

**PUBLIC OFFERING STATEMENT**  
**OF**  
**THE MEWS AT DARLINGTON VALLEY,**  
**A PLANNED COMMUNITY**

**WITHIN 15 DAYS AFTER RECEIPT OF THIS PUBLIC OFFERING STATEMENT, OR AN AMENDMENT TO THE PUBLIC OFFERING STATEMENT THAT MATERIALLY AND ADVERSELY AFFECTS THE RIGHTS OR OBLIGATIONS OF A PURCHASER, THE PURCHASER, BEFORE CONVEYANCE, MAY CANCEL ANY CONTRACT FOR PURCHASE OF A UNIT FROM A DECLARANT.**

**IF A DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT AND ANY AMENDMENT TO A PURCHASER BEFORE CONVEYING A UNIT, THE PURCHASER MAY RECOVER FROM THE DECLARANT DAMAGES AS PROVIDED IN SECTION 5406(C) OF THE UNIFORM PLANNED COMMUNITY ACT, 68 P.S. §5406(C). THESE DAMAGES ARE IN AN AMOUNT EQUAL TO 5% OF THE SALES PRICE OF THE UNIT UP TO A MAXIMUM OF \$2,000.00, OR THE PURCHASER'S ACTUAL DAMAGES, WHICHEVER IS GREATER. A MINOR OMISSION OR ERROR IN THE PUBLIC OFFERING STATEMENT OR AMENDMENT THERETO THAT IS NOT WILLFUL SHALL ENTITLE THE PURCHASER TO RECOVER ONLY ACTUAL DAMAGES, IF ANY.**

**IF PURCHASER RECEIVES THIS 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.**

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- A: Final Plan
- B: Declaration of Covenants, Conditions and Restrictions of The Mews at Darlington Valley
- C: Form of By-Laws for The Mews at Darlington Valley Homeowners Association
- D: Form of Agreement of Sale, together with copies of any contracts to be signed by purchasers
- E: Current balance sheet and projected budget for The Mews at Darlington Valley
- F: Description of any liens, defects, or encumbrances on or affecting the title to The Mews at Darlington Valley
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- H: Investigations of hazardous conditions affecting The Mews at Darlington Valley
- I: Action recommended to be taken to correct any hazardous conditions and any action taken pursuant to those recommendations
- J: Declaration of Restrictions, Covenants and Easement of Darlington Valley, as amended by Amendment to Declaration, dated May 10, 2000, and as further amended by Amendment to Declaration, also dated May 10, 2000.
- K: Form of By-Laws for Darlington Valley Homeowners Association
- L: Current balance sheet and projected budget for Darlington Valley

## PUBLIC OFFERING STATEMENT

### THE MEWS AT DARLINGTON VALLEY,

#### a Planned Community

#### Introduction

THIS IS A PUBLIC OFFERING STATEMENT for The Mews at Darlington Valley, a planned community (the "Community"). The Community is a development of up to 43 lots, each of which is intended to contain an attached single family residence (hereinafter the "Lots" or the "Units") owned in separate, fee simple ownership. The Community is located on approximately 8.14 acres of land in Middletown Township, Delaware County, Pennsylvania, as more fully described on a Record Plan (consisting of two sheets), dated July 30, 1999 and last revised May 15, 2000, prepared by Brandywine Valley Associates, entitled "Phase III and IV Record Plan for Darlington Valley", which was approved by Middletown Township on March 13, 2000 and May 8, 2000 and recorded in the Recorder's Office of Delaware County, Pennsylvania, on May 25, 2000, in Plan Book No. 21, page 14, a reduced copy of which is attached hereto and marked Exhibit "A" (the "Plan").

The Community is part of a larger development known as Darlington Valley (the "Development"). The Development is located on approximately 100.962 gross acres, more or less, in Middletown Township, Delaware County, Pennsylvania as more fully described on plans entitled "Final P.R.D. Development Plans of Ressler Development Group, Inc. for Darlington Valley, Middletown Township, Delaware County, Pennsylvania, prepared by Brandywine Valley Engineers, Inc., Consulting Engineers and Land Surveyors of Aston, Pennsylvania, consisting of 24 sheets. The Development, as originally designed, consists of 43 single family detached dwellings and 43 townhouse units. Most of the 43 single family detached dwellings have been constructed. The 43 single family detached dwellings are not part of the Community, but the 43 single family attached dwellings in the Community are part of the Development. The Development is described in more detail in paragraph 30 hereof.

#### GENERAL PROVISIONS OF PUBLIC OFFERING STATEMENT

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

(a) **Declarant:** The name and principal address of the declarant of the Community (hereinafter the "Declarant") is as follows:

Fortress Pennsylvania LLC  
2 EF Raymond Drive  
Havertown, PA 19083

The Declarant is the developer of the Community, and will be constructing site improvements, including roads, access roads, parking areas, sidewalks, utilities, storm water management improvements, and other improvements which are required to be installed as a condition to the approval of the Plan by Middletown Township (hereinafter some times called the "Township") and the commencement of construction and ultimate occupancy of dwellings on the Lots.

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

The Community consists of approximately 8.14 acres of land located in Middletown Township, Delaware County, Pennsylvania, as more fully described in the Plan. The Community will contain up to 43 lots, on each of which will be constructed an attached single family residence. Each Unit will include the Lot plus the residence, and will be owned by the purchaser of the Unit. The Units will be conveyed to the purchaser by fee simple deed, which deed will convey both the Lot and the residence thereon. Units will be served by utilities at the boundary of each Lot, to be connected to each dwelling erected. Each purchaser will have access to his or her Unit via roads being constructed by the Developer.

Developer will be constructing an extension of Richard Lane from the existing cul-de-sac at the end of Richard Lane to Stephen Drive. Richard Lane as extended will be dedicated to the Township of Middletown. Developer will also be constructing access roads from Richard Lane to the Units. The access roads will not be dedicated to the Township, but will be owned and maintained by a homeowners association.

Under the Plan, a maximum of 43 units may be built, based upon the grouping of four and five units in each attached structure , but there will be no less than 43 units.

The Developer intends to commence construction of all site improvements including Common Elements, in May, 2000, and substantially complete the same within five (5) years thereafter, with the exception of the final wearing course of roads, and final monuments and landscaping, which may be deferred until completion of construction of dwellings on all of the Units. Deferring installation of the wearing course of roads is a common practice in the construction industry, to avoid excessive wear and tear on such wearing course by construction vehicles and heavy trucks involved in the construction process.

## **3. Narrative Description of Type and Character of Units Offered:**

The units offered are residential lots on which will be constructed attached single family residential dwellings. The Declarant intends to convey a Unit to a purchaser only after substantially completing a dwelling thereon.

The common elements in the Community consist primarily of open space areas within the Community, access drives, sidewalks, parking areas, landscaping and stormwater management facilities, including, stormwater diversion and/or discharge structures, drainage pipes and other structures, devices, berms and swales installed or to be installed or constructed in accordance with the Plan, for the purpose of collection, transmission, containment, diversion and/or discharge of stormwater.

**4. Number of Additional Units/Units Marketed to Investors:**

There will be no additional units in the Community if Additional Land is acquired. Declarant does not intend to rent or market in blocks of units to investors; however, Declarant may, if circumstances warrant, convey blocks of Lots, prior to construction of dwellings thereon, to other builders who will construct dwellings for their customers thereon.

**5. Options to Withdraw Real Estate and Expected Effect:**

There are no options reserved by the Declarant to withdraw withdrawable real estate.

**6. Narrative Description of Significant Features of the Declaration, By Laws, Rules and Regulations, Agreement of Sale and Other Material Contracts:**

**(a) Declaration:**

The Declaration of Covenants, Easements and Restrictions of The Mews at Darlington Valley (the Declaration") is the primary document governing the Community, and the interrelationship of the Units among themselves, and with the common elements. The following is only a summary of the significant features of the Declaration. Each purchaser is cautioned to review thoroughly and completely the complete text of the Declaration, a copy of which is attached hereto as Exhibit "B".

**Article I - Definitions:** is a definitional section, which defines the various capitalized terms used throughout the Declaration.

**Article II - Submission of Property to Declaration:** submits the property to the Declaration pursuant to the Uniform Planned Community Act (the "Act").

**Article III - Provisions of Declaration Required by the Act:** The Act requires that certain issues be addressed in the Declaration. This Article either addresses or refers to the section of the Declaration where the information may be found. In addition, Article III contains various disclosures with respect to the Community as required by the Act.

**Article IV – The Mews at Darlington Valley Homeowners' Association:** This Article describes the function and obligation of the Association and its members.

**Article V - Description of Community, Units and Common Elements:** This Article describes the different parts that will make up the Community: the individual units, the common areas, and the easement rights.

**Article VI - Common Facilities and Limited Common Facilities:** This Article describes the obligations of the Association for management and control of the Common Facilities and Limited Common Facilities.

**Article VII - Use of Property:** This Article describes the Permitted Uses of an Owner of a Unit.

**Article VIII - Construction of Community and Declarant Control.** This Article describes the Declarant's obligation to construct the Community, and the rights it is reserving to itself during the construction period.

**Article IX - Resale:** This Article describes the procedure and notices to the Board on resale of any Units.

**Article X - Covenant for Assessments:** This Article describes the types of assessments that may be levied against an Owner and an Owner's obligations and responsibilities to pay assessments.

**Article XI - Insurance:** This Article describes the insurance coverages that each unit owner and the Association is either required or permitted to carry.

**Article XII - Party Walls:** This Article defines a party wall and each Owner's rights with respect to its party walls.

**Article XIII - Architectural Review Committee:** This Article describes the duties and functions of the Architectural Review Committee.

**Article XIV - Easements:** This Article describes the easements encumbering the Community.

**Article XV - Eminent Domain:** The Act describes in some detail how the proceeds are allocated in the event of condemnation of all or a part of the Community. This article simply identifies the appropriate section of the Act if such a condemnation occurs.

**Article XVI - Termination of Community:** This Article discusses how the Community may be terminated; the vote required, and the procedure to be followed.

**Article XVII - Breach of Declaration and Remedies:** This Article describes the notice that the Association is required to send to a unit owner that has breached one of the provisions of this Declaration, and the rights of the Association to take various actions to cure the breach.

**Article XVIII - General Provisions:** This Article contains miscellaneous legal and administrative provisions.

**(b) Association's Bylaws:**

Attached to this Public Offering Statement as Exhibit "C" is a copy of the by-laws of the Association. The By Laws describe how the Association will be governed and how its powers will be exercised. Significant features include the following: powers, officers, membership and voting rights, the board of directors, officers, indemnification, amendments and various other housekeeping items.

**(c) Rules and Regulations:**

The Association may subsequently adopt rules and regulations that include provisions for safety of residents, the maintenance and use of Common Elements, and regulations to preserve the appearance of the community, among other things.

**(d) Agreement of Sale**

Attached to this Public Offering Statement as Exhibit "D" is the form Agreement of Sale, together with copies of any contracts to be signed by purchasers prior to or at closing. The agreement of sale and other contracts (if applicable) set out the legal terms upon which the Declarant will sell and the purchasers will purchase the Units. The attachment of all possible addenda, riders and contingency clauses to this Public Offering Statement does not mean that every sale will contain every term and condition of each of the attached documents. Each agreement will be separately negotiated, and only those forms of addenda, riders or contingency clauses that are necessary to document the particular transaction will be included for that sale.

**(e) Contracts and leases to be signed by Purchaser prior to or at Closing**

There are no additional contracts and leases to be signed by a purchaser prior to or at closing, other than the form of Agreement of Sale.

**(f) Material Contracts Subject to Cancellation**

There are no contracts or agreements of a material nature to the Community which may be subject to cancellation by the Association following the termination of the period of Declarant control.

**7. Balance Sheet and Budget of Association**

Attached to this Public Offering Statement as Exhibit "E" are a current balance sheet and projected budget for the Association for the one year period following the date of the first anticipated conveyance of a Lot to a purchaser, or the current budget of the Association. The budget was prepared by Continental Property Management. A statement of the material assumptions with respect to the budget, including those concerning occupancy and inflation factors, is included in the cover page and footnotes to the budget.

**8. Services/Personal Property Provided by the Declarant Not Reflected in Budget**

**(a) Services:**

The following are services not reflected in the budget that the Declarant provides or expenses that the Declarant pays, and which the Declarant expects may become at any subsequent time, a common expense of the Association:

NONE

**(b) Personal Property Provided by the Declarant**

The following are items of personal property not owned by the Association but provided by the Declarant and being used or to be used 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 the Declarant:

NONE

**(c) Projected Common Expense Assessments For Services/Personal Property**

The Projected common expense assessments for the Association and for each Unit attributable to each of those services or expenses is \$100.00 per month.

Attached to this Public Offering Statement as Exhibit "E" are a current balance sheet and projected budget for the Association for the one year period following the date of the first anticipated conveyance of a Lot to a purchaser, or the current budget of the Association. The budget was prepared by Continental Property Management. A statement of the material assumptions with respect to the budget, including those concerning occupancy and inflation factors, is included in the cover page and footnotes to the budget.

**9. Initial or Special Fees Due from Purchasers at Closing**

Each purchaser at closing will be required to pay, in addition to the normal and customary closing expenses, an initial capital contribution fee of \$300.00. The purpose of this fee is to provide the Association with a fund to enable it to fund its operating budget, maintain reserves form operations and maintain capital reserves for future capital expenses. The fee was calculated based on the Declarant's estimate of what amounts will be needed for the initial operation of the Association. The fee will be payable by each purchaser at settlement on the purchase of the Unit.

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

A description of any liens, defects, or encumbrances on or affecting the title to the Community, other than the Declaration and the notes contained on the Plan, is set forth in Exhibit "F". All mortgage liens will be released from a Unit at the time of conveyance by a Declarant to the Unit purchaser.

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

No financing is being offered or arranged by the Declarant for purchasers, it being intended that purchasers will make arrangements for their own financing for purchasing of Units. The Declarant will, upon request, introduce purchasers to unaffiliated mortgage lenders who express an interest in arranging such financing.

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

The Declarant makes no representations or warranties of any type with respect to the Units being conveyed, or the construction of dwellings thereon, except for the express written warranties contained in the sale contracts executed with purchasers, or the warranty documents delivered to purchasers at closing, the present copies of which are attached hereto as Exhibit "G"; and the warranties required by §5411 of the Act (structural defects in each Unit for two years from date each Unit is conveyed).

## **13. Right to Cancel and Recover Damages**

The first page of this Public Offering Statement contains language in bold print that describes each purchaser's cancellations rights and rights to collect damages for failure of the Declarant to provide this Public Offering Statement and all amendments thereto.

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

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

## **15. Escrow of Deposits**

Any deposit made in connection with the purchase of a Unit will be held in an escrow account in accordance with the provision of Section 5408 of the Act, and will be returned to the purchaser if the purchaser cancels the contract pursuant to Section 5406 of the Act. Monies paid for extras, changes or custom work are not considered part of the deposit under the Act, and will be used to enable the Declarant to purchase the necessary materials for the custom, changed or extra work to be performed on the particular Unit.

## **16. Restraints on Alienation**

There are no restraints on alienation of any portion of the Community.

## **17. Insurance Coverage Provided or Intended to be Provided for Unit Owners**

The Association will not provide insurance coverage for any of the Lots or Units. Each individual purchaser and owner must maintain his or her own "homeowners insurance" or other insurance policies that will protect them against liability or against any damage or casualty to their Unit. It is anticipated that the Association may elect to provide the following types of insurance

coverages relating to the management and operation of the Association and the Common Elements, in amounts and with such deductibles and other terms and conditions as may be determined by the Board of Directors from time to time:

- Comprehensive general liability insurance with respect to the Common Elements and Controlled Facilities (if any), including medical payments insurance commencing not later than that time of the first conveyance of a Unit to a person other than the Declarant.
- Property and casualty insurance relating to any buildings or other structures that are Common Elements or Controlled Facilities.
- Errors and omissions coverage for the Board of Directors and officers.

#### **18. Current or Expected Fees for Use of Common Elements**

There are no current or expected fees or charges to be paid by Unit owners for the use of the common elements and other facilities related to the Community.

#### **19. Financial Arrangements for Completion of Public Improvements**

All public improvements labeled "MUST BE BUILT" on the plat which is Exhibit "D" to the Declaration will be built by the Declarant. The Declarant has entered into agreements with the Township and the Sewer Authority in connection with its obtaining approval of the Plan to assure completion of the public improvements, and has provided financial security in the form of Performance Bonds for completion of the public improvements pursuant to the Pennsylvania Municipalities Planning Code and the applicable subdivision and land development ordinances of the Township and resolutions of the Sewer Authority. Such Performance Bond have been established with Reliance Insurance Company for the benefit of the Township and Sewer Authority. The Performance Bond are to be released only as work is completed.

#### **20. Unusual and Material Circumstances of the Planned Community**

All unusual and material circumstances, features and characteristics of the Community and the Units, if any, are disclosed and explained in this Public Offering Statement, the Declaration and the various attachments to this Public Offering Statement.

#### **21. Leasehold Planned Community Requirements**

These requirements are not applicable to this Community.

#### **22. Present Conditions of Structural Components and Utility Installations**

At the present time, each of the structural components and major utility installations for the Property are either new or under construction. The Declarant estimates that these installations may be completed within three years from the date construction commences. These include fixtures, equipment and other improvements necessary to provide water, sewer, electrical services, gas

service (if applicable and available), telephone service, and cable television service to each Unit in the Community. Such structural components and utility installations, when completed, become the property of the utility provider, who generally has the ongoing obligation to maintain and repair the components. However, each Unit owner may have certain maintenance and repair obligations with respect to those utility installations located within the property lines of his or her Unit. The expected useful life of each such improvement, together with the estimated cost in current dollars to replace each of the same is set forth as part of the budget attached as Exhibit "E" attached hereto.

### **23. Allocation of Votes Among the Units and Cumulative Voting**

Votes are allocated among the Units equally with respect to all Unit owners. The owner of each Unit is entitled to one vote. Cumulative voting for directors or officers is not permitted. No cumulative or class voting is permitted. Cumulative voting is a voting device designed to protect a group with a minority of voting power by permitting any voting group in a given body of voters to cumulate their votes to elect at least one representative in the governing body. Class voting is permitted by the Act on specified issues affecting a particular class of Units if necessary to protect the valid interests of the owners of such Units and not affecting Units outside of the Class.

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

The Declaration for the Community contains no provision for the delegation of any powers to a master association. The Declarant does not anticipate any circumstances under which the Association would become a master association

### **25. Governmental Approvals and Permits Required for the Use and Occupancy of the Planned Community**

*Plan Approval:* The governmental approvals and permits required for the commencement of construction of the site improvements and the common elements consist of the approval of the Plan by the Township on March 13, 2000 and May 8, 2000, and the approvals and permits noted on the approved Plan.

*Zoning Approval:* In addition, such approvals might be subject to intervening changes in zoning enacted on or before five (5) years from the date of preliminary approval of the Plan, unless the site improvements called for on the Plan were either substantially completed, or an escrow fund were established to guarantee to Township completion of such improvements.

*Wetland Mitigation Plan:* Approval of the Wetland Mitigation Plan was obtained from the Pennsylvania Department of Environmental Protection on April 25, 2000.

*Minor Road Crossing Permit:* Approval for two minor road crossings was obtained from the Pennsylvania Department of Environmental Protection on February 17, 2000 and the Army Corp of Engineers on March 10, 2000 ("General Permit No. 7").

*Stormwater Discharge Approval:* An NPDES permit from the Delaware County Conservation District, as agent for the Pennsylvania Department of Environmental Protection was obtained on October 9, 1997, reauthorized on December 10, 1997 and extended to October 9, 2002.

*Penn Dot Road Opening Approval:* N/A

*Other Permits and Approvals:* Any future permits required are expected to be obtained within two years. The Declarant is responsible for the expense of obtaining each such approval or permit.

The NPDES permit was transferred to Declarant on May 19, 2000 and General Permit No. 7 was transferred to Declarant on May 16, 2000.

## **26. Outstanding Notices of Violations**

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

## **27. Declarant's Knowledge of Hazardous Substances**

The Declarant has no knowledge of any one or more of the following:

(i) Hazardous conditions, including contamination, effecting the Community site, hazardous substances, hazardous waste or the like, or the existence of underground storage tanks with petroleum products or other hazardous substances; and

(ii) Any investigation conducted to determine the presence of hazardous conditions on or affecting the Community site, other than as may be disclosed on Exhibit "H" hereto.

(iii) Any finding or action recommended to be taken in the report of any such investigation or by any governmental body, agency or authority, in order to correct any hazardous conditions and any action taken pursuant to those recommendations, are either disclosed in Exhibit "I" hereto, or Declarant has no knowledge of such matters.

The addresses and phone numbers of the regional offices of the Pennsylvania Department of Environmental Resources and the United States Environmental Protection Agency, where information concerning environmental conditions affecting the Community site may be obtained are:

Pennsylvania Department of Environmental Resources  
Southeast Regional Office Suite 6010, Lee Park,  
555 North Lane Conshohocken, PA 19428-2233  
Telephone: (610) 832-6000

United States Environmental Protection Agency Region III  
(Delaware, Maryland, Pennsylvania, Virginia, West Virginia)  
U.S. EPA - Region 3 (3HWO)  
841 Chestnut Building  
Philadelphia, PA 19107  
Telephone: (215) 597-3099/Fax: (215) 597-9890

## **28. Declarant's Reserved Rights to Designate Common Facilities**

The rights reserved by the Declarant in the Declaration to designate as a common facility any portion of the Community or any improvement or facility existing or contemplated for the Community is set forth in Article VIII, Section 7 of the Declaration. All prospective purchasers should read carefully each and every provision of the Declaration, including Article VIII, Section 7. The following is intended to be a brief summary and description of such provisions relating to the Declarant's retained right to designate portions of the Community's improvements or facilities as common facilities.

In the Declaration, the Declarant reserves the right to designate as a common facility, the Common Elements, being the open space, storm water management facilities (which include drainage pipes), sidewalks, access roads, parking areas, street signs and stop signs, landscaping and all other facilities within the Community which the Association may hereafter own, acquire or construct, all as more fully described in the Declaration and as depicted on the Plan.

Common Facilities that are not required by the Plan to be improved, graded or disturbed in any way from their natural state will become so upon the filing of the Declaration. Common Facilities that must be constructed or otherwise improved will become Common Facilities upon substantial completion of any required improvement, grading or disturbance as required by the Plan and the Township. The Declarant will convey the Common Elements to the Association upon substantial completion of any improvements to all of the Common Elements, but not later than the date of the last conveyance by Declarant of a Unit included in the Community. This obligation will be binding upon the Declarant and any successor in interest of the Declarant in the portion of the Community consisting of such Common Elements, whether or not the successor succeeds to any special declarant rights of Declarant. Such Common Elements will be owned by the Declarant, prior to such conveyance. Such conveyance will be by fee simple deed of special warranty to be delivered to the Association, and recorded in the Office of the Recording of Deeds for Delaware County, Pennsylvania. No consideration shall be payable by the Association, other than the Association's acceptance of such deed or deeds.

No such conveyance shall occur until any required improvement, grading or disturbance in any way from the natural state of the portion of the Community to be conveyed has been completed, unless a third party guarantee, bond, escrow, letter of credit or other mechanism assuring completion has been provided by the Declarant, in addition to the Declarant's own guarantee of completion, for the benefit of the Association, which third party mechanism shall not expire until completion of such portion.

The maintenance and operation of the Common Elements conveyed will constitute the principal activity and purpose of the Association, and virtually all of the Association's budget will be devoted thereto.

## **29. Facilities and Amenities which Declarant is Obligated to Complete**

The facilities and amenities in the Community which the Declarant shall be obligated to complete are those items shown on the Plan as "MUST BE BUILT", and include the parking areas and internal road system for the Community, the stormwater management system and facilities for the Community, sidewalks and landscaping.

- *Completion:* The time within which all of the foregoing identified facilities or amenities shall be completed is not later than five (5) years from the date of the recording of the Declaration.

- *Funding for Completion:* Declarant has guaranteed the completion of such facilities in a subdivision and land development agreement with the Township, and has made arrangements for financial security as required by the Township for the benefit of the Township.

- *Ownership of Facilities:* The facilities and amenities to be completed by the Declarant will, when completed, be owned by the Association.

- *Maintenance and Repair:* The Association will be primarily responsible for the maintenance, repair, improvement, administration and regulation of the foregoing facilities and amenities, with the exception of utility facilities to be conveyed or dedicated to utility companies.

- *Roads:* No access roads nor interior streets shall be dedicated to the Township and therefore shall be owned and maintained by the Association. Richard Lane will be dedicated to the Township.

- *Utilities:* All utility facilities (with the exception of stormwater management facilities) shall be owned by the particular utility provider and maintained by such utility provider, up to the curb stop.

- *Stormwater Management Facilities:* Stormwater management facilities shall be maintained by the Declarant until completion, thereafter by the Association.

- *Township Indemnification:* The Declarant shall indemnify, defend and hold harmless the Township from all claims brought by any individual or entity alleging liability on the part of the Township for personal injury or property damage due to the design, construction, operation or maintenance of the Common Elements and/or the stormwater management facilities to be constructed on the Property. Upon transfer of the Common Elements and the stormwater management facilities to the Association, the Association shall be substituted as the indemnitor. The Association shall carry insurance in a minimum amount of \$1,000,000 per occurrence, \$2,000,000 aggregate, for purposes of this indemnification and to pay damages as a result of any claims hereunder. The Association shall provide an insurance certificate to the Township on an annual basis evidencing that the required insurance is in full force and effect.

### **30. Description of Darlington Valley and Darlington Valley Homeowners Association:**

As noted in the Introductory Paragraph, the Community is part of the Development known as Darlington Valley. The Development is controlled by its own set of governing documents, including a Declaration of Restrictions, Covenants and Easements of Darlington Valley, a copy of which is attached hereto, marked Exhibit "J" and made part hereof ("Darlington Declaration") and By-Laws for Darlington Valley Homeowners Association, a copy of which is attached hereto, marked Exhibit "K" and made part hereof. The Development consists of 43 single family detached dwellings and the 43 single family attached dwellings which are a part of the Community. The 43 single family detached

dwellings are not part of the Community. The developer of the 43 single family dwellings is Mark S. Ressler and Adele M. Ressler. Most of the single family detached dwellings have been constructed.

A homeowners association known as Darlington Valley Homeowners Association has been established for the Development in accordance with the provisions of the Darlington Declaration. An Owner of a Unit in the Community will also be a Member of the Darlington Valley Homeowners Association as set forth in the Darlington Declaration.

Darlington Valley Homeowners Association has or will have its own budget, separate and apart from the budget of the Community. The Darlington Declaration sets forth, in Article VI thereof, provision for assessments to be charged Members of the Darlington Valley Homeowners Association. Assessments include, among others, as annual general assessments and special assessments. The Darlington Declaration provides for, among other things, the manner in which assessments are fixed and collected and remedies for nonpayment. Assessments against Lots in the Development will be used to pay for, among other things, insurance premiums, maintenance and repair of improvements in the Common Areas and, if required, funding of reserves for future repairs and replacements. An Owner of a Unit in the Community will also be obligated, as a Member of the Development, to pay assessments in accordance with the Darlington Declaration to the Darlington Valley Homeowners Association. A copy of the current balance sheet and projected budget for Darlington Valley Homeowners Association is attached hereto, marked Exhibit "L", and made part hereof.

Of the 100.962 ± acres in the Development, 50.911± acres has been dedicated to the Township of Middletown as Community Open Space. Certain portions of the Development, consisting of 16.594± acres, have been or will be dedicated as common areas or open space for the common benefit, use and enjoyment of the Members of the Development, including an Owner of a Unit in the Community.

## CONCLUSION

Each prospective purchaser of a Unit is urged to review this complete Public Offering Statement, and the Declaration, and each of the Exhibits to the Public Offering Statement, and to seek legal or other professional assistance if you have any questions about the contents of any of these documents.