

**Legal Descriptions  
of  
Lots at Branford Village, a Planned Community**

Branford Village, a Planned Community is subject to the provisions of the *Pennsylvania Uniform Planned Community Act* (P.S.C.A §5101, et. seq.).

Pursuant to the act,

After the declaration is recorded, a description of the unit which sets forth the name of the planned community, the recording data for the declaration, the county or counties in which the planned community is located and the identifying number of the unit is a sufficient legal description of that unit and all rights, obligations and interests appurtenant to that unit which were created by the declaration or bylaws. ...

P.S.C.A. §5204 (emphasis added)

1. The name of the community to be developed pursuant to the terms of this Declaration is "Branford Village, a Planned Community."  
*Declaration of Covenants, Restrictions, Easements and Establishment of Homeowners Association for Branford Village, a Planned Community in East Fallowfield Township, Chester County, Pennsylvania, Section 2.2.*
2. The *Declaration of Covenants, Restrictions, Easements and Establishment of Homeowners Association for Branford Village, a Planned Community in East Fallowfield Township, Chester County, Pennsylvania, Section 2.2* was recorded December 21, 2000 in the office of the Recorder of Deeds in and for Chester County, Pennsylvania in Record Book 4888, Page 85.
3. The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration is the Subject Property, located in East Fallowfield Township, Chester County, Pennsylvania ...  
*Declaration of Covenants, Restrictions, Easements and Establishment of Homeowners Association for Branford Village, a Planned Community in East Fallowfield Township, Chester County, Pennsylvania, Section 2.1* (emphasis added)
4. Each Unit is defined and described as being a Lot as shown on the Subdivision Plan upon which one single-family dwelling is or may be erected, excepting therefrom any Lot or Lots Conveyed or to be Conveyed to Governmental/Public Service Entities. The terms Unit and Lot are synonymous. The identifying number of each Unit is the Lot Number for such Lot as shown on the Subdivision Plan. The horizontal boundaries of each Unit are the Lot boundaries as shown on the Subdivision Plan. There are no vertical boundaries to any Unit and there are no horizontal boundaries of any Unit which are not shown on the Subdivision Plan.  
*Declaration of Covenants, Restrictions, Easements and Establishment of Homeowners Association for Branford Village, a Planned Community in East Fallowfield Township, Chester County, Pennsylvania, Section 2.4* (emphasis added)

February 28, 2001

Branford Village, a Planned Community  
Phases 1 and 2  
**Public Offering Statement**

Pursuant to the requirements of the *Pennsylvania Uniform Planned Community Act*, 68 P.S.C.A. §5101, *et seq.* (the "Act"), this Public Offering Statement conveys information regarding the property described as Branford Village.

The Act defines and uses certain words to describe parcels of ground and improvements to these parcels.

The Act describes a "Unit" as a "physical portion of the planned community designated for separate ownership or occupancy, ..." In this Public Offering Statement, the term "Lot" will be synonymous with the term "Unit."

The Act describes and uses the terms "planned community," and "subject property," to identify the parcel of land which is the subject to the Act. In this Public Offering Statement, the term "Planned Community" will be synonymous with the term "Subject Property."

The name of the Planned Community is Branford Village, a Planned Community. The Planned Community is located along Buck Run and Youngsburg Roads in East Fallowfield Township, Chester County, Pennsylvania.

The Declarant of Branford Village, a Planned Community was Fallowfield Development Corp. with an address at P.O. Box 169, Royersford, PA 19468 (referred to as the "Original Declarant" in this Public Offering Statement).

For a portion of Branford Village (Phases 1 and 2 as shown on the Subdivision Plan), the Declarant has assigned the rights and duties of Declarant to Branford Development Corp. In this Public Offering Statement, which applies only to Phases 1 and 2 of Branford Village, a Planned Community, "Declarant" will mean Branford Development Corp. with an address at 401 City Ave., Suite 710, Bala Cynwyd, PA.

**Within 15 days after receipt of this Public Offering Statement, or any 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 purchase of a Lot from the Declarant.**

**If the Declarant fails to provide a Public Offering Statement, and any amendments, to a purchaser before conveying a Lot, the purchaser may, in addition to any other relief, recover from the Declarant an amount equal to 5% of the sales price of the unit up to a maximum of \$2,000 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.**

**If a purchaser receives the Public Offering Statement more than 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.**

Any deposit (which shall not include any payment specifically stated in a sales contract to be in payment of or on account of extras, changes or custom work) made in connection with the purchase or reservation of a Lot from the Declarant ("Deposit") shall be placed in escrow and will be held in an escrow account in this Commonwealth by a licensed real estate broker, an attorney admitted to practice in this Commonwealth, a financial institution, or a licensed title insurance company in an account or in the form of a certificate of deposit designated solely for that purpose with a financial institution whose accounts are insured by a governmental agency or instrumentality until:

- (1) delivered to the Declarant, at the settlement of the purchase of the property being purchased;
- (2) delivered to the Declarant, because of purchaser's default under a contract to purchase the Lot; or
- (3) refunded to the purchaser.

Any Deposit will be returned to the purchaser if the purchaser cancels the contract pursuant to section 5406 of the Act which provides that:

(a) declarant shall provide a purchaser of a unit with a copy of the public offering statement and all amendments thereto not later than the date the purchaser executes the contract of sale for such unit or, if no contract of sale is executed, not later than 15 days before conveyance of such unit. Unless a purchaser is given the public offering statement, including all the currently effective amendments thereof, within the time period referred to in the preceding sentence, the purchaser, before conveyance, may cancel the contract within 15 days after first receiving the public offering statement and all currently effective amendments. If a public offering statement is amended after the public offering statement has been received by a purchaser of a unit, the amendment shall be provided to the purchaser promptly after it becomes effective. If the amendment materially and adversely affects the rights or obligations or both of the purchaser, then the purchaser, before conveyance, may cancel the contract of sale within 15 days ... after receiving the amendment.

(b) Method and effect of cancellation.--If a purchaser elects to cancel a contract pursuant to subsection (a), the purchaser may do so by hand-delivering notice thereof to the declarant or by mailing notice thereof by prepaid United States mail to the declarant or to the declarant's agent for service of process. Cancellation is without penalty, and all payments made by the purchaser before cancellation shall be refunded promptly.

## 1. The Community of Branford Village

The overall tract of land identified as Branford Village is a parcel of land located along and north of Buck Run Road and along and west of Youngsburg Road in East Fallowfield Township, Chester County, Pennsylvania. This land is shown on a Subdivision Plan<sup>1</sup> and is referred to in this Public Offering Statement as the "Planned Community." The land is being developed in accordance with the Act<sup>2</sup>, and is referred to as "Branford Village, a Planned Community." The developer of a portion of Branford Village, a Planned Community, referred to as Phases 1 and 2 (as shown on the Subdivision Plan) is Branford Development Corp., identified in the documents as an "Assignee Declarant" and in this summary either as the Declarant or as the "Developer."

The Planned Community is a single family residential subdivision comprised of individual single family residential building lots (on which single family homes are planned to be built), land for public street rights-of-way (to be offered for dedication to East Fallowfield Township), Common Elements comprised of land for Storm Water Facilities,<sup>3</sup> and land for the use and enjoyment of residents of Branford Village ("Open space"<sup>4</sup>).

The Developer does not intend to rent any of the Lots and does not intend to market blocks of Lots to investors.

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<sup>1</sup> The term "Subdivision Plan" means and refers to a complete set of plans, comprised of sheets numbered 1-30, 30A, and 31, collectively identified as Preliminary/Final Subdivision Plans for Branford Village, prepared by Brandywine Valley Engineers, a Division of Vollmer Associates LLP, Kennett Square, Pennsylvania dated 7/19/99 last revised 12/20/2000 as approved by, and on file with, East Fallowfield Township, Chester County, Pennsylvania pursuant to the provisions of the East Fallowfield Zoning Ordinance as amended and pursuant to the terms and conditions of 1) the Decision and Order of the Board of Supervisors of East Fallowfield Township dated March 10, 1999 in re: Application of Fallowfield Development Corp., and 2) that certain letter dated March 10, 2000, memorializing the decision rendered by the East Fallowfield Township Board of Supervisors conditionally approving the Subdivision Plan, a portion of such Preliminary/Final Subdivision Plans for Branford Village identified as *Over-all Subdivision Plan for Branford Village* being recorded in the Office of the Recorder of Deeds in and for Chester County, Pennsylvania as Plan 901565.

<sup>2</sup> Property is made subject to the Act by the recordation of a *Declaration*. The *Declaration of Covenants, Restrictions, Easements and Establishment of Homeowners Association for Branford Village, a Planned Community in East Fallowfield Township, Chester County, Pennsylvania* (the "Declaration") was recorded in the Office of the Recorder of Deeds in and for Chester County, Pennsylvania on December 21, 2000 in Record Book 4888, Page 85.

<sup>3</sup> Portions of the Planned Community designated for the purpose of storm water drainage detention, retention and/or control of the volume and/or rate and/or the direction of storm water, together with improvements to the Planned Community, including but not limited to basins, pipes, swales, inlets, systems and other components and facilities appurtenant thereto as are constructed for the purpose of storm water drainage management, but excluding therefrom any such facilities, such as roof drain infiltrator systems, which are located entirely within, and for the sole purpose of storm water management within, the boundaries of a single Lot.

<sup>4</sup> As used in this Public Offering Statement, the term "Open Space" does **not** include the portions of individual Lots designated on the Subdivision Plan as "Deed Restricted Open Space"

## 2. Common Elements

The *Common Elements* are comprised of both *Common Facilities* and *Controlled Facilities*.

The *Common Facilities* include all those parcels of land, including all improvements thereto, within the Planned Community shown on the Subdivision Plan as "Open Space" **but does not include any portions of lots shown as "Deed Restricted Open Space"** on the Subdivision Plan. The *Common Facilities* do not include any land Conveyed or to be Conveyed to Governmental/Public Service Entities.

*Common Facilities Open Space* will be maintained by an Association of all of the Lot owners within Branford Village<sup>5</sup>.

The community of Branford Village is required, by governmental regulation, to control the flow of storm water through and from the land. Storm water is controlled by various Storm Water Facilities. Within the Planned Community, storm water detention or retention basins, storm water surface flow through swales, and storm water pipes are located on the Open Space *Common Facilities*, within the rights-of-way of streets to be offered for dedication to East Fallowfield Township, and on some of the Lots within the Planned Community.

The *Controlled Facilities* include those portions of the Storm Water Facilities that are not located within the Open Space *Common Facilities*.

Storm Water Facilities, located both on Open Space (*Common Facilities*) and on some of the Lots within the Planned Community (*Controlled Facilities*), will be maintained by the Association.

To accomplish the maintenance of the *Common Elements*, a Declaration<sup>6</sup> has been filed with the Recorder of Deeds in and for Chester County, Pennsylvania. All of the Lots in the Planned Community have been made subject to this Declaration and the provisions of the Declaration apply to the Owners of all Lots in the Planned Community.

Except for a gazebo, landscaping (including boulevard entrances and landscape screening) and a walking path, all of the Open Space *Common Facilities* are planned to remain as undeveloped land and are to be maintained by the Branford Village Homeowners Association in accordance with an Open Space Management Plan, which is a part of the Subdivision Plan. The Open Space Management Plan designates various portions of the Open Space as "Active," "Meadows," and "Woodland Protection." In addition, some of the Open Space *Common Facilities* are used for required Storm Water Facilities.

There are no recreational facilities nor structures other than a gazebo planned for the "Active" Open Space *Common Facilities*. "Woodlands Protection" Open Space *Common Facilities* are, and will remain in their natural state. "Meadows" Open Space *Common Facilities* will be maintained as a nature preserve and the areas will be mowed only two times per year to allow taller grasses and other plants to grow.

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<sup>5</sup> The Branford Village Homeowners Association, Inc. See Section 6 of this Public Offering Statement.

<sup>6</sup> See Footnote 2 on page 3

3. Development of the Planned Community

The overall tract of land identified as Branford Village will be developed in phases. Currently, only the land within Phases 1 and 2 is being developed. Phases 1 and 2 are comprised of 106 individual single family residential building lots, Common Facilities shown as Open Space on the Subdivision Plan, and land for public street rights-of-way (to be offered for dedication to East Fallowfield Township), all as shown on the Subdivision Plan.

The overall tract of land identified as Branford Village has been planned for development into 247 single family building lots on which individual residences will be built.

The Developer will be offering Lots for sale with homes constructed on the Lots. The homes built, however, are not part of a Unit as defined in the Act. The Developer has commenced construction of improvements to the Planned Community required for the use and occupancy of the Lots within Phases 1 and 2 of Branford Village as single family residential building lots, including, but not limited to, the installation of streets, curbs, sidewalks, utility services including water, sewage, gas, electric, telephone, and cable, and Storm Water Facilities (collectively referred to as "Facilities and Amenities"). The Facilities and Amenities which must be built are identified and described in Section 1.22 of the Declaration, and Exhibit "D" to the Declaration. The Declarant has posted the following financial security with the indicated entities to assure the performance by the Declarant of these obligations for Phases 1 and 2 of Branford Village only:

East Fallowfield Township	Bonds in the amount of \$897,720.00 and \$421,654.00
City of Coatesville Authority (Sewers)	Bond in the amount of \$288,794.00
City of Coatesville Authority (Water)	Bond in the amount of \$273,405.0
(gas and electric service)	No financial security posted
(telephone service)	No financial security posted

The source of funding to complete the Facilities and Amenities for Phases 1 and 2 of Branford Village is a construction loan from Manufacturers and Traders Trust Company to Branford Village Development Corp. Currently, there is no source of funding to complete the Facilities and Amenities for any portion of Branford Village except Phases 1 and 2.

The Facilities and Amenities to be completed by the Declarant and/or the Original Declarant are as follows and will be owned, upon completion, as indicated:

Rights-of-way, streets, curbs and sidewalks (to be offered for dedication to East Fallowfield Township) will be owned by East Fallowfield Township upon acceptance of dedication. If the rights-of-way, streets, curbs and sidewalks are not accepted by East Fallowfield Township for dedication, they will be owned by Branford Development Corp. if within Phases 1 or 2 of the Community or by Fallowfield Development Corp. if located within the Community but not within Phases 1 or 2.

Sewers conveying sewage waste will be conveyed to and owned by the City of Coatesville Authority.

Water service pipes will be conveyed to and owned by the City of Coatesville Authority.

Electric, gas, and telephone service facilities are not being completed by the Declarant and are, and will remain, the property of the respective service providers.

The Open Space and Storm Water Facilities (whether located on the Common Facilities or on individual Lots) are part of the Planned Community and the Branford village Homeowners Association will have the responsibility for the maintenance, repair, improvement, administration and regulation of the Common Facilities and the Storm Water Facilities.

Except for the payments of assessments to the Association, real estate taxes, and utility bills, there are no responsibilities of Lot Owners for the maintenance, repair, improvement, administration and regulation of the Facilities and Amenities.

The Developer is scheduled to complete the Facilities and Amenities on or before the termination of the Development Period.<sup>7</sup>

All structural components and major utility installations of the Facilities and Amenities in the Planned Community are currently under construction and are not complete as of the date of this Public Offering Statement.

The expected useful life of each structural component, together with the estimated cost in current dollars of replacing each of the same is:

The structural components of the Storm Water Facilities, with an expected useful life of fifty years have an estimated cost to replace (in current dollars) of \$300,000.00 (preliminary estimate).

Because all major utility installations are repaired and replaced by the utility service providers there is no cost to the Association of replacing each of the same.

Because rights-of-way, streets, curbs and sidewalks are repaired and replaced by the owner of them (East Fallowfield Township upon acceptance of dedication, or Branford Development Corp. and/or Fallowfield Development Corp. if the rights-of-way, streets, curbs and sidewalks are not accepted for dedication by East Fallowfield Township) there is no cost to the Association of replacing each of the same.

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<sup>7</sup> The Development Period will begin on the date of the first conveyance of a Unit to a person other than a declarant ("Beginning Date") and will last until the earliest of:

- a. Seven years after the Beginning Date; or
- b. Sixty days after conveyance by Declarant to persons other than a declarant of one hundred eighty six (186) Lots (being 75% of the Lots which may be created pursuant to the terms of the Declaration), or
- c. Two (2) years after all declarants have ceased to offer Lots for sale in the ordinary course of business; or
- d. Two (2) years after any development right to add new Units was last exercised; or
- e. The date designated, by notice in writing, from the Declarant to the Executive Board of the Association as the date of termination of the Development Period.

The following governmental approvals and permits are required for the use and occupancy of the Planned Community.

Subdivision approval from East Fallowfield Township, which has been obtained, and which does not expire.

Approval of the design of the sanitary sewer system from the City of Coatesville Authority, which has been obtained, and which does not expire

NPDES (National Pollutant Discharge Elimination System) Permit (Permit # PAR10-G356) issued by the Pennsylvania Department of Environmental Protection, which has been obtained, and which expires on October 16, 2005.

Sewerage Permit (Permit # 1500431) issued by the Pennsylvania Department of Environmental Protection, which has been obtained, and which does not expire.

Highway Occupancy Permit for Buck Run Road (Permit #825805) issued by the Pennsylvania Department of Transportation, which has been obtained, and which expires on January 8, 2002.

Highway Occupancy Permit for Youngsburg Road (Permit #823775) issued by the Pennsylvania Department of Transportation, which has been obtained, and which expires on October 26, 2001.

Building Permits from East Fallowfield Township for construction of homes on the individual Lots, which have not been obtained, are expected to be obtained immediately prior to the construction of a home on a Lot, the expense of which is the responsibility of the builder of the home.

Certificates of Occupancy from East Fallowfield Township for permission to occupy homes constructed on the individual Lots, which have not been obtained, are expected to be obtained immediately prior to the occupancy of a home on a Lot, the expense of which is the responsibility of the builder of the home.



4. Responsibilities of Lot Owners within Branford Village

The individual Lots within Branford Village were created by the recording of the Subdivision Plan.<sup>8</sup> This Subdivision Plan was extensively reviewed, and approved, by East Fallowfield Township. All of the Lots within Branford Village are subject to all of the conditions of the Subdivision Plan.

During the development and approval of the Subdivision Plan, as a condition of Subdivision Plan approval, certain conditions and information affecting title and establishing Lot owner obligations were included on the Subdivision Plan.

Although most of the requirements set forth on the Subdivision Plan affect the developer, the following items, among others, apply to Lot owners after a home has been constructed on the Lot and the property has been conveyed:

1. In Woodland Protection Easement Areas, existing woodlands and trees must be left in a natural state and only dead or diseased and dangerous trees may be removed. Affects, e.g., Lots 28-30, 45-47, 60-74, 80-90, 92-101, 105-106, 108-112
2. Meadows areas may only be mowed twice each year, once between March 1 and April 15 and a second time between June 20 and July 4 of each year. Affects, e.g., Lots 126-129
3. Maximum impervious coverage per lot cannot exceed 2,534 square feet including, but not limited to, house, accessory buildings, concrete pads, decks and driveways.
4. Unobstructed vision must be maintained within "clear sight" triangles shown on the plan. Affects, e.g., Lots 14, 15, 23, 24, 40, 43, 48, 49, 76, 91, 103, 117, 124, 130, 143, 151, 164, 165, 192, 197, 210, 223, 232.
5. Storm sewer easements affect e.g., Lots 8-9, 23-24, 31-32, 44-45, 50-51, 150-151, 174-175, 181-183, 190-191, 223-224, 230, 234-235.
6. Sanitary sewer and water line easements, in which planting is not permitted, affect, e.g., Lots 30-31, 45-46, 51-52, 60-61, 65-66, 122-123.
7. No structure (as such term is defined in the Zoning Ordinance of East Fallowfield Township, as amended<sup>9</sup>) is permitted within Deed Restricted Open Space on individual Lots. Affects, e.g., Lots 1-28, 35-36, 39-42, 44, 81-90, 92-107, 110-111, 120-123, 125-129, 131-142, 144-169, 172-196, 198-202, 204-205, 207-209, 211-217, 228-231, 233-240, 242-243.
8. A 25 foot set-back is required for any structure (including principal building and accessory structures such as sheds, fences, decks, gazebos, etc.) from any Open Space, including from Deed Restricted Open Space on individual Lots.

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<sup>8</sup> See Footnote 1 on page 3

<sup>9</sup> Currently defined as "any man-made improvement, including a gas or liquid storage tank, that is principally above ground as well as a mobile home" (emphasis added).

9. Wetlands exist on some Lots. Use of Wetlands is subject to governmental regulation. Affects, e.g., Lots 46 and 47.
10. Roof drainage for Lots 26-30, 45-50, 64-89, and 92-113 shall be directed to discharge into the front yards or tied into the storm sewer drainage system.

5. The Declaration

**A copy of the Declaration is attached to this document [behind blue divider].**

The Declaration may be amended by a vote of the owners of seventy-five percent (75%) of the Lots within the Planned Community. In addition, if required by any governmental entities having jurisdiction over land use, mortgagees of lots, title insurers, or financing agencies, the Original Declarant may amend the Declaration or other documents governing the development and use of the Planned Community.

The Declaration defines and describes:

- a. the components of "Branford Village, a Planned Community" (§§ 2.4 - 2.6)
- b. uncompleted improvements and Common Elements and the provisions regarding assurance of completion (§ 2.8)
- c. the property rights and responsibilities regarding the Common Elements including:
  - 1) Owner's easement of enjoyment (§ 3.1.4)
  - 2) limitation of easements, rights and privileges (§ 3.3)
- e. easements and licenses granted to the Association and to the Declarant (§ 3.4)
- f. a list of current restrictions, easements or licenses appurtenant to or included in the Planned Community (§ 3.4.5)

The Declaration establishes that the Branford Village Homeowners Association, Inc. (the "Association") will be the entity responsible for complying with responsibilities in the Planned Community. The Declaration defines and describes:

- a. the composition of the Association (§ 4.1)
- b. the powers and duties of the Association (§ 4.1.1)
- c. the responsibilities of the Association for the maintenance, improvement, repair, replacement, regulation, management and control of the Common Elements and Controlled Facilities (§ 4.2.1)
- d. enforcement by East Fallowfield Township and assessments therefor (§ 5.10)
- e. insurance to be carried by Association (§ 4.3)
- f. Membership and voting rights in the Association (§ 4.4)

There is no provision in the Declaration for any circumstances under which the Association is to become a master association or part of a master association. (a "master association" exercises powers granted to other associations on behalf of one or more other planned communities or other incorporated or unincorporated associations)

The Declaration establishes that the Association will be managed by an Executive Board. The Declaration defines and describes:

- a. the composition of the Executive Board (§ 4.5)
- b. powers and duties of the Executive Board (§ 4.5.1)
- c. right and limitation of Declarant to appoint members of the Executive Board during and only during the Development Period (§ 4.5.2)
- d. provisions regarding transfer of control of the Executive Board from Declarant to members elected by the Lot Owners (§§ 4.5.2.1 - 4.5.2.2)
- e. indemnification of officers, Executive Board and committee members (§ 4.5.3)

The Declaration establishes the procedures for assessments. The Declaration defines and describes:

- a. creation of the lien and personal obligation of assessments (§ 5.1)
- b. purpose of assessments (§ 5.3)
  - 1) Annual Assessments (§ 5.4)
  - 2) Special Assessments for capital improvements (§ 5.5)
- d. payments of assessments (§ 5.7)
- e. remedies of the Association for non payment of assessments (§ 5.8)
- f. property exempt from assessment (§ 5.9)
- g. procedure for issuance of estoppel certificates (§ 5.2)

The Declaration establishes restrictions of the use of Lots within the Planned Community (Article VI) including (but not limited to) restrictions regarding structures, occupancy, business uses, temporary facilities, animals, vehicles, fences, swimming pools, signs, and antennas, and prohibitions against water wells and sewage treatment, nuisances, and any changes which alter surface water flow.

The Declaration establishes Special Declarant Rights to:

- a. subject the Planned Community to easements (§ 7.1)
- b. appoint members of the Executive Board pursuant to the provisions of the Declaration (§ 7.2)
- c. use easements and licenses granted to Declarant (§ 7.3)

The Declaration also describes and establishes provisions for:

- a. exceptions to Declaration provisions for development and sales (§ 7.4)
- b. rights of Secured Lenders (§ 8.1)
- c. obligations of Association to Secured Lenders (§ 8.2)
- d. enforcement of the provisions of the Declaration (§ 9.1)
- e. severability of parts of the Declaration (§ 9.2)
- f. amendment of the Declaration (§ 9.3)

6. The Branford Village Homeowners Association

The Branford Village Homeowners Association, Inc. (the "Association") is organized as a Pennsylvania non-profit membership corporation.

The Association may contract with outside firms for management services, and to perform some of the required functions of the Association.

The Association has several functions:

- a. The Association is responsible for maintaining all of the Common Elements including any facilities located on the Open Space such as Storm Water Facilities, landscaping, and any recreational facilities or other Open Space uses, including maintenance of the Open Spaces in accordance with the Open Space Management Plan part of the Subdivision Plan.
- b. The Association can enforce, against any Lot Owner(s) violating them, the conditions, covenants, restrictions, and easements in the *Declaration*.

7. Membership and Assessments

To accomplish the purposes of the Declaration, each purchaser of a Lot in the Planned Community is obligated, upon and by becoming an Owner of a Lot in the Planned Community, to become an Owner/Member of the Association.

The Owner, or owners collectively if more than one, of each Lot constitute one Member of the Association. Each Member shall hold one Membership in the Association. The Association will have the same number of Memberships as there are Lots in the Planned Community.

Each Membership will have one vote in the Association. The total number of votes in the Association will be equal to the total number of Lots within the Planned Community.

If any Membership is comprised of two or more persons (that is, if any individual Lot is owned by two or more persons), the vote for such Membership shall be cast as such owners shall decide among themselves and the vote may be exercised by any one of them, unless any objection or protest by any other of them is made prior to the completion of a vote, in which case the vote for such Membership will be cast in accordance with the majority vote of such owners and if no majority vote of such owners is attainable, the vote of such Membership will be cast as an abstention. In no event, however, will more than one vote be cast with respect to any Membership.

Cumulative voting will be permitted only for the purpose of electing members of the Executive Board. Cumulative voting will not be permitted for any other purpose. Cumulative Voting permits the casting of multiple votes for one candidate for election. In cumulative voting, each Membership is allocated the same number of votes as there are positions to be filled. For example, in an election to elect three directors, each Membership would have three votes. Under cumulative voting, in an election for three directors, each Membership would cast three votes. The three votes may be cast as one vote for each of three separate candidates, or all three votes may be cast for one candidate, or two votes may be cast for one candidate and one vote cast for a second candidate.

To carry out its responsibilities, the Association has the authority to collect assessments from each Lot Owner in the Planned Community.

Each Lot Owner is obligated to pay annual assessments, when assessed, to the Association for the Association's operating expenses. Failure to pay these assessments would result in a lien on the Lot owned.

The Assessments are the amounts to be paid by each Lot Owner to the Association. The Assessment for each Lot for each year is based on the Budget established for the year, multiplied by the Percentage Interest of each Lot.

The Budget is the amount of money required to meet the obligations of the Association as required by the Declaration.

**The estimated Budget for the first year that the Association makes an Assessment is attached to this Public Offering Statement [behind violet divider].**

Until the Association makes an Assessment, the Declarant and/or the Original Declarant will provide all of the money required by the Association to meet the obligations of the Association as required by the Declaration.

Other than assessments assessed in accordance with the Declaration, there are no current or expected fees or charges to be paid by Lot Owners for the use of the Common Elements and other facilities related to the Planned Community.

There are no services not reflected in the budget that the Declarant provides or expenses that the Declarant pays and that the Declarant expects may become at any subsequent time a common expense of the Association.

There is no personal property not owned by the association but provided by the Declarant.

8. Executive Board

The affairs of the Association will be managed by an Executive Board, the members of which will be (except during the Development Period) elected by the Members in accordance with the Bylaws of this Association. The Executive Board will be constituted and organized, and will operate, in accordance with the Bylaws of this Association.

To assure that the Association is established and operates to accomplish the purposes for which it is created, the Association will go through a Development Period during which the Developer (Declarant) exercises greater control and has certain rights.

During this Development Period, various governmental and other financing agencies require that the Developer (Declarant) be in control of the Association and be responsible for an orderly transition of control of the Association to resident Members over the course of the Development Period.<sup>10</sup>

During the Development Period, the Developer (Declarant) has the right to appoint a majority of the Executive Board of the Association. Other members of the Executive Board are elected by a vote of the Lot Owners. Initially, the Executive Board will be comprised of three members. The Executive Board, however, has the right to revise the number of its members.

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<sup>10</sup> See § 4.6.2 of the *Declaration*.



9. The Bylaws

**A copy of the Bylaws of the Association are attached to this document [behind yellow divider].**

The Bylaws define and describe:

- a. name and location of the principal office of the Association
- b. meetings of the Members of the Association:
  - 1) proxies and voting
  - 2) consent of Members in lieu of meeting
- c. Executive Board of the Association
  - 1) composition, qualifications, powers and duties of Directors
  - 2) number and term of office.
  - 3) election of Directors
  - 4) removal and filling vacancies of Directors
- d. committees
- e. powers and duties of the Executive Board
- f. delegation of powers of the Executive Board
- g. officers of the Association
  - 1) titles, qualifications, powers and duties of officers
  - 2) election of officers by the Executive Board
  - 3) removal of and filling vacancies of officers
- h. fiscal year of the Association
- i. amendments to the Bylaws
  - 1) preparation, execution, certification and recordation of amendments to the Declaration on behalf of the Association.
  - 2) method of amending the bylaws.

10. Rules and Regulations

There are currently no rules nor regulations affecting the Planned Community other than pursuant to the provisions of the Declaration and the Bylaws

11. Purchase Agreement and Other Documents and Provisions affecting Purchasers

**A copy of the Purchase Agreement to be entered into by a Purchaser for a Lot in the Planned Community is attached to this document [behind green divider].**

The Purchase Agreement defines and describes:

- a. the parties (Buyer and Seller)
- b. the property being purchased
- c. the construction of a home on the property being purchased
  - 1) description of the home
  - 2) plans and specifications
- d. the purchase price for the property being purchased
- e. Earnest Money Deposit(s):
  - 1) amount
  - 2) who holds
  - 3) interest earned on Earnest Money Deposits is payable to the Buyer
- f. Settlement of the purchase
- g. Construction Modification Deposit(s)
- h. requirements for start of construction of a home
- i. mortgage financing contingency
- j. acknowledgments of provided items
  - 1) Limited Warranty applicable to the Home and
  - 2) Public Offering Statement applicable to the Property.
- k. notice provisions
- l. default provisions
- m. integration provision
- n. information regarding broker, cooperating broker (if any), and buyer agent (if any)

There are no other documents to be signed by Purchasers of Lots prior to or at settlement of the purchase of a Lot except as may be required by any mortgage lender selected by the Purchaser and/or the entity selected by the Purchaser to insure title to the Lot, of which Declarant has no knowledge.

There is no initial or special fee due from the purchaser to the Association or to the Declarant at settlement of the purchase of a Lot.

There is no financing for purchasers offered or arranged by the Declarant.

There are no restraints on alienation of any Lot.

12. Conditions affecting Title

Some or all of the Planned Community is subject to recorded restrictions, easements and licenses. As of the date of this Statement, the following restrictions, easements or licenses appurtenant to or included in the Subject Property are recorded in the Office of the Recorder of Deeds in and for Chester County, Pennsylvania:

- a. Covenants and Restrictions as set forth in Record Book F-24, Page 503
- b. Covenants and Restrictions as set forth in Record Book H-24, Page 207
- c. Covenants and Restrictions as set forth in Record Book Y-29, Page 91
- d. Set-back lines, easements, requirements, conditions, and notes as shown on plan recorded as Plan 15038.
- e. Rights granted to Philadelphia Electric Company and The Bell Telephone Company of Pennsylvania as set forth in Record Book Misc. 71, Page 132
- f. Water rights as set forth in Misc. Book 38, Page 64 and in Misc. Book 78, Page 257
- g. Rights granted to Philadelphia Electric Company as set forth in Record Book Misc. 94, Page 193
- h. Easements, wetland areas and general notes on plan identified as *Over-All Subdivision Plan for Branford Village* as in Plan 9015651 (Subdivision Plan)
- i. Declaration of Covenants, Restrictions, Easements and Establishment of Homeowners Association for Branford Village, a Planned Community in East Fallowfield Township, Chester County, Pennsylvania (this Declaration) recorded in Record Book 4888, Page 85.
- j. Rights granted to PECO Energy Company to be recorded
- k. Rights granted to Verizon Pennsylvania to be recorded

13. Other Documents and Provisions regarding the Planned Community

There are no contracts, leases nor agreements of a material nature to the Planned Community that will or may be subject to cancellation by the Association under section 5305 of the Act (relating to termination of contracts and leases of Declarant).

There are no judgments against the Association, nor any pending suits to which the Association is a party nor any pending suits material to the Planned Community of which the Declarant has actual knowledge.

There are no outstanding and uncured notices of violations of governmental requirements affecting the Planned Community.

There are restraints on alienation of Common Elements. The Association may not dispose of the Common Facilities, by sale or otherwise, except upon Conveyance of the Common Facilities to a Governmental/Public Service Entity or other organization which such other organization has been organized for, or has adopted the purpose of, ownership of the Common Facilities and performance of the duties and obligations of the Association as set forth in the Governing Documents, subject to the provisions of §5318 of the Act.

The Declarant has no knowledge of 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.

An investigation was conducted to determine the presence of hazardous conditions on or affecting the planned community site by Penn Environmental & Remediation, Inc. ("Environmental Report").

The findings of the Environmental Report included that:

1. An intermittent stream is present in the wooded ravine located in the central portion of the Site. Several underground springs appear to surface along the southeast corner of the ravine. An underground spring also appears to surface into a concrete spring house located on the southeast corner of the property adjacent to Buck Run Road.
2. The Site is part of a larger tract of land containing approximately 314.356 acres of land known as the former Strunk Farm. From the late 1940s until approximately 1988, the Site and the off-site portions of the former Strunk Farm were owned and occupied by Mr. Leonard Strunk. The portion of the Strunk Farm included in this Phase I ESA consists of farm fields and woods. The farm fields were rented by Mr. Strunk to farmers and used to grow crops such as corn.
3. Penn E&R completed a site characterization and remedial actions at the Site, which also encompassed off-site areas on the former Strunk Farm property. The site characterization and remedial actions implemented at the Site included the investigation and remediation of soils located in the wooded ravine. This was an area that was used by the former property owner to dump various materials. All dumped materials in this area were removed and properly disposed of off-site. Soil samples were also collected from the on-site farm fields to determine if the application of sewage sludge on the Site in 1982 had impacted soil conditions. The analysis of representative soil samples collected from the Site indicate that no compounds of concern are present above Act 2 residential MSCs in the farm fields sampled. Also, ground water quality downgradient of the remediated portion of the wooded ravine was also evaluated. No compounds of concern were detected above Act 2 residential MSCs in the ground water.

The results of the site characterization and remedial actions implemented at the Site were documented in two separate reports submitted to the PADEP. Based on the PADEP's review of these reports, Fallowfield Development Corporation was issued a release of cleanup liability afforded under Act 2 for the soils in the remediated portion of the wooded ravine and in the farm fields, and for ground water beneath the wooded ravine.

4. Penn E&R observed minor amounts of dumped materials and tires located on the Site in four areas designated as Areas 1 through 4. Area 1 is located on the northeast property boundary and adjacent to Ash Street. The materials in this area consist of a cut 275-gallon AST, lawn mowers, trash and debris. Areas 2 and 3 consist of piles of tires. Due to their proximity to the property boundary, these materials may be partially or completely located off-site. Area 2 is located on the eastern property boundary along Youngsburg Road. Area 3 is located approximately 400 feet south of Area 2 along Youngsburg Road. Area 4 is located at the southeast end of the wooded ravine located in the central portion of the Site. Area 4 consists of an old water tank, concrete, an old, rusty and empty 55-gallon drum, and a pile of approximately 20 tires. These materials appear to be limited to the surface. Penn E&R did not find any evidence that the presence of the materials in these dump areas had impacted surrounding soils.
5. Approximately 74 unmappable sites were identified in the environmental database. Based upon review of available address information, the majority of the sites appear to be located within the City of Coatesville and could potentially be located within a one mile radius of the Site. A number of these sites are listed as LUST sites. Penn E&R did not find any evidence that these sites were impacting the environmental condition of the Site. However, additional information regarding these facilities would have to be obtained and reviewed to confirm this conclusion.
6. There is a concrete springhouse or similar structure located along the southeastern property boundary. The bottom of the spring house is located approximately 4.5 feet below the ground surface and is covered with silt and soil. A 4-inch valve protrudes from the muddy ground surface inside the spring house. Mr. Thomas H. Lowry, East Fallowfield Township Building and Zoning Officer, stated that to the best of his knowledge, the valve is associated with an old irrigation system for the farmlands.
7. With the exception of the remediation completed in the wooded ravine and the presence of the dump areas discussed above, no signs of dumping were noted at the Site. In addition, no visual signs of contamination or contaminated sources (i.e., staining, stressed vegetation) were identified at the Site.

The recommendations and actions taken and/or to be taken include that:

1. The materials identified in the four dump areas should be transported off-Site for disposal at a properly permitted facility. This will be done as and when the areas are developed.
2. The former use of the structure located along the southeast property boundary as a springhouse or irrigation system should be confirmed. This will be done as and when the area is developed.
3. The ground water monitoring well installed in the wooded ravine as part of previous Act 2 site investigations should be properly abandoned in accordance with the PADEP document entitled, "Groundwater Monitoring Guidance Manual" dated April 1, 1999. This will be done as and when the area is developed.

The address and phone number of the regional office of the Department of Environmental Resources (now Department of Environmental Protection) where information concerning environmental conditions affecting the Planned Community may be obtained is:

Department of Environmental Protection  
Lee Park - Suite 601D  
555 North Lane  
Conshohocken, PA 19428

(610) 832-6130

The address and phone number of the regional office of the United States Environmental Protection Agency where information concerning environmental conditions affecting the Planned Community may be obtained is:

United States Environmental Protection Agency  
1650 Arch Street  
Philadelphia, PA 19103

(800) 438-2472 or (800) 814-5000

14. Insurance Coverage

The following insurance coverage is provided or intended to be provided by the Association for the benefit of Lot Owners pursuant to the provisions of which,

- (1) Each Lot Owner is or shall be an insured person under the policy with respect to liability arising out of his or her membership in the Association;
- (2) The insurer waives or shall waive its right to subrogation under the policy against any Lot Owner or member of the Owner's household.
- (3) No act or omission by any Lot Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.
- (4) If at the time of a loss under the policy there is other insurance in the name of a Lot Owner covering the same risk covered by the policy, the Association's policy is primary insurance not contributing with the other insurance:

comprehensive general liability insurance, including medical payments insurance, in an amount not less than \$500,000.00, covering all occurrences commonly insured against for death, bodily injury and property damage, arising out of or in connection with the use, ownership or maintenance of the Common Elements

There is no insurance provided nor intended to be provided by the Association which includes improvements or betterments made to Lots.

15. Warranties

The Declarant warrants that each Lot in Phases 1 and 2 will comply with all laws, ordinances, rules and regulations of all governmental entities having jurisdiction thereof and will be served by Public Water, Public Sewer, Electric, Gas, and Telephone service (referred to collectively as "Utilities") and for which all approvals, permits and contracts from all governmental entities having jurisdiction thereof and providers of Utilities therefor for construction of a single family home thereon are immediately obtainable and, upon the completion of the construction of a home thereon in accordance with all requirements of all governmental entities having jurisdiction thereof and in accordance with the requirements of all entities providing Utilities (including without limitation payment for and compliance with all requirements for the obtaining of approvals, permits and contracts for such construction and provision of Utilities), a certificate of occupancy shall be immediately obtainable therefore.

16. Property Restrictions

The use of each Lot in Branford Village is limited by restrictions and obligations set forth in Article VI of the Declaration.

Restrictions affect structures, occupancy, business uses, temporary facilities, pets and animals, vehicles, fences, swimming pools, signs, and antennas, prohibitions against water wells and sewage treatment, nuisances, any changes which alter surface water flow, drainage and other requirements.

The Association, any Lot Owner, or other person with interest in a Lot or portion of the Planned Portion, may enforce these restrictions by legal means.

17. Annexation. Merger and Dissolution

No additional properties may be included in, or "added on", to the overall tract of land identified as Branford Village (such adding on is referred to as "annexation").

The documents provide that, in the event that the Association is dissolved, the Common Land must be conveyed to another entity which would continue to hold the Common Land for the enjoyment of all Lot Owners subject to the provisions of the Act.