

PUBLIC OFFERING STATEMENT

HARBOR RIDGE TOWN HOME CONDOMINIUM

WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF THIS PUBLIC OFFERING STATEMENT OR AN AMENDMENT TO THIS PUBLIC OFFERING STATEMENT THAT MATERIALLY AND ADVERSELY AFFECTS YOUR RIGHTS OR OBLIGATIONS, AND BEFORE A CONVEYANCE OF A UNIT TO YOU BY DEED, YOU MAY CANCEL ANY CONTRACT TO PURCHASE A UNIT. IF THE DECLARANT FAILS TO PROVIDE YOU WITH A PUBLIC OFFERING STATEMENT AND ANY AMENDMENTS TO IT, BEFORE CONVEYING A UNIT, YOU MAY RECOVER FROM THE DECLARANT DAMAGES AS PROVIDED IN SECTION 3406(C) OF THE PENNSYLVANIA UNIFORM CONDOMINIUM ACT. IN ADDITION TO OTHER RELIEF, THE ACT PROVIDES THAT YOU ARE ENTITLED TO RECEIVE FROM THE DECLARANT AN AMOUNT EQUAL TO 5% OF THE SALES PRICE OF THE UNIT UP TO A MAXIMUM OF \$2,000.00, OR YOUR ACTUAL DAMAGES, WHICHEVER IS THE GREATER AMOUNT. A MINOR OMISSION OR ERROR IN THIS PUBLIC OFFERING STATEMENT OR ANY AMENDMENT TO IT THAT IS NOT WILLFUL SHALL ENTITLE YOU ONLY TO RECOVER ACTUAL DAMAGES, IF ANY. IF YOU RECEIVE THIS PUBLIC OFFERING STATEMENT MORE THAN FIFTEEN (15) DAYS BEFORE SIGNING A CONTRACT TO PURCHASE A UNIT, YOU CANNOT CANCEL THE CONTRACT, EXCEPT THAT YOU CAN CANCEL THE CONTRACT BEFORE CONVEYANCE OF A UNIT TO YOU BY DEED WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF ANY AMENDMENT TO THIS PUBLIC OFFERING STATEMENT THAT WOULD HAVE A MATERIAL AND ADVERSE EFFECT ON YOUR RIGHTS.

1. NAME. The name of the Condominium is Harbor Ridge Town Home Condominium. The Declarant is Woodberry Development, Inc., which has a principal business address of 4720 Wattsburg Road, Erie, Pennsylvania 16504.

2. RENTAL UNITS. The Declarant may rent any of the Units or market them in block of Units to investors.

3. THE CONDOMINIUM DOCUMENTS. Copies of the Declaration, the Declaration for Harbor Ridge Golf Community, laws, Rules and Regulations and Unit Purchase Contract are attached to this Offering Statement. A brief narrative description of the significant features of each is as follows.

(a) The Declaration. The Town Home Condominium Declaration establishes Phase I of the Condominium, in which Twenty-four (24) residential units will be constructed, with an option for the Declarant to add real estate to the Condominium and construct an additional Two Hundred Thirty-five (235) residential units, making a total of Two Hundred Fifty-nine (259) units. Each unit in the Condominium will have a percentage interest in the Common Elements, based on the total number of Units constructed at any given time in addition to the Common Elements of the Condominium the owners will have a share in the Common Elements of the Harbor Ridge Golf Community. The Declarant will amend the Declaration as necessary from time to time, and any changes in the number of Units and percentage interests will be reflected in the amended Declaration(s). The vertical boundaries of the Units are the vertical planes of the Unit-side of the perimeter walls. The upper and lower boundaries are the uppermost ceiling and the bottom surface of the basement floor of the Units. The Limited Common Elements that are appurtenant to each Unit and may be used only by the Unit Owner include the driveways, walkways, doorsteps and patios or decks attached to that Unit. Each Unit shall have one vote for voting purposes and shall be liable for its percentage interest of the Common Expenses. The percentage interest is based on the size that the Unit bears to the aggregate size of all of the declared Units. The Unit may be used only for a single-family residence. An unincorporated association has been created which will manage the Condominium. The Declarant has the right to appoint the Executive Board members until 25% of the planned Units are sold to third parties, at which time one of the Executive Board members shall be elected by the Unit Owners other than the Declarant. The Declarant has an option to expand the Condominium to include Additional Real Estate, Buildings and Units. The Declarant also reserves the right to conduct sales activities in the Condominium until it has sold all of the planned Units.

(b) The Bylaws. The Association will be an unincorporated association initially. It will operate like a corporation, however, by having annual meetings of the Unit Owners who elect the Executive Board which in turn elects officers who manage the business affairs of the Condominium. The members of the Executive Board and

officers may be compensated for the work they do on behalf of the Condominium and they have the power to impose liability on the Unit Owners by entering into contracts with third persons and determining the Common Expenses that each Unit Owner must pay. The Executive Board will prepare a Budget which it will submit to the Unit Owners who must accept it unless 67% or greater of them reject it. Once the Budget is

approved, a portion of the Budget will be assessed against each Unit as a Common Expense. That Common Expense must be paid on a monthly basis in advance or it will be a lien on the Unit.

(c) Rules and Regulations. The Rules and Regulations govern the day-to-day activities in the Condominium. They are designed to provide a pleasant, uniform appearance to the Units and a harmonious lifestyle. For example, the exterior of a Unit may not be decorated without the consent of the Executive Board. Nothing may be hung from the windows, including signs of any kind. Toys may not be left in the Common Elements and all vehicles must be parked in assigned spaces. Each Unit Owner must be considerate of others, therefore he cannot have inflammable fluids in his Unit, leave his Unit unclean and disorderly, or allow water drains to become clogged. In addition, Unit Owners are responsible for the actions of their family members and guests and must repair any damage to other Units, Common Elements or Limited Common Elements, caused by their family members or guests.

(d) The Unit Purchase Contract. A portion of the purchase price must be paid down. The balance must be paid at the time of closing, at which time the Unit will be substantially completed. If the Buyer wants to obtain mortgage financing, the mortgage must be approved by the Executive Board of the Association before the closing. At the closing the Buyer must pay the balance of the purchase price, including all closing costs that are normal in real estate transactions. In addition, he must pay a one-time fee that is equal to two times the estimated initial monthly Common Element expense assessed to the Unit, which will go into a reserve account to be managed by the Executive Board. At the closing, the Declarant will give a general warranty deed, a two-year warranty on structural parts of the Unit, a one-year warranty on nonstructural parts such as plumbing, heating, electrical systems, doors and windows, and it will pass on to the Buyer any manufacturers' warranties.

4. FINANCIAL INFORMATION. The 2000 budget for the Association is attached as Exhibit A, based on the completion of Twenty-four (24) Units. Declarant prepared the 2000 budget.

The budget includes an amount as a reserve for replacement of various Common Elements, such as roofing, concrete driveways and patios, decks and asphalt roads and for the Common Elements shared with the Harbor Ridge Golf Community. A portion of the monthly Common Element expense allocation will be placed in the Replacement Reserve. The Association will also have an operating capital reserve, not shown on the budget, which will be funded by each unit purchaser paying to the Association an amount equal to two (2) times the estimated initial monthly Common Element expense assessment at the time of purchase of the unit.

The estimated monthly Common Element expense assessment for each

type of unit is shown on the budget, and the additional expense assessment for the shared Common Elements of Harbor Ridge Golf Community.

5. UNDISCLOSED EXPENSES. The Declarant is not providing any services or paying any expenses that are not reflected in the budget and that it expects to become a Common Expense of the Association.

6. CLOSING COSTS. There is no initial or special fee due from the Buyer at the closing, other than the operating capital reserve payment specified in paragraph 3 above. The closing costs to the Buyer are described in Paragraph 7 of the Unit Purchase Contract.

7. LIENS. There are no other liens, defects or encumbrances that materially affect the title to the Condominium.

8. FINANCING. The Declarant is not offering any financing.

9. JUDGMENTS/SUITS. There are no judgments or suits pending against the Association which are, or could be considered, material to the Condominium.

10. INSURANCE. The Association will provide insurance coverage for the Condominium in accordance with the Act, as is more fully explained in the Declaration.

11. USAGE FEES. There are no current or expected fees or charges to be paid by Unit Owners for the use of the Common Elements and/or other facilities related to the Condominium, except as set forth on the budget, and except as may be required for the use of the swimming pool, tennis courts and clubhouse in Harbor Ridge Golf Community, which is the subject of a shared use and maintenance agreement more specifically identified in the Declaration.

12. ENVIRONMENTAL CONDITIONS. The Declarant has no knowledge of any one or more of the following:

(i) Hazardous conditions, including contamination affecting the Condominium site by hazardous substances, hazardous waste or the like, or the existence of underground storage tanks for petroleum or other hazardous substances.

(ii) Any investigation conducted to determine the presence of hazardous conditions on or affecting the Condominium property.

(iii) Any finding or action recommended to be taken in the report of any such investigation or by any governmental body, agency or authority in order to correct any hazardous conditions, and any action taken pursuant to those recommendations.

Information concerning environmental conditions affecting the

Condominium property may be obtained from the regional office of the United States Environmental Protection Agency, Region III, 841 Chestnut Street, Philadelphia, Pennsylvania 19107, (215) 597-9800; or the Pennsylvania Department of Environmental Protection, 1012 Water Street, Meadville, Pennsylvania 16335, (814) 332-6945.

EXHIBIT A
CURRENT BUDGET OF ASSOCIATION FEES
FOR PHASE I, _____ UNITS TOTAL

EXPENSE ITEM

EXPENSE ESTIMATE