

BYLAWS  
OF  
GREENHILL HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is GREENHILL HOMEOWNERS ASSOCIATION, hereinafter referred to as the "Association". The initial principal office of the corporation shall be located at 1200 Burning Bush Lane, West Chester, Pennsylvania, but meetings of Members and Directors may be held at such places within the State of Pennsylvania, County of Chester, as may be designated by the Executive Board.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to the Greenhill Homeowners Association, its successors and assigns.

Section 2. "Executive Board" shall mean and refer to the Executive Board of the Greenhill Homeowners Association.

Section 3. "Declaration" shall mean and refer to the Declaration of Covenants, Restrictions, Easements, Charges and Liens for Greenhill.

Section 4. "Lot" shall be synonymous with the term "Lot" as defined in Article I of the Declaration.

Section 6. "Member" shall mean and refer to all those Owners of Lots within Greenhill. Every Owner of a Lot within Greenhill shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot within Greenhill, but shall not mean or refer to any mortgagee or subsequent holder of any mortgage, unless or until such mortgagee or holder has acquired title pursuant to foreclosure or any procedure in lieu of foreclosure.

### ARTICLE III

#### MEETINGS OF MEMBERS

Section 1. Annual Meetings. Meetings of the Association shall be held at least once each year. The first annual meeting of the Members shall occur on the first Monday of April next following the termination of the period of Declarant control, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 8:00 o'clock p.m., unless an alternate date is chosen by the Executive Board. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday, or on such alternate date as may be chosen by the Executive Board.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President, by the Executive Board, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by

either hand delivery or first class, postage prepaid mailing such notice at least 10 days but not more than 60 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify (i) the place, day and hour of the meeting, and (ii) the items on the agenda, including the general nature of any proposed amendment to the Declaration of Bylaws, any budget or assessment changes, and any proposal to remove a Member of the Executive Board or an officer.

Section 4. Quorum. Except as otherwise specified in the Declaration for certain actions, the presence at the beginning of the meeting of Members entitled to cast, and/or of proxies entitled to cast, two-tenths (2/10) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation of the Association, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable only by giving actual notice of revocation to the person presiding over a meeting, and shall automatically cease upon conveyance by the Member of his Lot. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one year after its date unless it specifies a shorter term.

## ARTICLE IV

### EXECUTIVE BOARD; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by an Executive Board of five (5) Directors, two (2) of whom need not be Members of the Association, and at least three (3) of whom shall be Members. (Prior to the end of the period of Declarant control, none of the Directors need be Members.)

Section 2. Term of Office. At the first meeting after the end of the period of Declarant control of the Board, the Members shall elect one Director for a term of one year, two Directors for a term of two years and two Directors for a term of three years; and at each annual meeting thereafter, the Members shall elect a Director(s) for terms of three years to replace the Director(s) whose term is expiring. A Director may be re-elected.

Section 3. Removal. Any Director may be removed from the Executive Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## ARTICLE V

### NOMINATION AND ELECTION OF EXECUTIVE BOARD MEMBERS (DIRECTORS)

Section 1. Nomination. Nomination for election to the Executive Board may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee, if appointed by the Executive Board, shall be one Member of the Executive Board, and two or more Members of the Association. The Nominating Committee may be appointed by the Executive Board prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee may make as many nominations for election to the Executive Board as it shall in its discretion determine. Such nominations may be made from among Members or Non-Members, within the limits specified in Article IV, Section 1.

Section 2. Election. Election to the Executive Board shall be by secret written ballot. At such election, each Member or his proxy may cast, in respect to each vacancy, one vote. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI

### MEETINGS OF EXECUTIVE BOARD

Section 1. Regular Meetings. Regular meetings of the Executive Board shall be held without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Executive Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3. Waiver of Notice. The Executive Board, by unanimous written consent, may waive notice of any regular or special meeting.

Section 4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business by the Executive Board. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

## ARTICLE VII

### POWERS AND DUTIES OF THE EXECUTIVE BOARD

Section 1. Powers. The Executive Board shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Elements and Facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

(c) collect Assessments authorized in the Declaration and, on behalf of the Association, collect and remit to the Association Assessments authorized in the Declaration;

(d) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(e) declare the office of a Member of the Executive Board to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Executive Board; and

(f) employ a manager, an independent management company, or such other employees as they deem necessary, and to prescribe their duties.

The Board's powers as above specified may not be delegated, except that the powers specified in paragraph 1(c) may be delegated to the manager or management company employed by the Board as managing agent.

Section 2. Duties. It shall be the duty of the Executive Board:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration:

(1) fix the amount of the annual assessment against each Lot, generally at least thirty (30) days in advance of each annual assessment period, and fix any special assessments that are from time to time deemed necessary or desirable;

(2) send written notice of each annual assessment to every Owner subject thereto generally at least thirty (30) days in advance of each annual assessment period (provided, however, that failure to observe the time limits specified in subparagraphs (1) and (2) for filing the annual assessment and sending notice thereof shall not be deemed to invalidate any annual or special assessment); and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any Member, a certificate containing all of the applicable information set forth in Section 5407 of the Uniform Planned Community Act ("Act"), said certificate being herein known as a "Resale Certificate". A reasonable charge may be made by the Board for the issuance of Resale Certificates;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) carry out the Maintenance responsibilities set forth in the Declaration.

The Board's duties, as above specified, may not be delegated, except that the duties specified in paragraphs 2(a), 2(c), 2(d), 2(e), 2(f) and/or 2(g) may be delegated to the manager or management company employed by the Board as managing agent.



## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Executive Board, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Executive Board following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or be otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

**President**

(a) The President shall preside at all meetings of the Executive Board and of the Association; shall sign or co-sign all leases, mortgages, deeds and other written instruments and all checks and promissory notes.

**Vice-President**

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board. Any document, check or note not signed or co-signed by the President shall be signed or co-signed by the Vice-President.

**Secretary**

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and perform such other duties as required by the Board.

**Treasurer**

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Executive Board; keep proper

books of account; cause an annual review of the Association books to be made by a public accountant or other individual deemed by the Board to be qualified, at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

Section 9. Amendments to the Declaration. Any two officers of the Association, acting in concert, may prepare, execute, certify and record amendments to the Declaration on behalf of the Association, provided, however, that one of the two officers shall be either the President or Vice-President.

## ARTICLE IX

### COMMITTEES

The Executive Board may appoint a Nominating Committee, as provided in these Bylaws. In addition, the Executive Board may appoint other committees as deemed appropriate in carrying out its purpose; provided, however, that any such committee shall not be delegated any of the powers or duties of the Executive Board.

## ARTICLE X

### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable costs.

## ARTICLE XI

### ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by the continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate prescribed in the Declaration, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

## ARTICLE XII

### CORPORATE SEAL

The Association shall have a seal in circular form identifying the year and place of its incorporation.

## ARTICLE XIII

### AMENDMENTS

Section 2. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

Section 3. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV  
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the Directors of GREENHILL HOMEOWNERS ASSOCIATION, have hereunto set our hands this \_\_\_\_ day of \_\_\_\_\_, 1999.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of GREENHILL HOMEOWNERS ASSOCIATION, a Pennsylvania nonprofit corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Executive Board thereof, held on the \_\_\_\_ day of \_\_\_\_\_, 1999.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this \_\_\_\_ day of \_\_\_\_\_, 1999.

\_\_\_\_\_  
Secretary

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DECLARATION OF COVENANTS, RESTRICTIONS,  
EASEMENTS, CHARGES AND LIENS  
FOR GREENHILL,  
A PLANNED COMMUNITY

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THIS DECLARATION, made this 3<sup>rd</sup> day of March, 1998<sup>1999</sup>, by GREENHILL DEVELOPMENT CO., INC., hereafter referred to as "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant is the equitable owner by virtue of a certain Contract for Deed dated March 11, 1998 and recorded in the Chester County Recorder of Deeds Office in Volume , page , of real property referred to in Article II and more fully described in Exhibit "A" of this Declaration, and desires to develop thereon a planned residential community to be known as "GREENHILL" with Common Elements and Storm Water Management Facilities for the benefit of the said community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of said Common Elements and, to this end, desires to subject the real property referred to in Article II and described in Exhibit "A" of this Declaration, to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each subsequent owner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an entity to be known as "GREENHILL HOMEOWNERS ASSOCIATION" to which shall be delegated and assigned the powers of maintaining and administering the open space areas and other common facilities, administering and enforcing the covenants and restrictions and levying, collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated or intends to incorporate under the laws of the Commonwealth of Pennsylvania as a non-profit corporation the "GREENHILL HOMEOWNERS ASSOCIATION" for the purposes of exercising the functions aforesaid; and

WHEREAS, this Declaration is intended to be a master document governing the ownership and use of all of the Lots and Common Facilities which collectively constitute the Property, and of the Controlled Facilities which, together with the Common Facilities, constitute the Common Elements.

NOW THEREFORE, the Declarant declares that the real property referred to in Article II hereof and more particularly described in Exhibit "A" attached hereto and forming a part hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth. All the provisions of this Declaration shall, as to the Owners of the properties, Common Elements and Lots, their heirs, successors or assigns, operate as covenants running with the land for the benefit of each other and all other properties, Common Elements and Lots in the development and their respective owners and, as their interests are affected, the Municipalities.

## ARTICLE I Definitions

Section 1.1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Act" or "UPCA" shall mean and refer to the Pennsylvania Uniform Planned Community Act.

(b) "Association" shall mean and refer to the "GREENHILL HOMEOWNERS ASSOCIATION," its successors and assigns, organized under Section 5301 of the Act.

(c) "Common Elements" shall mean and refer to the Common Facilities and the Controlled Facilities.

(d) "Common Expense Liability" shall mean and refer to the liability for common expenses allocated to each unit in Section 4.2 of this Declaration.

(e) "Common Expenses" shall mean and refer to the expenditures made by, or the financial liabilities of, the Association, together with any allocations to reserves.



(f) "Common Facilities" shall mean and refer to those three (3) areas of land shown on the recorded subdivision plan of the Property which are not lotted, and including therein the open space and those portions of the Stormwater Management Facilities located in the open space designated as "Basin A" and "Basin B" (but not including roads, which are intended to be dedicated to the Municipality for public use). Said areas are designated as "open space" on the Plat of "GREENHILL" and described in Exhibit "B", attached hereto and made a part hereof, and intended to be devoted to the common use and enjoyment of the members of the Association as herein defined, and, except as hereinbelow specified, are not dedicated for use by the general public. The location and content of the Common Facilities may be modified by Declarant for so long as Declarant retains ownership of one or more Lots, provided that any such modification is approved by the Municipality and is in compliance with the Act. The Common Facilities will be conveyed by Declarant to the Association.

(g) "Controlled Facilities" shall mean and refer to those portions of the Stormwater Management Facilities that are not located within the open space area. The Controlled Facilities shall be maintained, improved, repaired and replaced by the Association, and may be modified by Declarant for so long as Declarant retains ownership of one or more Lots, provided that any such modification is approved by the Municipality and is in compliance with the Act.

(h) "Declarant" shall mean and refer to Greenhill Development Co., Inc., its successors and assigns, if such successors or assigns (i) should acquire more than one undeveloped Lot from the Declarant for the purpose of development, and (ii) succeeds (under §5304 of the Act) to any Special Declarant Rights, subject to the restriction of §5304 of the Act.

(i) "Executive Board" shall mean and refer to the Executive Board of the Association, which shall manage the Association's operations in compliance with, and subject to, the provisions of the Act.

(j) "Lot" shall mean and refer to any plot of land intended and subdivided for residential use, shown upon the recorded subdivision plan of the Property, but shall not include the Common Facilities as herein defined. There is presently a total of twenty-seven (27) Lots subject to this Declaration, consisting of Lots 1 through 27 inclusive as shown on the Final Plat of "GREENHILL" (the "Plat"), appended hereto as Exhibit "C." The total number of Lots and configuration thereof shall be subject to modification in the event that a revised Final Subdivision Plan is approved by the Municipality and properly recorded.

(k) "Member" shall mean and refer to all those owners who are members of the Association; every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

(l) "Municipality" shall mean and refer to the municipality within which the Property is located, being East Goshen Township, situate in Chester County, Pennsylvania.

(m) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, but shall not mean or refer to any mortgagee or subsequent holder of any mortgage, unless or until such mortgage or holder has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

(n) "Plat" shall mean and refer to the Plat which is attached hereto as Exhibit "C", based upon and including information from the Final Subdivision Plans of "GREENHILL," prepared by Pennoni & Associates, dated \_\_\_\_\_ and last revised \_\_\_\_\_, as the same may, however, be further revised in accordance with the Municipality's Ordinances, with any such revisions to be subject to approval by the Municipality.

(o) "Property" shall mean and refer to all lands, both Lots and Common Elements, which are described in Exhibit "A" or are hereafter made subject to this Declaration.

(p) "Storm Water Management Facilities" shall mean all of the land areas and improvements thereto within and adjacent to the Property devoted to the purposes of detaining, retaining, and/or controlling the volume and/or rate and/or the direction of storm water (including both Common Facilities located within the open space area of the Property, and Controlled Facilities located within certain of the Lots, including but not necessarily limited to berms, cisterns, detention basins, diversion terraces, drainage easements, energy dissipaters, infiltration structures, retaining walls, retention basins, sedimentation basins, seepage pits, seepage drenches, storm sewers, and swales. Without limiting the foregoing, the primary portions of the Storm Water Management Facilities consist of the two Storm Water Detention Basins designated as "Basin A" and "Basin B" within the open space areas as depicted on the Plat.

## ARTICLE II

### Property Subject to this Declaration; Name of the Community

Section 2.1. The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration is located in East Goshen Township, and is more particularly described in Exhibit "A", being the "GREENHILL TRACT" as shown on the Plat, and consisting of 25.7 acres, more or less.

Section 2.2. The name of the community to be developed within the Property is "GREENHILL", a planned community.

## ARTICLE III

### Description of Units and Common Elements

Section 3.1. The boundaries of each unit are coterminous with the boundaries of each Lot as depicted on the Plat. For purposes of this Declaration, a "unit" is synonymous with the term "Lot". The identifying number of each unit or Lot is set forth on the Plat appended hereto.

Section 3.2. The maximum number of units or Lots that may be created in GREENHILL is twenty-seven (27). No individual units may be further subdivided.

Section 3.3. A description of the Common Elements of the Community (including both Common Facilities and Controlled Facilities) is contained in Article I (Definitions). There are no Limited Common Facilities or Limited Controlled Facilities provided for under this Declaration. There are no time-share estates created under this Declaration.

Section 3.4 GREENHILL is not intended to be a flexible planned community as such term is contemplated under the Act. In particular, Declarant does not reserve any options to create additional units or Limited Common Elements or both, nor to convert Convertible Real Estate to Units, Common Elements, and/or Limited Common Elements within Convertible Real Estate, nor to add additional real estate to the Community, nor to withdraw withdrawable real estate from the Community.

## ARTICLE IV

### Membership and Voting Rights in the Association; Period of Declarant Control

Section 4.1. Membership. Every person who is an Owner (as defined in Article I) of any Lot which is subject by this Declaration to assessment by the Association shall

be a member of the Association. However, in the event that a member of the Association should lease his Lot to another person then, and only in that event, the lessee shall be entitled to all of the privileges of membership in the Association, except that the Owner will still be responsible for payment of all assessments and will still be entitled to the vote allotted to the particular Lot in question.

Section 4.2. Allocation of Voting Rights and Common Expense Liability. Each Lot is allocated one vote in the Association. The voting right allocated to each Lot is equal with respect to all twenty-seven (27) Lots. Likewise, each Lot, and the Owner thereof, is allocated an equal one twenty-seventh (1/27th) share of the liability for Common Expenses; provided, however, that if a Common Expense is caused by the negligence or misconduct of any Owner, the Association may assess such expense exclusively against his or her Lot.

Section 4.3. Period of Declarant Control. Notwithstanding the allocation of voting rights, as set forth in Section 4.2 above, there is hereby declared to be a period of Declarant control, which shall extend from the date of the first conveyance of a Lot to an Owner other than a Declarant, for a maximum of five years thereafter. During the period of Declarant control, the Declarant or persons designated by the Declarant shall appoint and remove the officers and members of the Executive Board of the Association.

(a) The period of Declarant control shall terminate no later than the earlier of:

(1) 60 days after conveyance of 75% of the Lots to Lot Owners other than a Declarant; or

(2) two years after all Declarants have ceased to offer Lots for sale in the ordinary course of business, whichever shall first occur.

(b) During the period of Declarant control, there shall be a transfer of control of the Executive Board as follows:

(1) not later than 60 days after the conveyance of the seventh (7th) Lot to a Lot Owner other than a Declarant, two of the five members of the Executive Board shall be elected by Lot Owners other than the Declarant;

(2) 60 days after the conveyance of the 21st Lot within the Community to a Lot Owner other than a Declarant, the period of Declarant control shall terminate, and all five members of the Executive Board shall thereafter be elected

by the Lot Owners as a whole (including the Declarant as a Lot Owner) in accordance with the allocation of voting rights set forth in Section 4.2 above.

## ARTICLE V Property Rights in the Common Facilities

Section 5.1. Members' Easements of Enjoyment. Subject to the provisions of Section 5.3 of this Article V, every member shall have a right and easement of enjoyment in and to the Common Facilities and such easement shall be appurtenant to and shall pass with the title to every Lot, and shall commence at the time of such member's acquisition of his or her lot whether or not title to the Common Facilities has been then conveyed to the Association. Such easement shall include the right of access to, ingress to and egress from the Common Facilities, the right to make reasonable passive recreational use of the Common Facilities, and the right to use drainage facilities and utilities placed within the Common Facilities and Controlled Facilities. A Lessee shall have all of the rights of this section belonging to the Owner of the Lot with the exception that they are not permitted to vote and are not required to pay any assessment since the vote and assessment remain with the Lot Owner.

Section 5.2. Title to Common Facilities. Declarant hereby covenants for itself, its successors and assigns, that it shall convey the Common Facilities by special warranty deed to the Association, free and clear of all liens and encumbrances, excepting mortgage encumbrances as may be provided for herein, existing building restrictions, ordinances, easements of roads, privileges or rights of public service companies as provided for herein, and any other restrictions or conditions existing of record not later than the termination of the period of Declarant control, as defined in Section 4.3 above.

Section 5.3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) the right of the Association in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Facilities and Controlled Facilities and, in aid thereof, to mortgage said Common Facilities and the rights of such mortgagee in said Common Facilities shall be subordinate to the rights of the Owners hereunder;

(b) the right of the Association to take such steps as are reasonably necessary to protect the Common Facilities against foreclosure;

(c) the right of the Association, as may be provided in its Articles and Bylaws, to suspend the enjoyment rights to recreational open spaces of any members for any period during which any such member's assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations.

(d) the right of the Association to charge reasonable admission and other fees for the use of any recreational facilities within the Common Facilities;

(e) the right of the Declarant, and of the Association, to grant and reserve easements and rights-of-way through, under, over and across the Common Facilities, for the installation, maintenance and inspection of the lines and appurtenances for access, ingress and egress, for public or private water, gas, electric, telephone, sewage, drainage, fuel oil, cable television, other utilities; provided, however, that such easements and rights-of-way will not be contrary to either (i) the Plan, or (ii) the purposes for which the Common Facilities can be utilized under the governing ordinances of the Municipality; and

(f) the right of the Association, contingent upon the prior written approval of the Municipality, to dedicate or transfer all or any part of the Common Facilities to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication and transfer or determination as to the purposes or conditions thereof shall be effective unless an instrument executed by the president of the Association and attested to by the secretary thereof certifies that after due notice in accordance with the Articles of Incorporation and Bylaws of the Association that two-thirds (2/3) of the persons present, in person or in proxy, approve such action; provided, however, that notwithstanding any such transfer, the Common Facilities are restricted to utilization as open space.

(g) the right of Declarant to reserve to itself, its successors and assigns, the right to obtain a water well site within the Common Facilities, together with access thereto, for the purpose of providing water service to the properties and/or adjacent properties falling within the service area of any public utility water company servicing the properties. Such site shall not exceed one acre, and any Common Facilities conveyed to the Association or other entity pursuant to this Declaration or otherwise shall be under and subject to this reservation; provided, however, this reservation shall not confer any right, claim or privilege to any public utility or party other than Declarant, or its successors.

(h) the free right and privilege of Declarant at all times hereafter to go upon the Common Facilities to construct, reconstruct, repair, renovate or correct any work heretofore or hereafter done by Declarant, her agents, servants, workmen or contractors.

(i) the free right and privilege of Declarant, its agents, servants, contractors, licensees and invitees to enter upon the Common Facilities at all times for purposes incident to the construction of the residential subdivision and the marketing of dwellings; including, without limitation, the right to complete all improvements denoted on the Plat and/or the Final Subdivision Plans, the right to maintain offices, models and signs, the right to use easements within and through the Common Facilities and Controlled Facilities, as more fully set forth hereinbelow.

(j) the absolute right of Declarant at any time until the conveyance of the last Lot to an Owner other than Declarant to modify the boundary lines of the individual Lots and the Common Facilities, provided, however, that any such change must first be approved by the Municipality. No individual owner shall be deemed to have a vested right in and to the area, content or location of the Common Facilities until the conveyance of the last lot to an owner other than Declarant, except that any such change shall not reduce the amount of the Common Facilities to less than the amount required under the applicable municipal ordinances.

## ARTICLE VI Covenant for Maintenance Assessments

### Section 6.1. Creation of the Lien and Personal Obligations of Assessments.

(a) The Declarant, for each Lot owned by it within the properties, hereby covenants and each subsequent Owner of any such Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided; and (3) special assessments for maintenance, restoration or repair as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as are hereinafter provided shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made, as more fully set forth in Section 5315 of the Act. Each such assessment, together with such interest thereon and costs of collection thereof as are hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

(b) Notification. The Owner of a Lot intending to sell the same shall notify the Executive Board as to his intent to sell the Lot so that the Resale Certificate required under Section 5407 of the Act may be prepared.

(c) Resale Certificate. Within ten (10) days of the receipt of such notification, the Board shall prepare a Resale Certificate which shall set forth all information required under Section 5407 of the Act. This certificate shall be mailed to the place designated by the Owner. No conveyance shall discharge the personal liability of the Owner for unpaid assessments or charges whether or not shown on such certificate. A reasonable fee shall be established from time to time for the cost of preparation of such certificate and shall be paid at the time of request for such certificate. The certificate shall be signed by an officer of the Association or by an employee of the Associates's management company. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as to any purchaser or mortgagee relying thereon in good faith as of the date of its issuance, but shall not relieve the Owner of personal liability.

#### Section 6.2. Purpose of Assessments.

(a) The Assessments levied by the Association shall be used exclusively for the purpose of paying the Common Expenses of the Association, including promoting the recreation, health, safety and welfare of the residents of the Property and in particular for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Storm Water Management Facilities, water supply, sanitary sewage collection, treatment and disposal facilities, recreational open spaces and other lands within the Common Facilities, including but not limited to, the payment of insurance thereon and maintenance, repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof, and for the costs of operation of the Association.

Section 6.3. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto and including water supply, sanitary sewage, Storm Water Management Facilities, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose.



Section 6.4. Notice and Quorum for Any Action Authorized Under Section 6.3. Written notice of any meeting called for the purpose of taking any action authorized under Section 6.3 shall be sent to all members not less than 14 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty percent (50%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6.5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly or other periodic basis; provided, however, that in the event that a Common Expense is caused by the negligence or misconduct of an Owner, or tenant or invitee of an Owner, the Association may assess such expense exclusively against such Owner's Lot.

Section 6.6. Effect of Nonpayment of Assessments: Remedies of the Association.

(a) Any assessment not paid within thirty (30) days after the due date shall be subject to such late charge as may be established by the Board, and shall also bear interest from the due date at the rate of twelve (12) percent per annum, unless a lesser rate is required by law, but then at the maximum rate permitted. The Association may bring an action at law against the Owner personally obligated to pay the same, or may foreclose the lien against the Lot, as set forth in §5315 of the Act, or both. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Facilities or abandonment of his Lot.

(b) Each Owner on becoming an owner of any Lot shall be deemed to covenant and agree to the enforcement of all assessments in the manner specified in this Declaration and in the Act. Each Owner agrees to pay reasonable attorneys' fees as established from time to time by the Board and costs incurred in the collection of any assessment against such Owner and/or his Lot, whether by suit or otherwise, or in enforcing compliance with or specific performance of the terms and conditions of this Declaration or other governing documents as against such Owner and/or his Lot.

(c) Any assessment installment not paid within thirty (30) days after the due date shall be delinquent. Thereupon, the Association may provide notice of such delinquency and may (a) declare the entire balance of such annual or special assessment due and payable in full; or (b) charge a late fee in an amount to be set by the Board;

or (c) upon registered or certified mail notice to the Owner, suspend the right of such Owner to vote and/or to use the recreational and other facilities until the assessment and accrued charges are paid in full; or (d) employ other remedies available at law or equity or, without limitation of the foregoing, including either of the following procedures:

(1) Enforcement by Suit. The Association may commence and maintain a suit by law against any Owner or Owners for such delinquent assessments as to which they are personally obligated. Any judgment rendered in any such action shall include the amount of the delinquency, together with late fees, interest thereon at the rate of twelve (12%) percent per annum from the date of delinquency, costs of collection, court costs and reasonable attorneys' fees in such amount as the Board has established from time to time. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien hereinafter provided for.

(2) Enforcement by Lien. Pursuant to §5315 of the Act, there is hereby created and perfected a claim of lien, with power of sale, on each and every Lot to secure payment to the Association of any and all assessments levied against any and all Owners of such Lots pursuant to this Declaration, together with late fees, interest thereon as provided for by this Section, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees, as may from time to time be established by the Board. At any time after the occurrence of any delinquency in the payment of any such assessment, the Association, or an authorized representative thereof, may make a written demand for payment to the delinquent Owner. Said demand shall state the date and amount of the delinquency. Each delinquency shall constitute a separate basis for a demand or claim or lien, but any number of defaults may be included within a single demand or claim or lien on account of prior delinquencies shall be deemed to include subsequent delinquencies and accounts due on account thereof. If such delinquency is not paid within ten (10) days after delivery of such demand, the Association, or its duly authorized representative, may thereafter elect to commence foreclosure or other enforcement action in court, as set forth in §5315 of the Act. The Board is hereby authorized to appoint any attorney or any officer or director of the Association for the purpose of conducting such proceeding.

(c) All remedies provided herein or in the Act are cumulative.

Section 6.7. Lien Priority and Divestiture. The priority of any lien for assessments authorized hereunder or by the Act, shall have such priority as against any and all other liens on a Lot, as is set forth in §5315 of the Act. Any such lien shall be subject to divestiture only as set forth in §5315 of the Act.

Section 6.8 Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein; all Common Facilities as defined in Article I, Section I hereof. Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

## ARTICLE VII Restrictions on Common Facilities

Section 7.1. Uses. The Common Facilities shall be used for only the following purposes: utilities (including without limitation water supply and sanitary sewage collection, treatment and disposal facilities), and Storm Water Management Facilities, resource conservation, flood plain conservation, and active or passive recreational purposes. No other use shall be permitted in the Common Facilities, except that "tot lot" or similar play area may be located therein at a location designated by Declarant or the Board.

Section 7.2. Subdivision of Common Facilities. There shall be no further subdivision of the Common Facilities, except for Declarant's right to adjust or modify lot line boundaries as specified in Article V, Section 5.3(j).

Section 7.3. Landscaping and Planting. No individual landscaping, gardening or planting shall be permitted in the Common Areas, except that landscaping, gardening or planting which is approved by the Association in accordance with its Articles and Bylaws.

Section 7.4. Trees. No trees, except dead or diseased trees, shall be cut except when approved by the Association in accordance with its Articles and Bylaws.

Section 7.5. Fences. No fences shall be erected on the open space, except those approved by the Association in accordance with its Articles and Bylaws.

Section 7.6. Easements. Perpetual easements for the installation and maintenance of sewer, water, gas, electric, telephone, fuel oil, cable television, and Storm Water Management Facilities for the benefit of the adjoining landowners and/or the municipality and/or municipal or private utility companies ultimately operating such facilities, are reserved. Also, easements in general in and over each Lot for the installation of such facilities are similarly reserved. No buildings or structures shall be erected within the easement areas occupied by such facilities. In addition, all Owners shall have temporary easements (until acceptance of dedication by the Municipality) over all the roadways as shown on the Plat.

ARTICLE VIII  
Maintenance of Common Facilities and  
Controlled Storm Water Management Facilities

Section 8.1. Maintenance Responsibility. The maintenance of the Common Facilities and Controlled Storm Water Management Facilities shall be the responsibility of the Declarant until such time as the initial Common Expense assessment is made. Thereafter the maintenance of the Common Facilities and Controlled Storm Water Management Facilities shall be the responsibility of the Association. Maintenance shall include, but is not limited to, Storm Water Management Facilities maintenance and repair, lawn care, liability insurance, landscaping and planting, construction of any kind and anything else associated with the use and enjoyment of the Common Facilities and Controlled Facilities by the Owners.

ARTICLE IX  
Effect of Non-Maintenance of  
Common Facilities and Controlled Facilities by Association

Section 9.1. Right of Municipality. In the event that Declarant or the Association neglects the maintenance of or repair to the Common Elements (including both Common Facilities and Controlled Facilities), as provided for in Article VIII hereof, the Municipality shall have the right, but not the obligation, to provide for the maintenance of or repair to the Common Elements, and the costs thereof shall be assessed equally among the Owners. The assessment shall be a charge of the Lots and shall be a continuing lien upon the Lots. The Municipality, before it may exercise the above-mentioned rights, shall notify the Board of Directors of the Association by certified mail of its intention to do so. The notice to the Board of Directors of the Association shall specifically set forth in what manner the Association has neglected the maintenance of or repair to the Common Elements. If the Association fails to correct or repair the items listed in the notice, within thirty (30) days thereafter the Municipality may exercise its above-mentioned rights.

Section 9.2. In the event that the Association is abandoned or abolished, or otherwise ceases to exist, or the Association proposes to dispose of the Common Facilities as provided herein, such Common Facilities shall first be offered for dedication to the Municipality, at no cost to the Municipality, before any other steps are taken in conformity with these Covenants and Restrictions.

## ARTICLE X General Restrictions

Section 10.1. Compliance with Final Plan. No use of any Lot shall be made which is contrary to the Final Plan approved by the Municipality, as provided for in the relevant provisions of the Municipality Zoning Ordinances, or such changes or amendment to such plan as may from time to time be properly approved by the Municipality. Each Owner shall be bound by all provisions of such Plans, whether or not recorded, including but not limited to all Notes shown thereon.

Section 10.2. Lot Size. No Lot shall be subdivided, partitioned, changed or reduced in size except that the Declarant reserves the right to itself, its successors or assigns, to modify the final plan in accordance with the proper consent and approval of the Municipality.

Section 10.3. Except as to construction to be performed by Declarant or any Successor Declarants hereunder, no construction, including excavation or site preparation, shall begin upon any Lot, residence or accessory building nor any major alterations made to the exterior of any existing building, until the plans and specifications showing size, shape, floor plans, materials, colors, location, elevations and disposition of fill shall have been submitted to and approved by the Declarant, or its successors in title until Declarant shall no longer own any Lots within GREENHILL, or December 31, 2001, whichever shall first occur. All such plans shall have been prepared by and bear the seal of a registered architect or engineer. The intent of such approval is to insure that all structures at GREENHILL shall exist in general harmony and character with each other and the topography, vegetation and other features.

Section 10.4. The following uses and improvements are prohibited or restricted unless hereinafter specifically permitted with the prior approval of the Declarant or the Association.

a. No fence, hedge or other continuous obstruction or barrier of like nature shall be erected or maintained unless approved and agreed to by Declarant, or by the Executive Board or an Architectural Control Committee appointed by the Board. Approval shall not be unreasonably withheld, consistent with preservation of aesthetics within the community.

b. No outside or free-standing TV, radio, short wave or similar aerial or antenna shall be erected or maintained, unless approved and agreed to by Declarant, or by the Executive Board or an Architectural Control Committee appointed by the Board. Approval shall not be unreasonably withheld, consistent with preservation of

aesthetics within the community; provided, however, that no satellite dish antenna shall exceed 18 inches in diameter.

c. No trailer, tent, recreational vehicle, outbuilding or structure of a temporary nature shall be used as a residence and no unused vehicle or equipment and no trailer, recreational vehicle or boat shall be parked or stored on any Lot.

d. No commercial or business type vehicle or equipment shall be parked on the Lot except when performing work or making a delivery.

e. No fowl shall be raised or kept and no kennel for the breeding or boarding of dogs shall be erected or maintained on any Lot, nor shall any large animal be housed, raised or otherwise maintained on any Lot.

f. No portion of the Property shall be used or maintained as a dumping ground for rubbish, trash, new or used lumber or wood, metal scrap, garbage or other waste, except that such material may be kept on the Unit or in areas of the Property designated for this purpose by the Declarant (in connection with its construction), or by the Executive Board, provided that these materials are kept in sanitary containers in a clean and sanitary condition. Unit Owners shall place these containers for collection only in the designated areas, and only on the day these refuse materials are to be collected. Empty containers shall be removed promptly after collection.

g. No Unit Owner or occupant shall leave any non-operating vehicle, any vehicle not currently registered and licensed, or any vehicle having an invalid and expired state motor vehicle inspection sticker on or about the Property, except if entirely enclosed in a garage.

h. No above-ground swimming pools may be erected or installed on any Unit.

i. No tents, storage tanks or accessory buildings or structures shall be erected or permitted to remain on a Lot, except with the prior written approval of the Executive Board or an architectural control committee appointed by the Board.

Section 10.5. No dwelling house shall be erected on any Lot which shall be designed for occupancy by more than a single family; however, this shall not prohibit quarters for domestic service. On any Lot only one dwelling house shall be permitted.

Section 10.6. Construction of any dwelling or other permitted building must be completed within one (1) year of the date of ground breaking. Whether or not occupied, Lots must be kept in neat and proper condition at all times with respect to mowing of grass and other external care.

Section 10.7. It shall be the duty of every Lot Owner abutting a road right-of-way within GREENHILL to be responsible for the proper seeding, care and maintenance of the lands (a) lying between the portion of that Owner's property line which abuts such right-of-way and the cartway lying within such right-of-way and (b) lying within any drainage swale, drainage easement area or other drainage facility. In performing this duty, the Owners shall not obstruct or make any use of such area which is detrimental to or inconsistent with the proper use of the right-of-way.

Section 10.8. The use of motorbikes, mini-bikes or similar unlicensed motorized devices shall not be permitted in GREENHILL except duly licensed motorcycles may be used on the roads for the purpose of normal transportation to and from the Lots.

Section 10.9. No grading, landscaping or excavation or driveway installation shall be constructed on any Lot in a manner that burdens, damages or interferes with drainage along, across or under the road right-of-way, or which interferes with any on-Lot drainage swales, pipes, berms, basins or other drainage facilities of any type.

Each Lot Owner shall further protect and refrain from damaging or causing any defect in any on-lot drainage swales, pipes, berms, basin or other Storm Water Management Facilities of any type, and failure to so protect and refrain from damaging shall constitute a violation of such Lot Owner's duties to the Homeowners' Association and to the Municipality under and pursuant to the approved subdivision plan for GREENHILL. The Homeowners' Association shall have the right to enter upon any Lot for the purpose of effecting repairs or rebuilding of any damaged drainage facility, and to assess the cost thereof against the Owner of such Lot, and to enforce such assessment in accordance with the provisions of Section 6.6 of Article VI.

Section 10.10. All restrictions provided for herein shall be in addition to any restrictions contained in Municipal ordinances, rules or regulations, and in all events, in the case of conflict between such rules and regulations and the Restrictions provided for herein, the most stringent of the two shall apply.

Section 10.11. Grading. Each Owner who intends to construct any dwelling or structure on his Lot shall prepare a grading plan therefor in conformance with all applicable soil and erosion control laws, ordinances and standards. Said plan shall be

filed with Declarant. Owner shall be solely responsible for the implementation, and shall implement said plan.

Section 10.12. Reasonable planting and landscaping consistent with surrounding properties and the nature of the subject Lot and improvements shall be planted and maintained as soon as possible after completion of the improvements on the Lot, consistent with the appropriate planting season, but in no event later than nine (9) months from such completion.

## ARTICLE XI Retention of Special Declarant Rights

Section 11.1 Declarant retains, for a period ending two (2) years after the sale by Declarant of the last Lot, an easement to enter upon each Lot to perform any corrective grading deemed necessary or desirable by Declarant; the Homeowners' Association and the Municipality shall each have the same easement, perpetually.

Section 11.2 Declarant retains the sole right to subject any portion of the planned community to an easement or license in favor of any real estate not included in GREENHILL, or in favor of any person who is not an Owner or occupant of a Lot in the Community, until such time as the termination of the period of Declarant control. In such event, in exercising any such right, the use and enjoyment of any Lot by the Lot Owner shall not be adversely affected by the easement rights, nor shall there be any adverse impact on the budget of the Association.

Section 11.3 Declarant reserves the right to maintain offices and models within the Common Facilities portions of the Community and/or individual Lots within the Community, in connection with the management of and/or sale or rental of Lots or units owned by the Declarant. There shall be not more than two (2) model homes at any one time, each of which shall be a single family dwelling, comparable in size to the dwellings to be constructed on the individual Lots. Model homes may be placed on any Lot. Temporary sales trailers and/or construction trailers and/or equipment trailers may be placed anywhere within the Common Facilities portions of the planned community, and/or within individual Lots. These rights shall be retained for so long as the Declarant retains ownership of any one or more Lots within the Community.

Section 11.4 Declarant retains the right to maintain signs in any one or more of the Lots in the Community, as well as on the Common Facilities thereof, advertising Lots or units in the Community for sale or lease.



Section 11.5 Until the termination of the period of Declarant control, Declarant retains the right to appoint or remove all officers of the Association and/or members of the Executive Board, subject to the limitations set forth hereinabove and in the Act.

## ARTICLE XII General Provisions

Section 12.1. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns and each of the respective Municipality, perpetually. This Declaration, including the Plat, may be amended only by the affirmative votes (in person or by proxy) or written consent of members representing two-thirds (2/3) of the total voting power of the Association, and approved in writing by the Municipality, except as otherwise specified below or in the Act. Any amendment must be recorded in the Chester County Recorder of Deeds Office.

Section 12.2. Exceptions to General Amendment Process. Notwithstanding the provisions of Section 12.1 above, the following exceptions to the general amendment process shall apply:

- a. unanimous consent or joinder of the Declarant shall be required for all circumstances set forth in §5219(d) of the Act;
- b. amendments may be executed by Declarant under all circumstances set forth in §5219(a)(3)(i) of the Act;
- c. amendments may be executed by the Association under all circumstances set forth in §5219(a)(3)(ii) of the Act;
- d. amendments may be executed by certain unit Owners under all circumstances set forth in §5219(a)(3)(iii) of the Act.

Section 12.3. Recordation of Amendments. Every Amendment to this Declaration must be recorded in the Recorder of Deeds Office of Chester County, Pennsylvania in order to become effective.

Section 12.4. Technical Corrections. The Executive Board may effect an appropriate corrective amendment without the approval of the unit Owners or the

holders of liens, in accordance with the authorization and procedures set forth in §5219(f) of the Act.

Section 12.5. Recording Data for Easements and Licenses. The following recorded easements and licenses affect GREENHILL:

a. Rights granted to public utility companies in Misc. Deed Books 114, page 589; 343 page 78 and Record Book 3279 page 134.

b. Right of Way Agreement as in Misc. Deed Book 160, page 1088 and Record Book 2364, page 261.

c. That part of premises in question in the beds of Morstein Road and Greenhill Road is subject to the public and private rights therein.

d. Notes, Utility and Open Space Easements, Culbertson Circle and Mercer Circle, Conditions and Building Set-Back Lines as shown on Plan for Greenhill Road Subdivision dated 1/7/1997, revised 1/29/1997 and recorded in Plan File #

e. Notice of Condemnation as in Misc. Deed book 179, page 291.

f. Stream of water flows through premises; rights of others therein.

g. Driveway for benefit of properties to the east encroaches upon premises (lot 28 - Natural Open Space). Company assumes no liability by reason thereof.

h. U.S. Route 202 - L.R. 1042, is a limited access highway; right of ingress, egress and regress is not insured.

i. Slope and drainage requirements of the Pennsylvania Department of Transportation.

j. Rights of PennDOT to maintain slopes, cuts, embankments as well as the right to appropriate abutting lands necessary for ramps, maintenance sheds, tunnels and for all other purposes and facilities necessary.

Section 12.6. Indemnification of Officers, Executive Board and Committee Members. The Association shall indemnify every Executive Board member, officer and committee member, his heirs, executors and administrators, against all loss, cost and expenses, including attorneys' fees, reasonably incurred by him in connection with any

action, suit or proceeding to which he may be made a party by reason of his being, or having been, an Executive Board member, officer or committee member, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding, to be liable for gross negligence or wilful misconduct. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason, or arising out of or in connection with, this indemnification provision shall be treated by the Association as common expenses.

Section 12.7. Notices. Any notice required to be sent shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as a member of Owner on the records of the Association at the time of such mailing.

Section 12.8. Enforcement. Enforcement of these covenants and restrictions shall be by and proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages and against the land to enforce any lien created by these covenants; and failure by the Association or Municipality or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 12.9. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect the validity of any other provisions, which shall remain in full force and effect.

IN WITNESS WHEREOF, the said Declarant, by its duly authorized officer,  
has executed this Declaration this 3<sup>rd</sup> day of March, 1998.  
1999

GREENHILL DEVELOPMENT CO., INC.

Attest:

[Signature]  
Notary

By:

[Signature]  
Pres.

COMMONWEALTH OF PENNSYLVANIA:

: ss

COUNTY OF CHESTER

:

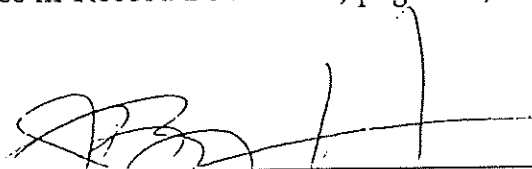
On this 3<sup>rd</sup> day of March, <sup>1999</sup>~~1998~~, before me, the undersigned officer,  
personally appeared James B. Brandolini, who acknowledged himself to be the President  
of Greenhill Development Co., Inc., and that he, as such President, being authorized  
to do so, executed the foregoing instrument, for the purposes therein contained.

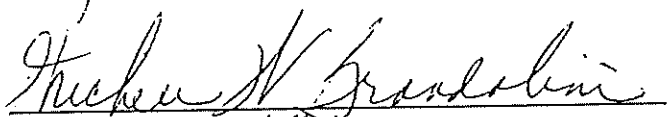
[Signature]  
Notary Public

Notarial Seal  
Ruth O'Connor Notary Public  
Radnor Township, Delaware County  
My Commission Expires Sept. 28, 2000

JOINDER

JAMES B. BRANDOLINI and MICHELE W. BRANDOLINI, title owners of the Property subject to this Declaration under and by virtue of Deed recorded in the Chester County Recorder of Deeds Office in Record Book 4144, page 927, hereby join in the within Declaration.

  
James B. Brandolini

  
Michele W. Brandolini

COMMONWEALTH OF PENNSYLVANIA:

: ss

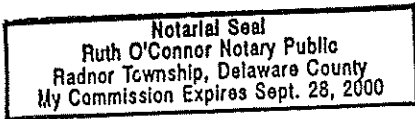
COUNTY OF CHESTER

:

On this 3rd day of March, <sup>1999</sup>~~1998~~, before me, the undersigned officer, personally appeared James B. Brandolini and Michele W. Brandolini, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

  
Notary Public



## LIST OF EXHIBITS

- A - Description of the Property
- B - Description of Common Facilities
- C - Plat



GREENHILL ROAD  
LEGAL DESCRIPTION  
EAST GOSHEN TOWNSHIP, CHESTER COUNTY, PENNSYLVANIA

All that certain lot or tract of ground situated in the Township of East Goshen Township, Chester County Pennsylvania, and being more particularly shown on a Subdivision Plan by Pennoni Associates Inc., Job Number BRNJ-94F4.002.01, dated 1/7/97, revised 1/29/97, entitled, "Greenhill Road Subdivision", as follows:


Beginning at a Point in the northerly right-of-way line of Greenhill Road (SR 2018), said point also being on a line common with West Goshen Township;

- THENCE ( 1 ) Leaving said northerly right-of-way line and along lines common to lands now or formerly Anthony and Carole Janiec, and along the West Goshen Township line, N 25°18'26" W, 58.07 feet to a point;
- THENCE ( 2 ) Continuing along same, N 74°03'34" E, 4.90 feet to a point;
- THENCE ( 3 ) Continuing along same, N 25°45'56" W, 1134.57 feet to a point;
- THENCE ( 4 ) Along the westerly right-of-way line of US Route 202 (L.R. 1042), N 18°53'53" E, 85.04 feet to a point of curvature;
- THENCE ( 5 ) Continuing along same, along a curve concave to the west having a radius of 2009.86 feet, an arc length of 62.47 feet and a chord which bears, N 18°00'28" E, to a point;
- THENCE ( 6 ) Continuing along same, N 72°01'11" W, 18.34 feet;
- THENCE ( 7 ) Continuing along same, along a curve concave to the west having a radius of 2090.08 feet, an arc length of 656.54 feet and a chord which bears, N 08°58'53" E, to a point;
- THENCE ( 8 ) S 89°58'56" W, along a curve concave to the west having a radius of 2060.08 feet, an arc length of 215.71 feet and a chord which bears, N 03°01'02" W, to a point;
- THENCE ( 9 ) Continuing along same, S 83°58'59" W, 25.00 feet to a point;
- THENCE ( 10 ) Continuing along same, along a curve concave to the west having a radius of 2035.08 feet, a arc length of 599.28 feet and a chord which bears, N 14°50'39" W, to a point in the southerly right-of-way line of Morstein Road (60 feet wide);
- THENCE ( 11 ) Continuing along said southerly line of Morstein Road, N 62°42'26" E, 174.41 feet to a point;



- THENCE ( 12 ) Leaving said southerly right-of-way line of Morstein Road and along a line common to lands now or formerly of Gilford and Lena Roy, S 26°50'06" E, 353.54 feet to a point;
- THENCE ( 13 ) Continuing along same, N 63°09'54" E, 119.87 feet to a point;
- THENCE ( 14 ) Along a line common to lands now or formerly Russell H. Holmes, S 26°50'06" E, 633.37 feet to a point;
- THENCE ( 15 ) Continuing along lands now or formerly Kevin and Regina Louge, S 09°33'46" E, 255.47 feet to a point;
- THENCE ( 16 ) Along a line common to lands now or formerly Paul and Regina Camplone, S 63°43'24" W, 223.92 feet to a point;
- THENCE ( 17 ) S 26°16'36" E, 562.10 feet along lands now or formerly Paul and Regina Camplone;
- THENCE ( 18 ) Along a line common to lands now or formerly Dale and Debra Gentile, S 66°00'04" W, 335.05 feet;
- THENCE ( 19 ) Continuing along lands now or formerly Dale and Debra Gentile and lands now or formerly Donald L. Millard, S 23°57'06" E, 589.52 feet;
- THENCE ( 20 ) Along lands now or formerly Donald L. Millard, N 66°02'54" E, 15.47 feet to a point;
- THENCE ( 21 ) Along lands now or formerly William and Jane Beck, S 23°57'06" E, 274.73 feet to a point, being the aforesaid northerly right-of-way line of Greenhill Road;
- THENCE ( 22 ) Along said northerly line of Greenhill Road, S 66°59'53" W, 171.89 feet to a point;
- THENCE ( 23 ) Continuing along same, N 23°00'07" W, 20.00 feet to a point;
- THENCE ( 24 ) Continuing along same, S 66°59'53" W, 50.00 feet to a point;
- THENCE ( 25 ) Continuing along same, S 23°00'07" E, 20.00 feet to a point;
- THENCE ( 26 ) Continuing along same, S 66°59'53" W, 98.28 feet to the Point of Beginning.

Said Parcel Containing 25.4185 acres of land, more or less.

 3/2/99



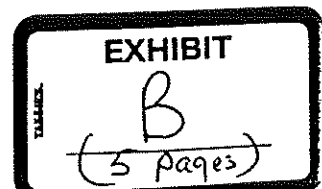


GREENHILL ROAD  
LEGAL DESCRIPTION  
LOT 28 NATURAL OPEN SPACE AREA  
EAST GOSHEN TOWNSHIP, CHESTER COUNTY, PENNSYLVANIA

All that certain lot or tract of ground situated in the Township of East Goshen Township, Chester County Pennsylvania, and being more particularly shown on a Subdivision Plan by Pennoni Associates Inc., Job Number BRNJ-94F4.002.01, dated 1/7/97, revised 1/29/97, entitled, "Greenhill Road Subdivision", as follows:

Beginning at a Point in the southerly right-of-way line of Morstein Road (60 feet wide), said point being common to the easterly right-of-way line of U.S. Route 202 (L.R. 1042);

- THENCE ( 1 ) Along said southerly line of Morstein Road, N 62°42'26" E, 47.98 feet to a point;
- THENCE ( 2 ) Leaving said southerly right-of-way line and along the westerly right-of-way line of Mercer Circle (40 feet wide) the following seven (7) courses and distances;
- THENCE ( 3 ) Along a curve concave to the southwest having a radius of 27.50 feet, an arc length of 18.30 feet and a central angle of 38°07'26" to a point of tangency;
- THENCE ( 4 ) S 26°54'50" e, 68.58 feet to a point of curvature;
- THENCE ( 5 ) Along a curve concave to the west having a radius of 280.00 feet and an arc length of 92.02 feet to a point of tangency;
- THENCE ( 6 ) S 08°05'04" E, 59.56 feet to a point of curvature;
- THENCE ( 7 ) Along a curve concave to the east having a radius of 320.00 feet and an arc length of 199.76 feet to a point of tangency;
- THENCE ( 8 ) S 43°51'06" E, 145.15 feet to a point of curvature;
- THENCE ( 9 ) Along a curve concave to the southwest having a radius of 480.00 feet and an arc length of 103.98 feet to a point;
- THENCE ( 10 ) Leaving said westerly right-of-way line of Mercer Circle and along lands common to Lot 27 as shown on the aforementioned Subdivision Plan, S 57°32'44" W, 153.03 feet to a point;
- THENCE ( 11 ) Continuing along same, S 02°41'25" E, 263.15 feet to a point;
- THENCE ( 12 ) Along a line common to Lot 25, S 26°19'56" E, 249.55 feet to a point;





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- THENCE ( 13 ) Continuing along same, N 19°01'55" E, 242.89 feet to a point in the southerly right-of-way line of Mercer Circle;
- THENCE ( 14 ) Along said right-of-way line of Mercer Circle along a curve concave to the northeast having a radius of 60.00 feet and an arc length of 20.09 feet to a point;
- THENCE ( 15 ) Leaving said southerly right-of-way line of Mercer Circle and along a line common to Lot 24, S 19°01'55" W, 241.77 feet to a point;
- THENCE ( 16 ) Continuing along same, N 76°54'44" E, 167.78 feet to a point;
- THENCE ( 17 ) Along a line common to lands now or formerly Paul and Regina Camplone, S 26°16'36" E, 562.10 feet to a point;
- THENCE ( 18 ) Along lands now or formerly Dale and Debra Gentile, S 66°00'04" W, 168.37 feet to a point;
- THENCE ( 19 ) Along a line common to Lots 9 and 10, N 23°59'56" W, 391.92 feet to a point;
- THENCE ( 20 ) Along a line common to Lot 9, S 27°15'07" W, 236.30 feet to a point in the northerly right-of-way line of Culbertson Circle;
- THENCE ( 21 ) Along a curve concave to the southwest having a radius of 60 feet and an arc length of 20.09 feet to a point;
- THENCE ( 22 ) Leaving said northerly right-of-way line of Culbertson Circle and along a line common to Lot 8, N 27°15'07" E, 227.84 feet to a point;
- THENCE ( 23 ) Continuing along same, S 86°31'24" W, 219.09 feet to a point;
- THENCE ( 24 ) Along a line common to Lot 7, S 51°09'36" W, 164.40 feet to a point in the aforementioned easterly right-of-way line of US Route 202;
- THENCE ( 25 ) Along said easterly right-of-way line of US Route 202 the following five (5) courses and distances;
- THENCE ( 26 ) Along a curve concave to the west having a radius of 2090.08 feet, an arc length of 656.54 feet and a chord which bears, N 08°58'53" E, to a point;
- THENCE ( 27 ) S 89°58'56" W, 30.00 feet to a point;
- THENCE ( 28 ) Along a curve concave to the west having a radius of 2060.08 feet, an arc length of 215.71 feet and a chord which bears, N 03°01'02" W, to a point;
- THENCE ( 29 ) S 83°58'59" W, 25.00 feet to a point;



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THENCE ( 30 ) Along a curve concave to the west having a radius of 2035.08 feet, an arc length of 627.06 feet and a chord which bears, N 14°50'39" W, to the Point of Beginning.

Said Parcel Containing 5.9743 acres of land, more or less.

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February 25, 1999

GREENHILL ROAD  
LEGAL DESCRIPTION  
LOT 29 NATURAL OPEN SPACE AREA  
EAST GOSHEN TOWNSHIP, CHESTER COUNTY, PENNSYLVANIA

All that certain lot or tract of ground situated in the Township of East Goshen Township, Chester County Pennsylvania, and being more particularly shown on a Subdivision Plan by Pennoni Associates Inc., Job Number BRNJ-94F4.002.01, dated 1/7/97, revised 1/29/97, entitled, "Greenhill Road Subdivision", as follows:

Beginning at a Point at the end of a curve which connects the easterly right-of-way line of Mercer Circle (40 feet wide) with the southerly right-of-way line of Morstein Road (60 feet wide);

- THENCE ( 1 ) Along said southerly right-of-way line of Morstein Road, N 62°42'26" E, 74.93 feet to a point;
- THENCE ( 2 ) Leaving said southerly right-of-way line of Morstein Road and along a line common to lands now or formerly Gilford and Lena Roy, S 26°50'06" E, 353.54 feet to a point;
- THENCE ( 3 ) Along a line common to Lot 17, as shown on the aforementioned Subdivision Plan, S 56°30'37" W, 130.43 feet to a point in the easterly right-of-way line of Mercer Circle (40 feet wide);
- THENCE ( 4 ) Along said easterly right-of-way line of Mercer Circle the following five (5) courses and distances;
- THENCE ( 5 ) Along a curve concave to the east having a radius of 280.00 feet and an arc length of 104.14 feet to a point of tangency;
- THENCE ( 6 ) N 08°05'04" W, 59.56 feet to a point of curvature;
- THENCE ( 7 ) Along a curve concave to the west having a radius of 320.00 feet and an arc length of 105.16 feet to a point of tangency;
- THENCE ( 8 ) N 26°54'50" W, 69.21 feet to a point;
- THENCE ( 9 ) Along a curve concave to the east having a radius of 27.50 feet and an arc length of 17.93 feet and a central angle of 37°21'03" to the Point of Beginning.

Said Parcel Containing 36,484 square feet of land, more or less.



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February 25, 1999

GREENHILL ROAD  
LEGAL DESCRIPTION  
STORM WATER BASIN "A" (ALSO KNOWN AS LOT 30) OPEN SPACE  
EAST GOSHEN TOWNSHIP, CHESTER COUNTY, PENNSYLVANIA

All that certain lot or tract of ground situated in the Township of East Goshen Township, Chester County Pennsylvania, and being more particularly shown on a Subdivision Plan by Pennoni Associates Inc., Job Number BRNJ-94F4.002.01, dated 1/7/97, revised 1/29/97, entitled, "Greenhill Road Subdivision", as follows:

Beginning at a Point in the northerly right-of-way line of Greenhill Road (SR 2018) (variable width), said point also being on a line common to West Goshen Township;

- THENCE ( 1 ) Leaving said northerly right-of-way line of Green Hill Road and along lines common to lands now or formerly Anthony and Carole Janiec, and along the West Goshen Township line, N 25°18'26" W, 58.07 feet to a point;
- THENCE ( 2 ) Continuing along same, N 74°03'34" E, 4.90 feet to a point;
- THENCE ( 3 ) Continuing along same, N 25°45'56" W, 169.94 feet to a point;
- THENCE ( 4 ) Leaving said line and along a line common to Lot 1, as shown on the aforementioned Subdivision Plan, N 64°14'04" E, 133.12 feet to a point being in the westerly right-of-way line of Culbertson Circle (40 feet wide);
- THENCE ( 5 ) Along said right-of-way line, S 25°45'56" E, 211.66 feet to a point;
- THENCE ( 6 ) Along the northerly right-of-way line of the aforementioned Greenhill Road, S 66°59'53" W, 39.24 feet to a point;
- THENCE ( 7 ) Continuing along same, S 23°00'07" E, 20.00 feet to a point;
- THENCE ( 8 ) Continuing along same, S 66°59'53" W, 98.28 feet to the Point of Beginning.

Said Parcel Containing 30,153 square feet of land, more or less.

Every Prospective Purchaser Should Read This  
Document Carefully for His or Her Own Protection

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PUBLIC OFFERING STATEMENT

FOR

GREENHILL  
A PLANNED COMMUNITY

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NAME OF PLANNED COMMUNITY: GREENHILL

LOCATION OF COMMUNITY: North side of Greenhill Road  
and South Side of Morstein Road  
East Goshen Township  
Chester County, Pennsylvania

NAME AND ADDRESS OF DECLARANT: J.B. BRANDOLINI, INC.  
1200 Burning Bush Lane  
West Chester, PA 19380

EFFECTIVE DATE OF PUBLIC OFFERING STATEMENT: February 15, 1999  
AMENDED:

EVERY PROSPECTIVE PURCHASER OF A LOT AND/OR A NEW HOME TO BE  
CONSTRUCTED THEREON WITHIN GREENHILL IS HEREBY NOTIFIED AS FOLLOWS:

(i) WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF THIS PUBLIC OFFERING  
STATEMENT, OR OF AN AMENDMENT TO THIS PUBLIC OFFERING STATEMENT THAT  
MATERIALLY AND ADVERSELY AFFECTS THE RIGHTS OR OBLIGATIONS OF THE  
PURCHASER, THE PURCHASER, BEFORE CONVEYANCE, MAY CANCEL ANY CONTRACT  
FOR THE PURCHASE OF A LOT AND/OR A NEW HOME TO BE CONSTRUCTED THEREON  
(A "UNIT") FROM A DECLARANT OR A SUCCESSOR TO DECLARANT.

(ii) IF A DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT AND  
ANY AMENDMENTS THERETO TO A PURCHASER BEFORE CONVEYING A UNIT, THE  
PURCHASER MAY RECOVER FROM THE DECLARANT DAMAGES AS PROVIDED IN  
SECTION 5406(c) OF THE PENNSYLVANIA UNIFORM PLANNED COMMUNITY ACT ("ACT")  
(RELATING TO PURCHASER'S RIGHT TO CANCEL).

(iii) IF A DECLARANT FAILS TO PROVIDE A PURCHASER TO WHOM A UNIT IS  
CONVEYED WITH A PUBLIC OFFERING STATEMENT AND ALL AMENDMENTS THERETO  
AS REQUIRED BY SECTION 5406(a) OF THE ACT, THE PURCHASER, IN ADDITION TO ANY  
OTHER RELIEF, IS ENTITLED TO RECEIVE FROM THE DECLARANT AN AMOUNT EQUAL  
TO FIVE (5%) PERCENT OF THE SALES PRICE OF THE UNIT UP TO A MAXIMUM OF TWO  
THOUSAND (\$2,000.00) DOLLARS OR ACTUAL DAMAGES, WHICHEVER IS THE GREATER  
AMOUNT. A MINOR OMISSION OR ERROR IN THE PUBLIC OFFERING STATEMENT OR

AN AMENDMENT THERETO THAT IS NOT WILLFUL SHALL ENTITLE THE PURCHASER TO RECOVER ONLY ACTUAL DAMAGES, IF ANY.

(iv) IF A PURCHASER RECEIVES THE PUBLIC OFFERING STATEMENT MORE THAN FIFTEEN (15) DAYS BEFORE SIGNING A CONTRACT, THE PURCHASER CANNOT CANCEL THE CONTRACT UNLESS THERE IS AN AMENDMENT TO THE PUBLIC OFFERING STATEMENT THAT WOULD HAVE A MATERIAL AND ADVERSE EFFECT ON THE RIGHTS OR OBLIGATIONS OF THAT PURCHASER.

## INTRODUCTION

This Public Offering Statement consists of two separate parts. This first part, the narrative, summarizes the significant features of GREENHILL and presents information required under the Act to be given to Prospective Purchasers. The other part, consisting of Exhibits, contains the current drafts of the proposed Greenhill Declaration of Covenants, the proposed Bylaws for the Greenhill Homeowners Association, the proposed Rules and Regulations of the Association and the projected budget for the first year of operation of the Association.

This narrative is intended to provide only an introduction to the planned community and not a complete or detailed discussion. For that reason, the Exhibits should be reviewed in depth, and if there should be any inconsistency between information in this part of the Public Offering Statement and information contained in the Exhibits, the Exhibits will govern.

### 1. Name and Principal Address of Declarant and of the Planned Community.

The name and principal address of the Declarant are set forth on the first page of this Public Offering Statement, as is the location of the Planned Community.

### 2. General Description of the Planned Community.

Greenhill is a proposed residential community to consist of a total of twenty-seven (27) separate Lots, with a single-family detached dwelling to be constructed on each lot. The term "Lot" is also synonymous with the term "Unit". The Community will be served with two new cul-de-sac streets to be known as (i) Culbertson Circle and (ii) Mercer Circle, which will connect, respectively, to (i) Greenhill Road and (ii) Morstein Road.

Both of the new roads will be offered for dedication to the municipality. The minimum area for each Lot within Greenhill is 25,000 square feet (between 1/2 and 2/3 of an acre). All Lots are to be served by public water (Philadelphia Suburban Water Co.) and by public sewer (East Goshen municipal).

The Community will be provided with Common Elements as more fully described in the Declaration. The Common Elements include certain open space areas located between the two cul-de-sac streets and partially adjacent to each street, as well as the storm water management facilities serving the Community.

The Declarant has commenced the construction of the site improvements and infrastructure necessary to serve the Community, including the roadways, the storm water management facilities, and the utility lines. No recreational improvements are proposed to be constructed. Declarant's affiliate, Greenhill Development Co., Inc., has commenced construction of one home on the Property, which may be used for model or sample homes, plus eight homes pursuant to agreements of sale with homebuyers. It is Declarant's intention to complete the construction of all new homes and amenities within the Community within a period of two (2) years from the effective date of this Public Offering Statement, although there are no guarantees that this estimated time schedule can be accomplished.

### 3. Description of the Type and Character of Units Offered.

All Lots will be improved by the construction thereon of a single-family detached dwelling. Each dwelling will be in accordance with the models which are offered by Declarant or any other builder authorized by Declarant as part of the sales and marketing materials. Each new home will be completed prior to the conveyance of a Unit to a Purchaser, unless special arrangements to the contrary are made pursuant to the sales contract with the authorized builder. The site improvements and infrastructure necessary to serve each new dwelling Unit will be in place prior to the occupancy of the first dwelling Unit.<sup>4</sup> (Certain aspects of the site improvements, such as the final "wearing course" to be placed upon the roads, will not be completed at that time, but the cost thereof will be in escrow with the municipality.)

### 4. Number of Units.

Greenhill is planned to have a total of 27 Lots or Units. No additional Units may be included in the Planned Community. The Declarant does not intend to rent or market blocks of Units to investors.

### 5. Options Reserved to Withdraw Withdrawable Real Estate.

The Declarant has not reserved any options to withdraw withdrawable real estate from the Planned Community.

### 6. Brief Narrative Descriptions of the Significant Features of the Declaration, the Bylaws, the Rules and Regulations, the Agreement of Sale, and Contracts and Leases to be Signed by Purchasers Prior to or at Closing and any Other Contracts or Leases or Agreements That Will or May be Subject to Cancellation by the Association.



A. Declaration of Covenants, Restrictions, Easements, Charges and Liens ("Declaration"): A copy of the Declaration is appended to this Public Offering Statement as Appendix "A". The Declaration is to be recorded in the Chester County Recorder of Deeds Office and thereafter all of its terms and conditions will apply to all of the Lots within Greenhill, and shall run with the title to each Lot. The Declaration contains the following articles:

- I. Definitions.
- II. Property Subject to this Declaration; Name of the Community.
- III. Description of Units and Common Elements.
- IV. Membership and Voting Rights in the Association; Period of Declarant Control. (All Lot Owners are members of the Association and the Owners of each Lot have one vote on Association matters - i.e., all Lots have equal voting rights. The period of Declarant control, during which the Declarant has the right to appoint all or a majority of the members of the Executive Board of the Association, will end within sixty [60] days after the conveyance of the Lot which would constitute the sale of 75% or more of the Lots.)
- V. Property Rights in the Common Facilities. (All Owners enjoy equal rights of enjoyment and access to the Common Facilities; subject to certain rights and easements.)
- VI. Covenant for Maintenance Assessments. (All Owners are subject to assessment for common expenses. All such assessments must be equal on a lot by lot basis.)
- VII. Restrictions on Common Facilities. (The Common Facilities are to be used for utilities, storm water management facilities, natural resource conservation and active or passive recreational purposes.)
- VIII. Maintenance of Common Facilities and Controlled Storm Water Management Facilities. (Such maintenance is the responsibility of the Association.)
- IX. Effect of Non-Maintenance of Common Facilities and Controlled Facilities by Association. (Granting certain rights to the municipality.)
- X. General Restrictions. (Prohibiting certain uses and/or activities on individual Lots, for the mutual benefit of all Owners in the Community.)

XI. Retention of Special Declarant Rights.

XII. General Provisions.

B. Bylaws. The Bylaws set forth the procedures by which the Association and its Executive Board are governed. The Bylaws include the following articles:

I. Name and Location

II. Definitions

III. Meetings of Members

IV. Executive Board; Selection; Term of Office

V. Nomination and Election of Executive Board Members

VI. Meetings of Executive Board

VII. Powers and Duties of the Executive Board

VIII. Officers and Their Duties

IX. Committees

X. Books and Records

XI. Assessments

XII. Corporate Seal

XIII. Amendments

XIV. Miscellaneous

A copy of the Bylaws is appended hereto as Appendix "B".

C. Rules and Regulations. At the present time, the Declarant has not promulgated proposed rules and regulations (other than the rules and regulations already set forth in the Declaration and Bylaws).

D. Agreement of Sale. The Agreement of Sale will be entered into by the Prospective Purchaser and an authorized builder. Declarant will not be a party to the Agreement of Sale, which is intended to address the normal issues and concerns inherent in

the proposed sale of a newly constructed home, commonly referred to as "new construction". Every Prospective Purchaser is encouraged to review thoroughly all of the terms and conditions set forth in the Agreement of Sale form, a copy of which is appended hereto as Appendix "C".

E. Contracts and leases to be signed by Purchaser prior to or at Closing. There are no additional contracts or leases to be signed by Purchasers prior to or at Closing, other than the Agreement of Sale.

F. Contracts or leases or agreements of a material nature to the Planned Community that will or may be subject to cancellation by the Association. Declarant has not entered into a Management Contract with any professional community management company.

#### **7. Balance Sheet and Budget Information.**

Appended hereto as Appendix "E" is a copy of the currently proposed budget of the Association, reflecting estimated costs and revenues for one year after the date of the first conveyance of a Lot to a Purchaser.

#### **8. Services Not Reflected in the Budget and/or Personal Property Not Owned by the Association.**

The Declarant does not provide any services to the Association that are not already reflected in the budget appended hereto as Appendix "E". Further, the Declarant has not provided any personal property usable by the Association in the operation and enjoyment of the Common Elements which is or will be required in connection with the operation and enjoyment of the Common Elements after such personal property is no longer provided by Declarant.

#### **9. Initial or Special Fees Due at Closing.**

All Purchasers are required under the Agreement of Sale to pay an initial capital contribution to the Association at Closing, in the amount of \$300.00. The purpose of the initial capital contribution is to provide the Association with reserves for operating shortfalls and/or capital expenditures. The capital contribution is calculated by establishing a total initial fund of \$8,100.00, and then dividing the total by the number of Lots within the Community.

#### **10. Liens, Defects or Encumbrances on or Affecting the Title to the Planned Community.**

Appended hereto as Appendix "F" is a copy of "Schedule B-II" of the Title Report for the Property.

**11. Financing for Purchasers Offered or Arranged by the Declarant.**

Declarant has not offered to Prospective Purchasers or made any other arrangements for the financing by Purchasers of the Purchase Price of their Unit. All Purchasers are responsible for obtaining such financing as they deem necessary or desirable, upon such terms and conditions as shall be negotiated between the Purchaser and the financing institution.

**12. Terms and Significant Limitations on Warranties Provided by Declarant.**

Appended hereto as Appendix "G" is a copy of the Warranty Provisions provided by the Declarant, pursuant to Section 5411 of the Act. (In addition, each authorized builder will provide new home warranties, in accordance with the Agreement of Sale form appended hereto as Exhibit "C.")

**13. Special Disclosure Statements.**

The first page of this Public Offering Statement contains, in bold face print, certain disclosures required to be made in such form under the provisions of the Act.

**14. Judgments and/or Pending Suits Against the Association.**

There are no judgments against the Association, nor are there any pending suits to which the Association is a party. To the best of Declarant's actual knowledge, there are no pending suits which would be material to the Community.

**15. Escrow of Deposits.**

Any and all deposits made by Purchasers in connection with the purchase of a Unit will be held in an escrow account in accordance with the provisions of Section 5408 (relating to escrow of deposits) of the Act, and will be returned to the Purchaser if the Purchaser cancels the contract pursuant to Section 5406 of the Act (as explained on the first page of this Public Offering Statement).

**16. Restraints on Alienation.**

There are no restraints on alienation of any of the Lots within the Planned Community. Each Owner is unrestrained in his or her decision as to when and to whom to sell or otherwise transfer ownership of his or her Lot. There are, however, restraints on the alienation (i.e., the sale or other transfer of ownership) on the Common Elements of the Community. Prior to transfer of ownership of the Common Facilities from the Association to any other entity, the Association must first offer to dedicate ownership of the Common Facilities to the municipality, at no cost to the municipality.

**17. Insurance Coverage Provided or Intended to be Provided.**

The Association will not provide insurance coverage on any of the Lots, or improvements within the Lots. It is the responsibility of each individual Purchaser to provide for his or her own "homeowners insurance" or other insurance policies relating to the Lot and improvements thereon. It is intended that the Association will carry an insurance policy or policies, to be paid for as a common expense, as follows:

- General liability coverage for the Common Elements with a One Million Dollar (\$1,000,000.00) limit.

- Directors and Officers liability coverage for members of the Executive Board of the Association with a Five Hundred Thousand Dollar (\$500,000.00) limit.

**18. Fees or Charges for Use of the Common Elements.**

There are no anticipated fees or charges, other than the common expense assessments, to be paid by Unit Owners for the use of the Common Elements and other facilities within the Planned Community.

**19. Financial Arrangements for Completion of all Improvements Labeled "MUST BE BUILT".**

Declarant has entered into a certain financial Security Agreement with the municipality to assure that all of the site improvements labeled "MUST BE BUILT" on the plat appended to the Declaration will be completed.

**20. Unusual and Material Circumstances.**

There are not attributes of or conditions concerning Greenhill which would be considered "unusual" for a planned community.

**21. [This is not a leasehold Planned Community.]**

**22. Present Condition of all Structural Components and Major Utility Installations.**

As of the date of this Public Offering Statement, all of the site improvements to the Property are either new or in the process of being constructed. These improvements included the utility installations to provide water, sewer, electrical service, gas service, telephone service, and cable television service to each Lot within the Community (collectively "Utility Facilities"). All of the Utility Facilities, once installed, become the property of the utility provider, which in turn has the responsibility to maintain said facilities. Consequently, the Association will not be responsible for maintaining and/or replacing such Utility Facilities. Each Lot Owner, however, with respect to the service lines located within the borders of his

or her own Lot may be responsible for certain maintenance and/or repair and/or replacement costs of Utility Facilities. The storm water management basins and ancillary storm water management facilities will be in new condition and/or under construction at the time of the effective date of this Public Offering Statement. The useful life of each facility is not readily ascertainable. The Association will maintain a portion of the reserve fund earmarked for structural repairs and/or replacement of storm water management facilities.

### 23. Allocation of Votes.

Each Lot within the Community is allocated one (1) vote. There are no cumulative or class voting provisions contained in the Declaration.

### 24. Circumstances Under Which the Association may Become Part of a Master Association.

The Community is not intended to be part of any larger community having a Master Association. Hence, there are no circumstances under which the Association would become a part of a Master Association.

### 25. Governmental Approvals and Permits.

Prior to the commencement of construction, Declarant has obtained all necessary governmental approvals and permits for the construction of the Planned Community and for the use and occupancy of the individual homes to be constructed on the Lots. The following permits and/or approvals have been obtained:

- a. Zoning approval (no expiration date).
- b. Subdivision and land development approval (no expiration date, once the site improvements are constructed).
- c. NPDES permit to allow discharge of storm water (no specific expiration date).
- d. Approval from Pennsylvania DEP of planning modules to provide public sanitary sewer collection and treatment for each Lot (no expiration date).

### 26. Notices of Violations of Governmental Requirements.

There are no outstanding and uncured notices of violations of governmental requirements applicable to the Community.

## 27. Environmental Conditions.

(i) Declarant has no knowledge of the existence of any hazardous conditions, including contamination, affecting the Planned Community site by hazardous substances, hazardous wastes or the like or the existence of underground storage tanks for petroleum products or other hazardous substances.

(ii) A Phase I environmental investigation was conducted by Evans Mill Environmental dated 1998, in order to determine whether or not there was present on the site any hazardous conditions (hereinafter the "Report").

(iii) The Report recommended that the following actions be taken with respect to environmental conditions on the Property:

None.

No governmental body, agency or authority has taken any action to require Declarant or any other person to correct any environmental conditions on the Property. The address and phone number of the regional offices of the Pennsylvania Department of Environmental Protection and the United States Environmental Protection Agency are as follows:

Commonwealth of Pennsylvania  
Department of Environmental Protection  
555 Park Lane  
Conshohocken, PA 19428  
(610)832-6000

U.S. Environmental Protection Agency  
841 Chestnut Street  
Philadelphia, PA 19107  
(800)438-2474

Such agencies maintain information concerning environmental conditions of the properties within their respective jurisdictions.

## 28. Declarant's Right to Designate any Portion of the Community as a Common Facility.

Declarant has designated the Common Facilities for the Community in the Declaration. Except for the right to modify the boundary lines between Common Facilities and individual Lots and/or roadways, the Declarant has not retained any rights or reservations to designate additional portions of the Community as Common Facilities.

29. Facilities and Amenities Which the Declarant is Obligated to Complete.

The Declarant is obligated to complete all of the essential site improvements and infrastructure to service the Community, including roadways, storm drainage and management facilities, water lines, sewer lines and utility installations. The roadways and utility installations shall be completed on or before September 30, 1999. The cost of completing the subdivision infrastructure has been set aside in a construction loan from PNC Bank, and certain portions of the construction loan have been pledged as security to the municipality for completion of the subdivision infrastructure hereinabove described.

The roadways will be dedicated to the municipality upon completion thereof. The Common Elements, including the open space areas and the storm water management facilities, will be owned by the Association. The Association shall be responsible for the maintenance, repair, improvement, administration and regulation of the Common Elements, including the open space areas and storm water management facilities. The Unit Owners shall be responsible for their individual properties. As to Lots within which all or a portion of a storm water management facility is located, such Owner is required to maintain the surface conditions so that the storm water facility operates as intended. Such surface maintenance includes, where appropriate, mowing of grass and maintenance of vegetative ground cover.



APPENDICES TO PUBLIC OFFERING STATEMENT  
GREENHILL, A PLANNED COMMUNITY

- "A" Declaration of Covenants, Restrictions, Easements, Charges and Liens
- "B" Bylaws
- "C" Agreement of Sale Form
- "D" Management Contract
- "E" Current Budget
- "F" Title Report, Schedule B-II
- "G" Warranty Provisions