

THE ESTATES OF LONDON BRIDGE
HOMEOWNERS ASSOCIATION

DECLARATION OF RESTRICTIONS,
COVENANTS, CONDITIONS, AND
EASEMENTS

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DECLARATION OF RESTRICTIONS, COVENANTS, CONDITIONS, AND EASEMENTS
FOR THE ESTATES OF LONDON BRIDGE HOMEOWNERS ASSOCIATION

THE ESTATES OF LONDON BRIDGE
NEW LONDON AND ELK TOWNSHIPS
CHESTER COUNTY, PA

THIS DECLARATION OF RESTRICTIONS, COVENANTS, CONDITIONS
AND EASEMENTS (hereinafter the "Declaration") is made this 1 day of August,
1999, by Greenpoint Farm, Inc., (hereinafter the "Declarant").

WHEREAS, Declarant is the owner of a certain parcel of land situated in New
London and Elk Townships, Chester County, Commonwealth of Pennsylvania, consisting of
approximately 170.74 acres, more or less, (hereinafter the "Property") as shown on a plan prepared
by Regester Associates, Inc., for Greenpoint Farm, Inc., and recorded on February 23, 1999, in the
Chester County office for the Recorder of Deeds and by reference is made a part of this Declaration
(the "Subdivision Plan"); and

WHEREAS, Declarant intends to develop or cause to be developed on the Property
ninety-one (91) single family residential lots (individually a "Unit" and collectively the "Units")
with appurtenant Open Space, containing all acreage described on the Subdivision Plan as "Open
Space" areas A through E; and

WHEREAS, Declarant desires to provide for the preservation and maintenance of
the value, style of living and amenities on the Property, and therefore, hereby subjects the Property,
the Open Space, the Units, and all improvements located or to be located thereon to the restrictions,
covenants, conditions, easements, charges and liens as hereinafter set forth for the purpose of
protecting the value and desirability of the Property and the improvements thereon and for the
purpose of distributing among the owners of the Units, title to certain remaining portions of the

Open Space shown on the Subdivision Plan and the costs of owning, maintaining and preserving the Common Open Space (as hereinafter defined), stormwater management system, landscaping and other amenities of the Property as described hereinafter; and

WHEREAS, Declarant has caused or will cause a Pennsylvania non-profit membership corporation known or to be known as The Estates of London Bridge Homeowners Association (hereinafter the "Association") to be formed in order to operate and maintain certain remaining portions of the Property known as "Open Space" as shown on the Subdivision Plan and to perform certain functions on behalf of the owners of the Units, including but not limited to, the enforcement of the restrictions, covenants, conditions and easements herein set forth and the management of the Common Open Space to be managed and administered by the Association, along with a portion of the Open Space subject to the Deed of Conservation Easement and Declaration of Restrictive Covenants (hereinafter the "Conservation Easement") to the Brandywine Conservancy, Inc., (hereinafter the "Conservancy") and the collection and disbursement of certain assessments and charges hereinafter created. The Association shall have its initial principal place of business: c/o Brian Campbell, 402 Bayard Road, Kennett Square, Pennsylvania, 19348, or its successors as elected by the Association.

NOW, THEREFORE, Declarant hereby declares that the Property, the Units, and the Open Space, as shown on the Subdivision Plan shall be held, transferred, sold and conveyed, subject to the restrictions, covenants, conditions, easements, charges and liens, all as hereinafter set forth and all of which shall run with the Property, the Open Space and the Units and shall be binding upon all parties having or acquiring any rights, title, or interest, their heirs, personal representatives, successors, and assigns, and shall inure to the benefit of the Association and each owner of a Unit, their respective heirs, personal representatives, successors, and assigns. This

Declaration does not create and is not intended to create a condominium pursuant to the terms of the Pennsylvania Uniform Condominium Act and is not to be governed by the provisions of said Act. This Declaration, furthermore, dedicates the ninety-one (91) Units to The Estates of London Bridge and does not reserve rights pursuant to either §5211 or §5215 of the Pennsylvania Uniform Planned Community Act. London Bridge's common elements are limited to stormwater management facilities and related devices, real estate containing signage, lighting, landscaping, gates, walls, fences or monuments and the Open Space. It is intended that this planned community be subject to only those provisions of the Pennsylvania Uniform Planned Community Act as is required pursuant to §5102(a)(2) of that Act, as amended, effective May 23, 1998.

ARTICLE I

Definitions

1.1 As used herein, the following words and terms are defined to mean as indicated:

1.1.1 "Act". The Pennsylvania Uniform Planned Community Act, 68 Pa.C.S.A. §5101, *et seq.*, and any of its provisions as specifically referred to in this Declaration.

1.1.2. "Architectural and Environmental Review Committee". The Architectural and Environmental Review Committee (the "Committee") shall consist of three (3) persons whose duties, responsibilities and obligations include the review and ruling on any and all structures proposed for construction subsequent to the recording of this Declaration and excluding any structure approved previous to this Declaration and as further defined in this Declaration.

1.1.3. "Assessments". Such annual or special assessments, as established in this Declaration for the maintenance of the Property, the Units, the Conservation Easement Areas or Common Open Space, and any and all expenses of the Association as required herein, to be paid by the owners of the Units.

1.1.4. "Association". The Estates of London Bridge Homeowners Association, a Pennsylvania non-profit corporation, as formed or to be formed by Declarant.

1.1.5. "Board of Directors". To consist of three (3) to five (5) people who shall have the authority to cause the taking and carrying out of all actions and responsibilities given and assigned to the Association.

1.1.6. "By-Laws". By-Laws shall mean the By-Laws of the Association.

1.1.7. "Common Open Space". Those areas of the Property as shown and described on the Subdivision Plan as Open Space areas A through D, containing all acreage as indicated therein, as required under the applicable New London Township ordinances, and as further described in metes and bounds on Exhibit "C", attached hereto.

1.1.8. "Conservancy". The Brandywine Conservancy, Inc., a Delaware non-profit corporation, which shall monitor the Conservation Easement Area, and enforce any and all restrictions pursuant to the Deed of Conservation Easement and Declaration of Restrictive Covenants dated July 21, 1999, between Declarant, its successors and assigns, and the Brandywine Conservancy, Inc.

1.1.9. "Conservation Easement". The Deed of Conservation Easement and Declaration of Restrictive Covenants donated by Greenpoint Farm, Inc. to the Brandywine Conservancy, Inc., as shall be recorded at the Chester County office of the Recorder of Deeds.

1.1.10. "Conservation Easement Area". Those areas of the Property designated as "Open Space" area E on the Subdivision Plan, comprising forty-five (45) acres, more or less, and subject to the restrictions contained within the Conservation Easement.

1.1.11. "Declarant". Greenpoint Farm, Inc., or its successors or assigns, which succeed it for the purpose of developing the Property or any part of the Property.

1.1.12. "Development Period". The period until such time as all residential development is completed on the Units and a Certificate of Compliance has been issued by the Committee pursuant to Section 9.8 or ten (10) years from the date of the recording of this Declaration in the office of the Recorder of Deeds for Chester County, whichever is less.

1.1.13. "Family Unit". Occupants of an individual dwelling unit under one of the following categories:

- A. A single person;
- B. Two (2) or more persons related by blood, marriage or adoption, including foster children, including no greater than one (1) boarder, one (1) lodger or one (1) domestic servant;
- C. No greater than four (4) unrelated persons living together as a single domestic household unit.

1.1.14 "Landscaped Areas". Any areas within London Bridge which are not part of any individual Unit which require continuing or partial maintenance for the health, safety or welfare of the Owners or the community or to maintain an appropriate appearance for the entire Property. Such areas shall include, but are not limited to, roadway islands, the entrance area and the center area of cul-de-sacs within the Property.

1.1.15. "London Bridge". The Estates of London Bridge.

1.1.16. "Member". All persons or entities who hold membership in the Association as provided for in this Declaration by reason of their ownership of a Unit or Units.

1.1.17. "Open Space". All areas of the Property designated as "Open Space" areas A through E on the Subdivision Plan including areas defined in this Declaration as Common Open Space (areas A through D) and Conservation Easement Area (Area E).

1.1.18. "Owner". The record owner, whether or not one or more persons or entities, of the fee simple title to any lot, but excluding those having such interest merely as security for the performance of an obligation.

1.1.19. "Property". The real property as described on Exhibit "B" attached hereto and containing 170.74 acres, more or less.

1.1.20. "Public Access". The rights and privileges granted to members of the general public for the use and enjoyment of the Conservation Easement areas, as those rights and privileges are more fully described in the Conservation Easement.

1.1.21. "Structure". Any thing or device the placement of which upon the Property (or any part thereof) may affect the appearance of the Property (or any part thereof) including, by way of illustration and not limitation, any building, trailer, garage, porch, shed, springhouse, greenhouse, bath house, covered or uncovered patio, swimming pool, barbecue installation, fence, clothesline, radio, television or other antenna, satellite dish, statuary, fence, curbing, paving, wall, roadway, walkway, exterior light, sign or any temporary or permanent living quarters or any other temporary or permanent improvement made to the Property or any part thereof. "Structure" shall also mean (i) any excavation, fill, ditch, diversion, dam or other thing or device which affects or alters the natural flow of surface waters from, upon or across the Property, or which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across the Property, and (ii) any change in the grade of the Property (or any part thereof) of more than six (6) inches from that existing as of the date hereof.

1.1.22. "Subdivision Plan". The subdivision plan dated August 12, 1998, prepared by Regester Associates, Inc., last revised on October 26, 1998, and recorded in the Chester County

Office of the Recorder of Deeds, Pennsylvania on February 23, 1999. A condensed reproduction of the Subdivision Plan is attached to this Declaration as Exhibit "A."

1.1.23. "Township". This shall refer, when stated singularly, to New London Township. Declarant acknowledges that a portion of the Open Space is located within Elk Township, Chester County, Pennsylvania as depicted on the Subdivision Plan. As no development or construction is considered within Elk Township, that township shall only be considered in this Declaration insofar as it has rights, duties, and privileges with respect to the Open Space.

1.1.24. "Unit". A lot or parcel of ground as shown on the Subdivision Plan, designated for single-family residential use, there being a total of ninety-one (91) such Units within the Property.

ARTICLE II

Property Rights

2.1. Grant of Units. Declarant shall hereafter hold, grant and convey the Property, including all Units therein and the Open Space, subject to the covenants, conditions, restrictions and easements herein set forth, and those set forth in the Conservation Easement, which are for the benefit of, binding upon and shall run with the-land, and/or for the benefit of Declarant, the Association and the Owners, their heirs, personal representatives, successors and assigns.

2.2. Provisions of Ownership. Each Owner's fee interest in any Unit shall be subject to the following provisions:

2.2.1. The right of the Association to charge reasonable fees pursuant to the terms of Article 5 and as defined in Article 7 of this Declaration, hereof, (i) for the maintenance of the Common Open Space, including any structures and landscaping located thereon, (ii) for the

construction and maintenance of walking trails within the Common Open Space, (iii) for the maintenance and improvement of the Conservation Easement Area, insofar as it is required or permitted under the terms of the Conservation Easement, (iv) for the maintenance and operation of the stormwater management system and its associated stormwater basins, (v) for the maintenance and upkeep of the Landscaped Areas, (vi) for the maintenance of any entranceway signs identifying the name and address of the Property for the benefit of all Owners, (vii) for the maintenance of any Unit as provided for in Section 7.2, (viii) for any reasonable expenses of the Association, Board of Directors or the Committee, including liabilities and Director's insurance and for such fees, if any, as are expended pursuant to Article 9.10 hereof, and (ix) for any reasonable costs or expenses incurred by New London Township, to the extent that those costs and expenses are incurred directly under the terms and conditions of this Declaration, for the benefit of the Association and Unit Owners.

2.2.2. The undivided interest in title of ownership of the Open Space and the right and enjoyment of the Open Space by the Owners are subject to the restrictions, rules and regulations of this Declaration and as promulgated by the Association. Use of the Conservation Easement Area by the Owners, moreover, is further subject to the terms and conditions of the Conservation Easement.

2.2.3. County, Township and any municipal tax assessments of the Common Open Space shall be binding on Homeowners Association and shall be proportioned out in one ninety-first percent (1/91%) of the assessment per Unit.

2.3. Structures. Except for the stormwater management systems and associated stormwater basins to be located within the Open Space as shown on the Subdivision Plan, (ii) a utility shed, and (iii) permeable walking trails and appurtenant structures, all as permitted under the

terms of the Conservation Easement, no structure shall be erected, placed or maintained within the Conservation Easement Areas unless approved by the Committee and by the Conservancy pursuant to the terms of the Conservation Easement, with the exception of engineering work required under the Subdivision Plan, and any modification thereof approved by New London Township and the Conservancy or by Elk Township, if the proposed work is within its jurisdiction.

2.4. Rules. Subject to the terms of the Conservation Easement, the Board of Directors of the Association shall have right to prescribe reasonable rules and regulations governing the Property, the Units, the Conservation Easement Areas, which shall be applied to all Owners.

ARTICLE III

Reserved Rights and Obligations of Declarant

3.1. Reserved Rights of Declarant. The Owners shall hold the Units and any interest in the Open Space contained therein, conveyed to them by Declarant, subject to the following:

3.1.1. Conservation Easement. On or before this Declaration, Declarant grants and conveys to the Brandywine Conservancy, Inc., a Conservation Easement on, over, and upon the Conservation Easement Area. The restrictions contained therein, shall be binding upon Declarant, the Association, the Owners, the Board of Directors and the Members, their successors and assigns. The restrictions of the Conservation Easement are perpetual in nature, shall apply forever to the Conservation Easement Area, may not be amended thereby and shall specifically prohibit use of the Conservation Easement Area for the construction of residences or any other activity proscribed by the Conservation Easement.

3.1.2. Storage. The reservation by Declarant, its successors and assigns, of the right to store building supplies, construction equipment and other similar property on any Unit it

owns during the Development Period or on any Unit upon which construction of those improvements specified in the agreement of sale for that Unit shall be occurring. This reserved right shall expire six (6) months after completion of construction of all improvements by Declarant.

3.1.3. Grading. Declarant, acting in conformance with the terms of the Conservation Easement, further reserves unto itself, its successors and assigns, the right at or after the time of grading of any roadway, or any part thereof for any purpose, to enter upon any abutting Unit and grade a portion of such Unit adjacent to such roadway, provided such grading does not materially interfere with the use or occupancy of a residence built or to be built on such Unit, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope. Declarant expressly reserves unto itself the right to amend the Subdivision Plan in any manner it, in its best judgment, deems advisable and as shall be acceptable to the appropriate public authorities including New London Township and the Conservancy, having the right to approval of the same within the Conservation Easement Areas, provided, however, no such amendment shall confer any right upon any Owner or Member by the recording of any such amended Plan relating to the development of the Property.

3.1.4. Easement for Utilities. During the Development Period, Declarant, for itself, its successors and assigns, reserves an easement on, over and under the Units and the Open Space for the purpose of ingress and egress and the installation and maintenance of public and private utilities to serve the Property and the Units thereon, including, but not limited to, the right to lay, install, and construct facilities for water, storm sewer, gas, electric, telephone, cable television and other public or private services or utilities deemed by Declarant to be necessary or advisable to provide service to any Unit, or in the area or on the area in which the same is located, together with the right and privilege of entering upon the individual Units and the Open Space for such purposes

and making openings and excavations thereon, which openings and excavations shall be restored in a reasonable period of time.

3.1.5. Easement for Drainage. Declarant, for itself, its successors and assigns reserves an easement on, over and under the Common Open Space and the Conservation Easement Area, in conformity with the terms of the Conservation Easement, for the purpose of ingress and egress and the installation, operation, and maintenance of the stormwater management system and its associated stormwater basins to serve the Property and the Units therein, and to be located within the "Drainage Easements" and "Storm Sewer Easements" as shown on the Subdivision Plan. Such reserved easement shall include, but not be limited to, an easement for the construction of permeable access roadways to permit access to the stormwater management systems and its associated stormwater basins and equipment. In addition to the Common Open space and Conservation Easement Areas, such easements shall run within the boundaries of Lots 4, 5, 14, 15, 18, 19, 20, 25, 26, 29, 30, 50, 51, 52, 54, 55, 66, 67, 68, 77, 93 and 94, as shown on the Plan. Each affected Unit shall have a provision in its deed which reflects any such easement.

3.1.6 Designation, Construction and Maintenance of Secondary or Backup Sewage Facilities. Declarant or any Owner shall have the right to designate, construct and maintain within a Unit a secondary or back-up sewage disposal facility (not to include holding tanks) in connection with the use and enjoyment of any Unit. Such area shall be designated, constructed and maintained in accordance with all applicable governmental regulations and requirements. The surface of any area disturbed in the exercise of this right shall be restored as nearly as practical to its condition prior to disturbance, including the replacement of trees, shrubs and vegetation. Any exercise of rights by an Owner under this section shall be approved by the Association pursuant to Article X of this Declaration.

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3.1.7. Sample House. Declarant shall retain the right to maintain a sample house, construction, and sales office within London Bridge so long as Declarant owns a Unit in London Bridge. The Declarant shall also retain the right to maintain reasonable, discreet signage for the limited purpose of completing sales and development of London Bridge consistent with this Declaration.

3.1.8. Withdrawal of Units 31, 32, 38-43, and 87. Declarant reserves the right to withdraw Units 31, 32, 38, 39, 40, 41, 42, 43 and 87 as shown on the Subdivision Plan for dedication to the Conservation Easement Area. Declarant shall have the duty to withdraw such Units for this purpose immediately upon receipt of State appropriated funding for Brandywine Conservancy's purchase of that portion of the Conservation Easement which will cover these Units.

3.2. Duration. The easements and rights granted and presented herein are and shall be conveyed as running with the land and shall be perpetual and continue in full force and effect until modified or terminated pursuant to the provisions of this Declaration.

3.3. Obligations of Declarant. The Declarant shall have the duty, obligation, and the sole and exclusive power and right hereinafter to hold, grant and convey the Property, including all Units therein and the Open Space, subject to the covenants, conditions, restrictions and easements as herein set forth and subject to the following:

3.3.1. Declarant shall construct, install and improve all roads, stormwater management systems and their associated basins, plantings as specified on the Landscaping Plan, entrance medians and their associated plantings and entrance signs on the Property at its sole expense and not at the expense of the Association.

3.3.2. Declarant and any Owner of a Unit at the time of the issuance of an occupancy permit shall provide to the Township of New London a signed and notarized disclosure

stating Declarant has provided the Owner with copies of this Declaration and the Conservation Easement and the Owner of the Unit understands the obligations of Declarant, the Board of Directors, the Association and its members and all Owners of Units therein.

3.3.3. Declarant shall include a provision in any sales agreement for any Unit of London Bridge which states that an association exists or may be created to own and manage the stormwater drainage facilities, Open Space and other common elements as described in this Declaration. Declarant shall also provide copies of the proposed or recorded declaration, actual or proposed budget of London Bridge and any other documents required by §5102 of the Act.

ARTICLE IV

Membership and Voting Rights

4.1. Affairs of the Association. The Association is a non-profit corporation under the laws of the Commonwealth of Pennsylvania and is charged with the duties and empowered with rights as set forth in its Articles of Incorporation and this Declaration. The affairs of the Association shall be governed by its Articles of Incorporation, its By-Laws and this Declaration.

4.2. Membership. Every Owner of a Unit shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit. Any Owner of a Unit is legally obligated by this Declaration to be a Member of the Association and abide by the rules, covenants, conditions and easements of the Association.

4.3. Voting. The Association shall have two (2) classes of voting membership:

4.3.1. Class A. Class A Members shall be all Owners of the Units, with the exception of the Declarant, and shall be entitled to one (1) vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be Members, but in no event

shall more than one vote be cast with respect to any Unit, and such vote shall be cast as a single unit, and not in any shares or fraction.

4.3.2. Class B. The Class B Member shall be the Declarant and shall be entitled to two (2) votes for each Unit owned. The Class B membership shall be converted to Class A membership when the Declarant transfers title and deed of a Unit to a second party. Otherwise, Class B membership shall convert to Class A membership only upon the occurrence of the later of the following events:

- (a) When the total votes held by Owners in the Class A membership equal the total votes held by Declarant in the Class B membership; or
- (b) December 31, 2008.

4.4 Powers and Duties. The Association shall have the duty, obligation, and the sole and exclusive power and right:

4.4.1. To operate, maintain, repair, restore, manage, administer and improve the Open Space, pursuant to Article VII herein and the Conservation Easement (as regards the Conservation Easement Area) including inter alia, all roads, stormwater management systems and their associated basins and other improvements located thereon;

4.4.2. To construct, operate, maintain, repair, restore, manage and improve walking trails to be located on the Common Open Space or in the Conservation Easement Area as specified under the terms of the Conservation Easement;

4.4.3. To operate, maintain, repair, restore, manage and improve the Landscaped Areas.

4.4.4. To own, operate, maintain, repair, restore, manage and improve the landscaping located on the entrance medians as the Association sees fit;

4.4.5. To own, operate, maintain, repair, restore, manage and improve the entrance signs to London Bridge in a good state of repair including painting and any other works to be done thereon;

4.4.6. To determine its own expenses and necessary reserves and to raise all required monies by levying upon and collecting assessments against the Members and the Units;

4.4.7. To establish and maintain reserve accounts, pursuant to Section 5.3, or accounts for maintenance, repair and improvement, if necessary, to the Open Space, and all of its stormwater management systems and associated stormwater basins, walking trails, and any structures located thereon;

4.4.8. To author and provide to New London Township (as required), on an annual basis, a status report indicating the internal structure of the Association, all activities completed by the Association, certification of insurance coverage for the Association and all fiscal records and fees;

4.4.9. To bring, prosecute, defend and settle litigation for or against the Association, and to satisfy any adverse judgment entered against it;

4.4.10. To otherwise perform and conduct all duties and powers imposed upon or granted to it by this Declaration, or any other documents relating to the Association, including the power and duty to enforce this Declaration with respect to each Member and Unit.

4.5. Obligations. It is the obligation of the Association and the Members thereof to perform the rights and duties of the Association as defined in this Article IV. The Township of New London or its appointees, retain the right, but not the obligation, to review the operation, implementation and enforcement of the rights and obligations of the Declarant, the Association, the Board of Directors, the Members and the Owners of Units and the right but not the obligation, in

matters within its jurisdiction, to require the Owners of the Units and the Association to abide by the obligations and duties defined herein. Any costs to the Township of New London to enforce the provisions of this Declaration herein shall be paid by the Association as set forth in Article V.

4.6. Board of Directors. The Board of Directors of the Association (the "Board of Directors") shall consist of not less than three (3) persons and not greater than five (5) persons. Declarant shall appoint three (3) persons to serve terms of one (1) year, two (2) years, and three (3) years, as specified by Declarant, to the Board of Directors at the time of the recording of this Declaration, hereinafter called the Initial Term. Thenceforth, all Directors of the Board shall be Members of the Association, shall serve a term of three (3) years and shall be elected annually by a majority of votes of Members who are voting, in person or by proxy, from time to time, at a meeting duly called for this purpose. Any vacancy occurring on the Board of Directors, prior to expiration of that Director's term, may be filled by a majority vote of the remaining members of the Board. The Board of Directors shall have the power to designate a President, one or more Vice-Presidents, a Secretary and a Treasurer as may be deemed desirable.

All resolutions of the Board of Directors shall be by a majority vote of the members of the Board of Directors. The Board of Directors of the Association shall have the authority to cause the taking and carrying out of all of the actions and responsibilities given and assigned to the Association in this Declaration, provided, however, to the extent permitted by law, the Township of New London retains the right, but not the obligation, to cause the taking and carrying out of all actions and responsibilities of Members of the Association, Members of the Board, Declarant and Owners of the Units.

4.7. Meeting of the Members. The Board of Directors and the Members of the Association shall meet as follows:

4.7.1. Annual meeting. The annual meeting of Members for the election of Directors shall be held during the month of September of each year, at which meeting the members shall elect by ballot, by plurality vote, members to the Board, and shall transact such other business as may come before the meeting.

4.7.2. Special meetings. Special meetings of the Board of Directors may be called at any time by the President or Secretary upon request in writing or upon a signed petition by at least thirty percent (30%) of the Members of the Association.

ARTICLE V

Covenant for Maintenance Assessments

5.1. Creation of Lien and Personal Obligations for Assessments. The Declarant, for each Unit, hereby covenants, and each Owner of any Unit by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) Annual Assessments or charges, and (ii) Special Assessments, for capital improvements or improvements to the Open Space, and (iii) Additional Assessments, all such assessments to be established and collected as hereinafter provided. The Annual and Special 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 Unit against which each such assessment is made (the "Assessments"). Each such Assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who is the Owner of such Unit at the time when the Assessment shall be made, and the obligation for delinquent Assessments shall be binding upon the Owner's successors in title, on conveyance of the Unit, unless satisfied prior to such conveyance.

5.2. Purpose of Assessments. The Assessments levied by the Association shall be made and used exclusively for (i) the maintenance and construction of walking trails and associated structures including berms, steps, and bridges, if any, (ii) the maintenance of permeable roadways which access the stormwater management system and associated stormwater basins, (iii) the maintenance of the stormwater management system and the associated stormwater basins, (iv) the maintenance of landscaping, including screening between lots and entrance medians, (v) the maintenance of the entrance signs, (vi) the maintenance, administration, and management of the Common Open Space, (vii) the maintenance and improvements to the Conservation Easement Area consistent with the Conservation Easement, and (viii) any reasonable expenses of the Association, the Board of Directors, the Committee, or expenses incurred by the Township of New London in enforcing this Declaration, and for such fees, if any, as are expended pursuant to Section 9.10 hereof, and for any other activity consistent with the rights and responsibilities of the Association or the Township of New London hereunder and for the benefit of the Members. The Assessments shall also be made and used for purposes specified in Article VII hereof, the purchase of liability insurance, to insure the Association, its Members and the members of its Board of Directors against liability arising from such aforesaid maintenance and other activities undertaken and performed by the Association and against liability arising from conditions existing in the Open Space and in other portions of the Property which are to be maintained by the Association.

5.3. Reserve Funds.

5.3.1 Reserve Fund for Stormwater Facilities Maintenance. The Annual Assessment may include an amount deemed necessary by the Association's Board of Directors to establish a reserve fund for the costs for the maintenance, reconstruction or repair of the stormwater management system and associated stormwater basins (the "Stormwater Facilities"). The portion

of each assessment payment received by the Association applicable to the reserve fund may be held by the Association in trust separate and apart from other Association funds. Any reserve fund established under this paragraph shall only be released for the exclusive purpose of satisfying any costs of maintenance or improvement or major repair to the Stormwater Facilities. It is understood that, if and when New London Township accepts dedication of the streets and roads within London Bridge (the "Roads"), all costs associated with the maintenance, improvement, and repair of the Stormwater Facilities that are not part of the Roads shall be the sole obligation of the Association

5.3.2 Additional Discretionary Reserve Fund. The Association, at its discretion, may also include an amount in the annual assessment to establish a reserve fund for capital or other improvements to the Open Space, maintenance of the stormwater facilities, or to any structures or facilities under the Association's control. Such reserve fund may be established, separate and apart from any reserve fund established in Paragraph 5.3.1 and from any other account established by this Declaration. The funds shall be retained by the Association and used only for such capital or other improvements to the Open Space and other common facilities as the Association's Board of Directors shall approve, or as the Township of New London shall require.

5.4. Maximum Annual Assessment.

5.4.1. During the 1999 calendar year or, if the Association adopts a fiscal year other than a calendar year for accounting purposes, during the fiscal year commencing in 1999, the maximum Annual Assessment shall be Four Hundred and Fifty Dollars (\$450.00) per Unit. The accounting year selected by the Association (calendar or fiscal) is hereinafter sometimes called its "fiscal year" and the fiscal period referred to in the preceding sentence is herein called its "initial fiscal year". Assessment for Units conveyed prior to the commencement of the initial fiscal year shall be at a rate not in excess of the foregoing maximum Annual Assessment rate for the initial

fiscal year. The Declarant shall be responsible for the expenses of the Planned Community incurred until the first such assessment.

5.4.2. For the fiscal year immediately following the Association's initial fiscal year and for each succeeding fiscal year, the Association's Board of Directors may increase the maximum Annual Assessment by up to, but not in excess of, the product obtained by multiplying (i) the Annual Assessment for the preceding fiscal year by (ii) the percentage equal to ten (10) percent (10%) higher than the percentage increase in the "Consumer Price Index - All Urban Consumers - Philadelphia 1967 = 100" for the preceding as announced by the United States Department of Labor (such product being called herein the "ceiling increase, and that in any fiscal year after the first three (3) fiscal years of the Association, the Board of Directors may, by resolution, provide for an increase in the maximum Annual Assessment above the ceiling increase, and that in any fiscal year after the first three fiscal years, the maximum Annual Assessment may be increased by an amount in excess of the ceiling increase only by a vote of two-thirds (2/3) of the total votes cast by the Members who are voting in person or by proxy, at a meeting duly called for this purpose.

5.4.3. The Board of Directors may fix the Annual Assessment at any amount not in excess of the maximum.

5.5. Special Assessments. The Board of Directors of the Association may levy, in any fiscal year, in addition to the Annual Assessments authorized above, a Special Assessment applicable to that year only, for the purpose of defraying, in whole or in part, any construction, reconstruction, repair or replacement of a capital improvement or other improvements to the Open Space, including but not limited to the reconstruction or repair of the roadways, the walking trails, any utility sheds, and the stormwater management system and associated stormwater basins, and/or

to meet any other deficit or unforeseen expenses of the Association, including, but not limited to those specified in Section 12.8 hereof, provided, that, either (i) the Board of Directors of the Association determines unanimously that such assessment and the purpose for which it is levied is necessary and of an emergency nature or (ii) the Township of New London, or its assigns, which retains the right to require the Board of Directors to levy such Special Assessments, inspects the Property or the Stormwater Facilities, and determines that an assessment for either maintenance or routine, imminent, or emergency repair is necessary or (iii) such Special Assessment shall have been approved by two-thirds (2/3) of the total votes cast by the Members who are voting, in person or by proxy, at a meeting of the Members duly called for the purpose of considering and voting on such Special Assessment. To the extent that a Special Assessment under this Section benefits only certain properties, only those Members whose Units are benefited by the assessment shall be assessed.

5.6. Notice and Quorum for Any Action Authorized under Sections 5.4 and 5.5. Written notice of any meeting called for the purpose of taking an action authorized under Sections 5.4 or 5.5 shall be sent to all Members not less than fourteen (14) days, and not 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 percent (60%) of all the votes of Members shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

5.7. Rate of Assessment. Both annual and special Assessments for maintenance, repair, reconstruction and other activities of the Association, including the maintenance of the Open

Space, and its associated walking trails and roadways, landscaping, the stormwater management system, and its associated stormwater basins, entrance signs and entrance medians, and any and all other costs shall be in equal amounts for each Unit.

5.8. Additional Assessments. Additional assessments may be fixed against any Unit only as provided for in Article 8 of this Declaration. Any such assessments shall be due as provided by the Board of Directors or, if the Association becomes delinquent, the Township of New London.

5.9. Surplus Receipts. Any surplus or receipts over expenses of the Association for any fiscal year shall be, at the discretion of the Association's Board of Directors, either (i) added to the Reserve Fund provided for in Section 5.3 hereof, or (ii) applied as a credit to each Owner to reduce the assessments necessary to meet the budget adopted by the Association for the next fiscal year, or (iii) refunded by the Association in equal amounts to each Owner, and, in the event of a refund relating to a Unit sold and transferred during the fiscal year, prorated between or among the Owner and former Owner(s) of the Unit sold and transferred during the previous year, including the Declarant, based upon the portion of the previous fiscal year that each such Owner shall have held record title to the Unit, as determined by resolution of the Board of Directors. In the event that any surplus receipts are retained pursuant to this paragraph, the Association shall ensure that each Member of the Association is credited with the amount of receipts paid by him or her.

5.10. Date of Commencement of Annual Assessments; Billing and Due Dates; Certificate of Payment of Assessments. The Annual Assessments provided for herein shall commence as to each Unit on, the first day of the month following the conveyance of the Unit to a Class A member, shall be prorated for Units conveyed between annual fiscal dates, and shall be billed and due monthly, quarterly or annually as determined by the Board of Directors. The

Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid and the amount of assessments, if any, which are or will be owing to a specified date.

5.11. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of fifteen percent per annum, or four percent (4%) above the prime rate (as established by Philadelphia National Bank, from time to time, at the time of delinquency, whichever is greater, and shall be subject to a late charge of five percent (5%) of the assessment. If an Annual Assessment is payable in installments, the Board of Directors shall have the right to declare the entire balance of the Annual Assessment and accrued interest thereon to be immediately due and payable. In addition, the Owner shall be liable for all costs of collecting any such assessment, including reasonable attorney's fees and court costs. By operation of the Act, §5315(a), the Association shall have a lien against any Unit for the payment of a delinquent assessment from the time the assessment becomes due. The Association, or in the case of delinquency by the Association, the Township of New London may bring an action against any Owner to recover payment of the delinquent assessment. No Owner may sell, rent or lease a Unit subject to nonpayment of an assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by the abandonment of a Unit.

5.12. Priority of Lien for Assessment. A lien pursuant to §5.11 shall be prior to all other liens and encumbrances on a Unit except: (i) liens and encumbrances recorded before the recording of the Declaration; (ii) first mortgages or deeds of trust on the Unit securing first mortgage holders and recorded before the due date of the assessment if the assessment is not payable in installments or the due date of the unpaid installment if the installment is payable in

installments; and (iii) liens for real estate taxes and other governmental assessments or charges against the Unit.

Any Owner or contracted purchaser of a Unit may request of the Association a statement, in writing, from the Association setting forth the amount of any unpaid assessments against the Owner of the Unit due the Association. The Unit shall be conveyed subject to a lien for any unpaid assessments made by the Association. No sale, transfer or foreclosure shall relieve such Unit from liability for any assessments thereafter becoming due or from any lien therefor.

ARTICLE VI

Insurance

6.1. The Association shall be required to obtain and maintain on behalf of the Association and the Members thereof, following insurance:

6.1.1 Liability. Public liability and property damage insurance covering liability for loss or damage to persons or property in such amounts, against such risks and in such insurance companies as the Board of Directors shall from time to time determine, but in no event less than one Million dollars (\$1,000,000) for bodily injury, including deaths of persons and property damage arising out of a single occurrence. All liability insurance contracts shall contain severability of interest provisions and cross liability endorsements to cover liabilities of the Association and the Board of Directors.

6.1.2. Property. The Association shall be required to maintain all risk insurance against loss or damage to Property, insuring the Common Open Space and improvements and fixtures thereon. All Members shall maintain on an individual basis, insurance against loss or damage on the Owner's specific Unit.

6.2. Notification. The Association shall provide the Township of New London, on an annual basis, the insurance provisions and certification of insurance coverage as required in this Article VI.

ARTICLE VII

Maintenance by Association

7.1. Maintenance and Management of Association. The Association, through its Board of Directors, shall supervise, manage, operate, examine, inspect, care for, replace, restore and maintain the following areas subject to the following management guidelines:

7.1.1 Open Space. The Association shall supervise, manage, operate, examine inspect, care for, replace, restore and maintain the Open Space. The Association shall leave all existing woodlands and trees in a natural state and shall remove only those trees that are dead, diseased or dangerous. The Association shall maintain the open areas as a meadow and shall require the mowing of the open areas, at least once, but not more than two times per year. The Association shall manage, in good repair, all improvements or structures located within the Common Open Space. All maintenance and repairs within the Conservation Easement Area shall be subject to the Conservation Easement.

7.1.2. Stormwater Management Systems. At all times, the Association shall supervise, manage, operate, examine, inspect, care for, replace, restore and maintain the stormwater management systems and associated basins to control all stormwater runoff from the Units in accordance with the approved Subdivision Plan.

7.1.3 Entrance Medians and Cul-de-Sacs. The Association shall supervise, manage, operate, examine, inspect, care for, replace, restore and maintain: (a) landscaping,

including annual and perennial plantings upon the entrance medians, and (b) all portions of the cul-de-sacs within London Bridge.

7.1.4. Entrance Signs. The Association shall supervise, manage, operate, examine, inspect, care for, replace, restore and maintain the entrance signs identifying the subdivision by name.

7.1.5. Walking Trails. Pursuant to the terms of the Conversation Easement, the Association shall construct, supervise, manage, operate, examine, inspect, care for, replace, restore and maintain permeable walking trails within the Common Open Space, and within the Conservation Easement subject to the terms of the Conservation Easement.

7.2. Unit Management. The Association, through its Board of Directors, shall supervise, manage, operate, examine, inspect, care for, replace, restore and maintain the individual Units as hereinafter provided in Article VIII hereof.

ARTICLE VIII

Maintenance By Owners of Units

8.1. Unit Maintenance. The Owner of each Unit shall keep his Unit, and all improvements thereon, subject to the following and as provided in Article X herein:

8.1.1. The Owner of each Unit shall keep his Unit, and all Structures or improvements thereon in good order and repair, including, but not limited to, the seeding, watering and mowing of all lawns and yards, keeping all sidewalks (if any) neat, clean, and in good repair, and free of ice and snow, the pruning and cutting of all trees and shrubbery and the painting (or other appropriate external care) of any and all Structures on the Unit, all in a manner and with such frequency as is consistent with good property management and maintenance and in the same

character and style as is established or approved by the Declarant or the Committee for such Unit pursuant to the terms of Article X of this Declaration. The Owner of any Unit shall maintain and replace, if necessary, all plantings as required under Article X hereof. Any Owner of a Unit containing a portion of woodland shall maintain that portion of woodland in its natural state.

8.1.2. Vegetation on Specific Lots. Lots 9, 30, 31, 32, 33, 34, 37, 38, 39, 40, 41, 42, 43, 87, 93, 94 and 95 shall be subject to an easement which shall be seventy-five feet (75') in width and will run parallel to the rear property line of each Unit. This easement shall prohibit any removal or change to the forestry located on that Unit, but shall allow, upon submission to the committee and approval by the Association, any tree removal necessary for the installation of a replacement septic system, or septic system as provided in paragraph 8.1.3 below.

8.1.3. The Owner of each Unit shall be required to maintain the septic system in good repair and proper working order and to provide written proof to the Association, of the pumping of the septic system a minimum of one (1) time every two (2) years. If any Owner of a Unit fails to adequately maintain that Unit's septic system, the Association shall have the right, but not the obligation, to provide maintenance of the septic system and the cost thereof shall be a binding, personal obligation of such Owner of the Unit, shall be an additional assessment on the Unit, and any amounts owing shall be subject to the interest provisions of Section 5.11., and the Association may avail itself of any of the remedies provided in Section 5.11. This paragraph shall apply to any secondary or back-up sewage facilities installed pursuant to paragraph 3.1.6. Upon request of New London Township, the Association shall, within a reasonable time, submit an annual schedule which indicates the status of the maintenance described in this paragraph.

8.2. Effect of Inadequate Maintenance of Unit; Remedies of the Association. If, in the opinion of the Committee, any Owner fails to perform the duties imposed hereunder, the

Association, after thirty (30) days written notice to the Owner to remedy the condition in question, and upon failure of the Owner to remedy the condition, shall have the right (but not the obligation), through its agents, employees or independent contractors, to enter upon the Unit in question and to repair, maintain, and restore the Unit and the improvements or Structures thereon. Each Owner shall accept and pay for such maintenance in their assessment billings as provided in Sections 5.2, 5.8 and 5.10 hereof, if so provided.

ARTICLE IX

Architectural and Environmental Review

9.1. Architectural and Environmental Review Committee. The Architectural and Environmental Review Committee (the "Committee") shall consist of three (3) persons and those three (3) persons, to be known as the Initial Members, are to be chosen by Declarant. Declarant shall notify the Members of the Association, the Board of Directors and the Conservancy, of the names and addresses of the Initial Members at the time of the recording of this Declaration.

9.2. Term of Committee. Unless the Initial Members of the Committee have resigned, their respective terms of office shall continue until such time as all Unit Owners within the Property shall have constructed a residence on each of their respective Units and a Certificate of Compliance, as been issued therefor or for a period of ten (10) years from the date of recording of this Declaration, whichever event shall first occur (the "Initial Term"). Prior to the expiration of the Initial Term, any vacancy created on the Committee shall be filled by the vote of the remaining Committee members. Upon the expiration of the Initial Term, the Owners of the Units within the Property shall by a two-thirds (2/3) vote appoint new members to the Committee and such members shall serve a three (3) year term of office. The affirmative vote of a majority of the

members of the Committee shall be required for any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Declaration. Any member of the Committee may, at any time, resign from the Committee upon written notice to the other members of the Committee. Subsequent to the expiration of the Initial Term, vacancies on the Committee, however caused, shall be filled by a vote of two-thirds (2/3) of the Owners of the Units within the Property within sixty (60) days of the creation of the vacancy. Any new member elected to fill a vacancy in the Committee shall serve the unexpired term of the Committee member vacated. If no member is elected to serve on the Committee, the Board of Directors shall have the right to appoint a member to the Committee and that member shall serve on the Committee until the expiration of that term.

9.3. Building Restrictions. No Structure shall be commenced, erected, or maintained on any Unit, nor shall the exterior appearance of any Structure on any Unit be changed or altered from the appearance thereof after completion, nor shall the natural state of any area of any Unit be disturbed or altered, including the removal of trees, after conveyance thereof to a Class A Member, nor shall any work be commenced or performed which may result in a change of exterior appearance of any Structure, until the plans and specifications showing the nature, kind, shape, dimension, material, floor plans, color scheme, location, exterior plans and details, paving plans and location, landscaping details, proposed topographical changes, and proposed tree removal, together with the estimated cost of said work and the Owner's proposed construction schedule, and together with a designation of the party or parties to perform the work, have been submitted to and the Committee indicates approval in writing on said plans. Said approval must be obtained prior to seeking a building permit. In the event the Committee fails to approve or disapprove such design

and location in writing within sixty (60) days after full and complete plans and specifications have been submitted to it, approval will be satisfied under this Article 9.3

9.3.1. Committee Criteria. The Committee shall consider such plans and specifications for approval upon the basis of, among other things, the harmony of external design and location in relation to surrounding Structures and topography, the nature and durability of the material, quality of workmanship, choice of colors and materials, grade elevations and/or drainage, stormwater management and erosion control methods to be employed during construction, landscape plans, the ability of the party or parties designated by the Owner to complete the work proposed in accordance with the plans and specifications submitted, including, without limiting the foregoing, such factors as background, experience, skill, quality of workmanship, financial ability, etc. In reviewing the plans, the Committee shall consider factors including, but not limited to, the environmental impact upon the Open Space, public health and safety, the effect the proposed work will have on the use, enjoyment and value of surrounding properties, and/or the outlook or view of other neighboring properties and the suitability of the proposed improvements or alterations with the general aesthetic values of the surrounding area. No alterations, construction, change of grade, tree removal, excavation or dumping shall be permitted or approved by the Committee within the Conservation Easement Area. The Committee may, at its discretion, issue such architectural design criteria and guidelines as it deems advisable. A Unit purchaser, prior to the purchase of a Unit and/or the preparation of architectural plans, is encouraged to consult with the Committee and review the architectural design criteria, if same have been issued.

9.3.2. Before any construction of any Structure, improvement, addition, change, alteration, or landscaping shall be commenced, two (2) full sets of plans and specifications at a scale of $1/4" = 1'0"$ and a plot plan of the Unit shall be submitted to the Committee. Such plans and

specifications shall show the front, rear, and all side exterior elevations, floor plans, building sections, materials, including (but not limited to) the color, texture, and materials for the roof, exterior walls, trim, windows and doors of each building or addition or exterior alteration. The plot plan shall show the building location and setback from property lines, dimensions of the proposed Structure, improvement, addition, change, alteration, landscaping, tree removal and of all other Structures upon the Unit, the location of the water service, septic system, driveway, storm water drainage system, intended landscaping, screening, and land area. Any additional information requested by the Committee shall be promptly furnished by the Owner of the Unit in question.

9.4. Disapproval of Plans. In any case where the Committee shall disapprove the plans and specifications submitted hereunder, or shall approve the same only as modified or upon specified conditions, such disapproval or qualified approval shall be accompanied by a statement in writing sent by U.S. certified mail, return receipt requested, of the grounds upon which such action was based. In any such case, the Committee shall, if requested, make reasonable efforts to assist and advise the applicant in order that an acceptable proposal can be prepared and submitted for approval. However, the final decision of the Committee is binding absolutely on the applicant. Approval of the plan may be withheld by the Committee on any basis, including purely aesthetic reasons.

9.5. Approval of Plans. Upon approval by the Committee of the plans described in Section 9.4.2, one copy of such plans and specifications shall be retained by the Committee, and the other bearing the approval of the Committee in writing shall be returned to the applicant.

9.6. Non-approved Structures. If any Structure shall be altered, erected, placed or maintained upon any Unit, or any new use commenced on any Unit, in violation of the provisions hereof, such Structure or new use shall be removed or discontinued, and such use shall be

terminated so as to extinguish such violation. If within thirty (30) days after notice from the Board of Directors of such violation, the Owner of the Unit upon which such violation exists shall not have taken reasonable steps towards the removal or termination of the same, the Association, through its agents and employees, shall have the right to enter upon the Unit and to take such steps as it deems necessary to extinguish such violation and the cost thereof shall be a binding, personal obligation of the Owner of the Unit, and as an additional assessment on the Unit.

9.6.1. Any approved construction, once commenced, shall be carried out with reasonable diligence and as expeditiously as possible until completed, and no changes or deviations from the application for approval of such construction and the plans and documents presented in connection therewith shall be permitted without the express prior written consent of the Committee. During the course of construction upon a Unit, the Owner of such Unit shall be responsible for ensuring that construction activities and disturbance of the ground area and natural vegetation are limited to the Unit and areas to be landscaped as delineated upon the plot plan furnished to the Committee as herein provided, and the exterior of the Unit shall be kept as clean and clear of debris as is reasonably possible. Any construction hereunder shall be completed within eighteen (18) months after ground is broken, or work is otherwise commenced with respect thereto (for the purposes of this Paragraph, the commencement of work shall not be construed to include the initial site improvements carried out on the Property as a whole), except for delays due to "force majeure" strikes, wars, acts of God and other matters not within the control of the Owner of the Unit and his agents, servants and contractors.

9.7. Completion of Construction. Upon completion of construction of any Structure in accordance with the provisions hereof, the Committee, upon request of the applicant, shall issue a Certificate of Compliance in form suitable for recordation in the office of the Recorder of Deeds

of Chester County aforesaid, identifying such Structure and the Unit on which such Structure is placed, and stating that the Structure, to the best of the Committee's knowledge, has been completed pursuant to the terms hereof. The Committee shall not be deemed liable for structural defects. Preparation and recording of such Certificate of Compliance shall be at the expense of the applicant. Any Certificate of Compliance issued pursuant hereto shall be prima facie evidence of the facts herein stated, and as to any purchaser or encumbrance in good faith, and for value, or as to any title insurer, such Certificate shall be conclusive evidence that all Structures on the Unit noted in such Certificate comply with the provision hereof.

9.8. Examination Fee. Excepting fees for consultation by an architect, building inspector, or appraiser, the Committee may not charge any fee for the examination of the plans and specifications submitted for approval.

9.9. Committee Compensation. Except for an architect, who may be a member of the Committee, or may be retained by the Committee as a consultant, and shall be consulted professionally in connection with his service on or for the Committee, and shall be compensated at his regular rate, the members of the Committee shall serve without compensation unless compensation shall be specifically approved by the Members.

9.10. Committee Rules. The Committee, to the extent of its functions hereunder and rights specifically provided herein, and consistent with the terms of the Conservation Easement with respect to the Conservation Easement Area, may adopt and promulgate reasonable rules and regulations regarding the administration, interpretation and enforcement of the provisions of this Declaration.

9.11. Conditional Approval. In granting any permit, authorization, or approval, as herein provided, the Committee may impose any appropriate conditions or limitations thereon as they shall deem advisable under the circumstances of each case.

ARTICLE X

Declaration of Covenants, Conditions, and Restrictions

10.1. Residential Use. All Units and dwellings thereupon shall be for private use by a Family Unit, as defined in Article for residential purposes, exclusively, which term shall include, a building having only one (1) dwelling unit from ground to roof, intended for habitation by a family unit, independent outside access, and open space on all sides. Said use of Unit shall conform with current zoning uses and requirements.

10.2. Prohibited Uses and Nuisances. The Units shall be subject to the following covenants and restrictions, unless said covenants or restrictions shall be expressly waived in writing by the Committee:

10.2.1. No noxious or offensive trade or activity shall be carried on or upon any Unit or within any dwelling, nor shall anything be done therein or thereon, which may be or become an annoyance or nuisance to the adjacent community or other Owners. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any dwelling or upon the exterior of any other Structures upon any Unit.

10.2.2. No snowmobiles, go-carts, motor bikes, trail bikes, all-terrain vehicles or other loud engine recreational vehicles can be run or operated upon any Unit, the Common Open

Space or upon the roadways serving the Property. This paragraph shall not apply to properly licensed motorcycles used solely for transportation of Owners or their guests, or other individuals entitled to operate vehicles on the roadways within the Property.

10.2.3. The maintenance, keeping, boarding or raising of animals, livestock or poultry of any kind, regardless of number, shall be and is hereby prohibited on any Unit or within any dwelling, except that this provision shall not prohibit the keeping of dogs, cats, or customary household animals provided they are not kept, bred or maintained for commercial purposes and, provided further, that such animals are not a source of annoyance or nuisance to the adjacent community or other Owners and do not roam at large on the Property.

10.2.4. No lumber, metals, bulk materials, refuse or trash shall be kept, stored, or allowed to accumulate on any Unit, except firewood stacked in a neat pile.

10.2.5. No burning of trash shall be permitted on any Unit, except building material during the course of construction of any approved dwelling or other permitted structure. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed in the open on any day that a pick-up is to be made at such place on the Unit as to provide access to persons making such pick-up. At all other times such containers shall be stored in such a manner so as not to be visible from the roadway or the other Units.

10.2.6. No junk vehicles, unlicensed or inoperable motor vehicle, commercial vehicle greater in size than a small van, trailer, camp truck, house trailer, boat, boat trailer, mobile home, bus or other similar machinery or equipment of any kind or character (except for such equipment and machinery as may be reasonable, customary and usual in connection with the use and maintenance of any Unit) shall be kept upon any Unit unless stored or parked within garages or

other permitted Structures nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out thereon. No motor vehicles of any kind shall be regularly parked upon the roadway serving the Property.

10.2.7. No Structure of a temporary character, including but not limited to mobile homes, recreational vehicles, trailers, or tents, shall be erected, used or maintained on any Unit at any time.

10.2.8. Except for entrance signs, directional signs, signs for traffic control or safety and such promotional sign or signs as may be maintained by the Declarant, no signs or advertising of any character shall be erected, posted or displayed upon, in or about any Unit or dwelling provided, however, that one (1) temporary real estate sign not exceeding four (4) square feet in area may be erected upon any Unit placed upon the market for sale or rent. Any such temporary real estate sign shall be removed promptly following the sale or rental of such Unit.

10.2.9. No Structure, planting or other material shall be placed or permitted to remain upon any Unit which may damage or interfere with any easement for the installation or maintenance of utilities, or which may unreasonably change, obstruct or retard direction or flow of any drainage channels.

10.2.10. No poles and wires for the transmission of electricity, telephone and the like shall be placed or maintained above the surface of the ground on any Unit.

10.2.11. No satellite dishes greater than 24" in diameter or other free standing aerial or antennae for either reception or transmission shall be permitted.

10.2.12. No above ground swimming pools shall be permitted.

10.2.13. No Unit shall be subdivided.

10.2.14. No excavation shall be made on any Unit except as specifically provided herein and for the purpose of building thereon at the time when the building operations are commenced, and no earth shall be removed from any Unit except as a part of such operation, or operations in connection and compliance with the Subdivision Plan and Landscaping Plan.

10.2.15. No tank for storage of gas or liquids may be constructed above grade on any Unit. Any such storage of gas or liquids shall be hidden from external view of adjoining landowners and must comply with all applicable environmental laws and regulations so as not to pose a threat of hazard to any Owner.

10.2.16. No exterior lighting shall be placed or fixed in such a manner as to cause a concentrated beam to be directed outside the boundaries of any Unit. Exterior lighting shall be under the jurisdiction of the Committee.

10.2.17. No Unit shall be so used as to cause any pollution to waterways, streams or ponds on or adjacent to the Units or to any adjoining property's water supplies. No Units shall be so used or maintained so as to cause any erosion of soil or sediment into such waterways, streams or ponds, or other Properties. During the grading and construction of any improvements or Structures upon any Unit, adequate arrangements shall be made to insure that no erosion of soil or sediment into such waterways, streams or ponds or other Properties shall take place.

10.2.18. No Structure or improvement on any Unit shall exceed thirty-five (35) feet in height measured from the highest point to the mean grade.

10.2.19. The floor area of any dwelling erected upon any Unit, exclusive of basement, attic, storage, and attached porches and garages, shall be not less than two thousand (2,000) square feet. The Committee shall be permitted, but not required, to reduce the aforesaid minimums by an amount not to exceed ten percent (10%) if the Committee shall find, in its sole

and absolute discretion, that such a reduction will not be out of conformity with the character of the Property.

10.2.20. Outbuildings, excluding garages, residences, in-ground pools and access drives, shall be limited to one (1) outbuilding structure per Unit to be located on the rear one-third (1/3) of all Units. Outbuildings shall not be located within twenty (20) feet of any Unit boundary and shall be subject to the provisions of Article herein. An outbuilding shall not exceed three hundred (300) square feet in area; twelve (12) feet in height; nor contain a flat roof. A minimum of eight (8) healthy evergreen type plantings of four (4) feet in height or greater, shall be planted and spaced evenly around the sides and rear of any outbuilding.

10.2.21. Each single-family residence shall include an attached garage with a minimum floor area of five hundred (500) square feet, which shall be located above grade.

10.2.22. No fencing of any nature shall be permitted in the front yard of any Unit. Fencing constructed of wood only, or vinyl if approved by the Architectural Review Committee, not to exceed four (4) feet in height shall be permitted on the rear and side yards. Stockade type wood fencing shall be prohibited, except as approved by the Association for the purpose of fencing a pool area. Wire mesh may be used in conjunction with wood fencing for the restraint of domestic animals or the fencing of pools.

10.2.23. No Owner shall have the right to remove any healthy growing trees located on any of the Units except the minimum necessary for the construction of a residential dwelling and driveway. Any area of proposed tree removal for the construction of a residential dwelling and driveway is subject to the review and approval of the Committee as shown on the plans and specifications as required under the provisions of Article IX hereof.

10.2.24. Owners of unwooded Units shall landscape their Units with plantings of not less than four (4) certified shade trees being one and one half (1 and 1/2) to two and one half (2 and 1/2) inches diameter at breast height and eight (8) to ten (10) feet in height, and ten (10) evergreen trees being four (4) to five (5) feet in height. Said landscaping shall be completed within one (1) year of the date of completion of construction on the Unit.

10.2.25. These restrictions shall not be construed as permitting any action or thing prohibited by the applicable zoning laws, or the laws, rules or regulations of any appropriate governmental authority or by the Conservation Easement. In the event of any such conflict, the more restrictive provision of such laws, rules, regulations or these restrictions shall be taken to govern and control.

10.2.26. The Owners of Units adjacent to or containing Access Easements to the Open Space, and the stormwater management basins and walking trails thereon shall not obstruct in any way access to this area except for the planting of grass thereon for aesthetic purposes.

10.2.27. No structure, planting, or other material shall be placed, erected, or maintained on or within the Open Space except in strict conformity with the requirements of Section 2.3 and Article 11 hereof and, within the Conservation Easement Area, the Conservation Easement.

ARTICLE XI

Conservation Easements

11.1. Unless otherwise stated, the following provisions shall apply to those areas designated on the Subdivision Plan as the "Open Space":

11.1.1. The Common Open Space shall be maintained as such, in perpetuity, pursuant to the rules and regulations promulgated by the Association, which shall be binding on Declarant, Owners, and the Association and shall be hereby incorporated into this Declaration and be made a part hereof.

11.1.2. The Conservation Easement Area shall be maintained consistent with the purposes set forth in the Conservation Easement, as well as all rules and regulations promulgated by the Association which shall not be inconsistent with the Conservation Easement.

11.1.3. No improvements may be erected on any portion of the Open Space except for the stormwater management basins and appurtenant fixtures to be located within the Drainage Easement, as shown on the Subdivision Plan, walking trails as approved by the Association and permitted under the Conservation Easement where applicable, and utility sheds and structures as set forth in the Conservation Easement, if any, or approved by the Association.

11.1.4. There shall be no dumping of soil, trash, ashes and/or other offensive materials on or in the Open Space, nor shall there be any dumping or filling in of the ponds or retention basins.

11.1.5. No landscaping shall be planted or installed in the Common Open Space unless such planting is approved by the Architectural and Environmental Review Committee pursuant to Article IX hereof.

11.1.6. No tree shall be removed from the Open Space unless such removal is in accordance with the Architectural Review Process according to Article IX hereof and conducted by the Association, or within the limited rights granted the Unit Owners pursuant to Section 8.1.2. Any use or removal of any trees within the Conservation Easement shall be strictly limited to the terms of the Conservation Easement.

11.1.7. Nature of Easements and Access. The limited rights to enter the Open Space pursuant to Sections 11.1.2, 11.1.4, and 11.1.5 shall be reserved for Declarant, the Association, and Unit Owners, on such terms and conditions as the Association shall approve in advance of entry. The public shall have no rights or privileges to enter or use the Common Open Space. All Public Access to enter any portion of the Conservation Easement Area shall be governed by the terms of the Conservation Easement.

11.1.8. Subject to the terms of the Conservation Easement, the Township shall reserve the right to enter into the Conservation Easement Area along Camp Bonsall Road near the current covered bridge to construct, maintain and expand a parking area at the entrance to the public access portion of the Conservation Easement. This area is depicted on the Subdivision Plan. New London Township shall be responsible to maintain and police the use, appearance, and condition of the parking area at the Township's expense.

ARTICLE XII

General Provisions

12.1. Enforcement. The Association, on behalf of the Owners, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Conservancy, New London Township and Elk Township, to the extent that it has jurisdiction, shall have the right but not the obligation, to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration and by the

provisions of the Conservation Easement. Failure by the Conservancy or the Township of New London to enforce any covenant or restriction contained in either this Declaration or the Conservation Agreement shall in no event be deemed a waiver of the right to do so thereafter.

12.2. Notice Regarding School Bus Operation. All Units are currently located within the Avon Grove School District. Declarant hereby notifies all Unit Owners, and potential Unit Owners, of the current policy of the Avon Grove School District School Board regarding school bus operation. Specifically, the Avon Grove School District will not operate school busses in cul-de-sac or non-dedicated streets. Until such time as all streets are dedicated and such dedication is accepted by New London Township, Avon Grove School District will not provide school bus transportation to students within London Bridge. The Declarant will make reasonable efforts to negotiate acceptance of dedication of all streets located in London Bridge, but cannot represent or warrant that school bus service will be available at any particular time.

12.3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions which shall remain in full force and effect.

12.4. Amendment.

12.4.1. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity. This Declaration may be amended by an instrument signed by no less than seventy-five percent (75%) of the Unit Owners provided any amendment must strictly conform to the restrictions contained within the Conservation Easement. Any amendment must be recorded as an amendment to this Declaration. All proposed amendments to the Declaration shall be reviewed by New London Township. The Township shall have thirty (30) days to approve or deny said amendment. If the Township of New London does not approve or deny said amendment within thirty (30) days, the Association shall deem the amendment approved.

12.4.2. Until the conclusion of the Development Period of the Property, no amendment may alter or affect any rights granted hereunder to Declarant without the prior written consent of Declarant.

12.4.3. To the extent that Declarant exercises its right to withdraw the Units listed in Section 3.1.8, Declarant shall have the right to amend this Declaration and submit an Amended Declaration and Revised Plan to New London Township without obtaining the consents of Unit Owners required in Paragraph 12.4.1.

12.5. Notices. All notices required or provided for in this Declaration shall be in writing and hand delivered or sent by overnight courier or by United States mail. If hand delivered, the notices shall be sent to the addresses shown below and shall be deemed to have been given on the date hand delivered to the party receiving the same. If an overnight courier service or the United States mail is used, the notices shall be sent to the addresses shown below, and in the case of the United States mail, certified or registered mail, return receipt requested, postage prepaid, and shall be deemed to have been given on the date deposited with the overnight courier or in the United States mail. Notice shall be addressed as follows: To Declarant and the Association: Greenpoint Farm, Inc. c/o Brian Campbell, Beiler-Campbell Realtors, 402 Bayard Road, Suite 100, Kennett Square, PA 19348; to the Resident Agents of the Association at their address, as set forth in Paragraph D of this Declaration; to the address of an Owner/Member at his Unit address; or to such other address, in the case of either the Declarant or the Association, as the indicated addressee or their representatives may indicate in writing sent to the Owner/Members, New London Township, and the Conservancy.

12.6. Right of Entry. Violation or breach of any provision herein contained shall give Declarant or the Association, to the extent that any of them may have a right of enforcement

thereover, their respective agents, legal representatives, heirs, successors and assigns, in addition to all other remedies, the right (but not the obligation), after thirty (30) days notice to the Owner of the Unit, to enter upon the Unit or the land as to which such violation or breach exists, and summarily to abate and remove, at the expense of the Owner thereof, any Structure or condition that may be or exists thereon contrary to the intent and meaning of the provisions hereof; and the said parties shall not thereby be deemed guilty of any manner of trespass for such entry, abatement, or removal.

12.7. No Reverter or Condition Subsequent. No provision herein is intended to be, or shall be construed as, a condition subsequent or as creating a possibility of reverter.

12.8. Remedies. Damages may not be deemed adequate compensation for any breach or violation of any provision hereof, so that any person or entity entitled to enforce any provision hereof shall be entitled to relief by way of injunction as well as any other available relief either at law or in equity.

12.9. Indemnification. The members of the Board of Directors of the Association and the members of the Committee shall not be personally liable to the Members of the Association or to any other person or entity deriving rights from or through any member of the Association for any action taken or not taken in good faith in performing their responsibilities described or provided for in this Declaration, unless such action or failure to act shall be the result of their own willful misconduct or gross negligence.

The Association shall protect, exonerate, defend, indemnify and hold harmless any person who is or was a member of the Board of Directors of the Association or of the Committee, and his or her heirs and personal representatives, from and against any and all personal liability, and all expenses, including but not limited to counsel fees and court costs, incurred or imposed in

connection with, or arising from or in settlement of, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, now or hereafter threatened to be brought or instituted against such person by the Association or by any one or more Members or by any other person or entity, by reason of the fact that he or she was such a director or Committee member, other than to the extent, if any, that such liability or expense shall be attributable to his or her willful misconduct or gross negligence, provided, in the case of any settlement, that the Board shall have approved the settlement, which approval shall not be unreasonably withheld. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled as a matter of law or agreement or vote of Members or of the Board, or otherwise. Any Member who brings an action against the Association, the members of the Board of Directors or of the Committee, which action is decided in favor of the defendants, or is dismissed with prejudice, shall pay all counsel fees and court costs of the defendants incurred in defending such action. The indemnification by the Association set forth in this Section 12.9 shall be paid by the Board on behalf of the Association and shall constitute a special assessment and shall be assessed and collectible as such.

Every agreement, deed, lease, or other instrument entered into by the Board on behalf of the Association shall, without the necessity of its having to explicitly so state, be deemed to provide that the Board and the officers or assistant officers of the Association executing the same are acting only as agents for the Association and shall have no personal liability thereunder (except to the extent, if any, that they may also be Members at the time any such liability is assessed), that any claim by the other party and parties thereto with respect thereto or to the subject matter thereof shall be asserted against the Board, which shall act on behalf of the Association with respect thereto, and that any liability thereunder or with respect to the subject matters thereof shall be

borne by those who are Members at the time such liability may be assessed by the Association as a special assessment.

12.10. Headings. The headings or titles herein are for convenience of reference only and shall not affect the meaning or interpretation of the contents of this Declaration.

12.11. Gender and Number. Whenever used in this Declaration, unless the context clearly indicates a contrary intent, the use of any gender shall include all genders, and the singular number shall include the plural and the plural the singular, as the context may require.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunder set its hand and seal the day and year first above written.

ATTEST:

GREENPOINT FARM, INC.



By: Ben S. Beiler
Ben S. Beiler, President

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

On this 4th day of August, 1999, before me, a Notary Public, the undersigned officer, personally appeared Ben S. Beiler who acknowledged himself to be the President of Greenpoint Farm, Inc., a corporation and that he as such President being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as president.

In Witness Whereof, I hereunto set my hand and official seal.


Notary Public

Notarial Seal
Cheryl A. Trout, Notary Public
East Marlborough Twp., Chester County
My Commission Expires April 26, 2001
Member, Pennsylvania Association of Notaries