

WASHINGTON SQUARE, A PLANNED COMMUNITY

PUBLIC OFFERING STATEMENT

NAME OF PLANNED COMMUNITY: Washington Square, a Planned
Community

LOCATION OF PLANNED COMMUNITY: Borough of Jefferson Hills, Allegheny
County, Pennsylvania

NAME AND ADDRESS OF DECLARANT: Environmentally Sound Enterprises LLC
245 Summerlawn Drive
Sewickley, PA 15143

EFFECTIVE DATE OF PUBLIC
OFFERING STATEMENT: October 1, 2013

THIS PUBLIC OFFERING STATEMENT IS MADE BY THE DECLARANT IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 34 OF THE PENNSYLVANIA UNIFORM PLANNED COMMUNITY ACT, 68 Pa.C.S.A. §5101 et seq.

THIS PUBLIC OFFERING STATEMENT IS BEING PRESENTED BY THE DECLARANT IN AN ATTEMPT TO DISCLOSE AND SUMMARIZE INFORMATION PERTINENT TO CONSIDERATION OF A PURCHASE OF A LOT IN WASHINGTON SQUARE. SINCE IT IS IN ABBREVIATED FORMAT, PROSPECTIVE PURCHASERS SHOULD ALSO REFER TO THE COMPLETE DOCUMENTS CONTAINED IN THIS BOOKLET FOR COMPLETE INFORMATION.

WITHIN 15 DAYS AFTER RECEIPT OF THE PUBLIC OFFERING STATEMENT OR AN AMENDMENT MATERIALLY AND ADVERSELY AFFECTING A PURCHASER'S RIGHTS, A PURCHASER, BEFORE CONVEYANCE, MAY CANCEL ANY CONTRACT FOR PURCHASE OF A LOT FROM DECLARANT.

IF DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT TO A PURCHASER BEFORE CONVEYING A LOT, THAT PURCHASER MAY RECOVER FROM DECLARANT DAMAGES AS PROVIDED IN SECTION 5406(c) OF THE PENNSYLVANIA UNIFORM PLANNED COMMUNITY ACT IN AN AMOUNT EQUAL TO 5% OF THE SALES PRICE FOR SUCH LOT, UP TO \$2,000.00, OR IN AN AMOUNT EQUAL TO THE ACTUAL DAMAGES SUFFERED BY THE PURCHASER, WHICHEVER IS GREATER.

IF THE PUBLIC OFFERING STATEMENT IS RECEIVED BY THE PURCHASER MORE THAN 15 DAYS BEFORE SIGNING A CONTRACT, HE OR SHE CANNOT CANCEL THE CONTRACT EXCEPT FOR A SUBSEQUENT AMENDMENT MATERIALLY AND ADVERSELY AFFECTING THE PURCHASER'S RIGHTS.

EVERY PROSPECTIVE PURCHASER
SHOULD READ THIS BOOKLET CAREFULLY

I. Format of this Booklet

This Public Offering Statement summarizes the significant features of Washington Square and presents additional information of interest to prospective purchasers, including the Declaration of Covenants, Conditions and Restrictions (the "Declaration"), the By-Laws of Washington Square Homeowner's Association, Inc. (the "By-Laws"), and the projected annual budget of the Washington Square Homeowner's Association, Inc. (hereinafter referred to as the "Homeowner's Association"). This Public Offering Statement will be provided to each prospective purchaser of a Lot in Washington Square Planned Community and is intended to be an accurate summary of all pertinent features of the Washington Square. Each prospective purchaser of a Lot should read this booklet carefully and obtain competent legal advice with respect to its contents.

The Declaration and the By-Laws are referred to herein as the "Planned Community Documents." No provision in any of the Planned Community Documents may be changed except in accordance with the procedures set forth in the Declaration and the By-Laws. If there is any variation between this Public Offering Statement and the Planned Community Documents, the Planned Community Documents will govern.

NO PERSON, SALES AGENT OR OTHER REPRESENTATIVE OF DECLARANT MAY ORALLY MODIFY THE TERMS AND CONDITIONS OF THE PLANNED COMMUNITY DOCUMENTS OR INTERPRET THEIR LEGAL EFFECT. NO PERSON, SALES AGENT OR OTHER REPRESENTATIVE OF THE DECLARANT IS AUTHORIZED TO MAKE ANY REPRESENTATION WHICH IS NOT EXPRESSLY CONTAINED IN THIS PUBLIC OFFERING STATEMENT OR THE PLANNED COMMUNITY DOCUMENTS. ALL CAPITALIZED TERMS WHICH ARE NOT DEFINED IN THIS PUBLIC OFFERING STATEMENT HAVE THE MEANINGS SET FORTH IN THE DECLARATION OR IN THE BY-LAWS.

II. Planned Community Ownership

The term "planned community" refers to a form of property ownership provided for by the Pennsylvania Uniform Planned Community Act, 68 Pa. C.S.A. §5101 et seq. (the "Act"). A residential planned community Lot Owner is the sole owner of his or her lot (the "Lot") and, at the same time, has an ownership interest in the common facilities and common areas of the planned community which a Lot Owner may use and enjoy along with owners of other Lots. These common facilities and common areas are collectively referred to as the "Common Areas." Common Areas which are only allocated to certain Lot Owners are referred to as "Limited Common Areas."

All Lot Owners have an ownership interest in the Common Areas. This ownership interest gives each Lot Owner the right, subject to the terms of the Act and of the Planned Community Documents, to use and participate in the control of the Common Areas with the other Lot Owners and imposes upon each Lot Owner the obligation to pay the expenses of operating and maintaining the Common Areas, which expenses are divided equally among all the Lot Owners.

Only certain Lot Owners, however, have the right, subject to the terms of the Act and the Planned Community Documents, to use and participate in the control of the Limited Common Areas. As a result, the expenses of operating and maintaining the Limited Common Areas will only be divided equally among these Lot Owners.

The expenses of operating and maintaining the Common Areas and Limited Common Areas will be paid by Lot Owners through annual assessments. The amount of these assessments will be determined in annual budgets established by the Washington Square Homeowner's Association (the "Homeowner's Association").

III. The Declarant

The Declarant is Environmentally Sound Enterprises LLC, whose address is 245 Summerlawn Drive Sewickley, Pennsylvania 15143.

IV. A Brief Description of the Planned Community

Washington Square (the "Planned Community") is located in the Borough of Jefferson Hills, Allegheny County, Pennsylvania. The legal description of the land associated with the Planned Community is set forth in the Declaration. The Planned Community consists of approximately 58 acres, which are consist of two parcels of land 0883-A-00086 and 0769-R-00100, as designated on the Washington Square Plan of Lots, Master plan of Approximately One-Hundred and Forty-Four (144) single family residential lots. The Master Plan may be altered. Exhibit "A" Phase No. 1, as recorded in the Recorder's Office of Allegheny County, Pennsylvania in Plan Book Volume 278, page 90, Parcel A is intended for further subdivision, Parcel 139 is a Single Family Lot Independent from the Washington Square Home Owners Association however, the owner of lot 139 may choose to join the Home Owners Association at any time. Parcel 137 is an emergency secondary entrance way and will be will be further subdivided into parcels A though H, when the secondary entrance is made at Waterman West Road. Parcel 140 and the associated storm water easement is for storm water management which shall be dedicated to the Washington Square Homeowner Association and is governed by the Storm Water Agreement and, upon such dedication, shall be part of the Planned Community. Parcel 138 A, B is the primary Entryway for Washington Square that include but not limited to, entry monument, lighting, and green space which shall be dedicated to the Washington Square Homeowner Association and, upon such dedication, shall be part of the Planned Community.

Exhibit "B" The Master Plan as June 2013, Parcel 234 is the secondary Entryway is the primary Entryway for Washington Square that include but not limited to, entry monument, lighting, and green space which shall be dedicated to the Washington Square Homeowner Association and, upon such dedication, shall be part of the Planned Community. The Storm Water Drainage and Easement through lots 208, 209, 264, 265, 225, 227, 228, 229, 229, 230, 231 and 232 and the Storm Water Parcel 226 is for storm water management which shall be dedicated to the Washington Square Homeowner Association and is governed by the Storm Water Agreement and, upon such dedication, shall be part of the Planned Community. Parcels 271, 272 and 273 are Open Space and shall be dedicated to the Homeowners Association, upon such dedication, shall be part of the Planned Community.

V. Purchase by Investors

It is possible that a number of Lots will be purchased by investors. However, Declarant has not set aside any percentage or block of Lots for sale to investors.

VI. Flexible Planned Community

The Planned Community is a flexible planned community as defined by the Act and thus Declarant has reserved the right to add additional real estate to the Planned Community, which additional real estate may consist of additional Lots, Common Areas or Limited Common Areas, or any combination thereof. The maximum number of Lots which may be created in such additional real estate shall be one (1) Lot per one-half (1/2) acre.

VII. The Planned Community Documents

A. Introduction

Copies of the Declaration and the By-Laws are attached for your review as Schedules 1 and 2, respectively, to this Public Offering Statement. Some of the significant features of the Declaration and By-Laws are described in this Public Offering Statement, but if there is any conflict between the description contained in this Public Offering Statement and the actual text of the Planned Community Documents, the Planned Community Documents will control.

The Declaration is the legal document which creates the Planned Community. It establishes and expresses the existence of the Planned Community, incorporates the Plan, and defines certain terms. The Declaration was recorded October 1, 2013 in the Recorder's Office of Allegheny County, Pennsylvania in Deed Book Volume 15390, page 389, and may be further amended by the Lot Owners as provided for in the Act and in the Declaration.

The By-Laws are the governing document setting forth the method of management of the Planned Community by the Homeowner's Association. The Planned Community, including the Common Areas and Limited Common Areas, is to be managed by the Homeowner's Association.

B. Specific Features of the Planned Community Documents

Lots may be used by the Lot Owners only for private residential purposes. Declarant has the right to use Lots which it owns as sales or management offices or models.

In order to insure the development of the Planned Community as an area of high standards, Declarant, or his authorized representative, has the right to approve all buildings, structures and other improvements placed on each Lot. All plans for improvements on any Lot, including fences, walls, dwellings or other structures, shall be submitted to Declarant for review and approval prior to construction of such improvement. The Home Builder known as Ryan Homes, NVR, Inc. or any other Home Builder contracted by Declarant is not subject to this provision.

Only single family homes may be constructed on any Lot. Such homes may not exceed two and one-half stories. The Declaration may set forth additional specific requirements with respect to the construction of homes upon the Lots, and prospective purchasers should review the Declaration with respect to such requirements.

VIII. Homeowner's Association

Each Lot Owner will automatically upon taking title to a Lot become a member of the Homeowner's Association, a non-profit corporation formed under the laws of the Commonwealth of Pennsylvania.

The affairs of the Homeowner's Association shall be managed by an Executive Board made up of three (3) Directors, all of whom shall initially be appointed by Declarant. Within sixty (60) days after the sale of Ninety-five percent (95%) or greater of the Lots in the Planned Community, the Lot Owners other than Declarant shall elect one (1) Director of the Executive Board, which Director shall serve until the second succeeding annual meeting of the Homeowner's Association, at which time the Lot Owners other than Declarant shall elect a replacement Director who shall serve for a two (2) year term.

Within sixty (60) days of the sale of Ninety-Five percent (95%) or greater of the existing Lots in the Planned Community, the Lot Owners shall elect the remaining two (2) Directors of the Executive Board, which Directors shall serve until the second succeeding annual meeting of the Homeowner's Association, at which time the Lot Owners shall elect replacement directors who shall serve for two (3) year terms; provided, however, that at least two (2) of the three (3) directors must be Lot Owners.

The Executive Board shall meet at least once a year. The Executive Board has the power to adopt and publish rules and regulations governing the use of the Common Areas and Limited Common Areas and any improvements which are constructed on such areas. The Executive Board is authorized to perform all duties of the Homeowner's Association which are not reserved to the Lot Owners by the By-Laws or the Declaration. In addition, the Executive Board elects the officers of the Homeowner's Association, including the President, Vice-President, Secretary and Treasurer.

Each Lot Owner is solely responsible for the proper care and maintenance of his or her Lot and any residence constructed on their Lot. Maintenance of the Common Areas and Limited Common Areas is the responsibility of the Homeowner's Association. The cost of the maintenance of the Common Areas will be assessed equally against all Lot Owners, other than those Lots owned by Developer. Each Lot Owner, by acceptance of a deed for any Lot in the Planned Community, covenants and agrees to pay these assessments. The amount of the assessment shall be determined by the Executive Board. Assessments shall begin to accrue on a Lot at the time that a home constructed thereon is ready for occupancy.

Any assessment which a Lot Owner does not pay, when due, becomes a lien against the Lot of such Lot Owner, which lien is enforceable under the Act and in accordance with the By-Laws, and such delinquent amount shall bear interest at the rate of six percent (6%) per annum until paid.

IX. Completion of Improvements

The amenities which Declarant is obligated to build consist of Storm Water Ponds on Parcels 140 and 226, 234 an entrance monument and lighting, which shall be built on Parcel 138 A, B and 234. As such amenities are completed. These Amenities will be conveyed by the Declarant to the Homeowner's Association and the Homeowner's Association is solely responsible for the maintenance and repair of such amenities.

X. Governmental Approvals and Permits

A list of governmental approvals and permits and the date on which they were issued is attached to this Public Offering Statement as Schedule 3.

XI. Notices of Violations

Declarant has received no notices of violations of governmental requirements concerning the Planned Community.

XII. Hazardous Conditions

Declarant has no knowledge of:

(a) hazardous conditions, including contamination of the Planned Community site by hazardous substances or waste or the existence at the site of underground storage tanks for petroleum products or other hazardous substances; or

(b) any investigation conducted to determine the presence of hazardous conditions on or affecting the Planned Community site; or

(c) any finding by a governmental agency that action must be taken to correct a hazardous condition at the Planned Community site.

Lot Owners wishing to learn more about environmental conditions at the Planned Community site may contact either the Pennsylvania Department of Environmental Protection at (412) 442-4000 or the United States Environmental Protection Agency at 1-800-438-2474.

XIII. Management Agreement

Declarant will name a professional management company for the Planned Community. The Homeowner's Association may, however, if it so elects contract with any real estate company or other professional for management of the Planned Community affairs.

XIV. Homeowner's Association Budget

The current budget (the "Budget") for the Homeowner's Association is attached as Schedule 4. The Budget was prepared by the Declarant and ACRI Realty Inc., a professional management company. The Budget is only an estimate and is broken down into the categories of expenditures for the Homeowner's Association and arrives at a projected monthly common expense assessment for each Lot.

XV. Fees Due From Purchasers at Closing

At the closing of each Lot, the purchaser will be required to provide the Home Owner Association professional management company the first Two (2) months of dues.

XVI. Lien and Encumbrances

The Planned Community is not subject to any mortgages. The Planned Community is subject to those easements described in the Declaration.

XVII. Description of Financing

Each purchaser will be responsible for obtaining financing for the full purchase price of the Lot. There is no financing offered by the Declarant.

XVIII. Warranties

Declarant warrants against structural defects in any improvement constructed on any Common Area for two (2) years from conveyance of such Common Areas to the Homeowner's Association.

EXCEPT AS SET FORTH ABOVE, THE LOTS, THE COMMON AREAS ARE SOLD AND/OR CONVEYED "AS IS", WITHOUT WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUALITY, CONDITION, DURABILITY OR HABITABILITY. IN THE EVENT OF A BREACH OF ANY WARRANTY SET FORTH HEREIN, DECLARANT SHALL ONLY BE LIABLE FOR THE COST OF REPAIR OR REPLACEMENT OF STRUCTURES IN THE COMMON AREA AND IN NO EVENT WILL DECLARANT BE LIABLE FOR ANY PERSONAL INJURY OR CONSEQUENTIAL DAMAGES RESULTING FROM A BREACH OF THE WARRANTIES SET FORTH HEREIN.

XIX. Judgments and Lawsuits

There are no judgments against the Homeowner's Association and there are no lawsuits pending against or material to the Planned Community of which the Declarant has any knowledge.

XX. Merger of the Planned Community

Declarant will not merge the Planned Community with other planned communities.

XXI. Deposits

Any deposits made in connection with the purchase of a Lot shall be with and governed by the Home Builder contract by the Declarant.

XXII. Insurance Coverage

The Act at Section 5312 requires that the Executive Board and the Homeowner's Association obtain and maintain insurance coverage for the Planned Community as follows:

(1) Property damage insurance on the Common Areas and Limited Common Areas, insuring against all common risks of direct physical loss. The total amount of insurance after application of any deductibles shall be not less than eighty percent (80%) of the actual cash value of the insured property exclusive of land, excavations, foundations and other items normally excluded from property policies.

(2) Comprehensive general liability insurance insuring the Homeowner's Association, the Lot Owners, members of the Executive Board, the Declarant and any Management Agent against any liability to the public or to the Lot Owners, their tenants or invitees for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Areas or Limited Common Areas or other areas under the supervision of the Homeowner's Association in an amount to be determined by the Executive Board. EACH LOT OWNER SHOULD MAINTAIN HIS OR HER OWN LIABILITY INSURANCE FOR HIS OR HER OWN LOT.

The Homeowner's Association may carry such other policies of insurance as it deems appropriate to protect the Homeowner's Association or Lot Owners or as might be required by the Federal National Mortgage Association.

In the event that any Common Areas or Limited Common Areas or any improvements thereon are damaged or destroyed, such damage or destruction shall be repaired by the Homeowner's Association, using the available proceeds of insurance. In the event any damage is not repaired, the insurance proceeds will be distributed in accordance with the Act.

XXIII. Fees and Charges for Use of Common Areas

Except for the assessments referred to above (and described in the Budget), Declarant does not expect to cause to have any other charges imposed upon the Lot Owners for the use of the Common Areas, Limited Common Areas or other facilities related to the Planned Community.

XXIV. Unusual Circumstances

To the best of the Declarant's knowledge and information there are no other unusual circumstances or characteristics affecting the Planned Community or the Lots therein.

XXV. Structural Components

The roads in the Planned Community and major utility installations of the Planned Community, have been newly constructed using new materials. Construction of such roads was completed prior to the date of this Public Offering Statement and such roads shall be dedicated to Jefferson Hills Borough, which shall be responsible for their maintenance and repair; the installation of the sewer lines has been completed prior to the date of this Public Offering Statement. The installation of all major utilities has been completed. All major utility lines will be dedicated to the appropriate utility providers, which will be responsible for the maintenance and repair of such utility lines.

THIS PUBLIC OFFERING STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF ANY LOTS IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION, OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION THEREOF UNDER THE LAWS OF SUCH JURISDICTION.