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Pursuant to the provisions of 68 P.S.C.A Section 5201
this Declaration shall be recorded
in the Office of the Recorder of Deeds
in and for Chester County, Pennsylvania
and is to be indexed in the same records
as are notarized for the recording of a deed
and shall identify **Locksley Glen Development Corp.** (Declarant)
as the **grantor**, and
Locksley Glen, a Planned Community (Name of Planned Community)
as the **grantee**.

All of the real property made subject to this Declaration
is located in
East Nottingham Township,
Chester County,
Pennsylvania

**DECLARATION
OF COVENANTS, RESTRICTIONS, EASEMENTS
AND ESTABLISHMENT OF HOMEOWNERS ASSOCIATION
FOR LOCKSLEY GLEN, A PLANNED COMMUNITY
IN EAST NOTTINGHAM TOWNSHIP, CHESTER COUNTY, PENNSYLVANIA**

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DECLARATION
OF COVENANTS, RESTRICTIONS, EASEMENTS
AND ESTABLISHMENT OF HOMEOWNERS ASSOCIATION
FOR LOCKSLEY GLEN PLANNED COMMUNITY
IN EAST NOTTINGHAM TOWNSHIP, CHESTER COUNTY, PENNSYLVANIA

This Declaration is made this 18th day of May, 1999 by Locksley Glen Development Corp., a Pennsylvania corporation, herein referred to as "Declarant").

PREAMBLE

WHEREAS, Declarant is the owner of the real property described in Exhibit "A" attached to and made a part of this Declaration (herein referred to as the "Subject Property"); and

WHEREAS, the Subject Property has been approved for subdivision by East Nottingham Township, Chester County, Pennsylvania as shown on that certain plan identified as *Locksley Glen Single Family Homes Record Plan Section 1 / Phase 1* prepared by Reagis, Wayne, PA dated June 20, 1998, last revised March 19, 1999 (herein referred to as "Subdivision Plan") and which such Subject Property has been subdivided by the recordation of said Subdivision Plan in the Office of the Recorder of Deeds in and for Chester County, Pennsylvania on May 14, 1999 as Plan 14921 and

WHEREAS, the Subject Property is one of a number of parts (each such part is herein referred to as a "Property Phase") of a certain larger parcel of land described in Exhibit "B" attached to and made a part of this Declaration (herein referred to as the "Overall Parcel") situate in East Nottingham Township, Chester County, Pennsylvania, as shown on that certain plan identified as *"Locksley Glen" Single Family Homes Record Plan Section No. 1 Cover Sheet*, prepared by Reagis, Wayne, PA dated January 30, 1998, last revised March 19, 1999 (herein referred to as "Overall Development Plan"), as such Overall Development Plan as amended if amended may be approved, in whole or in Property Phases, by East Nottingham Township (which such Overall Parcel is herein referred to as the "Community of Locksley Glen or the "Community"); and

WHEREAS, Declarant desires to develop and improve the Subject Property pursuant to the Subdivision Plan, as amended if amended, and, further, Declarant desires to develop and improve the Subject Property pursuant to the Overall Development Plan as the same shall be approved by East Nottingham Township (herein referred to as "Approved Development"), subject to the rights of Declarant as set forth herein to modify the Subdivision Plan and the Overall Development Plan, with the intent that the Owners of the Residential Dwelling Unit Lots and the owners and occupants of the dwellings constructed on each Property Phase and their invited guests may have the benefit, use and enjoyment of certain portions and improvements to the Property Phases as and when developed which shall include all those certain portions of the each Property Phase referred to in this Declaration and/or designated on the Subdivision Plan and/or Overall Development Plan (as amended, if amended) as "Common Land", together with all improvements to such Common Land including, but not limited to, certain portions of each Property Phase designated for the purpose of storm water drainage management detention and retention together with certain improvements to each Property Phase, including but not limited to certain basins, pipes, swales, inlets, systems and other components and facilities appurtenant thereto as are constructed for the purpose of storm water drainage management (herein such portions and improvements are collectively referred to as "Storm Water Facilities"), and any other improvements to each Property Phase or to the Overall Parcel, subject to the obligation of each Owner of any part of a Property Phase as and when developed to contribute to the cost of maintenance and improvement of the Common Land, improvements thereto, Storm Water Facilities (herein such Common Land, improvements thereto and Storm Water Facilities are referred to collectively as the "Common Elements") and all other obligations of the Association all as more fully set forth in this Declaration; and

WHEREAS, the Declarant desires to provide for the preservation and enhancement of the property values, amenities, and opportunities in each Property Phase contributing to the personal and general health, safety and welfare of residents and for the maintenance of the Common Elements, and to this end desires to make the Subject Property subject to the terms and provisions of the Pennsylvania Uniform Planned Community Act (68 P.S.C.A. §5101, *et seq.*) (herein referred to as the "Act") and pursuant to the provisions of said Act, to make provision for the maintenance and administration of the Common Elements, the performance of all other obligations of the Association, the enforcement of covenants and restrictions set forth in this Declaration, the Recorded Restrictions, or in any document or plan referred to in this Declaration, and the method by which assessments and charges shall be made and enforced against each parcel of land which has been made subject to this Declaration or any Supplement or Amendment hereto and the Owner thereof for the aforesaid purposes and to subject such of the Property Phases as shall be made subject as and when developed to the covenants, restrictions, easements, charges and liens set forth in this Declaration, each and all of which is and are for the benefit of such Property Phase or Phases and for each Owner of a part thereof; and

WHEREAS, to provide a means for meeting the purposes and intents set forth in this Declaration, the Act, and the requirements of the Township of East Nottingham, Chester County, Pennsylvania, the Declarant has incorporated, under the laws of the Commonwealth of Pennsylvania, the "Locksley Glen Homeowners Association, Inc.", a non-profit corporation in which each Lot Owner in the Subject Property shall be a Member and which such Membership shall run with and be inseparable from ownership of a Lot in the Subject Property.

NOW, THEREFORE, Declarant hereby declares that the Subject Property, being a portion of the Community of Locksley Glen and each part of, or Lot in, the Subject Property (excepting any part thereof, if any, Conveyed or to be Conveyed to Governmental/Public Service Entities) is and shall be held, transferred, sold, conveyed and occupied subject to the easements, covenants, conditions, restrictions, charges and liens set forth in this Declaration.

AND FURTHER, Declarant hereby delegates and assigns to the "Locksley Glen Homeowners Association, Inc." the power and duty of maintaining and administering the Common Elements, administering and enforcing the covenants and restrictions set forth in this Declaration, collecting and disbursing the assessments and charges hereinafter set forth in this Declaration, and promoting the recreation, health, safety, and welfare of the residents of the Community of Locksley Glen.

AND FURTHER, Declarant shall have the right, but not the obligation, to declare and submit any other Property Phases within the Community of Locksley Glen to the covenants, restrictions, easements, charges and liens set forth in this Declaration.

ARTICLE I

DEFINITIONS

In addition to the terms set forth in this Article I, words and terms in this Declaration shall be defined pursuant to the provisions of the Act unless inconsistent herewith, in which case this Declaration shall control.

- 1.1. "Act" shall mean and refer to the Pennsylvania Uniform Planned Community Act, 68 P.C.S.A. §5101, *et seq.*
- 1.2. "Additional Real Estate" shall mean and refer to such portions of the Overall Parcel which have not been made subject to the provisions of this Declaration.
- 1.3. "Approved Development" shall mean and refer to the development and improvement of the Subject Property pursuant to the Overall Development Plan, as the same may be modified, as approved by East Nottingham Township.
- 1.4. "Association" shall mean and refer to the Locksley Glen Homeowners Association, Inc., a Pennsylvania non-profit corporation, its successors and assigns as organized pursuant to the provisions of the Act and with, except as specifically granted or limited as set forth in this Declaration, all powers described in the Act.
- 1.5. "Association Interest" shall mean and refer to the relative interest in the Association of each Residential Dwelling Unit Lot. The Association Interest of each Residential Dwelling Unit Lot shall be the quotient of one (1) divided by the then number of Residential Dwelling Units Lots in the Subject Property.
- 1.6. "Common Elements" shall mean and refer to the Common Facilities and the Controlled Facilities.
 - 1.6.1. "Common Facilities" or "Common Land" shall mean all real property interest (including all of the improvements thereto) of all of the Subject Property not designated as Residential Dwelling Unit Lots, including therein Storm Water Facilities, excluding areas and improvements Conveyed or to be Conveyed to any Governmental/Public Service Entity.
 - 1.6.2. "Controlled Facilities" shall mean and refer to those portions of the Storm Water Facilities that are not located within the Common Land. The Controlled Facilities shall be maintained, improved, repaired and replaced by the Association.
- 1.7. "Common Expense Liability" shall mean and refer to liability of each Residential Dwelling Unit Lot for a proportionate share of General Common Expenses and Special Allocation Expenses. The Common Expense Liability of each Residential Dwelling Unit Lot each year is the product of the Association Interest of such Residential Dwelling Unit and the General Common Expense Budget together with the Special Allocation Expense Assessment against such Residential Dwelling Unit Lot all as duly adopted pursuant to the provisions of §5.4 of this Declaration.
- 1.8. "Common Facilities." See Common Elements.

- 1.9. "Common Land." See Common Elements.
- 1.10. "Community" or "Community of Locksley Glen" shall mean and refer to the Overall Parcel as developed in accordance with the Overall Development Plan, if and as modified, into Residential Dwelling Unit Lots, Common Elements, Limited Common Elements and areas Conveyed or to be Conveyed to Governmental/Public Service Entities.
- 1.11. "Controlled Facilities." See Common Elements.
- 1.12. "Convey" or "Conveyance" shall mean and refer to the conveyance, dedication, lease, grant of easement or license, or any other similar grant of an interest in real property, together with the acceptance thereof by the grantee.
- 1.13. "Declarant" shall mean and refer to Locksley Glen Development Corp., its successors and assigns for the purpose of development.
- 1.14. "Declaration" shall mean and refer to the terms, easements, covenants, conditions, restrictions, charges and liens set forth in this Declaration and all other provisions set forth in this entire document, as they may be duly amended from time to time.
- 1.15. "Development Period" shall mean and refer to the time period commencing on the date of the first conveyance of a Unit to a person other than a declarant and continuing until the earliest of the following events:
- 1.15.1. Sixty days after conveyance by Declarant to persons other than a declarant of one hundred seventeen (117) Units (being 75% of the Units which may be created pursuant to the terms of this Declaration), or
- 1.15.2. Seven (7) years from the date hereof, or
- 1.15.3. Two (2) years after all declarants have ceased to offer Lots for sale in the ordinary course of business; or
- 1.15.4. Two (2) years after any development right to add new Units was last exercised; or
- 1.15.5. 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.
- 1.16. "Executive Board" shall mean and refer to the body of persons, duly elected or appointed pursuant to the provisions of §4.6 of this Declaration and the Bylaws of this Association, designated and empowered by this Declaration to act on behalf of the Association and which shall manage the business and affairs of the Association in compliance with, and subject to, the provisions of the Act..

- 1.17. "Financing Agencies" shall mean and refer to those federal, state, local and private agencies and entities which regulate, participate, or otherwise have an interest in the financing, whether the primary or secondary mortgage market, security, title, or conveyancing or real property interests in the Community including but not limited to the Department of Housing and Urban Development, Federal Housing Administration, Federal Home Administration, Veterans Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and other similar entities.
- 1.18. "Fire Hydrant Expense" shall mean and refer to the sum of:
- a. fees paid or payable by East Nottingham Township to Chester Water Authority, its successors and assigns, for the rental of fire hydrants ("fire hydrant rental fees") within the Subject Property; and
 - b. any and all administrative costs charged by East Nottingham Township for the collection of reimbursement for fire hydrant rental fees which costs shall include any costs incurred by East Nottingham Township for mailing the invoices to the Association as well as a reasonable administrative fee for East Nottingham Township's personnel's time in processing the invoices.
- 1.19. "Governing Documents" shall mean and refer to this Declaration, the Articles of Incorporation of the Association, and the Association Bylaws, all as initially prepared by the Declarant, and all as may be duly amended from time to time.
- 1.20. "Governmental/Public Service Entity" shall mean and refer to the public, any governmental or quasi-governmental entity, public corporation, agency or authority, public or private utility, or similar entity acting on behalf of, or in service to, the public.
- 1.21. "Institutional Lender" shall mean and refer to one or more lenders regularly engaged in financing the purchase, construction, or improvement of real estate including but not limited to commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds, or business trusts including but not limited to real estate investment trusts; or any assignee of loans made by such lenders; or any governmental or private institution which insures the loans of such lenders; or any combination of the foregoing entities.
- 1.22. "Lot," "Residential Dwelling Unit Lot," or "Unit" are synonymous and each shall mean and refer to each and every one of those certain parcels of land, shown on the Subdivision Plan of the Subject Property as numbered lots or parcels, upon each of which one single-family dwelling is or may be erected. The term "Lot," "Residential Dwelling Unit Lot," or "Unit" shall not be construed to include Common Land or lands Conveyed or to be Conveyed to Governmental/Public Service Entities.
- 1.23. "Lot Owner." See Owner
- 1.24. "Member" or "Membership" shall mean and refer to members of the Association. The owner, or owners collectively if more than one, of each individual Residential Dwelling Unit Lot shall constitute one Member of the Association. Each Member shall hold one Membership in the Association. The Association shall have such number of Memberships as there are Residential Dwelling Unit Lots in the Subject Property.

- 1.25. "Overall Development Plan" shall mean and refer to that certain plan identified as "*Locksley Glen Single Family Homes Record Plan Section No. 1 Cover Sheet*", prepared by Reagis, Wayne, PA dated January 30, 1998, last revised March 19, 1999 (herein referred to as "Overall Development Plan"), as such Overall Development Plan, as amended, if amended, shall have been approved by East Nottingham Township.
- 1.26. "Overall Parcel" shall mean and refer to that certain real property described in Exhibit "B" attached hereto and made a part hereof.
- 1.27. "Owner," "Lot Owner," or "Unit Owner" are synonymous and each shall mean and refer to the record owner, whether one or more persons or entities, of any Residential Dwelling Unit Lot which is a part of the Subject Property, excluding those having such interest, however described, merely as security for the performance of an obligation. Provided, however, a mortgagee in possession shall be deemed an Owner during the time of possession.
- 1.28. "Recorded Restrictions" shall mean and refer to all of the conditions, covenants, restrictions, and easements in that certain *Declaration of Conditions, Covenants Restrictions and Easements for Locksley Glen Phase 1* of record in the office of the Recorder of Deeds in and for Chester County, Pennsylvania in Record Book 4454, Page 2149, as the same is or may be duly amended.
- 1.29. "Residential Dwelling Unit Lot." See Lot.
- 1.30. "Storm Water Facilities" shall mean and refer to all those certain portions of the Subject Property 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 certain improvements to the Subject Property, including but not limited to certain 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.
- 1.31. "Subdivision Plan" shall mean and refer to that certain plan identified as *Locksley Glen Single Family Homes Record Plan Section 1 / Phase 1* prepared by Reagis, Wayne, PA dated June 20, 1998, last revised March 19, 1999 (herein referred to as "Subdivision Plan") and which such Subject Property has been subdivided by the recordation of said Subdivision Plan in the Office of the Recorder of Deeds in and for Chester County, Pennsylvania on May 14, 1999 as Plan 14921.
- 1.32. "Subject Property" shall mean and refer to that certain real property described in Exhibit "A" attached hereto and made a part hereof, and such additions thereto, if any, as may be hereafter made subject to this Declaration.
- 1.33. "Township" shall mean and refer to the Township of East Nottingham., Chester County, Pennsylvania, a township of the second class, duly and properly constituted as a political subdivision of the Commonwealth of Pennsylvania.
- 1.34. "Unit." See Lot.
- 1.35. "Unit Owner." See Owner

ARTICLE II

DESCRIPTIONS

2.1. Declarant's right to modify

All of the descriptions set forth in this Article II are Subject to the right of Declarant to modify the descriptions pursuant to the provisions of Article III, §3.4 of this Declaration.

2.2. Property subject to this Declaration

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 Nottingham Township, Chester County, Pennsylvania, as described in Exhibit "A" attached hereto and made a part hereof, and as shown as "Locksley Glen, a Planned Community, Section 1 Phase 1" on the Plat attached hereto and made a part hereof.

2.3. Name of Community

The name of the community to be developed pursuant to the terms of this Declaration is "Locksley Glen, a Planned Community."

2.4. Units

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 boundaries of each Unit are the Lot boundaries as shown on the Subdivision Plan. The Plat attached hereto and made a part hereof identifies and depicts each Unit and the boundaries thereof. In the event of any discrepancy between the Plat and the Subdivision Plan, the Subdivision Plan shall be controlling.

Because Lot 18 is to be Conveyed to a Governmental/Public Service Entity, Lot 18 is not a Unit.

There are 38 Units in the Subject Property.

No Unit may be subdivided into two or more Units.

2.5. Common Elements

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

The Common Facilities are defined in §1.6.1 of this Declaration and include all those parcels of land, including all improvements thereto, within the Subject Property shown on the Plat attached hereto and made a part hereof as "Common Land." The Common Facilities do not include any land Conveyed or to be Conveyed to Governmental/Public Service Entities.

The Controlled Facilities are defined in §1.6.2 of this Declaration and include those portions of the Storm Water Facilities that are not located within the Common Facilities.

The description of the obligations of the Association for the maintenance, improvement, repair, replacement, regulation, management and control of the Controlled Facilities is set forth in §4.2 of this Declaration.

2.6. Limited Common Elements or Limited Facilities

There are no Limited Common Elements, Limited Common Facilities or Limited Controlled Facilities created by the terms of this Declaration. There are no time-share estates created by the terms of this Declaration.

2.7. Additional Real Estate

The Additional Real Estate in which additional Units, Common Elements, and Limited Common Elements may be created is such portion of the Overall Parcel which has not been made subject to the provisions of this Declaration.

2.8. Uncompleted Improvements and Common Elements

2.8.1. Completion

All public improvements to the Subject Property and all Common Elements shall be completed within one year after commencement of construction of such improvements and Common Elements, or within such additional time as shall be agreed to between Declarant and Township.

Declarant is required to complete all improvements to the Subject Property and the Common Elements by the later of a) the date of the conveyance to third parties by the Declarant of the last Unit the Declarant reserves the right to include in the Community pursuant to the provisions of §3.4 of this Declaration, or b) or the date of the expiration of the Development Period as such Development Period is defined in §1.15 of this Declaration.

2.8.2. Responsibility prior to completion

Until improvements to the Subject Property and Common Elements shall be completed, the Declarant shall be solely responsible for real estate taxes assessed against or allocable to the improvements to the Subject Property or the Common Element and for all other expenses in connection with the improvements to the Subject Property or Common Elements.

2.8.3. Financial security for completion

2.8.3.1. For the Benefit of the Association

Declarant, by this Declaration, guarantees to the Association that all improvements to the Subject Property and the Common Elements shall be completed. No third-party guarantee, bond, escrow, letter of credit or other mechanism is provided by the Declarant to the Association to assure, for the benefit of the association, completion of the improvements and the Common Elements. Only the Declarant's own guarantee is provided to the Association to assure completion of the improvements and the Common Elements.

2.8.3.2. For the Benefit of the Township

Declarant has posted, with the Township, a third-party bond, in addition to the Declarant's own guarantee of completion, to assure, for the benefit of the Township, completion of public improvements to the Subject Property and Common Elements, in accordance with the provisions of the Pennsylvania Municipalities Planning Code (53 P.S. §10101, *et seq.*) There is no time limit of the term of the third-party bond posted with the Township.

2.8.4. Completion

Any portion of the community, improvement to the Subject Property, or Common Element will be deemed to be completed upon the recording of a certificate executed by an independent registered surveyor, architect or professional engineer stating that the portion of the community, improvement to the Subject Property, or Common Element is substantially completed in accordance with the descriptions set forth in this Declaration, the plats and plans and the public offering statement and so as to permit the use of such portion of the community, improvement to the Subject Property or Common Element for its intended use.

ARTICLE III

PROPERTY RIGHTS AND RESPONSIBILITIES

3.1. Common Facilities

All of the Subject Property which is neither a part of any Residential Dwelling Unit Lot, nor Conveyed nor to be Conveyed to a Governmental/Public Service Entity, is a Common Facility.

3.1.1. Disposition of Common Facilities

The Association may not be dissolved nor 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.

3.1.2. Use of Common Land

The Common Land shall remain in perpetuity reserved and restricted to use for Storm Water Facilities, as open space, undeveloped land and/or space for recreational facilities, accessways, utility and other easements and servitudes and such other uses as are consistent with the Governing Documents. Unless and until any Common Land is used for recreational facilities, Storm Water Facilities, or accessways, such Common Land, whether subject to easement or other servitude or unencumbered, shall be designated as "Undeveloped Common Land". Such Undeveloped Common Land shall be graded and landscaped or shall be left in its natural state where appropriate such as where such Undeveloped Common Land is wetlands or woods, tree stands or other vegetation which serves as a visual barrier, nature preserve or other beneficial function.

3.1.3. Owner's Easement of Enjoyment

Every Owner shall have a right and easement of enjoyment in and to the Common Land which shall be appurtenant to and shall pass with the title to and be unseverable from each Lot, subject to the following provisions:

3.1.3.1. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situate upon the Common Land.

3.1.3.2. The right of the Association, upon determination, after notice and opportunity for a hearing, of nonpayment of assessments or violation of Governing Documents by an Owner, to suspend the rights of any Lot Owner to the use and enjoyment of Common Land.

3.1.4. Delegation by Owner

Every Owner shall have the right to delegate, in accordance with the Governing Documents, his or her right of enjoyment in and use of the Common Elements to the members of his or her family, guests, tenants, or contract purchasers who reside in the Subject Property.

3.2. Limitation of Easements, Rights and Privileges

The easements, rights and privileges granted by this Declaration shall be for the benefit of and be restricted solely to the Declarant and to Owners from time to time of all or any portion of the Overall Parcel, and such Owners may grant the benefit of such easements, rights and privileges to such Owner's tenants for the period of such tenancy, but the same is not intended to create, and shall not be construed as creating any rights in and for the benefit of the general public.

3.3. Easements and Licenses

3.3.1. Each Unit Owner shall afford to the Association and to its agents or employees access through the Unit reasonably necessary for the purposes of maintenance, repair and replacement of the Common Elements.

3.3.2. For so long as the Declarant or successor to or assign of Declarant is engaged in developing or improving any portion of the Overall Parcel, there is hereby reserved to Declarant, which Declarant may assign to Declarant's designees, an unlimited blanket easement and a right-of-way for free and uninterrupted right of entry, ingress, egress and regress upon, over, under, through and across the entire Subject Property for the purpose of Declarant's discharge of all of Declarant's obligations or of Declarant's exercise of the rights of Declarant as set forth in this Declaration, any and all development activities including without limitation erection and maintenance of directional and promotional signs, conduct of sales activities including maintenance of any office or model homes, storage, movement and use of building and construction materials, equipment and personnel, construction and modification of structures including residential dwelling units, Community Facilities including Storm Water Facilities, vehicle and pedestrian areas and utility services, and grading and regrading, including removal of existing vegetation including trees, all to the extent Declarant shall, in Declarant's sole judgment, deem appropriate or necessary in the development of the Overall Parcel.

3.3.3. Some or all of the Subject Property is subject to recorded restrictions, easements and licenses. As of the date of this Declaration, 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 as follows:

- 3.3.3.1. Restrictions affecting title as in Deed Book H-31, Page 580.
- 3.3.3.2. Reservations as in Deed Book V-11, Page 55.
- 3.3.3.3. Reservations as in Deed Book Y-57, Page 384.
- 3.3.3.4. Rights granted to Southern Pennsylvania Power Company in Deed Book 67, Page 345, Deed Book 86, Page 40, Deed Book 89, Page 328, Deed Book 56, Page 392, and Deed Book 87, Page 595.
- 3.3.3.5. Rights granted to Philadelphia Electric Company in Misc. Deed Book 189, Page 597, Misc. Deed Book 403, Page 527, Misc. Deed Book 403, Page 529, and Misc. Deed Book 100, Page 197.
- 3.3.3.6. Rights granted to Bell Telephone Company in Misc. Deed Book 190, Page 422.
- 3.3.3.7. Easements, wetland areas and general notes on plan identified as *Locksley Glen Single Family Homes Record Plan Section 1 / Phase 1* as in Plan 14921.
- 3.3.3.8. Reciprocal Easement Agreement as in Record Book 4454, Page 2138
- 3.3.3.9. Declaration of Conditions, Covenants, Restrictions and Easements as in Record Book 4454, Page 2149.

3.3.4. There is hereby explicitly reserved to the Declarant, during and only during the Development Period as such Development Period is defined in §1.15 of this Declaration, the unrestricted option to subject the Subject Property to easements or licenses in favor of Governmental/Public Service Entities as are required for the provision of public utilities to and through the Subject Property and/or as are reasonably required for the construction of improvements to the Subject Property in accordance with all laws, ordinances and regulations of all governmental entities having jurisdiction thereof. The grant by the Declarant of such easements and/or licenses shall effect the Association not greater than a) the effects of the easements and licenses set forth in Article III, Section 3.3.3 of this Declaration together with b) the effects of development and improvement of the Subject Property in accordance with the Subdivision Plan. Further, the grant by the Declarant of such easements and/or licenses shall not, individually, result in a greater than ten percent (10%) increase or decrease in the annual General Common Expenses Budget of the Association.

3.4. Addition of Other Property to the Provisions of this Declaration

There is hereby explicitly reserved to the Declarant, during and only during the Development Period as such Development Period is defined in §1.15 of this Declaration, the unrestricted option to make subject, or to refrain from making subject, to this Declaration, some, or all, of the Additional Real Estate, being those portions of the Overall Parcel not then subject to this Declaration, and, if making subject to this Declaration, to within such Additional Real Estate designate parts thereof as Residential Dwelling Unit Lots, Common Elements, and Limited Common Elements.

If some, or all of the Additional Real Estate is made subject to this Declaration, a maximum of 117 Units may be created within the Additional Real Estate, all of which such Units shall be restricted exclusively to residential use. If any Additional Real Estate is not made subject to this Declaration, no assurances are made regarding the manner of use of the Additional Real Estate, including without limitation, number of residences or size of other uses. No assurance is made regarding the extent to which any buildings and units which may be erected upon each portion of the Additional Real Estate will be compatible with the other buildings in Locksley Glen in terms of architectural style, quality of construction, principal materials employed in construction, and size. All, some, or none of the use and occupancy restrictions to which the Units subject to this Declaration were made subject pursuant to that certain *Declaration of Conditions, Covenants Restrictions and Easements for Locksley Glen Phase 1* recorded in the Office of the Recorder of Deeds in and for Chester County Pennsylvania in Record Book 4454, Page 2149, may or may not be made applicable to Units within portions of the Additional Real Estate. Although buildings, improvements and limited common elements may be constructed, made or created upon or within each portion of the Additional Real Estate, no assurances are made as to the description or location of such buildings, improvements and limited common elements, including types, sizes and proportion of limited common elements to Units.

If some, or all of the Additional Real Estate is made subject to this Declaration and the number of Lots within the Subject Property is increased, the following revisions would occur:

Because the number of Memberships in the Association is equal to the number of Lots within the Subject Property, the number of Memberships in the Association would increase by the number of Lots within the Additional Real Estate made subject to this Declaration and the Association Interest of each then existing Lot would be reduced by a percentage equal to the difference between the quotient of one (1) divided by the number of Memberships in the Association prior to the making the Additional Real Estate subject to this Declaration and the quotient of one (1) divided by the number of Memberships in the Association after making the Additional Real Estate subject to this Declaration, divided by the quotient of one (1) divided by the number of Memberships in the Association prior to the making the Additional Real Estate subject to this Declaration multiplied by 100; and

the relative voting strength of each then existing Membership in the Association would be reduced by a percentage equal to the difference between the quotient of one (1) divided by the number of Memberships in the Association prior to the making the Additional Real Estate subject to this Declaration and the quotient of one (1) divided by the number of Memberships in the Association after making the Additional Real Estate subject to this Declaration, divided by the quotient of one (1) divided by the number of Memberships in the Association prior to the making the Additional Real Estate subject to this Declaration multiplied by 100; and

The Common Expense Liability of each Residential Dwelling Unit Lot would be reduced by a percentage equal to the difference between the quotient of one (1) divided by the number of Memberships in the Association prior to the making the Additional Real Estate subject to this Declaration and the quotient of one (1) divided by the number of Memberships in the Association after making the Additional Real Estate subject to this Declaration, divided by the quotient of one (1) divided by the number of Memberships in the Association prior to the making the Additional Real Estate subject to this Declaration multiplied by 100. Although the Common Expense Liability of each Residential Dwelling Unit Lot would be reduced, the General Common Expenses of the Association would increase, with the result that the annual Assessment of Common Expense Liability against each Lot would either increase, decrease or remain unchanged.

The change in the Association Interest, Voting Strength, and Common Expense Liability of each then existing Lot would be from a fraction, the numerator of which is one (1) and the denominator of which is the number of Units existing on the Subject Property prior to the addition of Additional Real Estate to a fraction, the numerator of which is one (1) and the denominator of which is the number of Units existing on the Subject Property after the addition of Additional Real Estate.

The Additional Real Estate, all, some, or none of which may be made subject to this Declaration shall be such portions of the Overall Parcel not theretofore made subject to this Declaration. Such portions (if any) may be added at different times and no assurance is made regarding the boundaries of such portions, or the order in which they may be added. If any such portion of the Additional Real Estate is made subject to this Declaration, there is no requirement nor prohibition that any other portion of the Additional Real Estate will, may or may not be made subject to this Declaration.

There are no limitations on the Declarant's options as set forth in this §3.4 other than limitations created by or imposed by operation of law.

ARTICLE IV

LOCKSLEY GLEN HOMEOWNERS ASSOCIATION

4.1. The Association

The Association is a non-profit, non-stock corporation organized and existing under the laws of the Commonwealth of Pennsylvania and charged with the duties and vested with the powers prescribed by law and set forth in the Governing Documents, as such may be amended from time to time, provided no other Governing Documents other than this Declaration shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

4.1.1. Powers and Duties of the Association

The Association shall have all powers necessary to enjoy the rights of the Association and to perform the duties of the Association all as set forth in this Declaration and as set forth in the Act, including, but limited to, the power, right, and duty to:

- 4.1.1.1. Adopt and amend bylaws and rules and regulations.
- 4.1.1.2. Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for common expenses from Unit Owners.
- 4.1.1.3. Hire and terminate managing agents and other employees, agents and independent contractors.
- 4.1.1.4. Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Unit Owners on matters affecting the Community.
- 4.1.1.5. Make contracts and incur liabilities.
- 4.1.1.6. Regulate the use, maintenance, repair, replacement and modification of Common Elements.
- 4.1.1.7. Cause additional improvements to be made as a part of the Common Facilities and, to the extent permitted by this Declaration, the Controlled Facilities.
- 4.1.1.8. Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property, but Common Facilities may be conveyed or subjected to a security interest only pursuant to the provisions of the Act.
- 4.1.1.9. Grant easements, leases, licenses and concessions through or over the Common Facilities and, only to the extent permitted by this Declaration, the Controlled Facilities.
- 4.1.1.10. Impose and receive payments, fees or charges for the use of the Common Elements.
- 4.1.1.11. Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of this Declaration, and the bylaws and rules and regulations of the Association.
- 4.1.1.12. Impose reasonable charges for the preparation and recording of amendments to this Declaration, resale certificates required by section 5407 of the Act (relating to resales of units).

- 4.1.1.13. Provide for the indemnification of its officers and Executive Board and maintain directors' and officers' liability insurance.
 - 4.1.1.14. Exercise any other powers conferred by the Act, this Declaration or the bylaws.
 - 4.1.1.15. Exercise all other powers that may be exercised in this Commonwealth by legal entities of the same type as the Association.
 - 4.1.1.16. Exercise any other powers necessary and proper for the governance and operation of the Association.
 - 4.1.1.17. Assign its right to future income, including the right to receive common expense assessments, without limitation.
- 4.1.2. Any exercise of a power under the above §§4.1.1.7, 4.1.1.8, or 4.1.1.9 which would materially impair quiet enjoyment of a Unit shall require the prior written approval of the Owner of that Unit.

4.2. Maintenance Responsibilities of the Association

4.2.1. Common Land and Controlled Facilities

The Association shall have the obligation to make adequate provision for the maintenance, repair and replacement of, and to maintain, repair or replace as and when in the sole judgment of the Executive Board required, any and all buildings, structures, facilities and land comprising the Common Land and Controlled Facilities in a manner which preserves, keeps functional, complies with all applicable Township, County, State and Federal regulations, ordinances and laws and retains the functional condition thereof. This shall include, but is not limited to maintenance of:

- 4.2.1.1. Common Land, wetlands, lawn, trees, shrubs and landscaping;
- 4.2.1.2. Storm Water Facilities, as defined in §1.30 of this Declaration.

4.3. Payments to East Nottingham Township: Fire Hydrants

Unless and until the Township of East Nottingham, Chester County, Pennsylvania ("Township") shall otherwise elect and/or resolve, the Association shall, within thirty (30) days of receipt of an invoice therefor, pay to East Nottingham Township the annual Fire Hydrant Expense including fire hydrant rental fees and administrative costs arising for the maintenance of fire hydrants within the Overall Parcel. Township administrative costs arising for maintenance of fire hydrants within the Overall Parcel shall include such costs as Township shall, in its sole discretion, determine, and may include, but shall not be limited to, rental costs paid to the Chester Water Authority, its successors and assigns, costs of processing invoices received, costs of tendering invoices for the costs of maintenance, costs of collection (including reasonable attorneys' fees), and administrative expenses appurtenant thereto.

4.4. Insurance to be carried by association

The association shall maintain such insurances as are required by, and such insurance coverage shall be maintained and administered in accordance with, the provisions of § 5312 of the Act including:

- 4.4.1. comprehensive general liability insurance, including medical payments insurance, in an amount determined by the executive board but not less than in the amount of \$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; and
- 4.4.2. any other insurance deemed appropriate by the Executive Board to protect the Association or the Unit Owners.

4.5. Membership and Voting Rights

The conditions of membership in the Association are such that the Members shall be those Owners and only those Owners from time to time of Residential Dwelling Unit Lots in the Subject Property.

Membership in the Association is coextensive with, and indivisible from, ownership of a Residential Dwelling Unit Lot in the Subject Property. Each and every Owner of a Residential Dwelling Unit Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of a Residential Dwelling Unit Lot.

The Owner, or owners collectively if more than one, of each individual Residential Dwelling Unit Lot shall constitute one Member of the Association. Each Member shall hold one Membership in the Association. The Association shall have such number of Memberships as there are Residential Dwelling Unit Lots in the Subject Property.

Each Membership shall have one vote in the Association. The total number of votes in the Association shall be equal to the total number of Lots within the Subject Property.

4.5.1. Exercise of vote

If any Membership is comprised of two or more persons (that is, if any individual Residential Dwelling Unit Lot is owned by two or more persons), all such persons shall be entitled to the benefits of, and responsible jointly and severally for the obligations of, membership in the Association. The vote for such Membership shall be cast as such owners shall decide amongst 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 shall be cast in accordance with the majority vote of such owners and if no majority vote of such owners shall be attainable, the vote of such Membership shall be cast as an abstention. In no event, however, shall more than one vote be cast with respect to any Membership.

Cumulative voting shall be permitted only for the purpose of electing members of the Executive Board. Cumulative voting shall not be permitted for any other purpose.

4.6. Executive Board

The affairs of this Association shall be managed by an Executive Board, the members of which shall be elected by the Members in accordance with the Bylaws of this Association. The Executive Board shall be constituted and organized, and shall operate, in accordance with the Bylaws of this Association.

4.6.1. Powers and Duties of the Executive Board

The Executive Board shall have the powers to do all things necessary or appropriate to carry out the duties and obligations imposed upon it by the Governing Documents or otherwise by law and such powers shall include that the Executive Board may act in all instances on behalf of the Association.

4.6.2. Right and Limitation of Declarant to appoint Members of the Executive Board

During and only during the Development Period as such Development Period is defined in §1.15 of this Declaration, Declarant shall have the right to appoint and to remove at will, and, in the event of removal, resignation, death, termination, absenteeism or other event resulting in vacancy, to reappoint, at will, replacements for, no fewer than such number of members of the Executive Board as shall comprise a majority of the number of members of the Executive Board. Subject to the right of the Declarant, in Declarant's sole judgment, at will, to remove and replace such Declarant appointed members, with or without cause, the terms of such appointed members of the Executive Board shall be for the period from appointment until the termination of the Development Period.

Notwithstanding the right of Declarant to appoint members of the Executive Board pursuant to this §4.6.2 of this Declaration:

- 4.6.2.1. not later than sixty (60) days after conveyance by Declarant to persons other than a declarant of thirty nine (39) Units (being 25% of the Units which may be created pursuant to the terms of this Declaration), the greater of one (1) or such number of members of the Executive Board as shall comprise a minimum of 25% of the number of members comprising the whole Executive Board shall be elected by Unit Owners other than the Declarant; and
- 4.6.2.2. not later than sixty (60) days after conveyance by Declarant to persons other than a declarant of seventy eight (78) Units (being 50% of the Units which may be created pursuant to the terms of this Declaration), the greater of one (1) or such number of members of the Executive Board as shall comprise a minimum of 33% of the number of members comprising the whole Executive Board shall be elected by Unit Owners other than the Declarant.

4.6.3.

Indemnification of Officers, Executive Board and Committee Members

The Association shall indemnify every Executive Board member, officer and committee member, his or her heirs, executors and administrators, against all loss, cost and expenses, including attorneys' fees, reasonably incurred by him or her in connection with any action, suit or proceeding to which he or she may be made a party by reason of his or her being, or having been, an Executive Board member, officer or committee member, except as to matters as to which he or she shall be finally adjudged in such action, suit or proceeding, to be liable for gross negligence or wilful misconduct. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason, or arising out of or in connection with, this indemnification provision shall be treated by the Association as General Common Expenses.

ARTICLE V

ASSESSMENTS

5.1. Creation of the Lien and Personal Obligation of Assessments

The Grantee of each Residential Dwelling Unit Lot in the Subject Property, by the acceptance of a deed to said Lot, whether or not it shall be so expressed in such deed, including without limitation any purchaser at judicial sale or heir or devisee of a deceased Owner obligates and binds himself, herself, his or her heirs and assigns, to become a Member of the Association and to be bound by all of its rules and regulations and to be subject to all of the duties and obligations imposed by ownership of, and membership in, said Association and is deemed to covenant and agree to pay to the Association an annual assessment equal to the Common Expense Liability allocated to such Residential Dwelling Unit Lot, and, subject to the provisions of §5314 of the Act, such assessments shall be established and collected as hereinafter provided.

Subject to the provisions of §5315 of the Act, all assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of each person who was the Owner of such property at the time when the assessment or installment thereof became due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them, but nothing herein contained shall be deemed to discharge the lien of the assessment upon the land, the subject thereof. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Community Facilities nor by abandonment of the Lot owned.

Any amounts received by the Association from the payment of General Common Expenses assessments and Special Allocation Expenses assessments in excess of the amount required for actual General Common Expenses and reserves for future General Common Expenses and Special Allocation Expenses shall be credited to each Residential Dwelling Unit in accordance with each Residential Dwelling Unit's Association Interest and such credits shall be applied to the next annual General Common Expenses assessment against each Residential Dwelling Unit Lot.

5.2. Estoppel Certificate

Within ten (10) days of the request therefor, the Executive Board of the Association shall cause to be provided an Estoppel Certificate which shall set forth any assessments and charges, or installments thereof, due upon such Lot as of the date of issuance and shall certify as to whether or not there are violations of the Governing Documents remaining on the Lot known to the Association as of the date of issuance. A reasonable fee may be established from time to time for the cost of preparation of such certificate and shall be paid at the time of request for such certificate. A properly executed certificate of the Association as to the status of assessments or installments thereof on a Lot is binding upon the Association as of the date of its issuance as to any purchaser or mortgagee relying thereon in good faith, but shall not relieve the Owner of personal liability.

5.3. Purpose of Assessments

The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Subject Property and for the improvement and maintenance, repair and replacement of the Common Elements and for the performance of the obligations of the Association. In addition, the assessments may be used for the creation, maintenance and enhancement of reserves, and the maintenance of appropriate policies of insurance, and for the payment of all obligations required of the Association created by its own acts or imposed upon it by law or by the terms of the Governing Documents.

5.4. Annual Assessments

On or before sixty (60) days prior to the end of each Fiscal Year of the Association, the Executive Board shall adopt Annual General Common Expenses and, if required, Special Allocation Expenses Budgets in amounts deemed appropriate, in the sole judgment of the Executive Board, for the purposes set forth in the Governing Documents.

The Executive Board shall, at least thirty (30) days in advance of each annual assessment period, fix:

An annual assessment against each Residential Dwelling Unit Lot for such Residential Dwelling Unit Lot's Common Expense Liability in an amount equal to the amount of the Annual General Common Expenses Budget multiplied by such Lot's Association Interest; and

if required, an annual special allocation assessment against each Residential Dwelling Unit Lot in an amount proportionate to the benefit to such Residential Dwelling Unit Lot of the Special Allocation Expenses Budget.

Written notice of the adopted budgets and Annual Assessments against each Lot shall be sent to every Lot Owner subject thereto. Unless objection to any Budget or Annual Assessment is made by not less than fifty-one (51%) percent of the Lots subject to such Assessments within thirty (30) days after the date of mailing of such notice, the same shall be deemed adopted and shall be binding on all Members of the Association as provided in this Declaration.

In the event that the Executive Board shall fail to fix any annual assessments for any fiscal year, then each assessment established for the prior fiscal year shall be continued until such time as the Executive Board shall act.

5.5. Special Assessments for Capital Improvements

In addition to the annual assessments authorized in the Governing Documents, the Executive Board may levy in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement of a part of the Common Elements including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of Members at a meeting duly called for such purpose.

5.6. Notice and Quorum for any Action Authorized Under Section 5.5

Written notice of any meeting called for the purposes of taking any action authorized under Section 5.5 shall be sent to all Members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty (60%) percent of all of the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called for a date not later than sixty (60) days following the preceding meeting, subject to the same notice requirement, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

5.7. Payments of Assessments

The Executive Board may authorize, in its discretion, any assessment to be paid in installments thereof on an annual, quarterly or monthly basis.

5.8. Effect of Non Payment of Assessments: Remedies of the Association

Any assessment or installment thereof not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of fifteen (15%) per cent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien of such assessment or installment thereof against the Lot.

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

Any assessment or installment thereof not paid within fifteen (15) days after the due date shall be delinquent. Thereupon the Association may exercise any one or more of the following remedies, after notice of such delinquency to the Lot Owner, which are all declared to be cumulative and not exclusive. The selection of a single remedy or multiple remedies shall not be deemed an election thereby excluding any other remedies, but the Association may exercise any and all remedies singularly, consecutively, or concurrently: (a) declare the entire balance of such annual or special assessment due and payable in full; and (b) charge a late fee in the amount to be set by the Executive Board; and (c) upon notice to the Owner suspend the right of such Owner to vote and/or to use the Common Elements until the assessment and accrued charges are paid in full; and (d) employ any other remedies available at law or in equity which, without limitations of the foregoing, shall include either of the following procedures:

5.8.1. Enforcement by Suit

The Association may commence and maintain a suit by law against any Owner or Owners for such delinquent assessments as to which they are personally obligated. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon at the rate of fifteen (15%) per cent per annum from the due date, costs of collection, court costs, and reasonable attorney's fees. Suit to recover any money judgment for any unpaid assessments shall be maintainable without foreclosing or waiving the lien hereinafter provided for.

5.8.2. Enforcement by Lien

The Association may foreclose the lien imposed by §5315 of the Act and perfected by the recordation of this Declaration in accordance with, and subject to, the provisions of §5315 of the Act.

5.9. Exempt Property

All property Conveyed to any Governmental/Public Service Entity shall be exempt from assessments pursuant to this Declaration.

5.10. Enforcement by East Nottingham Township and Assessments Therefor

In the event that the Association or any successor organization, shall at any time after conveyance to the Association thereof, fail to maintain the Common Elements in a manner which preserves, keeps functional, complies with all applicable Township, County, State and Federal laws and retains the functional condition thereof, the Board of Supervisors of East Nottingham Township may serve written notice upon the Association or upon the Owners of the Lots in the Subject Property setting forth the manner in which the Association has failed to maintain the Common Elements in such condition, and said notice shall include a demand that such deficiencies of maintenance be corrected within thirty (30) days thereof.

If the deficiencies set forth in the notice shall not be corrected within thirty (30) days, East Nottingham Township, in order to preserve the Common Elements from becoming a public nuisance, may enter upon such portions of the Subject Property as are necessary to maintain and may thereafter maintain the same for such period of time as the Board of Supervisors of East Nottingham Township shall determine. Said maintenance by East Nottingham Township shall not constitute a taking of said Common Elements nor vest in the public any rights to use the same.

The cost of such maintenance and enforcement procedure referred to above, including reasonable attorney, engineering and like fees and costs, shall be assessed ratably against the Lots within the Subject Property that have a right of enjoyment of the Common Elements and shall become a lien on said Lots. East Nottingham Township, at the time of entering upon the portions of the Subject Property required to maintain for the purpose of maintenance, shall file a notice of lien in the Office of the Prothonotary of Chester County upon the Lots within the Subject Property affected by the lien.

ARTICLE VI

SPECIAL DECLARANT RIGHTS

6.1. Right to subject Property to Easements

Declarant shall have the full power and authority to exercise Declarant's right to subject the Subject Property to Easements pursuant to the provisions of §3.3.4 of this Declaration.

6.2. Exercise of Rights

Declarant shall have the full power and authority to exercise Declarant's right to modify pursuant to the provisions of §2.1 and §3.4 of this Declaration.

Declarant shall have the full power and authority to exercise Declarant's right to appoint members of the Executive Board pursuant to the provisions of §4.6.2 of this Declaration.

6.3. Right to Use of Easements

Declarant shall not be denied the use of, and Declarant shall have the full, continuous, and uninterrupted right of use of Easements as set forth in this Declaration, including but not limited to such as set forth in §3.3.2 of this Declaration.

6.4. Exception for Development and Sales

Notwithstanding anything in this Declaration to the contrary, nothing herein shall prohibit the use of any portion of the Subject Property, including any Lots or any other portion of the Subject Property, for the development, construction, and sales of the Lots, with or without Residential Dwelling Units thereon, and/or the sale of or contracting for construction of residential dwellings and appurtenant structures.

No prohibition against business use, prohibition against signage, or prohibition against other uses of the Lots or other portions of the Subject Property shall prohibit the seller of Lots and/or residential dwellings thereon from placing, constructing, installing and maintaining such sales offices, signs, temporary structures and facilities, business activities and similar things and activities as such seller shall deem appropriate for the purposes of such sales, construction and related activities.

ARTICLE VII

SECURED LENDERS

7.1. Rights of Secured Lenders

In order to induce Secured Lenders to make loans secured by liens upon Lots or lands within the Community of Locksley Glen, subject to the provisions of §5221 of the Act, the Association shall not, without the prior written consent of at least whatever percent of first mortgagees of individual Lots as is required by Financing Agencies having jurisdiction thereof and two-thirds (2/3) of Owners other than the Declarant:

- 7.1.1. by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer any of the Common Land or Community Facilities owned directly or indirectly excepting, however, Conveyances to Governmental/Public Service Entities consistent with common property use are excepted;
- 7.1.2. change the method of determining the obligation, assessments, dues or other charges which may be levied against an Owner;
- 7.1.3. by act or omission, change, waive or abandon regulations or enforcement pertaining to restrictive covenants, the maintenance of the Common Elements, or the upkeep of lawns and plantings;
- 7.1.4. fail to maintain fire and extended coverage on insurable property on a basis as required by Financing Agencies; and
- 7.1.5. use hazard insurance proceeds for losses to Community Facilities for other than the repayment for, replacement or reconstruction of such Community Facilities.

7.2. Obligations of Association to Secured Lenders

As further inducement to Secured Lenders, subject to the provisions of the Act, the Association shall:

- 7.2.1. not make liable any mortgagee who obtains title to a Lot, pursuant to the remedies provided in the mortgage, for such Lot's unpaid assessments, installments thereof or charges which accrue prior to the acquisition of title to such Lot by the mortgagee;
- 7.2.2. allow mortgagees of Lots to, jointly or singly, pay taxes or other charges against the Common Land and pay overdue premiums on hazard insurance policies, or secure new hazard insurance policies on the lapse of a policy for such Community Facilities, and mortgagees making such payment shall be owed immediately reimbursement therefor from the Association;

- 7.2.3. give written notification, upon written request, to any first mortgagee, at the address designated in the request, of any default in the performance by any individual Lot mortgagor or such individual Lot mortgagor's obligations pursuant to the terms of the Governing Documents;
- 7.2.4. limit any agreement for professional management or any contract providing for services from or by the Declarant to that required by any federal agencies having jurisdiction thereof and provide for termination in accord with standards of federal agencies. Any management agreement shall remain consistent with the Governing Documents.

ARTICLE VIII

GENERAL PROVISIONS

8.1. Enforcement

The Association, the Board of Supervisors of East Nottingham Township, the Declarant, or any Owner shall have the right to enforce, by any proceedings at law or in equity, either to restrain violation or to recover damages, all violations or attempts to violate any restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Governing Documents or the Recorded Restrictions.

Failure to enforce any restrictions, covenants or agreements contained in the Governing Documents or the Recorded Restrictions shall in no event be deemed a waiver of the rights to do so thereafter as to the same breach or as to a breach occurring prior or subsequent thereto.

8.2. Severability

Invalidation of any one of the conditions, covenants or restrictions of this Declaration by judgment or court order shall not affect any other provisions, all of which shall remain in full force and effect.

8.3. Amendment

Subject to the provisions of §5219 of the Act, the conditions, covenants and restrictions of this Declaration shall run with and bind the land in perpetuity and may be changed, altered, modified or extinguished in whole or in part, at any time, by an instrument, in writing, signed by not less than the record owners of seventy-five percent (75%) of the Lots within the Subject Property, which such Amendment shall be recorded in the office of the Recorder of Deeds, Chester County, State of Pennsylvania.

No provisions of this Declaration pursuant to which any special Declarant rights have been reserved to a Declarant shall be amended without the express written joinder of the Declarant in such amendment.

8.4. Conflict

In the event of irreconcilable conflict among the Governing Documents, ordinances, statutes, rules and regulations, the conflict shall be resolved in favor of the requirements of the respective documents in order of their hereinafter stated priority, to wit:

- (1) The Act
- (2) Action of East Nottingham Township granting final approval of Subdivision Plan;
- (3) Subdivision Plan;
- (4) Action of East Nottingham Township granting tentative or preliminary approval of the Subdivision Plan;
- (5) action of East Nottingham Township granting tentative or preliminary approval of the Overall Plan;
- (6) Overall Plan;
- (7) This Declaration;
- (8) Articles of Incorporation of the Association;
- (9) Bylaws of the Association;
- (10) Book of Resolutions of the Association.

Anything above to the contrary notwithstanding, in all cases the requirements of all regulatory statutes shall control.

8.5. Interpretation

Unless the context otherwise requires the use herein, the singular shall include the plural and vice versa; the use of one gender shall include all genders; and the use of the term "including" shall mean "including without limitation." The headings used herein are for indexing purposes only and shall not be used as a means of interpreting or construing the substantive provisions hereof.

IN WITNESS WHEREOF, the said Locksley Glen Development Corp., a Pennsylvania corporation, has caused its name by Richard H. Dilsheimer, its President, to be hereunto set, and the common and corporate seal of said corporation to be hereunto affixed, duly attested by its Secretary the day and year first above written.

LOCKSLEY GLEN DEVELOPMENT CORP.
a Pennsylvania corporation

by

President

Attest

Secretary

STATE OF PENNSYLVANIA)

) SS.

MONTGOMERY COUNTY)

BE IT REMEMBERED that on this 18th day of May, 1999, personally appeared before me, the Subscriber, a Notary Public for the State of Pennsylvania, Richard H. Dilsheimer, President of Locksley Glen Development Corp., a corporation existing under the laws of the Commonwealth of Pennsylvania, party to this Declaration known to me personally to be such, and acknowledged this Declaration to be his act and deed and the act and deed of said corporation, that the signature of the President thereto is in his own proper handwriting and the seal affixed is the common and corporate seal of said corporation, and that his act of sealing, executing and delivering this Declaration was duly authorized by a resolution of the Board of Directors of said corporation.

GIVEN under my hand and seal of office, the day and year aforesaid.

NOTARY PUBLIC

My Commission expires

NOTARIAL SEAL

NOTARIAL SEAL
SHEILA J. FARRELL, Notary Public
Lower Merion Twp., Montgomery County
My Commission Expires May 1, 2003

PROPERTY DESCRIPTION
Locksley Glen Section 1 Phase 1

ALL THAT CERTAIN lot or piece of land situated in the Township of East Nottingham, County of Chester, Commonwealth of Pennsylvania as shown on a Plan of Locksley Glen Section 1 Phase 1 prepared by Reagis, Inc., Engineers and Surveyors, Job Number 96045, plan dated June 20, 1998 and last revised September 11, 1998, being more fully described as follows, TO WIT:

BEGINNING at a point in the bed of Wedgewood Road at the Northern most corner of this property being also a corner in common with lands now or late of Greenleaf Enterprises, Inc.

THENCE from said point of beginning and along the bed of Wedgewood Road, South 38 degrees 32 minutes 00 seconds East a distance of 612.00 feet to a point for corner;

THENCE leaving the bed of Wedgewood Road and along lots number 49 and 48 of this same subdivision, South 53 degrees 12 minutes 00 seconds West a distance of 200.00 feet to a point;

THENCE along lots number 48 and 47, South 51 degrees 28 minutes 00 seconds West a distance of 101.64 feet to a point for corner;

THENCE still along lot number 47, North 38 degrees 32 minutes 00 seconds West a distance of 168.86 feet to a point on the East side right of way line of Winston Way of this subdivision;

THENCE along the right of way of Winston Way, South 51 degrees 28 minutes 00 seconds West a distance of 78.45 feet to a point of curve;

THENCE along a curve to the left having a radius of 15.00 feet, an arc length of 23.56 feet and an interior angle of 90 degrees 00 minutes 00 seconds to a point for corner;

THENCE South 48 degrees 38 minutes 54 seconds West a distance of 50.06 feet to a point for corner;

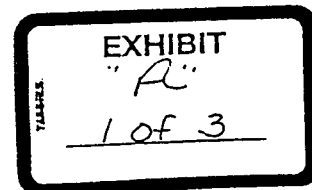
THENCE along a curve to the left having a radius of 15.00 feet, an arc length of 24.46 feet and an interior angle of 93 degrees 25 minutes 10 seconds to a point of tangency on the East side right of way of Winston Way;

THENCE along the right of way of Winston Way, South 48 degrees 02 minutes 50 seconds West a distance of 132.07 feet to a point for corner;

THENCE leaving the right of way of Winston Way and along lot number 68 of this subdivision, South 41 degrees 57 minutes 10 seconds East a distance of 178.75 feet to a point for corner;

THENCE along lots number 68, 69, 70, 71, 72 and 73 of this subdivision, South 48 degrees 02 minutes 50 seconds West a distance of 530.00 feet to a point for corner;

THENCE along lot number 73, North 61 degrees 43 minutes 00 seconds West a distance of 146.72 feet to a point on the North side right of way of Yorklyn Road;



THENCE leaving the North side right of way of Yorklyn Road and crossing said right of way, South 28 degrees 17 minutes 00 seconds West a distance of 50.00 feet to a point on the South side right of way of Yorklyn Road;

THENCE leaving the right of way of Yorklyn Road and along lot number 31 of this subdivision, South 28 degrees 17 minutes 00 seconds West a distance of 265.12 feet to a point for corner;

THENCE along lots number 31, 30, 29, 28, 27, 26, 25 and 24 of this subdivision, North 61 degrees 43 minutes 00 seconds West a distance of 659.66 feet to a point for corner;

THENCE along lot number 24, North 45 degrees 00 minutes 00 seconds West a distance of 371.33 feet to a point on the South side right of way of Yorklyn Road;

THENCE crossing the right of way of Yorklyn Road, North 30 degrees 07 minutes 26 seconds West a distance of 50.37 feet to a point on the North side right of way of Yorklyn Road;

THENCE leaving the right of way of Yorklyn Road and along lot number 23 of this subdivision, North 23 degrees 09 minutes 00 seconds West a distance of 100.00 feet to a point for corner on a line in common with lands now or late of Greenleaf Enterprises, Inc.;

THENCE along lands now or late of Greenleaf Enterprises, Inc. and lots number 23 and 22 of this subdivision, North 66 degrees 51 minutes 00 seconds East a distance of 403.00 feet to a point for corner;

THENCE leaving the line in common with Greenleaf Enterprises, Inc. and along lot number 22 of this subdivision, South 23 degrees 09 minutes 00 seconds East a distance of 40.94 feet to a point for corner;

THENCE along lots number 21 and 20, South 61 degrees 43 minutes 00 seconds East a distance of 200.38 feet to a point for corner;

THENCE along lots number 20 and 19 of this subdivision, South 41 degrees 57 minutes 10 seconds East a distance of 173.62 feet to a point on the Western side of a 50 foot wide sanitary sewer easement;

THENCE along lot number 19 and the sanitary sewer easement, South 48 degrees 02 minutes 50 seconds West a distance of 78.97 feet to a point for corner;

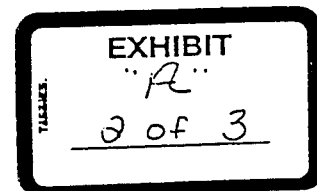
THENCE South 41 degrees 57 minutes 10 seconds East a distance of 50.00 feet to a point for corner;

THENCE along a curve to the left having a radius of 15.00 feet, an arc length of 28.74 feet and an interior angle of 109 degrees 45 minutes 50 seconds to a point of tangency on the North side right of way of Yorklyn Road;

THENCE along the North side right of way of Yorklyn Road, South 61 degrees 43 minutes 00 seconds East a distance of 168.61 feet to a point for corner;

THENCE leaving the North side right of way of Yorklyn Road and along lots number 59, 60, 61, 62, 63, 64 and 65, North 48 degrees 02 minutes 50 seconds East a distance of 716.06 feet to a point for corner;

THENCE along lot number 50 of this subdivision, North 41 degrees 57 minutes 10 seconds West a distance of 178.75 feet to a point on the East side right of way of Sheffield Lane;



THENCE leaving the East side right of way of Sheffield lane and crossing said right of way, North 41 degrees 57 minutes 10 seconds West a distance of 50.00 feet to a point for corner on the West side right of way of Sheffield Lane;

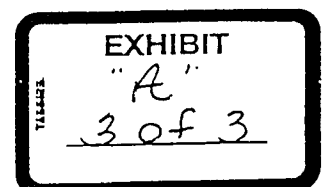
THENCE along the right of way of Sheffield Lane a curve to the right having a radius of 175.00 feet, an arc length of 229.44 feet and an interior angle of 75 degrees 07 minutes 10 seconds to a point for corner;

THENCE leaving the right of way of Sheffield Lane and along lot number 8 of this subdivision, North 33 degrees 10 minutes 00 seconds East a distance of 202.42 feet to a point for corner;

THENCE along lot number 1 of this subdivision, North 38 degrees 32 minutes 00 seconds West a distance of 102.83 feet to a point for corner on a line in common with Greenleaf Enterprises, Inc.;

THENCE along lot number 1 of this subdivision and Greenleaf Enterprises, Inc., North 66 degrees 51 minutes 00 seconds East a distance of 219.54 feet to the first mentioned point and place of beginning.

CONTAINING: 38 lots for single family homes, 1 lot for a sanitary sewer pump station and road right of way for Winston Way, Sheffield Lane, Yorklyn Road and Wedgewood Road



ALL THOSE TWO CERTAIN lots, Situate in the Township of East Nottingham, County of Chester and State of Pennsylvania, being described as follows:

TRACT NO. 1

ALL THAT CERTAIN tract of land, Situate in the Township of East Nottingham, Chester County, State of Pennsylvania, bounded and described according to a Plan dated 02/14/1973, by Berger and Hayes, Inc., Consulting Engineers and Surveyors, as follows, to wit:

BEGINNING at a point on the center line of Wedgewood Road, (T-316) a corner of land belonging to Clifford E. McFadden; thence along the centerline of the aforesaid T-316, South 38 degrees 32 minutes East, 612.00 feet to a point, a corner of land belonging to Harold Ireson; thence along land belonging to Harold Ireson, South 53 degrees 12 minutes West, 200.00 feet to a point; thence along the same and land belonging to Kenneth Grinstaff, South 37 degrees 13 minutes East, 400.00 feet to a point; thence along land belonging to Kenneth Grinstaff, North 53 degrees 12 minutes East, 24.94 feet to a point, a corner of land belong to Alvin E. Hentschel; thence along land belonging to Alvin E. Hentschel, South 37 degrees 56 minutes East, 250.19 feet to a point; thence along land belonging to Alvin E. Hentschel, North 63 degrees 31 minutes East, 174.95 feet to a point on the centerline of the aforesaid T-316; thence along the centerline of T-316, South 37 degrees 12 minutes 40 seconds East, 134.17 feet to a point; thence along same South 37 degrees 25 minutes East, 440.50 feet to a point, a corner of land belonging to Oscar Long; thence along land belonging to Oscar Long, South 30 degrees 12 minutes West, 217.94 feet to a point, a corner of land belonging to American Leasing; thence along land belonging to American Leasing and land belonging to William Reid, Paul Kavanagh, and Terence Collins, South 24 degrees 28 minutes West, 623.95 feet to a point in line of land belonging to Harvey Wharton; thence along land belonging to Harvey Wharton, North 61 degrees 29 minutes 30 seconds West, 1086.87 feet to a point, a corner of land belonging to H. D. Clemens, Jr.; thence along land belonging to H. D. Clemens, Jr., North 61 degrees 43 minutes West, 1,299.00 feet to a point; thence along same South 02 degrees 27 minutes East, 691.15 feet to a point, a corner of land belonging to Donald D. Blackburn; thence along land belonging to Donald D. Blackburn, North 87 degrees 23 minutes West, 1071.93 feet to a point in line of land belonging to Cameron Root; thence along land belonging to Cameron Root and Melvin R. Ludwig, North 05 degrees 42 minutes West, 1202.41 feet to a point in line of land belonging to Clifford E. McFadden; thence along land belonging to Clifford E. McFadden, the next four (4) following courses and distances to wit: (1) North 72 degrees 28 minutes East, 400.37 feet to a point (2) South 49 degrees 17 minutes East, 219.46 feet to a point (3) South 39 degrees 37 minutes East, 245.73 feet to a point; and (4) North 66 degrees 51 minutes East, 1930.31 feet to the first mentioned point and place of beginning.

CONTAINING 95.127 acres of land be the same, more or less.

EXHIBIT

"B"

1 of 2

EXCEPTING AND RESERVING THEREFROM AND THEREOUT ALL THAT CERTAIN tract of land being a part of the aforesaid described tract of land.

BEGINNING at a point in line of land belonging to the Grantor herein, said point being located South 63 degrees 31 minutes West, 344.39 feet from the centerline of Wedgewood Road, T-316, as measured along the division line of Alvin E. Hentschel and lands remaining of C. Harry Davis, et al, North 26 degrees 14 minutes 25 seconds West, 152.39 feet to a point; thence along same, the next five (5) courses and distances to wit: (1) South 66 degrees 53 minutes 10 seconds West, 349.00 feet to a point; thence (2) South 48 degrees 02 minutes 50 seconds West, 268.00 feet to a point; thence (3) South 41 degrees 48 minutes 30 seconds East, 434.14 feet to a point; thence (4) North 46 degrees 30 minutes 35 seconds East, 513.02 feet to a point; thence (5) North 26 degrees 14 minutes 25 seconds West, 167.23 feet to the first mentioned point and place of beginning.

CONTAINING 5.127 acres of land be the same, more or less.

TOGETHER with a right-of-way 50 feet in width between Tweed Road and the Southwest portion of the above-described premises being a part of the premises as more accurately described in Deed Book R-47 page 92, for the purpose of ingress, egress, and regress of farm equipment, machinery and other vehicles of agricultural and commercial use by Grantees herein, their heirs, executors, administrators, successors in interest and assigns, said right-of-way being over and across and abutting Southwest side of Lot No. 23 on Plan of Octorara Hills as the same is laid out thereon, said use to be in common with Grantors, their heirs, and assigns.

EXHIBIT

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