board promptly after the adoption of such Rules and Regulations or any amendments thereto.

ARTICLE 11 – Declarant’s Rights

11.1 Control.

- a. Until the 60th day after conveyance of twenty-five percent (25%) of the Units to Unit Owners other than Declarant, Declarant shall have the right to appoint and remove any and all officers and members of the Executive Board. Declarant may not unilaterally remove any members of the Executive Board elected by Unit Owners other than Declarant.
- b. Not later than 60 days after conveyance of twenty-five percent (25%) of the Units to Unit Owners other than Declarant, one-third (33%) of the three members of the Executive Board shall be elected by Unit Owners other than Declarant.
- c. Not later than the earlier of (i) three years after the date of the recording of this Declaration, or (ii) 120 days after seventy-five percent (75%) of the Units have been conveyed to Unit Owners other than Declarant, all members of the Executive Board shall resign, and the Unit Owners (including Declarant to the extent of Units owned by Declarant) shall elect a new three-member Executive Board.

ARTICLE 12 - Units as Real Property

12.1 Units as Real Property.

Units may be sold, conveyed, mortgaged, or otherwise dealt with in the same manner as like dealings are conducted with respect to other real property and interests therein. Every written instrument dealing with a Unit shall specifically set forth the name, The Blackbird Lofts and Artist Studios, a Condominium, and the Unit identification number of such Unit.

12.2 Resale of Units: Mandatory Disclosure to Purchaser(s).

a) Mandatory Disclosures. In the event of a resale of Unit by an Owner, the seller shall furnish to a purchaser, before execution of any contract for sale of a Unit or otherwise before conveyance, a copy of the Declaration and a certificate containing (if applicable) the requirements of §3401 and 3407 of the Act.

b) Association's Obligation to Cooperate. The Association must fully cooperate in the preparation and delivery of this information certificate to a selling Owner and shall furnish selling Owner with a certificate concerning the amounts owed to the Association with respect to the Unit in question within ten (10) days after it is requested in writing by the Owner. The Association may assess the reasonable cost of the preparation of its certificate to the selling Owner and require payment prior to the delivery of the certificate to the selling Owner.

c) Owner's Liability. An Owner providing this certificate to a purchaser is not liable to the purchaser for any erroneous information contained in the Association's certificate or provided by the Association to the Owner and included in his certificate. An Owner is not liable to a purchaser for the failure or delay of the Association to cooperate in the preparation of the certificate in a timely manner, but the purchase contract is voidable by the purchaser until the certificate has been provided and for five (5) days thereafter or until conveyance, whichever first occurs.

d) Purchaser's Liability. A purchaser is not liable for any unpaid assessment or fee larger than the amount set forth in the certificate prepared by the Association.

12.3 Notification of Sale of Unit.

Concurrently with the consummation of the sale of any Unit under circumstances whereby the transferee becomes a Unit Owner or within five (5) business days thereafter, the transferee shall notify the Executive Board in writing of such sale. Such notification shall set forth (a) the name of the transferee and his or her transferor, (b) the street address of the Unit purchased by the transferee, (c) the transferee's mailing address, and (d) the date of sale. Prior to receipt of such notification, any and all communications required or permitted to be given by the Association, the Executive Board, or any subcommittee shall be deemed to be duly made and given to the transferee if duly and timely made and given to said transferee's transferor. The right of any Unit Owner to sell, transfer or otherwise convey a Unit may not be made subject to any right of first refusal or similar restriction in favor of the Association or Executive Board.

ARTICLE 13 - Budgets; Common Expenses; Assessments and Enforcement

13.1 Monthly Payments.

All Common Expense assessments made to meet the requirements of the Association's annual budget shall be deemed to be adopted and assessed on a yearly basis and shall be due and payable in equal monthly installments, in advance on the first day of each month. Special assessments shall be due and payable in one or more monthly payments, in advance, on the first day of each month, as determined by the Executive Board.

13.2 Subordination of Certain Charges.

Any fees, charges, late charges, fines and interest which may be levied by the Executive Board pursuant to the Act, and that have not been reduced to a lien against a Unit at the time of recordation of a Permitted Mortgage shall be subordinate to the lien of a Permitted Mortgage on a Unit.

13.3 Reserves.

Commencing not later than the first day of the calendar month during which the Common Expense assessments begin, the Association shall establish accounts for monthly assessments and thereafter to maintain an adequate reserve fund for maintenance, repair and replacement of the Common Elements that are anticipated to require replacement, repair or maintenance on a periodic basis and to cover deductible amounts in property insurance policies. The reserve funds shall be funded by monthly payments as part of Common Expenses and shall include amounts reasonably considered by the Executive Board to be sufficient as reserves for maintenance, repairs, replacements and contingencies. Extraordinary expenditures not originally included in the annual budget which may become necessary during any year may be charged first against such reserves. In addition, the Executive Board shall have the right to segregate all or any portion of the reserves for any specific replacement or contingency upon such conditions as the Executive Board deems appropriate.

13.4 Initial Working Capital.

At the closing of the initial transfer of title from the Declarant to a non-Declarant purchaser of each Unit, the Association shall collect from such purchaser an amount equal to two months' (calculated pursuant to the then current Association budget) installments of estimated Common Expenses, which monies shall be deposited into an initial working capital fund under control of the Association. At the time of transfer of control of the Association by the Declarant, the Declarant shall pay such sums attributable to unsold Units to the Association (which shall deposit such funds in a segregated account) and may be reimbursed by purchasers of such Units when unsold Units are sold. While Declarant controls the Association, it cannot use any of the working capital funds to defray its expenses, reserve contributions, or construction costs or to make up any budget deficits. No Unit Owner is entitled to a refund of these monies by the Association upon the subsequent

conveyance of his or her Unit or otherwise. Such payments do not constitute advance payments of regular assessments.

13.5 Accounting.

On or before the first (1st) day of April of each calendar year commencing April, 200___, the Executive Board shall supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the annual budget or assessments and leases and sales of property owned or managed by the Executive Board on behalf of the Association, and showing the net excess of deficit of income over expenditures plus reserves.

13.6 Acceleration.

If a Unit Owner is in default in the payment of the aforesaid charges or monthly installments of assessments for sixty (60) days, the Executive Board may, in addition to all other remedies in the Act or Declaration contained, accelerate all other charges and monthly installments of assessments to become due for the next twelve (12) months on the basis of the budget for the calendar year in which such default occurs and assuming the same budget for the following year; provided, however, a foreclosing Permitted Mortgagee shall be entitled to automatic subordination of such sums in excess of the amounts given priority in lien or payment over mortgage liens in the Act.

13.7 Collection Charges.

Any delinquent Unit Owner shall also be obligated to pay (a) all expenses of the Executive Board, including reasonable attorneys' fees, incurred in the collection of the delinquent assessments by legal proceedings or otherwise, and (b) any amounts paid by the Executive Board for taxes or on account of superior liens or otherwise to protect its lien, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessments and shall be collectible as such, subject to Section 13.2 above.

13.8 Surplus.

The budget of the Association shall separate Limited Expenses from General Common Expenses, and Surplus shall be created and applied as provided in §3313 of the Act.

ARTICLE 14 - Mortgages; Rights of Permitted Mortgagees

14.1 Permitted Mortgagees Reports and Notices.

Upon the specific written request of a Permitted Mortgagee or its servicer, insurer or guarantor (all of which are deemed to be the Permitted Mortgagee for purposes of notice and rights to inform) to the Executive Board, the Permitted Mortgagee shall be entitled to receive some or all of the following as designated in the request:

- a. Copies of the current Declaration, Bylaws and Rules and Regulations and copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Executive Board to the Owner of the Unit covered by the Permitted Mortgage;
- b. Any audited or unaudited financial statements of the Association (if any) which are prepared for the Association and distributed to the Unit Owners;
- c. Copies of notices of meetings of the Unit Owners and the right to designate a representative to attend such meetings;
- d. Notice of the decision to make any material amendment to this Declaration or to take any other action which requires the consent of a specified percentage of Permitted Mortgagees;
- e. Notice of damage to or destruction of any Unit encumbered by a Permitted Mortgage and notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Property;
- f. Notice of any default by the Owner of the Unit which is subject to the Permitted Mortgage, where such default is not cured by the Unit Owner within sixty (60) days after the giving of notice by the Association to the Unit Owner of the existence of the default;
- g. The right to examine the books and records of the Executive Board or the Association at any reasonable time; or
- h. Notice of any decision by the Executive Board or the Association to terminate professional management and assume self-management of the Property.
- i. Notice of any delinquent assessments with respect to the Unit which is subject to the Permitted Mortgage.
- j. Notice of any lapse, cancellation or material modification of any insurance coverage on the Condominium.

The request of a Permitted Mortgagee or its servicer, insurer or guarantor shall specify which of the above items it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Executive Board. The Executive Board need not inquire into the validity of any request made by a Permitted Mortgagee hereunder. Failure to comply with the requirements set forth above shall in no way invalidate otherwise proper actions of the Association and the Executive Board. The Executive Board may impose charges on Unit Owners for performing the services described in this Section.

14.2 Condemnation and Insurance Proceeds.

No provision of this Declaration shall give a Unit Owner, or any other party, priority over any rights of the Permitted Mortgagee of a Unit pursuant to a Permitted Mortgage in the case of a distribution to such Unit Owner of insurance proceeds or condemnation awards for loss or taking of one or more Units and/or Common Elements.

14.3 FNMA and FHLMC Requirements.

If one or more Permitted Mortgages on Units is held by the FNMA and FHLMC and any action proposed by the Association requires the approval pursuant to the then applicable regulations of FNMA or FHLMC of a specified percentage of Unit Owners or the holders of a specified percentage of Permitted Mortgages, or both, then such action shall not be taken until such requirement has been met.

ARTICLE 15 -Real Estate Taxes

15.1 Real Estate Taxes.

It is understood that real estate taxes are to be separately assessed and taxed to each Unit Owner for his or her Unit and its corresponding Percentage Interest in the Common Elements, as provided in the Act. For the year in which the Declaration is first recorded, real estate taxes shall be apportioned between Declarant and each Unit Owner as set forth in the Agreement of Sale for such Unit. In the event that real estate taxes for any year are not separately assessed against each Unit Owner, but rather are assessed against the Property as a whole, then each Unit Owner shall pay his or her proportionate share thereof in accordance with his or her respective Percentage Interest in the Common Elements, and, in said event, such taxes shall be a Common Expense. The Executive Board shall have authority to advance Association funds in payment of all or a portion of such taxes pending receipt from the respective Unit Owners of their proportionate share thereof.

ARTICLE 16 - Unit Owner's Association; Executive Board and Declarant's Rights

16.1 Establishment of Association.

The Association has been or will be formed to be and to serve as the Unit Owners' Association of the Condominium. At the recording of this Declaration, the Declarant is the sole member of the Association.

16.2 Membership.

Membership in the Association shall be limited to the Unit Owners. Every Unit Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit; transfer of a Unit shall automatically transfer membership to the transferee.

16.3 Executive Board.

The Executive Board shall consist of at least three members who initially shall be those persons named by Declarant. The Executive Board shall have all authority to manage, maintain, repair, alter and improve the Common Elements, and assess and collect funds for the payment thereof, and to do all things and exercise all rights provided by the Act as hereunder that are not reserved to Unit Owners.

16.4 Control of Executive Board.

Declarant shall have the right to appoint and remove any and all officers and members of the Executive Board until such time as the Act requires the Declarant to transfer Declarant control.

16.5 Professional Management.

The Executive Board may delegate all or a portion of its authority to discharge its responsibilities to a managing agent. This delegation of authority may be evidenced by one or more management contracts which may provide for the payment of a reasonable fee; provided that any such contracts shall be terminable, at will, on ninety (90) days prior notice, terminable for cause, on fifteen (15) days prior notice, and otherwise shall not exceed one (1) year.

16.6 Additional Powers.

In addition to the powers set forth in the Act and elsewhere herein, the Executive Board shall have the following additional powers:

- a. To appoint committees of the Executive Board (which need not include any Executive Board Members) and to delegate to such committees the Executive Board's authority to carry out certain duties of the Executive Board, subject to the approval and control of the Executive Board.
- b. To engage the services of any persons (including, but not limited to, accountants and attorneys) deemed necessary by the Executive Board at such compensation as is deemed reasonable by the Executive Board, in the operation, repair, maintenance and management of the Property, or in connection with any duty, responsibility or right of the Executive Board and to remove, at any time, any such personnel.
- c. To pay any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part thereof which may in the opinion of the Executive Board constitute a lien against the Property or against the Common Elements, rather than merely against the interest therein or particular Unit Owners. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Executive Board by reason of said lien or liens shall be specially assessed to said Unit Owners.

- d. To expend funds for the maintenance and repair of any Unit or any other portion of the Property which a Unit Owner is obligated to maintain or repair under the terms hereof, if such maintenance or repair is necessary, in the discretion of the Executive Board, to protect the Common Elements, or any other portion of the Property, and such Unit Owner has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Executive Board to said Unit Owner; provide that the Executive Board shall levy a special assessment against such Unit for the cost of said maintenance or repair.
- e. To enter into leases or licenses of portions of the Common Elements with any person or entity to provide such services as valet service and the installation of art work. All revenues from such leases shall be deposited in the Common Expense fund.
- f. In the event more than one Unit share a common utility meter or if a portion of the Common Elements and one or more Units share a common utility meter, to determine the proper allocation of the cost of the utility service between or among the recipients of such utility service which determination shall be conclusive and binding.
- g. In the event of any condemnation, to represent the Unit Owners in any proceedings, negotiations, settlements or agreements with the condemning authority.
- h. To borrow money on the credit of the Association and, as security for any such borrowing, to assign the Association's rights to receive future income (including assessments) and/or pursuant to §3318 of the Act to encumber or convey the Common Elements, or any portion thereof.
- i. To grant permits, licenses and easements over the Common Elements subject to the limitations set forth in §3302(a)(9) of the Act.
- j. To accept the deed and to execute, acknowledge and deliver the note, mortgage and related documents to effectuate the transactions described in Section 8.9 above.

16.7 Disputes.

In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions of interpretation or application of the provisions of this Declaration, the Plans, the Bylaws or the Rules and Regulations, the determination thereof by the Executive Board shall be final and binding on each and all such Unit Owners. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief or order to assist it in carrying out its responsibilities under this Section 16.7. All costs of obtaining such a judgment shall be borne by the disputants, or in the absence of disputants, by the Association as a Common Expense.

ARTICLE 17 - Limitation of Liability

17.1 Fiduciary Duty.

In the performance of their duties, the officers and members of the Executive Board shall stand in a fiduciary relation to the Association and shall perform their duties, including duties as members of any committee of the Executive Board upon which they may serve, in good faith, in a manner they reasonably believe to be in the best interests of the Association and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudent would use under similar circumstances.

17.2 Good Faith Reliance.

In performing his duties, an officer or Executive Board member shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- a. one or more other officers or employees of the Association whom the officer or Executive Board member reasonably believes to be reliable and competent in the matters presented.
- b. counsel, public accountants or other persons as to matters which the officer or Executive Board member reasonably believes to be within the professional or expert competence of such person.
- c. a committee of the Executive Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the officer or Executive Board member reasonably believes to merit confidence.

An officer or Executive Board member shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause his reliance to be unwarranted.

17.3 Limited Liability of the Executive Board.

The Executive Board and its members in their capacity as members, officers and employees shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to Persons or property caused by the elements or by another Unit Owner or Person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board. The Executive Board and its members in their capacity as members, officers and employees shall not be liable to the Unit Owners as a result of the performance of the Executive Board members' duties for any mistake of judgment, negligence or otherwise, except for the Executive Board members' own willful misconduct or gross negligence.

The Executive Board and its members in their capacity as members, officers and employees shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties. The Executive Board and its members in their capacity as members, officers and employees shall not be liable to a Unit Owner, or such Unit Owners' tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Unit Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements or Limited Common Elements, except for the Executive Board members' own willful misconduct or gross negligence. The Executive Board and its members in their capacity as members, officers and employees shall have no personal liability in tort to a Unit Owner or any other Person or entity, direct or imputed, by virtue of acts performed by or for them, except for the Executive Board members' own willful misconduct or gross negligence in the performance of their duties.

17.4 Indemnification.

Each member of the Executive Board, in his or her capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him or her in connection with any proceeding in which he or she may become involved by reason of his or her being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he or she is an Executive Board member, officer or both at the time such expense is incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his or her duties; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he or she is then an Executive Board member) approves such settlement and reimbursement as being in the best interests of the Association; and provided further that, indemnification hereunder with respect to any criminal action or proceeding is permitted only if such Executive Board member and/or officer had no reasonable cause to believe his or her conduct was unlawful. The indemnification by the Unit Owners set forth in this Section shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

17.5 Defense of Claims.

Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the holders of any Permitted Mortgages on Units and such complaints shall be defended by the Association. The Unit Owners and the holders of Permitted Mortgages on Units shall have no right to participate in such defense other than through the Association.

17.6 Insurance.

The Executive Board may obtain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth in this Section, if and to the extent such insurance is available at a reasonable cost.

ARTICLE 18 - Miscellaneous

18.1 Covenants Running With the Land.

The covenants, conditions, restrictions, easements, reservations, liens and charges created hereunder or hereby shall run with and bind upon and insure to the benefit of all parties having any right, title or interest in or to all or any part of the Property, and the Association, and their respective heirs, executors, administrators, successors and assigns.

18.2 Actions.

In addition to any other remedies provided in this Declaration, Declarant (and/or the Association, and/or each Unit Owner), shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens and charges set forth herein or in the Association's Rules and Regulations. Failure by Declarant, the Association or by any Unit Owner to proceed with such enforcement shall in no event be deemed a waiver of the right to enforce at a later date the original violation or a subsequent violation, nor shall the doctrine of laches nor any statute of limitations bar the enforcement of any such restriction, condition, covenant reservation, easement, lien or charge. Further, the Association and each Unit Owner shall have rights of action against each other for failure to comply with the provisions of the Condominium organizational documents, Rules and Regulations, and applicable law, and with respect to decisions made pursuant to authority granted thereunder, and the Association shall have the right to assess reasonable charges against the Unit Owner who fails to comply with the same, including the right to assess charges for the costs of enforcement and arbitration. Notwithstanding the foregoing, in the event of any dispute between the Association and any Unit Owner or occupant, other than with regard to assessments, that cannot be settled by an agreement between them, the matter shall first be submitted to arbitration in accordance with and pursuant to the rules of the American Arbitration Association.

18.3 Severability.

Invalidation of any one or more of these covenants, conditions, restrictions or easements by judgment or court order shall in no way affect any other provisions, which provisions shall remain in full force and effect. In the event any language of this Declaration conflicts with mandatory provisions of the Act, the Act's requirements shall prevail and the conflicting language shall be deemed to be invalid and void, provided that such invalidity shall in no way affect any other provisions of this Declaration, which provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the said Declarant has executed this Declaration as of this _____ day of July, 2004.

WITNESS:

DECLARANT

BLACKBIRD DEVELOPMENT, LLC
By: Artists and Cities, Inc., Sole Member

By: _____
Linda Metropulos, Secretary

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COMMONWEALTH OF PENNSYLVANIA)
)
 COUNTY OF ALLEGHENY) SS:

I, _____, a Notary Public in and for said County, in the Commonwealth aforesaid, do hereby certify that Linda Metropulos, whose name is subscribed to the foregoing Declaration of Condominium, personally appeared before me this day, and acknowledged and swore that he/she is the Secretary, of Artists and Cities, Inc., the Sole Member of Blackbird Development, LLC, and that he/she signed, sealed and delivered the said instrument on its behalf for the uses and purposes therein set forth and that the statements therein contained are true.

Given under my hand and notarial seal this _____ day of July, 2004.

 Notary Public

My Commission Expires:

**EXHIBIT A
TO
DECLARATION OF THE BLACKBIRD LOFTS AND ARTIST STUDIOS, A
CONDOMINIUM**

REAL ESTATE

The land referred to in this Declaration is described as follows:

PARCEL ONE

ALL that certain lot or piece of ground situate in the Sixth Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, and being more particularly described as follows, to-wit:

BEGINNING at the intersection of the Northerly line of Butler Street with the Westerly line of 36th Street; thence Westwardly along the Northerly line of Butler Street, 72 feet, to a point; thence Northwardly and parallel with the Westerly line of 36th Street, 100 feet, to the Southerly line of Mulberry Way; thence Eastwardly along the Southerly line of Mulberry Way, 72 feet to the Westerly line of 36th Street; thence Southwardly along the Westerly line of 36th Street, 100 feet, to the Northerly line of Butler Street, at the place of beginning.

BEING designated as Block 49-J, Lots 120, 121 and 122 by the Deed Registry Office of Allegheny County, Pennsylvania.

PARCEL TWO

ALL that certain lot or piece of ground situate in the Sixth Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, and being more particularly described as follows, to-wit:

BEGINNING on the Northerly line of Butler Street, 94 feet Westwardly, from the Westerly line of 36th Street; thence Northwardly and parallel with Westerly line of 36th Street, 100 feet to the southerly line of Mulberry Way, thence Westwardly along the Southerly line of Mulberry Way, 22 feet to the Easterly line of property now or formerly of Robert McElhenny; thence Southwardly along the Easterly line of Robert McElhenny and parallel with the Westerly line of 36th Street, 100 feet, to the Northerly line of Butler Street; thence Eastwardly along the Northerly line of Butler Street, 22 feet, to the place of beginning.

BEING designated as Block 49-J, Lot 124 by the Registry Office of Allegheny County, Pennsylvania.

PARCEL THREE

ALL that certain piece of ground situate in the Sixth Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, and being more particularly described as follows, to-wit:

BEGINNING at a point on the Northwestwardly side of Butler Street seventy-two (72) feet Southwestwardly from the Southwesterly corner of Thirty-Sixth and Butler Streets; thence Northwestwardly by a line parallel with said Thirty-Sixth Street, one hundred (100) feet to Lafayette Alley; thence Southwestwardly along said alley, twenty-two (22) feet to a point; thence Southeastwardly by a line parallel with said Thirty-Sixth Street, one hundred (100) feet to Butler Street, aforesaid, and thence Northeastwardly along said Butler Street, twenty-two (22) feet to the place of beginning.

BEING designated as Block 49-J, Lot 123 by the Deed Registry Office of Allegheny County, Pennsylvania.

BEING together described as:

ALL that certain lot or piece of ground situate in the 6th Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, being known and designated as Lot No. 1 in the Blackbird Lofts Plan of Lots as recorded in the Office of the Recorder of Deeds of Allegheny County in Plan Book Volume 246, Page 118.

BEING the same property which the Province of Saint Augustine of the Capuchin Order, Inc., by their deed April 3, 2003 and recorded in the Office of the Recorder of Deeds of Allegheny County, in Deed Book Volume 11614, page 620, granted and conveyed to Lawrenceville Corporation, the grantor herein.

**EXHIBIT B
TO
DECLARATION OF THE BLACKBIRD LOFTS AND STUDIOS, A CONDOMINIUM
PERCENTAGE INTEREST**

UNIT NUMBER	PERCENTAGE INTEREST
First Floor Unit 1 (3595 Butler Street)	32.68%
Second Floor Unit 2A	5.36%
Second Floor Unit 2B	3.69%
Second Floor Unit 2C	5.18%
Second Floor Unit 2D	3.99%
Second Floor Unit 2E	3.67%
Second Floor Unit 2F	2.65%
Second Floor Unit 2G	4.01%
Third Floor Unit 3A	4.66%
Third Floor Unit 3B	4.69%
Third Floor Unit 3C	6.37%
Third Floor Unit 3D	8.75%
Third Floor Unit 3E	3.99%
Third Floor Unit 3F	3.67%
Third Floor Unit 3G	2.65%
Third Floor Unit 3H	4.01%

**EXHIBIT C
TO
DECLARATION OF THE BLACKBIRD LOFTS AND ARTIST STUDIOS, A
CONDOMINIUM**

**PLATS AND PLANS OF THE BLACKBIRD LOFTS AND ARTIST STUDIOS, A
CONDOMINIUM, RECORDED ON _____, 2004 IN THE
OFFICE OF THE RECORDER OF DEEDS OF ALLEGHENY COUNTY,
PENNSYLVANIA IN PLAN BOOK VOLUME _____, PAGE _____**

**EXHIBIT D
TO
DECLARATION OF THE BLACKBIRD LOFTS AND ARTIST STUDIOS, A
CONDOMINIUM**

STREETFACE DESIGN GUIDELINES