

PUBLIC OFFERING STATEMENT FOR THE HASTINGS MEADOW COMMON INTEREST OWNERSHIP COMMUNITY

This public offering statement for the Hastings Meadow Common Interest Ownership Planned Community is made this ___ day of May 2006.

1. Name and address of Declarant and Common Interest Planned Community. The Declarant of the Community is Hastings Meadow, LLC, a Vermont Limited Liability Corporation with a principal address of 31 Partridge Way, Shelburne, Vermont 05482 (“Hastings Meadow”). Hastings Meadow constitutes a common interest ownership planned community and is located at Hastings Road, Waitsfield, Vermont 05673.
2. General Description of Community. Hastings Meadow consists of 9 Units subdivided for single family homes on a tract of 39 acres. The Units range in size from .38 acres to approximately 1 acre. Approximately 15 acres of tract constitute common land to be transferred to the Hastings Meadow Homeowners Association pursuant to the provisions of Article 9.5 of the Declaration of Hastings Meadow (“the Declaration”). An additional lot, Lot 12, encompassing approximately 12 acres, shall be kept perpetually open and has been sold with trail rights to the Town of Waitsfield. Hastings Meadow is more fully described in the Declaration, and the property description and plat plans attached as Exhibits thereto and filed in the Town of Waitsfield clerk’s office. Declarant commenced construction on the common amenities in the fall of 2005 and expects to complete construction of the common amenities in 2006. Declarant intends to build out the Units as they are sold and has reserved up to 20 years to complete the buildout.
 - a. The Declarant presently expects to construct single family homes of a wood frame construction, clapboard siding and shingled roofing materials. Declarant may or may not build the single family homes to be constructed on each unit. It is anticipated that the Units will have exterior decks.

NO ASSURANCES ARE BEING MADE THAT FUTURE UNIT STYLES WILL BE COMPATIBLE WITH THE STYLES OF UNITS ALREADY BUILT ON THE SUBJECT SITE, IF ANY, OR ON THE SURROUNDING PARCELS, OR THAT MAY BE BUILT IN THE FUTURE.

FURTHERMORE, NO ASSURANCES ARE MADE THAT THE MATERIALS USED TO BUILD THE INITIAL UNITS WILL BE THE SAME AS THOSE USED IN YOUR UNIT.

- b. Passive recreational areas shall consist of open spaces and natural areas surrounding boundaries and green spaces around the street layout.

- c. Access to the Common Interest Community will be from Hastings Road and over a 50 foot easement serving and extending into Hastings Meadow.
 - d. Water is provided by connection to an individual or shared well. Each Unit Owner shall be responsible for payment of the repair, maintenance, upkeep, and replacement of their well and water system and its appurtenant equipment and paraphernalia. Such charges will not be made through regular association fees or special assessments.
 - e. Sewage service for all Units except Unit 2 and 6 is provided by connection to the community septic system. Each Unit Owner shall be responsible for payment of the repair, maintenance, upkeep, and replacement of the sewer system and its appurtenant equipment and paraphernalia. Such charges will be made through regular condominium fees and special assessments, as required, levied by the Association.
 - f. Electrical power shall be provided through Green Mountain Power Corporation. Telephone service shall be provided through Waitsfield Valley Telecom. Each Unit shall be responsible for the costs of these services.
 - g. The following services and amenities shall be available to Unit Owners:
 - Mail delivery at the bottom of Hastings Road.
 - Plowing, mowing and maintenance of the common amenities
 - h. From the above list of services and amenities, the cost of maintenance, plowing and mowing of the common amenities shall be charged to the Unit Owners through assessments made by the Association pursuant to the Declaration. **EACH UNIT OWNER WILL BE RESPONSIBLE TO MAKE ARRANGMENTS FOR THE PLOWING AND MOWING OF THEIR UNITS.**
3. Number of Units. The current number of Units in the common interest ownership community is 9 Units as described in Exhibit C to the Declaration. The Declarant has reserved rights to add up to a total of 25 Units, 1 additional Unit on the 39 acre tract and the remainder on a neighboring property as further described in Article 13 of the Declaration. However, the Town of Waitsfield currently has an option to purchase the development rights for all but one house on the adjacent parcel. The Declarant anticipates the Town will execute its option.
4. Copies and Narratives of Significant Documents. A copy of the Declaration is attached hereto as Exhibit 1. The Declaration contains 17 Articles encompassing 21 pages, plus attachments. The Declaration describes the property and the rights and obligations of the Declarant and each of the Unit purchasers to that property and to each other.

The Bylaws are attached as Exhibit 2. The Bylaws contains 6 Articles and encompass 7 pages. The Bylaws constitute the document governing the conduct,

rights and obligations of the Association of Unit owners and the Declarant to operate the common interest ownership community.

Both documents have numerous important provisions. Both are also available from the Declarant.

ALL POTENTIAL PURCHASERS ARE ENCOURAGED TO READ THE DECLARATION AND THE BYLAWS IN THEIR ENTIRETY.

No other contracts or lease arrangements currently exist with respect to the property.

5. Balance Sheet and Budget. The Association is currently not funded and has no funds on its balance sheet. A projected budget for the Association for the first year after the sale of the first Unit, anticipated to be 2006, is attached as Exhibit 3. It reflects all services the Declarant anticipates as necessary to operate the Association in 2006. Each Unit's assessment will be due upon the closing of the Unit.

When the Unit Owners other than the Declarant control the Executive Board of the Association, assessments will be based upon the actual expenses of the common interest community.

This budget is based on estimates of operation under initial occupancy. It does not constitute a representation that the Association will allocate services and activities in accordance with that budget. It merely indicates a possible method of allocating the maintenance charges initially established by the Declarant, and a level of service that could be undertaken within this budget. The common charges applicable to each Unit are derived by dividing the total annual budget by each Unit's obligation for the Common Expenses.

All projected budgets were prepared by the Declarant.

All budgets are based on estimates in current 2006 dollars.

- a. The Budget does not include any reserves for maintenance.
 - b. The Budget does not include any other reserves.
 - c. The Budget includes projected common expense assessments anticipated as reasonable by the Declarant.
 - d. Each Unit shall be assessed annually allocated by the Association on a pro rata basis. The Declarant has reserved the right to reduce the percentage applicable to unsold Units based on a reasonable assessment of need.
6. Services not in the budget. The Declarant has not included any reserves or any major landscaping services in the projected budget first year budget. The Association may choose to add expenses in those or other categories later.

Declarant also reserves the right to provide in-kind services for the Association. The Association may become responsible to take care of the actual cost of the services in the future. Other than noted above, the Declarant is not providing any services or paying any expenses with regard to the Common Interest Community as described in the Declaration that it anticipates being Common Expenses of the Association at any subsequent time. The Association shall be responsible for all such expenses. However, the Declarant is paying the expenses attributable to the real property subject to the Development Rights. Upon the exercise, expiration or termination of the Development Rights, the expenses in connection with such real property may become a liability of the Association or the individual owners.

7. Special Fees. No special fees are due to the Association from the Purchaser. The yearly assessment shall be due at the closing on the property.
8. Liens, defects or encumbrances. The property subject to the Association is subject to the following liens, defects, encumbrances and easements.
 - a. A mortgage lien stemming from the purchase of the property by the Declarant. The first mortgage on the property is payable to the Union Bank. It secures the principal and interest the Bank lent the Declarant to install the infrastructure on the property. The mortgage is scheduled to be paid down as Units are sold and the mortgage against each Unit shall be released at closing. The mortgage is anticipated to be paid off prior to the sale of the 9th Unit. Upon the payoff of the loan, the mortgagor shall release the common property.
 - b. The second mortgage on the property is payable to Ritchie Crockett Lawton, the former property owner. It secures the principal and interest due from the Declarant's purchase of the property. The mortgage is scheduled to be paid down as Units are sold and the mortgage against each Unit shall be released at closing. The mortgage is anticipated to be paid off prior to the sale of the 9th Unit. Upon the payoff of the loan, the mortgagor shall release the common property.
 - c. The Declaration and Bylaws governing the use of the property and the Purchasers relationship to the Association, other owners and the Declarant, constitute an encumbrance on the property.
 - d. The permits necessary to subdivide the property constitute encumbrances on the property. The permits, including the following are attached as Exhibit 4: Town of Waitsfield Subdivision Permit, Notice of Decision, Town of Waitsfield decision concerning the extent of the Right of Way of Hastings Road, State of Vermont Land Use Permits 5W1418 and 5W1418-1, Findings of the Environmental Board on Permit 5W1418-EB and the Agency of Natural Resources Wastewater System and potable Water Supply Permit WW-5-2113. The Declarant shall secure a Zoning Permit and a Stormwater Construction General Permit as they become necessary to complete the project.
 - e. The easements existing and created on the property constitute encumbrances on the property. These include:

- Telephone, electric, gas, television, and cable service easement.
 - Sewer distribution system.
 - Drainage easements as needed
 - The rights reserved by the Declarant, its successors and assigns, to prepare, construct, grant and record easements and rights of way as may from time to time be necessary or desirable for the installation and use of roadways, sidewalks and pathways and utility lines, including, but not limited to, telephone, electric, gas, water, sanitary sewer, television and cable lines to service the declared land, future lands of Hastings Meadow or any other lands owned by Declarant, or other present or future developments.
 - The rights reserved by the Declarant, its successors and assigns, to pass and trespass over all roadways, sidewalks and pathways presently existing or to be constructed within the Common Interest Community for the purpose of free passage on, across and over said roadways, sidewalks, and specifically including the passage of construction equipment and vehicles thereon to, through and from further sections of the planned community, or any other lands owned by Declarant, or other present or future developments.
 - The rights reserved by the Declarant to connect to any utility lines within the Common Interest Community and to enter therein for such purposes in favor of future sections of Condominium, and any other lands owned by Declarant or other present or future developments.
 - Any other rights reserved by the Declarant, its successors and assigns, as outlined in the Declaration.
 - Any easements, roadways, sidewalks, pathways and utility lines as shown on the Survey.
 - Permits that effect the Common Interest Community and the lands of Declarant as substantially contained in Exhibit 4. The Declaration and Bylaws, all attachments thereto and all permits to which the property is subject are available from the Declarant. All easements are listed on the Plats accompanying the Declaration as Exhibits B and B1.
9. Financing offered by the Declarant. The Declarant has arranged to offer financing for the purchase of a lot and/or construction of a dwelling on that lot through Hanson Mortgage Corporation of Essex Junction Vermont. Hanson Mortgage Corp offers a single close loan with long-term rate cap protection. The construction loan automatically modifies to a permanent mortgage upon completion of the purchasers home. No Purchaser is obligated to take a loan with Hanson Mortgage. More information regarding the terms of the financing offered is available from Hanson Mortgage Corp, 380 Hurricane Lane, Suite 101, Williston, Vermont 05495. (888) 879- 3950 x 116.
10. Warranties on Units and Limited Common Elements. The Declarant defines the warranties it offers for construction of single family homes on the Units in the

Construction Contract for those homes Declarant constructs or contracts to construct for the Unit owner. Otherwise, all warranties run only to the common elements or limited common elements constructed by the Declarant or Declarant's contractors. The terms of the warranties are as follows:

a. Limited Express Warranty/Scope of Warranty. Declarant warrants, covenants, and guarantees work performed materials used in the construction of the Unit are of high quality in good and workmanlike manner, ~~free from faults and defects.~~ This warranty shall apply and be in effect for a period of twelve (12) months from the date of closing, provided that claims are brought to the attention of the Declarant or any contractors, subcontractors, agents, employees, suppliers, or other persons or business entities hired or retained by Declarant in construction of the Unit. The warranties set forth herein shall include proper construction, installation, and functioning of the components of the common utilities and any single family home constructed on any Unit by the Declarant, which may include the following:

- Proper installation and functioning of electrical, plumbing, heating, and other utility systems adequate in all respects for the site, weather conditions, and natural elements affecting the Unit;
- Proper installation and functioning of the water supply system with sufficient flow of water that meets all Vermont Department of Health standards required for potable water safe for humans and proper installation and functioning of the community or individual sewage disposal system, in conformance with all applicable State of Vermont permits to meet the needs of the Unit.
- Sound, safe, good, and workmanlike construction and installation of all structural components of the common utilities and the Unit;
- Careful and husbandlike site work, basement excavation and backfilling, installation of drainage pipes and underground utility lines, driveway installation, and preparation of drainage ditched and swales of the Unit so that there is no undue earth settling or improper water drainage.

b. Appliances and Landscaping. Declarant hereby transfers and assigns to Purchaser all rights arising under manufacturers' warranties applicable to any hot water heater, air conditioner, furnace, kitchen equipment and all appliances and machinery within any single family home constructed by the Declarant on the Unit. Declarant warrants that all appliances and machinery will be installed properly but excludes any warranties regarding operation of the appliances and machinery, which said warranties are the responsibility of the manufacturers thereof under their standard manufacturers' warranties.

The Declarant makes no representations for warranties as to the condition or health of any shrubs, trees or plantings located on the areas surrounding the buildings. The Declarant will deliver to the Association any nursery's

warranties that are both applicable to such vegetation and for the sole benefit of the Unit Owner's Association.

- c. Correction of Faulty Work. In the event that any defects, failures, insufficiencies, or other breaches of Declarant's warranty obligations (generally referred to herein as "faulty work") should develop or occur during the period of time provided hereinafter following closing, purchaser shall provide written notice to Declarant of any such faulty work. Declarant warrants and agrees that Declarant will cure any such faulty work at Declarant's sole cost and expense to the reasonable satisfaction of purchaser. The faulty work shall be cured as soon as reasonably practicable, and in any event within thirty (30) days following receipt of written notice of the faulty work. This not-to-exceed 30-day cure period may be extended by Declarant for a reasonable additional period of time with respect to any work of a major or time-consuming nature or in the event climatic conditions necessitate additional time to perform the work required to cure the faulty work. However, in the event emergency work is required to correct faulty work that is causing immediate property damage or injury or threatens imminent hazard, then the 30-day cure period shall not apply, and Declarant shall be required to perform all necessary curative and corrective work as soon as reasonably practicable. This specific obligation to return to the site and correct faulty work shall apply and be in effect for a period of twelve (12) months from the date of closing.

All warranty work to be performed shall be done during normal business hours, and purchaser will make every reasonable effort to cooperate in allowing the performance of such warranty work by Declarant or its designee.

- d. Statutory Warranties/Implied Warranties of Quality – Title 27 A V.S.A. Section 4-114.

- Declarant and any dealer warrant that a unit will be in at least as good condition at the time of the conveyance or delivery of possession, whichever is earlier, as it was at the time of contracting, reasonable wear and tear excepted.
- A Declarant and any dealer impliedly warrant that a unit and the common elements in the Common Interest Community are suitable for the ordinary uses or real estate of its type and that any improvements made or contracted for by him or her, or made by any person before the creation of the Common Interest Community, will be:
 - (1) free from defective materials; and
 - (2) constructed in accordance with applicable law, according to sound engineering and construction standards, and in a workmanlike matter.

- In addition, a Declarant and any dealer warrant to a purchaser of a unit that may be used for residential use that an existing use, continuance of which is contemplated by the parties, does not violate applicable law at the time of conveyance or delivery of possession whichever is earlier.
- Warranties imposed by this section may be excluded or modified as specified in Section 4-113 of the Act.
- For purposes of this section, improvements made or contracted for by an affiliate of a Declarant are made or contracted for by the Declarant.
- A conveyance of a unit transfers to the purchaser all the declarant's implied warranties of quality.

c. Limitations On Warranties:

Pursuant to 27 A V.S.A. Section 4-116(a) of the Vermont Common Interest Ownership Act, purchaser acknowledges and agrees to reduce the period of limitation on actions for breach of any obligation arising under 27A V.S.A. Section 4-113 (express warranties of quality) or 27A V.S.A. Section 4-114 (implied warranties of quality) from six years to two years with respect to all claims against the Declarant and its successors and assigns.

Declarant's warranty shall not extend to damage resulting from extraordinary catastrophic events such as fire, storm, or other such cause beyond the control of Declarant including, but not limited to, move-in damage; abuse damaging the Unit by purchaser or purchaser's agents or invitees; modifications to the Unit not performed by Declarant; improper care, upkeep operations or insufficient maintenance by purchaser; improper operation of utility systems by purchaser; or normal wear and tear, normal building settlement, or for consequential damages. Declarant's warranty shall not extend to damage, if any, resulting from backup of snow or ice or damage, if any, caused by wind blown rain or snow through the roof, gable, soffit vents or louvers. No action on the part of Declarant or its employees or agents other than a written extension by Declarant shall be considered an extension of the period covered by this warranty.

The liability of the Declarant is expressly limited to repair or replacement and the Declarant shall not be liable for damages of any nature, whether direct, indirect, special or consequential, regardless of whether such damages are claimed to arise out of the law of contract, tort, or negligence, or pursuant to statute or administrative regulation. Each Unit Owner, in accepting a deed from the Declarant or any other party to a Unit, expressly acknowledges and agrees that this section establishes the sole liability of the Declarant to the Unit Owner related to defects in the Unit and the remedies available with regard thereto.

Other than as specifically outlined in Declarant's warranty herein and delineated in the Limited Warranty attached to any construction contract

executed by and between the Declarant and any Unit owner, no additional express or implied warranties, unless required by law, are made by the Declarant.

11. Unsatisfied Judgments and pending lawsuits. The Declarant has no knowledge of any unsatisfied judgments or pending suits against the Association, nor does it know of any other pending suits material to the common ownership community.
12. Restraints on alienation. All restraints on alienation of any portion of Hastings Meadow are contained in the Declaration, which is attached as Exhibit 1, on file in the Town of Waitsfield Land records and available from the Declarant. Article 14 of the Declaration contains the covenants restricting the uses of the property of the owners. Important restrictions include, but are not limited to:
 - a. Section 14.1 noting the use of the property is subject to all permits, protective covenants, easements and rights of way.
 - b. Section 14.2 notes that the Board of Directors of the Association may also create rules and regulations applicable to the Units and common elements. No such rules currently exist.
 - c. Section 14.12 restricts the short term leasing of the Units.
 - d. One of the 9 Units is currently obligated to be permanently affordable by a permit condition imposed upon the project by the Town of Waitsfield. The Unit subject to the restriction will be chosen by the Declarant and identified prior to its sale.

OTHER RESTRICTIONS EXIST THROUGHOUT THE PROJECT DOCUMENTS. ALL PURCHASERS ARE ENCOURAGED TO READ ALL OF THE PROJECT DOCUMENTS.

13. A Description of the Insurance Coverage Provided for the Benefit of Unit Owners:

The following is only a general description of the initial policies.

NOTICE: INITIALLY, NO CASUALTY INSURANCE COVERAGE WILL BE PROVIDED FOR ANY UNIT OR UNIT OWNER BY THE ASSOCIATION AND NONE IS REQUIRED TO BE PROVIDED TO ANY UNIT OR UNIT OWNER. UNLESS THE BOARD VOTES AT A LATER TIME TO COLLECTIVELY INSURE THE UNITS, EACH UNIT OWNER SHALL BE SOLELY RESPONSIBLE FOR ANY AND ALL INSURANCE FOR THAT OWNER'S UNIT. THE DECLARANT'S CONSTRUCTION CONTRACT REQUIRES THAT UNIT OWNERS FOR WHOM DECLARANT BUILDS WILL BE REQUIRED TO CARRY BUILDERS INSURANCE. DECLARANT STRONGLY URGES THAT UNIT OWNERS CARRY INSURANCE AT ONE HUNDRED PERCENT (100%) OF REPLACEMENT COST.

- a. Fire, Extended Coverage, Etc. Coverage in amounts adequate to cover the replacement costs of the various equipment and structures which are part of the Common Areas will be provided for all such equipment and structures within the Common Areas ONLY, including:
- The Common Elements; and
 - All personal property owned by the Association.
- b. Liability Insurance. The Association shall carry liability insurance, including medical payments insurance, for at least \$1,000,000.00, insuring itself and insuring the Association and each Unit Owner with respect to liability arising out of or in connection with the use, ownership or maintenance of the Common Elements. The Declarant may elect to insure the Association as an additional insured under its coverage until such time as the Association can take control of the insurance and shall charge the Association for the additional costs of the insurance covering the Unit owners and the Association. However, a Unit Owner will not be insured against liability for accidents which are the Unit Owner's own fault such as may occur within his or her Unit or limited Common Elements, or for accidents with respect to which liability does not arise out of or in connection with the use, ownership or maintenance of Common Elements. The liability insurance coverage of the Association will be primary and the Unit Owner's liability insurance will be secondary.
- c. Specific Insurance Requirement. Each Unit Owner is encouraged to obtain an insurance policy which provides liability for his Unit and Limited Common Elements allocated exclusively to his Unit. There is a standard homeowner's policy for the residential units which is available through most insurance companies. Other requirements may be imposed by your lender. For more details consult the Declaration. You are urged to study these provisions and to consult with your own insurance advisor to assure yourself that you are aware of the extent of coverage provided by the Association's insurance policy and to make arrangements for appropriate additional coverage, if additional coverage is necessary.
- d. Fees or charges for use of the common elements. The Declarant does not anticipate that the Association will need to charge any fees, beyond normal Association dues for the use of any common elements.
- e. Financial Arrangements for Common Elements. The Declarant has not currently completed all common elements required to be installed in the community. The main septic disposal system and associated pumps and infrastructure, one run of conduit piping serving said system, and certain aspects of the stormwater infrastructure remain to be built. Declarant currently has a line of credit with the Union Bank and anticipates completing the installation of all common element infrastructure in 2006, but may complete them at a later date.
- f. Zoning and other land use restrictions. The Common interest community is subject to a number of permits, permit conditions, local zoning and

other restrictions encumbering the use of each lot and the use of the common area. The majority of these restrictions are contained in Article 14 of the Declaration. They include, among other things, environmental restrictions on lighting, on-site fuel storage, outbuildings, parking cutting beyond the building envelopes, restrictions on pets, the use of wetlands and the use of the common area. Restrictions included in permits, the Declaration, Bylaws or other documents encumbering the property are attached as Exhibits to this Public Offering Statement and available from the Declarant.

- g. Unusual and Material Circumstances and Characteristics: All restrictions on the Units and common area of Hastings Meadow are described above, or contained in the Declaration, Bylaws, Permits, Easements or other rules and regulations contained in the Project Documents or to be created by the Association.

The provisions below relate to the Declarant's reserved development rights as they exist with respect to the planned community and are included pursuant to 27A V.S.A. 4-104.

1. Maximum Number of Units: The Declarant has reserved the right in the Declaration to create up to twenty five (25) additional Units. All but one of those Units, if they are built would be on an adjoining parcel of property of approximately 51 acres. Accordingly, if the planned community was to expand to the other property and all Units reserved were constructed, the total acreage of the planned community would be 80 acres, the total number of Units would be 25 and the total Units per acre would be 3.2.
2. Number or Percentage of Units That May Be Created That Will Be Restricted Exclusively to Residential Use: The use of all of the Units will be residential, subject to limited commercial uses reserved or allowed in the Declaration as are common in residential neighborhoods and the right of the Declarant to use a Unit(s) to market the property.
3. Maximum Percentage of the Real Property Areas Subject to Development Rights and the Areas of all Units That May Be Created That Are Not Restricted Exclusively to Residential Use: All of the real property in the Common Interest Community is subject to Development Rights. All Units are restricted exclusively to residential use, except the Declarant may use all the Units for certain sales and management purposes pursuant to the rights reserved in the Declaration and/or in this Public Offering Statement.
4. Development Rights and Conditions or Limitations on Exercise and Additional Reserved Rights of Declarant: In addition to the initial nine (9) Units, the Declarant may create additional Units in the future. The Declarant will construct the Units to fulfill demand. The Declarant may also create Common Elements and Limited Common Elements within the Common Interest Community, add real estate to it which is now located outside of the Common Interest Community,

withdraw real estate from the Common Interest Community, or convert Units into Common Elements (the “Development Rights”). Such Development Rights are detailed in Article 13 of the Declaration.

The Declarant has reserved the right to construct underground utility lines, pipes, wire ducts, conduits and other facilities across the land anywhere within the Common Interest Community.

Likewise, the Declarant also reserves the right to grant easements to public utility companies and to convey improvements within the easements anywhere in the Common Interest Community for the above-mentioned purposes. This includes, without limitation, the right to build and/or convey any and all improvements related to pumping stations, sewer and water lines as well as cable, telephone and electric lines.

No assurances are made by the Declarant as to the portions where the Declarant will exercise its Development Rights or the order in which such portions or all of the areas will be developed. The exercise of Development Rights as to some portions will not obligate to exercise them as to other portions.

The Development Rights may be executed at any time. The Declarant may terminate some or all of the Development Rights prior to the completion of all the units by a recorded instrument.

In addition to the Development Rights, and notwithstanding anything else herein to the contrary, the Declarant has the right to access lands (it now owns or may later acquire) located outside the Common Interest Community in order to develop, construct, sell and occupy (by Declarant and its purchasers) additional units and clusters by passing through, in, over, under and across the Common Interest Community. Such development of additional units and clusters shall not be limited by anything herein.

5. Maximum Extent to Which Each Unit’s Allocated Interest May Be Changed by the Exercise of Any Development Right: The allocated interests of each existing Unit have been calculated using the following formulas:
 - a. Common Expenses. Each Unit’s percentage share of the liability for the Common Expenses shall be equal to its Allocated Interest in the Common Elements as more particularly provided in Exhibit D to the Declaration, as it may change from time to time.
 - b. Votes. Each Unit in the Common Interest Community shall have a vote equal to its Allocated Interest in the Common Elements as provided in Exhibit D to the Declaration, as it may change from time to time.
6. Compatibility of Buildings or Other Improvements to Existing Buildings and Improvements: The Declarant makes no assurances in this respect.

7. Other Improvements and Limited Common Elements That May Be Created Pursuant to Any Development Right: The Declarant may create additional Units.
8. Limitations as to the Location of Any Building or Other Improvement That May Be Made: All Units and Common Elements will be located within the approved plans. Declarant reserves the ability to locate Unit 10 either as approved by the State of Vermont, or to amend its permits and locate the Unit elsewhere on the property. Any other additional Units added by the Declarant will be on an adjacent parcel, but have not been located. The Declarant makes no assurances in this respect.
9. Similarity of Limited Common Elements Created Pursuant to Any Development Right to Limited Common Elements Within Other Parts of the Common Interest Community: The Declarant makes no assurances in this respect.
10. Equality of Proportion of Limited Common Elements to Units Created Pursuant to Any Development Right to the Proportion in Other Parts of the Common Interest Community: The Declarant makes no assurances in this respect.
11. Applicability of Restrictions in the Declaration Affecting Use, Occupancy, and Alienation of Units to Any Units Created Pursuant to Any Development Right: The restrictions in the Declaration regarding the use, occupancy and alienation of Units will apply to all Units created in the Common Interest Community. No assurance made in this Public Offering Statement is applicable with respect to Land where Development Rights are not exercised by the Declarant.
12. Time Share Restrictions: Time sharing is prohibited.

THE STATEMENTS SET FORTH ABOVE ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO THE ENTIRE SET OF DISCLOSURE MATERIALS AND HIS OR HER CONDOMINIUM PURCHASE AGREEMENT. ALL DISCLOSURE MATERIALS AND CONTRACTS ARE IMPORTANT DOCUMENTS AND IF NOT UNDERSTOOD, THE PROSPECTIVE PURCHASER SHOULD SEEK COMPETENT ADVICE.

Dated at Waitsfield, Vermont as of the date first noted above.

HASTING MEADOW, LLC
("DECLARANT")

By: _____
Its duly authorized agent

ACKNOWLEDGEMENT OF RECEIPT OF PUBLIC OFFERING STATEMENT

Purchaser(s) hereby acknowledge(s) that Declarant, Hastings Meadow, LLC, or its agent, provided them with a PUBLIC OFFERING STATEMENT and exhibits thereto prior to the closing on a Unit of the Hastings Meadow planned community. They acknowledge that they have read and understand the Documents, that they agree to the reduction of any statutory warranty period for construction from 6 to 2 years and that they will agree to abide by all other terms and conditions of the Declaration, Bylaws and applicable permits.

In witness whereof, the Purchaser(s) have set their hand and seal to this agreement this ___ day of _____ 2006.

PURCHASER(S)



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