

**Woodledge at Whitford Hills Special Meeting**

**February 12, 2015**

**West Whiteland Township Building**

Board President, Lou Franzini provided introductory remarks at 7:02 pm. He welcomed the homeowners to the Special Meeting set per the By-Laws, Article VI, to discuss the Eighth Amendment and provided the format for the meeting. As it is a Special Meeting, only items on the agenda will be discussed. Topics and questions outside of the agenda can be presented at the Annual Meeting to be held in late March. Attorney Kevin Kelly will discuss the Eighth Amendment. Lou asked that Questions & Answers be held until the conclusion of the Board’s presentations with the exception of legal questions to Kevin Kelly. Lou advised, since it is a private meeting only for the Woodledge at Whitford (WWH) homeowners, that no recording, video or audio equipment would be allowed, and asked that all present please turn off your cell phones.

Lou officially called the meeting to order at 7:04 pm. He stated that a quorum had been met. He introduced Board members Pat Glover and Paul Schroeder, as well as Jane Wismer, Senior Portfolio Manager from CCR Management, and Kevin Kelly, Esquire. Nineteen (19) homes were represented. As background information, Lou stated that at the Annual Meeting in March 2014, the topic of the Eighth Amendment was presented by the Board. Lou joined the Board at that time. There was a Board meeting held in April 2014 so the Board could get a better understanding of the Amendment and they have been working on this subject since that time.

Lou introduced Kevin Kelly, Esquire, from Steve Sugarman & Associates in Berwyn, PA. Kevin has been practicing law since 2001. He has worked with other Toll Brothers Communities.

Kevin thanked everyone for the good turnout and thanked Lou for the opportunity to work with theWWH Community. Kevin stated that the bulk of their practice (90%) at their firm is working with Homeowner Associations and Condominiums throughout Pennsylvania. Kevin thanked Board members, Pat Glover and Paul Schroeder for their work on the Board and in helping the Community.

Kevin discussed the Eighth Amendment. He stated that this Amendment would not have been in the original Documents. It was recorded at the Chester County Recorder of Deeds in 2011. Toll Brothers drafted the document with the prior management company, Mid-Atlantic Management, and the Board at that time, signed off on it. Kevin stated that there is a hierarchy in Community Documents as follows; Declaration, By-Laws and Rules & Regulations. The Declaration conflicted within itself and this was realized before it was turned over to the Association. At this time there were two Toll Brothers representatives and one homeowner on the Board. The amendment changed the definitions for Limited Controlled and Limited Common Facilities and they are now under Unit owner responsibility.

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The HOA does not now have to reserve for certain items and the assessment is not as high as it could be if the HOA took responsibility.

Kevin explained that as a non-profit, income comes from the homeowner assessments and special assessments if they are assessed (example snow expenses over and above budget). The Eight Amendment corrected what was Association responsibility and now is homeowner responsibility.

Section 5219 of the Uniform Planned Community Act allows homeowners one year to challenge a new amendment – that time has passed.

Legal counsel looked over all nine Woodledge amendments and provided a legal opinion. They aided in reviewing the Responsibility Chart.

Homeowners asked the following:

1. Who paid the recording fee – answer – Toll Brothers.
2. How could it be recorded in 2011 when Toll Brothers was no longer involved – answer – Toll Brothers drafted the document and that current Board signed off on it.
3. A homeowner stated that the Amendment was recorded in June of 2011, and though they settled in July of 2011, the Amendment was not included in their documents. Kevin stated that it was unfortunate it was not included, but it was public record at the time.

Lou stated that of the forty-six homes in the Community, forty homes settled before the Amendment was created, and six afterwards. Hypothetically the forty can get together and file a class action against Mid Atlantic and receive a maximum of $2,000 per homeowner, and the other six who settled later could do the same against Toll Brothers. Lou explained that the time had passed to challenge an amendment.

To change the Amendment, a super majority would have to approve it, with at least 67% of the Community and maybe 80% if certain aspects are changed.

A homeowner asked how much has been spent in legal fees – answer - $2500 - $3000.

Lou stated that the implementation of the Eight Amendment caused the need for revisions to the Responsibility Chart. Lou expressed appreciation Jane, Pat & Paul for the work that everyone put into it.

A new Reserve Study was done by Reserve Advisors in 2014 and is posted on the WWH web site.

The existing Reserve Fund total had accumulated $251,000 already. A new Reserve Fund, funded with part of the $251,000, for $100,000, was started in January 2015. Maintenance, Repair & Replacement Fund will be funded with $50,000 from the existing Reserve Fund. The HOA will pay for repairs needed for items which are the responsibility of the homeowner with this money, and the homeowner will be billed to pay back the Association. Additional money may need to be added to this fund in the future.

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The balance, $100,000, from the Reserve Fund would be allocated as follows:

* Equity Contribution - $25,000
* Two maintenance projects –Driveway Sealcoating - $5,000\* and Painting Front Door & Garage Trim- $21,000\*- (\* = estimated costs)
* The balance of $50,000 (estimated) would be intended as a credit to the homeowners in the last quarter of the year. The Board will review this in the July / August time frame.

The 2015 monthly assessment has been lowered this year by $25.00 per month. The 2015 assessment is $245 per month as opposed to $270 per month in 2014.

Paul Schroeder and Jane Wismer reviewed the Responsibility Chart that was distributed to the homeowners. The Responsibility Chart is on the Community’s website under the Documents tab. The purpose of the Responsibility Chart is to identify to the homeowners what the services and facilities are in the Community, and who is responsible for their maintenance, repair and replacement.

Jane thanked everyone for their attendance and thanked the Board for all of their hard work in the past year on this challenging topic. She stated that the original Responsibility Chart that homeowners received at settlement is no longer valid and this version is the one to be referred to and used.

Jane reviewed the definition s and ownership key on the chart (Common Expense, Common Facility, Home, Limited Controlled Facilities, etc.). She pointed out that the definitions were created by the Uniform Planned Community Act (UPCA) and the Declaration of the Community. Items are alphabetized in the list so they are easy to locate. She noted that “home” and “unit” are interchangeable on this chart.

Both Jane and Paul gave specific examples of items and how they are covered.

Jane stated that gutter cleaning is done twice a year by the Association. A homeowner asked who the contractor was – answer – Gutter Kings.

Lou feels that Toll Brothers did the community a favor by creating the Eighth Amendment. He has extensively researched this subject and how maintenance, repair, and replacement responsibilities are handled in other Toll communities. Lou feels based on his experience living in other planned communities is that since the homeowner is repairing, replacing or maintaining the item, and paying for it, homeowners should have the right to choose their own contractor.

Lou presented a recommendation to amend the 8th Amendment and return to homeowners full responsibility to hire contractors for exterior maintenance, repair, and replacements, and for the Association to retain its right to enforce maintenance, repairs, and replacements of each unit and to preserve and protect the appearance of the community. Lou explained the Board’s opinion in amending the 8th Amendment is necessary as the Association/ Board is not prepared, qualified, or knows of contractors to facilitate the maintenance, repair and replacement responsibilities as outlined in the 8th Amendment. To place the responsibility on CCR Management would necessitate a fee increase because exterior unit maintenance services are not provided for in the Woodledge contract.

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The floor was opened again for comments and questions.

A homeowner asked if the management fees to CCR would decrease because the responsibility of securing contractors for the homeowners would cease. Lou explained that this “service” is not in CCR’s current contract and would have no effect on the contract. Lou said that Jane goes over and above with her assistance to the community and it is very much appreciated.

Several homeowners thanked the Board for their multi-level approach and the steps taken to review research and explain the Amendment to the Community.

Two homeowners volunteered to assist a committee to amend the 8th amendment. .

A homeowner raised a concern that uniformity and consistency in the Community would be compromised if homeowners used their own contractors, etc. Jane explained that all exterior changes would still have to be submitted to the Board and architectural guidelines followed and adhered to. Lou closed reassuring homeowners that the community appearance and consistency would remain and that language in the new amendment would safeguard and protect the appearance of the community, and give the Association the right to enforce compliance.

Homeowners applauded and supported the recommendation to amend the 8th Amendment, returning exterior control responsibilities to homeowners, with the Association retaining the right to enforce and protect the appearance of the community. Lou closed the meeting explaining the Board will review the legal process to begin drafting a new amendment.

The meeting was adjourned at 8:38 pm.

Respectfully submitted,



Martha Parker

Assistant Community Manager

CCR Management, Inc.