

MEADOWBROOK FARMS, A PLANNED COMMUNITY

PUBLIC OFFERING STATEMENT

IMPORTANT NOTICE PURSUANT TO 68 Pa.C.S. §§5402(a)(13) and 5406(c) OF THE PENNSYLVANIA UNIFORM PLANNED COMMUNITY ACT, 68 PA.C.S. §5101, ET SEQ. (THE "ACT"). NOTICE IS HEREBY GIVEN:

A. UNDER PENNSYLVANIA LAW, A PURCHASER OF A UNIT IN A PLANNED COMMUNITY IS PROVIDED A FIFTEEN (15) DAY PERIOD AFTER RECEIPT OF A PUBLIC OFFERING STATEMENT, OR AN AMENDMENT TO A PUBLIC OFFERING STATEMENT THAT MATERIALLY AND ADVERSELY AFFECTS THE RIGHTS AND OBLIGATIONS OF THE PURCHASER, BUT BEFORE CONVEYANCE OF THE UNIT, DURING WHICH THE PURCHASER MAY CANCEL WITHOUT PENALTY ANY CONTRACT OF SALE PREVIOUSLY SIGNED AND OBTAIN A FULL REFUND OF ANY SUMS ESCROWED IN ACCORDANCE WITH SECTION 5408 OF THE ACT IN CONNECTION WITH THE CONTRACT. IF THE PURCHASER ELECTS TO CANCEL, THE PURCHASER MUST DELIVER NOTICE OF CANCELLATION TO THE DECLARANT BY HAND DELIVERY (IN WHICH CASE EVIDENCE OF RECEIPT SHOULD BE OBTAINED) OR BY POSTAGE PREPAID UNITED STATES MAIL, RETURN RECEIPT REQUESTED, TO THE DECLARANT AT THE FOLLOWING ADDRESS: 5140 EAST TRINDLE ROAD, MECHANICSBURG, PA 17055.

B. IF DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT, OR ANY MATERIAL AMENDMENTS THERETO, TO A PURCHASER BEFORE CONVEYING A UNIT, THAT PURCHASER MAY RECOVER FROM DECLARANT, IN ADDITION TO ANY OTHER RELIEF, AN AMOUNT EQUAL TO 5% OF THE SALE PRICE OF THE UNIT UP TO A MAXIMUM OF \$2,000.00, WHICHEVER IS GREATER. A MINOR OMISSION OR ERROR IN THE PUBLIC OFFERING STATEMENT, OR ANY AMENDMENT THERETO, WHICH IS NOT WILLFUL, SHALL NOT ENTITLE THE PURCHASER TO RECOVER ACTUAL DAMAGES ONLY.

C. IF A PURCHASER RECEIVES THE PUBLIC OFFERING STATEMENT MORE THAN FIFTEEN (15) DAYS BEFORE RECEIVING A CONTRACT OF SALE, THE PURCHASER CANNOT CANCEL THE CONTRACT, EXCEPT THAT IN ACCORDANCE WITH SECTION 5408(a) OF THE ACT THE PURCHASER SHALL HAVE THE RIGHT TO CANCEL THE CONTRACT BEFORE CONVEYANCE WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF THE AMENDMENT TO THE PUBLIC OFFERING STATEMENT THAT MATERIALLY AND ADVERSELY AFFECTS THE RIGHTS AND OBLIGATIONS OF THAT PURCHASER.

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EXHIBITS:

- EXHIBIT "A" - Declaration
- EXHIBIT "B" - By-Laws
- EXHIBIT "C" - Articles of Incorporation
- EXHIBIT "D" - Form Agreement of Sale
- EXHIBIT "E" - List of Encumbrances
- EXHIBIT "F" - Proposed Budget

MEADOWBROOK FARMS, A PLANNED COMMUNITY

PUBLIC OFFERING STATEMENT

1. INTRODUCTION

NAME OF PLANNED COMMUNITY: Meadowbrook Farms

LOCATION OF COMMUNITY: Middlesex Township and
North Middleton Township
Cumberland County, Pennsylvania

NAME OF DECLARANT: Pamay Development Co., Inc.
ADDRESS OF DECLARANT: 5140 East Trindle Road, Mechanicsburg, PA

EFFECTIVE DATE OF PUBLIC OFFERING STATEMENT: March 10, 1998

Pamay Development Co., Inc. ("Declarant") is the owner and developer of an approximate 155.9 acre tract of land located partly in Middlesex Township and partly in North Middleton Township, Cumberland County, Pennsylvania. The Preliminary Subdivision Plan for Meadowbrook Farms proposes the development of a total of 216 residential building lots to be built over 10 phases: 174 of the lots are located in Middlesex Township; 42 of the lots are located in North Middleton Township. Declarant initially proposes to offer for sale a total of 20 lots (referred to herein as "Units") in Phase I of Meadowbrook Farms.

A planned community is real estate with respect to which a person, by virtue of ownership of an interest in a portion of the real estate (his or her Unit or lot) is or may be obligated to pay any amount for taxes, insurance, maintenance, repair, improvement, management, administration or regulation of any part of the real estate (the Common Facilities) other than the portion or interest owned solely by the person. Thus, a person's fee simple ownership in his or her own Unit (or lot) carries with it the obligation to pay a defined share of the expenses in operating and maintaining the Common Facilities.

This Public Offering Statement consists of two (2) parts, a narrative portion and an Exhibit portion. The narrative portion of the Public Offering Statement is intended to summarize the significant features of the Exhibits and also to present other information of importance to the prospective purchaser. The Exhibits include legal documents that are required for the creation and operation of the planned community, including, the current budget for the planned community. In the event of any inconsistency between the Exhibits and the narrative, the provisions in the Exhibits will govern.

2. **DESCRIPTION OF MEADOWBROOK FARMS**

a. **Units.** Meadowbrook Farms is a residential development consisting of a proposed 216 single-family detached building lots. Each lot is considered a Unit under the Uniform Planned Community Act. The Unit identified as Lot 2 on the Plans is not a part of the Planned Community. There are ten (10) planned phases for the Planned Community and Declarant is under no obligation to construct more than one phase. The number of projected Units in each Phase are as follows:

<u>PHASE:</u>	<u>NO. OF UNITS:</u>
Phase 1	20
Phase 2	25
Phase 3	24
Phase 4	21
Phase 5	25
Phase 6	16
Phase 7	27
Phase 8	26
Phase 9	14
Phase 10	18

The first phase, Phase 1, contains twenty (20) Units. The location of the Units are as shown on the Final Subdivision Plan of Meadowbrook Farms - Phase I, recorded in the Recorder of Deeds Office for Cumberland County on September 5, 1997 in Plan Book 75, Page 65.

Phases 1 through 8, inclusive, have received final sewerage planning module approval from the Department of Environmental Protection for the Commonwealth of Pennsylvania. Phases 9 and 10 may not be constructed until these Phases also receive final sewerage planning module approval. If Phases 9 and 10 do not receive final sewerage planning module approval, no building permits will issue for lots within Phase 9 and 10 which will have the effect of increasing the proportionate assessments for Units sold within Phases 1 through 8.

b. **Common Facilities.** Common Facilities are portions of the Property which are not included within the boundaries of the Units or within areas to be dedicated to the municipality or to utilities AND are owned by the Association.

(i) **Description of the Common Facilities.** The Common Facilities consist of: (a) open space, which shall remain in a natural condition consisting primarily of flood plain and wetlands, except for any structures required as a part of the wetlands mitigation being constructed within the open space or an open space area for active recreation of approximately five (5) acres with the ability of the Association to build a pavilion or similar structure; and, (b) any storm water management outlet structures required by either Middlesex Township or North Middleton Township. No structures exist in the Common Facilities as of

the date of the recording of this Declaration. Any structures to be constructed within the Common Facilities will be shown on subsequent final subdivision plans. All structures within the Common Facilities [except for any improvements in the active recreation area] will be constructed by the Declarant.

(ii) Conveyance of the Common Facilities. The Common Facilities will be conveyed to the Association either upon completion or turn over of control of the Association by Declarant. Until the time of conveyance, the common facilities will be owned by the Declarant. Conveyance will be by special warranty deed to the Association for consideration of One Dollar (\$1.00). After conveyance of the Common Facilities to the Association, the costs to maintain, improve, repair, replace, and insure the Common Facilities will be borne by the individual Unit Owners through regular, and, if need be, special assessments.

c. Controlled Facilities:

Controlled Facilities are portions of the Planned Community not owned by the Association but are, nevertheless, maintained, improved, repaired, replaced, insured or controlled by the Association. The controlled facilities consist of: (x) areas of certain Units which will contain landscaping and Meadowbrook Farms identification signs located at the entrances to the development and fencing and landscaping along West Middlesex Drive; and (y) stormwater management controls located outside of the street rights-of-way to be dedicated to Middlesex Township and to North Middleton Township, which include such controls as piping, inlets and outfall structures located within easements on Units as shown on final subdivision plans.

The Association is obligated to maintain, improve, repair, replace, regulate, manage, insure and control the controlled facilities pursuant to recorded landscaping easements. In addition, the Association shall be responsible to maintain all stormwater management controls located outside of the rights-of-way streets to be dedicated to Middlesex Township and to North Middleton Township.

Prior to the conveyance of any Unit within which a Controlled Facility is located, or proposed to be located, Declarant will reserve an easement in favor of the Association to maintain, improve, repair and replace the identification signs and entrance landscaping. After conveyance of the Unit, the costs to maintain, improve, repair, replace, and insure the Controlled Facilities will be borne by the individual Unit Owners through regular, and, if need be, special assessments.

3. DECLARANT

The Declarant is Pamay Development Co., Inc., 5140 East Trindle Road, Mechanicsburg, Pennsylvania.

4. **FINANCING FOR PURCHASE OF UNITS**

The Declarant does not intend to offer financing for purchasers of Units.

5. **GOVERNING DOCUMENTS AND CERTAIN CONTRACTS**

The use and occupancy of the Units in the Planned Community and the ownership, care and maintenance of the Common and Controlled Facilities are governed by certain regulations, covenants, and restrictions contained in the Declaration attached hereto as **Exhibit "A"** and the By-laws attached hereto as **Exhibit "B"**. The Association is also governed by the Articles of Incorporation which are filed with the Department of State for the Commonwealth of Pennsylvania and are attached hereto as **Exhibit "C"**. These documents, taken together, are known as the Governing Documents of the Planned Community.

It is important that you read and attempt to understand each portion of the Governing Documents prior to your purchase. By purchasing a Unit, you automatically agree to abide by all the Governing Documents.

The following is a brief summary of the significant portions of the Governing Documents and other relevant documents.

a. **Declaration**. The Declaration provides for the creation of a Planned Community development known as Meadowbrook Farms. This document outlines the various rights, covenants, and restrictions for the use of the Units, the use and maintenance of the Common Facilities and the Controlled Facilities of the Planned Community, and the rights of the Association to operate the affairs of the Planned Community which includes right to levy regular and special assessments.

Article I of the Declaration states that the Planned Community is subject to the Pennsylvania Uniform Planned Community Act and deals with various recorded easements, licenses, and restrictions on the Property. *Section 1.2* excludes Lot 2 as shown on the Plans from the Planned Community. *Section 1.3* of the Declaration provides that the Planned Community is subject to various utility easements and subject to the information on the recorded plans for all phases of Meadowbrook Farms.

Article II of the Declaration defines important terms of the Declaration. Most noticeable are the definitions of Common Facilities, Controlled Facilities, and Unit.

Article III of the Declaration describes the Units (*Section 3.1*) and confers certain rights granted by the Act to relocate Unit boundaries upon obtaining municipal and Association approval (*Section 3.2*) and the right of Declarant only to subdivide Units prior to conveyance (*Section 3.3*).

Article XI of the Declaration provides for the establishment of a budget, common expenses, assessments, and enforcement of assessments. There are two types of assessments which may be made: (1) a general assessment based on all common expense assessments shared by all Unit owners of the Planned Community; (2) a special assessment if the annual budget proves inadequate for any reason. Assessment payments will be made on an annual basis for expenses and failure to make payments in the time and manner required will result in interest charges of fifteen (15%) percent per annum plus late charges and attorney's fees. Under the Planned Community Act, a failure to make assessment payments will result in the placement of an automatic lien against a defaulting Unit. The Executive Board shall establish a budget each year based on expenses which shall include a sufficient reserve for the replacement and contingencies. In order to establish an initial reserve, upon the sale of each Unit, an initial fee of \$100.00 will be collected at closing from the purchaser of the Unit. The Article also sets forth the type of expenses that could be incurred and for which an assessment may be made.

Article XII provides that there are no restrictions on the subsequent transfer or conveyance of a Unit except that any subsequent transfer is subject to the conditions and provisions of the Declaration.

Article XIII of the Declaration requires the Executive Board of the Association to obtain property and liability insurance for Common and Controlled Facilities.

Article XIV of the Declaration describes (in *Section 14.1*) when control of the Association will be turned over from the Declarant to the Unit Owners must be made. *Section 14.2* reserves what are known as Special Rights to the Declarant to sell Units, to maintain management offices, and to convert unsold Units into two or more Units, and the right to alter the location and dimensions of Units in future phases so long as the change or alteration does not conflict with the Architectural Control and Protective Covenants set forth in the Declaration. *Section 14.3* also allows the Declarant to assigned to a successor Declarant.

Article XV provides that real estate taxes are to be separately assessed to each Unit, except for the Common Facilities which may be assessed against the Association.

Article XVI of the Declaration are miscellaneous provisions relating to the Declaration generally.

There are no provisions in the Declaration providing that the Association will become a part of a Master Association or that Declarant will add Additional Real Estate to the Planned Community.

b. Association Bylaws

Article II of the Bylaws, which are attached hereto as **Exhibit "B"**, states that all Unit owners shall be members of the Association, that there is only one class of voting, and sets forth the time, place, and necessary guidelines for calling regular and special meetings.

Article III has provisions for the Executive Board which shall consist of three (3) individuals. An Executive Board member will serve for one (1) year. A member of the Executive Board may be compensated for attendance at meetings.

Article IV of the Bylaws has provisions for the officers of the Association which shall include a president, vice-president, secretary, and treasurer.

Article V and *Article VI* of the bylaws address the appointment of committees and director indemnification issues.

Article VII relates to enforcement rights of the Association and the Executive Board.

Article XI of the Bylaws describes amendments to the Bylaws.

Article IX provides that the Executive Board is to prepare an annual report setting forth, among other things, the assets and liabilities of the Association, the membership in the Association and the expenses and disbursements of the Association.

c. **Association Articles of Incorporation**

The Articles which have been filed pursuant to Pennsylvania law to create the Meadowbrook Farms Homeowners Association as a non-profit corporation is attached hereto as **Exhibit "C"**.

d. **Agreement of Sale**

The Agreement of Sale, attached hereto as **Exhibit "D"**, sets forth the various rights, duties, and obligations of the Unit purchaser and Declarant with respect to the individual Unit to be purchased. The Meadowbrook Farms Addendum ("Addendum"), attached to the Agreement of Sale, is part of the Agreement of Sale.

The agreement for the sale and purchase of the individual Unit is a standard form Agreement of Sale as recommended and approved for use by members of the Greater Harrisburg Association of Realtors. This document should be reviewed with your realtor. Any deposit made in connection with the purchase of a Unit will be held in an escrow account in accordance with the provisions 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.

The Addendum to the Agreement of Sale provides that: (1) the buyer acknowledges receipt of the Public Offering Statement as well as the Declaration which sets forth the various deed restrictions and covenants; (2) the membership in the Association is mandatory and that an initiation fee of \$100.00 for establishment and maintenance of a reserve account will be collected at the time of sale and resale of each unit; (3) the builder shall be obligated to pay a commission on the house and lot value; and, (4) buyer shall obtain approval of the building plans prior to settlement on the lot for the dwelling house to be built on the lot showing the

2,200 square feet of finished living area, or 2,000 square feet for a ranch, and the exterior design, materials and colors.

6. **DESCRIPTION OF LIENS, DEFECTS OR ENCUMBRANCES**

The Planned Community is subject to the terms of the Declaration, as recorded, and the conditions shown on the plats and plans, as recorded, the by-laws and any rules and regulations, as each of these may be amended.

The Act grants certain statutory easements that affect the Planned Community, including: (i) an easement provided in Section 5216 of the Act making any Unit or Common Facilities subject to a valid easement to the extent that any other Unit or Common Facility encroach upon it; (ii) an easement provided to the Declarant by Section 5218 through the Common Facilities as may be reasonably necessary for the purpose of discharging the obligations of the Declarant or exercising special Declarant rights; (iii) the rights granted under Section 5217 of the Act for the Declarant to maintain signs on the Common Facility as advertised in the Planned Community and, as provided in the Declaration, maintaining sales offices, management offices and models in the Planned Community; and (iv) the easement granted the Declarant through the Common Facilities as necessary for purposes of discharging the Declarant's obligations under the Declaration.

The Declaration provides for additional easements for Unit owners, including easements affecting both Units and Common Facilities and to various recorded easements, encumbrances, restrictions and agreements affecting the Planned Community. These include all utility and other easements shown on the plats and plans of the Planned Community and various utility easements for water, sewer, gas, television, electric and telephone lines.

The Property is presently subject to the liens of mortgages securing loan obligations of the Declarant as set forth in **Exhibit "E"**.

7. **RESTRICTIONS ON TRANSFER**

There are no restrictions imposed by the Declarant on resale of a Unit by the Unit owner except that sale is taken subject to the terms, conditions, provisions and requirements of the Declaration.

8. **FINANCIAL MATTERS**

As indicated above, Unit owners will be assessed to obtain the funds necessary to meet the budget of the Association. The assessments necessary for the year will be determined on an annual basis.

A proposed Balance Sheet and Budget is attached hereto as **Exhibits "F"**. The amount assessed against each Unit is determined by taking the total annual budget divided by the total number of Units in a developed Phase. The budget was prepared by Declarant. The amount

in the budget as a reserve for repairs and replacement is \$21,600.00 upon development of all phases of Meadowbrook Farms (\$100.00 will be collected at time of sale and resale of each unit). No reserves are set forth in the budget for anticipated material capital expenditures. The proposed common expense assessment for each Unit is set forth in Exhibit "F", which will decrease proportionally as each phase may be developed.

There are no anticipated or expected current fees or charges to be paid by Unit owners for the use of the Common Elements or Common Facilities. Declarant will not construct any improvements on individual Units other than Controlled Facilities. All Common and Controlled Facilities have been constructed at the effective date of this Public Offering Statement or will be constructed prior to taking control of the Association from the Declarant; except for any improvement within the active recreational area of the open space which, if constructed, will be the responsibility of the Association.

9. **ZONING, HOUSING AND BUILDING CODES**

There are no outstanding notices of uncured violations of building code, municipal regulations, or governmental requirements.

10. **WARRANTIES**

No warranties are provided by Declarant with respect to either Common or Controlled Facilities.

11. **JUDGMENTS AGAINST THE ASSOCIATION**

As of the date of this Public Offering Statement, there are no judgments against the Association and there are no pending suits to which the Association is a party or of which the Declarant has actual knowledge.

12. **INSURANCE**

The Association shall obtain comprehensive public liability and property damage insurance in not less than \$1,000,000 million per occurrence. The Board may also obtain the Fidelity Bond or insurance policy protection against dishonest acts on the part of the Board members, officers or agents.

13. **VOTING**

Votes are allocated among the Units on a one Unit/one vote basis. Cumulative voting is not permitted. Class voting is not permitted.

14. **GOVERNMENTAL APPROVALS**

Phase 1 of Meadowbrook Farms obtained final subdivision approval from Middlesex Township and North Middleton Township. The Phase 1 Plan was recorded at Cumberland County Plan Book 75, page 65. The planning module and NPDES permits were previously approved for the development. The Cumberland County Conservation District has approved the project. A building permit will be needed prior to the construction of a building on a Unit. There are no outstanding notices of uncured violations of building code, municipal regulations or governmental requirements.

15. **ENVIRONMENTAL CONDITIONS**

The Declarant is unaware of any environmentally hazardous conditions, including contamination affecting the Planned Community site by hazardous substances, hazardous wastes, or the existence of underground storage tanks for petroleum products or other hazardous substances. The Declarant is also unaware of and has no notice of any governmental investigation regarding the disposal of hazardous wastes, hazardous substances or other contaminants upon the Planned Community or upon adjacent property which may affect the Planned Community. The address and phone number of the regional offices of governmental agencies where information concerning environmental conditions affecting the Planned Community site may be obtained are as follows:

United States Environmental Protection Agency
842 Chestnut Street
Philadelphia, PA
Telephone (215) 597-9800

Pennsylvania Department of Environmental Protection
16th Floor, Rachel Carson State Office Building
P.O. Box 2063
Harrisburg, Pennsylvania 17105
Telephone (717) 826-2511

16. **UNUSUAL AND MATERIAL CIRCUMSTANCES**

The Common Facilities and the Controlled Facilities are depicted on the Final Subdivision Plans for each phase.

17. **MASTER ASSOCIATION**

The Declaration contains no provisions authorizing the Association to become a Master Association or become part of a Master Association.

18. **RESTRICTIONS ON USE**

The Declaration in Article VII contains the following architectural control provisions:

a. *Architectural Control Committee.* The Declarant shall initially appoint an Architectural Control Committee and shall fill any vacancies in said committee. After the Declarant has conveyed all of the units in Meadowbrook Farms, then the Meadowbrook Farms Homeowners Association shall thereafter appoint the Architectural Control Committee.

b. *Architectural Control.* No building, fence, wall or other man-made structure shall be commenced, erected or maintained upon any Unit, until the builder and the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design, colors and location in relation to surrounding structures, topography and finished ground elevation by the Architectural Control Committee.

c. *Building Plans Approval.* No building shall be erected, placed or altered on any Unit until the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design and colors with existing structures, and as to location with respect to topography and finished grade elevation. No fence or wall shall be erected, placed or altered on any unit nearer to any street than the minimum building set-back line.

d. *Project Builder.* Designated builder(s) for homes in Meadowbrook Farms will be approved by the Architectural Control Committee.

e. *Setback Requirement.* A building setback line shall be maintained in compliance with Middlesex Township requirements for those Units located in Middlesex Township and in compliance with North Middleton Township for those Units located in North Middleton Township.

f. *Zoning.* The respective Zoning Ordinances and all regulations passed by Middlesex Township and North Middleton Township municipal governments shall apply to the development of this Property and any revisions or amendments to such ordinances and regulations shall be applicable as well.

g. *Construction Period.*

(a) In order to assure the desired residential atmosphere of Meadowbrook Farms, every purchaser of a Unit agrees to commence the erection of a residence upon closing and settlement on the respective Unit, said erection to be completed within twelve (12) months. The Architectural Control

Committee may waive this requirement by giving written notice of such waiver to such Unit Owner.

(b) Both the Declarant's contractor and the builders for Unit Owners shall maintain their respective work area in good condition and prevent any debris from construction littering surrounding Units. All Units shall be kept in slightly condition prior to and following the completion of the residence being constructed.

(c) Fine grading, seeding and service pavements shall be completed within six (6) months of completion of dwelling.

h. *Pole Lighting.* Each Unit Owner shall be required to install and maintain at least one dusk to dawn exterior pole light between the front property line and the dwelling constructed on the Unit.

i. *Fences.* No fences or walls shall be erected on any Unit without the Architectural Control Committee's written approval, which shall control the height and adequate openings of same so as not to block the view and air of adjoining Unit Owners.

j. *Landscaping Plan.*

(1) Prior to the occupancy of any dwelling located on a Unit a landscaping plan for the Unit, showing the type, size and location of plants and materials shall be submitted to and approved in writing as to conformity and harmony with existing structures, topography and finished ground elevation by the Architectural Control Committee, or by a landscaping committee appointed by the Architectural Control Committee. The grass plot on the Unit and the plants and materials as shown on the landscaping plan shall be installed by the Owner within one (1) year of the commencement of construction of any dwelling on the Unit.

(2) No living trees on the property, other than those in the area cleared for erection of improvements, shall be destroyed without the consent of the Architectural Control Committee. All trees planted within ten (10) feet of the public right-of-way shall be of a variety specified by the Architectural Control Committee.

k. *Plan Changes.* No changes shall be made in the approved building plans prior to the occupancy of any dwelling house located on a Unit without the prior written approval of the Architectural Control Committee, and no substantial change shall be made in the approved landscaping plan without the approval of the Architectural Control Committee.

1. *Exterior Changes After Occupancy.* After the initial occupancy of any dwelling house located on a Unit, any erection of a structure (including but not limited to fences, walls and mailboxes), any addition or alteration to the exterior of a structure, or any change in the existing color or finish of any exterior surface of any building on a Unit shall not be done until plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design, colors and location in relation to surrounding structures, and finished ground elevation topography, by the Executive Board of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Executive Board. In the event said Executive Board, or its designated committee, fails to approve or disapprove such change, design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this section will be deemed to have been fully complied with.

The Declaration in Article VIII provides for the following *protective covenants*:

a. *Residential Use.* The Units shall be used for residential purposes only, and no other land use shall be permitted thereon at any time; provided, this Section 8.01 does not prohibit the right of Declarant to use model homes, and provided further, this does not prohibit the right of Declarant to replot a Unit or Units in an undeveloped phase to provide for a public street or driveway to connect to other residential properties. No residential dwelling shall be rented for a period of less than six (6) months.

b. *Commercial Enterprises.* No store, business, or commercial enterprise shall be maintained or operated in any private residence whether or not such use would be maintained or operated in any private residence and whether or not such use would be permitted in any zoning district of either North Middleton Township or Middlesex Township. A home office is permitted if such office is not used to see individuals as patients, clients or customers in the office and such office does not cause a visible change to the exterior residential character of the residence. This section shall not operate to prohibit the right of Declarant, or Declarant's assignees, to use model homes.

c. *Temporary Structures.* No structure of a temporary character, mobile home, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any Unit at any time as a residence, either temporarily or permanently.

d. *Exterior Materials.* No building blocks shall be used in the exterior walls of any building above the finished grade of the ground unless faced or covered with brick, natural stone, wood, vinyl siding, or such other materials as shall have the prior approval of the Architectural Control Committee.

e. *Dwelling Quality and Size.* It being the intention and purpose of the covenant to assure that all dwellings shall be of a quality of workmanship and materials substantially consistent with the following requirements:

(1) No buildings shall be erected on any Unit except one single family detached residential building of new construction on the Unit with an attached or detached minimum two (2) car garage or greater. (Exception may be granted to Owner for a small pool house, swimming pool and facilities, tennis court and/or a play house.)

(2) Minimum building size shall be 2200 square feet (2000 square feet for a ranch style home) of living space defined as follows: all interior finished floor space above grade, excepting basements, garages, porches, decks; provided, that Declarant may increase the minimum building size in future phases prior to the sale or conveyance to a party other than a Successor Declarant of the first Unit in the said future phase.

(3) No modular home is to be placed or built on any Unit.

f. *Land Use and Building Type.* No Unit shall be used except for single family residential purposes, except as set forth in Section 8.1 and 8.2 herein. No buildings shall be erected, altered, placed or permitted to remain on any Unit other than one single family detached dwelling not to exceed two and one-half stories in height and a private garage. This shall not preclude pool houses or gazebos if approved by the Architectural Control Committee.

g. *Utilities.* All Units must use the public water and sewer as available.

h. *Mailboxes.* All mailboxes must follow the conformity established or approved by the Architectural Control Committee.

i. *Driveways.* All driveways must be paved with either concrete, asphalt or utilize brick pavers.

j. *Storage Tanks.* No tank for storage of ten (10) gallons or more of gas or flammable liquids may be maintained outside of a building on any Unit, provided that propane tanks used for fireplaces may be maintained outside of a building if screened from view of any adjoining property or street.

k. *Livestock and Poultry.* No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose. However, no dog, cat or other household pet may be maintained outside of the residence constructed on the lot and no doghouse or other constructed dwelling for the pet may be maintained outside the aforesaid dwelling. The pet shall be properly confined (a properly

confined pet is defined as on a leash when outside the Owner's Unit). Barking dogs left outside shall not be permitted.

l. *Garbage and Refuse Disposal.* No Unit shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

m. *Vehicles.* No trailers, recreational vehicles, boats, boat trailers, or junk vehicles shall be parked or stored on any Unit except within a garage, unless it is parked in the driveway of a Unit on a temporary basis, i.e., less than ten (10) days in a quarter. A junk motor vehicle shall be taken to mean any motor vehicle that does not have current Pennsylvania inspection sticker and for which one cannot be obtained. No trailer, recreational vehicle, boat, boat trailer, or junk vehicle may be parked overnight on any street of the Planned Community. In the event a Unit Owner must temporarily park a vehicle, recreational vehicle, boat or boat trailer for a seasonal period, this parking shall not be on any street of the Planned Community.

n. *Repair of Motor Vehicles.* No repair of any motor vehicles shall be permitted outside of any garage building.

o. *Radio and Television Antennas.* No radio or television antennas, or satellite dish antennas, shall be erected or maintained outside of a building on any Unit, provided that satellite dish antennas, at 24" diameter or less, may be erected outside of a building after approval as to style and location by the Architectural Control Committee.

p. *Nuisances.*

(1) No obnoxious or offensive trade or practice of any kind shall be carried on or upon the Unit or the Planned Community, nor shall anything be done which may become an annoyance or a nuisance to the neighborhood.

(2) All Owners of vacant land shall keep the same free from collection of refuse and shall mow said Units at least four (4) times during each mowing season unless the grass is kept short by other methods.

(3) In the event any resident believes that a nuisance or offensive practice is being committed, such member may present the facts of his complaint in writing to the Architectural Control Committee. After reasonable investigation and opportunity for personal hearing, such committee shall decide whether or not the nuisance or offensive practice of any kind does exist, such finding shall be conclusive and the continuance of the offensive conduct, after notice to terminate such conduct has been delivered to the responsible persons, shall constitute a violation of this covenant. In addition to such remedy, a complaining member shall have the usual relief available in an action at law or equity.

q. *Signs.* No sign of any kind shall be displayed to the public view on any Unit except one professional sign of not more than one (1) square foot or one sign of not more than five (5) square feet, temporarily advertising the property for sale or rent, or signs used by a builder to advertise the Unit during the construction and sales period.

r. *Exterior Laundry Drying Facilities.* Exterior laundry drying facilities including, but not limited to, posts and lines, racks and rotating type equipment are prohibited unless such units can be screened from view off of the Unit immediately upon installation.

s. *Resubdivision.* Any further subdivision of any Unit on the aforesaid Plan is forbidden by a successor in title to the Declarant, unless said subdivision is either first approved by the Board of Directors of the Association, or if the resubdivision is pursuant to Section 6.01 herein.

t. *Earth Excavation.* No ground shall be removed from any Unit by any successor in title to the Declarant, except as shall be hauled at the expense of the Unit Owner to a place within Meadowbrook Farms as designated by the Declarant or otherwise, except as otherwise approved by the Declarant.

u. *Land Near Watercourses.* No building shall be placed nor shall any material or refuse be placed or stored on any Unit within twenty (20) feet of any open watercourse, except that clean fill may be placed nearer, provided, that the natural watercourse is not altered or blocked by such fill.

v. *Street Right-of-Way.* The area between the edge of any public street right-of-way (Unit property line) and the curb within the right-of-way along all paved streets shall be developed and maintained as part of the landscaping plan of any Unit, but in no event shall trees be planted within this area.

w. *Street Trees.* Street trees either within a Unit or within the street right-of-way and alongside each public street within Meadowbrook Farms, shall be maintained by the Unit Owner.

x. *Trees.* In addition to the requirements of Section 8.23 herein, one deciduous or evergreen tree (with a minimum trunk caliper of at least 2.5 inches measured at a height of six inches above finished grade) per every 1,000 square feet of gross floor area of a building on a Unit shall be planted and maintained by the Unit Owner. Gross floor area shall be determined in accordance with Section 8.5(b) herein.

y. *Sidewalks.* Each Unit Owner shall be responsible to install, repair, replace, and maintain, including snow and ice removal, any sidewalk installed within or adjacent to a public street right-of-way within Meadowbrook Farms and along the property line of the Unit.

z. *Rights of Way.* The Units are sold subject to the rights of way granted to public utilities and to the Declarant for installation of utilities.

19. GENERAL INFORMATION

ANY INFORMATION OR DATA REGARDING THE PLANNED COMMUNITY NOT PRESENTED IN THIS PUBLIC OFFERING STATEMENT OR CONTAINED IN THE EXHIBITS MUST NOT BE RELIED UPON.


NO PERSON HAS BEEN AUTHORIZED BY THE DECLARANT TO MAKE ANY REPRESENTATION NOT EXPRESSLY CONTAINED HEREIN.

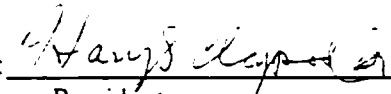
THIS PRESENTATION MAY NOT BE CHANGED OR MODIFIED ORALLY. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE TERMS OF THIS PUBLIC OFFERING STATEMENT AND THE LEGAL DOCUMENTS CREATING THE PLANNED COMMUNITY INCLUDING, BUT NOT LIMITED TO THE DECLARATION, BYLAWS, AND PLANS, THE TERMS OF THAT LEGAL DOCUMENT WILL CONTROL.

THIS PUBLIC OFFERING STATEMENT INCLUDES LEGAL DOCUMENTS WHICH DETERMINE YOUR OWNERSHIP RIGHTS IN THE PLANNED COMMUNITY. IT IS RECOMMENDED THAT YOU CONSULT LEGAL COUNSEL OF YOUR CHOICE CONCERNING THE CONTENTS OF THIS OFFERING.

ATTEST:

PAMAY DEVELOPMENT CO., INC.

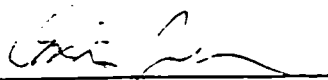

(Ass't Secretary)

By: 
President

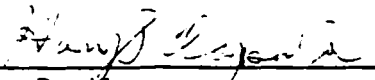
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ATTEST:

PAMAY DEVELOPMENT CO., INC.



(Ass't Secretary)

By: 

President