

**PUBLIC OFFERING STATEMENT
FOR
HARBOR RIDGE GOLF COMMUNITY,
A PLANNED COMMUNITY**

IMPORTANT NOTICE

UNDER PENNSYLVANIA LAW, A PURCHASER OF A UNIT IN A PLANNED COMMUNITY IS AFFORDED A FIFTEEN (15) DAY PERIOD FROM RECEIPT OF A PUBLIC OFFERING STATEMENT, OR ANY AMENDMENT THERETO THAT MATERIALLY AND ADVERSELY AFFECTS THE RIGHTS OR OBLIGATIONS OF THE PURCHASER, DURING WHICH THE PURCHASER MAY CANCEL AN EXECUTED SALE AGREEMENT WITHOUT PENALTY AND OBTAIN FULL REFUND OF ANY SUMS DEPOSITED IN CONNECTION WITH THE AGREEMENT. IF THE PURCHASER ELECTS TO CANCEL, THE PURCHASER MUST DELIVER WRITTEN NOTICE OF CANCELLATION TO THE DECLARANT BY HAND (IN WHICH CASE EVIDENCE OF RECEIPT SHOULD BE OBTAINED) OR BY CERTIFIED UNITED STATES MAIL, RETURN RECEIPT REQUESTED. THIS CANCELLATION IS WITHOUT PENALTY AND ALL PAYMENTS MADE BY THE PURCHASER BEFORE CANCELLATION WILL BE PROMPTLY REFUNDED BY DECLARANT.

IF THE DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT (AND ANY AMENDMENTS THERETO) TO A PURCHASER BEFORE CONVEYING A UNIT, THAT PURCHASER MAY RECOVER FROM THE DECLARANT, AS PROVIDED IN §5406(C) OF THE ACT, IN ADDITION TO ANY OTHER RELIEF, AN AMOUNT EQUAL TO FIVE PERCENT (5%) OF THE SALE PRICE OF THE UNIT UP TO A MAXIMUM OF TWO THOUSAND DOLLARS (\$2,000), OR ACTUAL DAMAGES, WHICHEVER IS GREATER; PROVIDED, HOWEVER, THAT A MINOR OMISSION OR ERROR IN THE PUBLIC OFFERING STATEMENT OR AN AMENDMENT THERETO THAT IS NOT WILLFUL SHALL ENTITLE THE PURCHASER TO RECOVER ONLY ACTUAL DAMAGES, IF ANY.

IF A PURCHASER RECEIVES A PUBLIC OFFERING STATEMENT MORE THAN FIFTEEN (15) DAYS BEFORE SIGNING A SALE AGREEMENT, THE PURCHASER CANNOT CANCEL THE SALE AGREEMENT PURSUANT TO THE FOREGOING PROVISIONS, EXCEPT THAT A PURCHASER SHALL HAVE THE RIGHT TO CANCEL BEFORE CONVEYANCE WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF ANY AMENDMENT THAT WOULD HAVE A MATERIAL AND ADVERSE EFFECT ON THE RIGHTS OR OBLIGATIONS OF THAT PURCHASER.

**PUBLIC OFFERING STATEMENT
FOR
HARBOR RIDGE GOLF COMMUNITY,
A PLANNED COMMUNITY**

This Public Offering Statement (the "Public Offering Statement") dated as of _____, 2000, (the "Effective Date") is given by Woodberry Development, Inc. (the "Declarant") in compliance with §5402 of the Pennsylvania Uniform Planned Community Act, 68 Pa. Cons. Stat. §5101 et seq. (the "Act"). Capitalized terms used in this Public Offering Statement but not specifically defined herein are intended to have the same meanings as are given to them in the Act or the Declaration. For purposes of this Public Offering Statement, the Declarant states as follows:

1. The name of the planned community is Harbor Ridge Golf Community, A Planned Community (the "Planned Community"). The Planned Community is located at 3758 Depot Road, Harborcreek Township, Erie County, Pennsylvania. The principal address of Declarant is 4720 Wattsburg Road, Erie, Pennsylvania.

2. The Planned Community is intended to consist of 481 units (the "Units"), consisting of 62 residential building lots for single family houses, 160 sites for Patio Condominium Units and 259 Townhouse Condominium Units. Declarant anticipates that each single Family Unit will be sold by Declarant as a vacant residential building lot, although Declarant reserves the right to construct houses on lots and offer the lot and house for sale as a Unit, the condominiums will be sold as completed residences.

3. The Common Elements of the Planned Community will consist of private streets identified in paragraph 36, boulevards, sidewalks, a swimming pool with related facilities, tennis courts, common green areas, and land upon which Common Elements are marked as "Existing Facilities" or "Future Facilities" on the recorded Plat of the Planned Community. The Existing Facilities or Future Facilities will be either a Common Facility to be conveyed by the Declarant to the Harbor Ridge Golf Community Association, Inc. (the "Association"), and/or a Controlled Facility owned by Harborcreek Township (the "Township") or an Authority of the Township (an "Authority") and maintained, improved, repaired, replaced, regulated, managed, insured and/or controlled by the Association.

4. Additional Common Elements may be created in the Additional Real Estate which Declarant may add to the Planned Community (the "Future Facilities"). The Future Facilities may, but will not necessarily include, picnic areas, hiking trails, or related items in the green area and one or more stormwater management or detention facilities. The Future Facilities may be either Common Facilities or be owned by the

Township or an Authority and maintained, improved, repaired, replaced, regulated, managed, insured and/or controlled by the Association.

5. Streets will be installed by the Declarant to provide access to the Units from Depot Road. The Declarant intends, and approval issued by Harborcreek Township to the Declarant contemplate, that some streets in the Planned Community will be constructed and completed by Declarant and then dedicated to the Township while others will be private and controlled by Unit Owners. The proposed streets and Common Elements are depicted on the recorded Plat of the Planned Community prepared in accordance with the Act. The Declarant contemplates that all of the streets and the Common Elements will be substantially completed within six (6) months after the date the last Unit in the Planned Community is conveyed by Declarant.

6. The Declarant contemplates that all of the Units, including any Units created in any of the Additional Real Estate which Declarant adds to the Planned Community, will be sold over the course of up to seven (7) years. All of the foregoing times are estimates based on the current intentions of the Declarant and are subject to weather conditions, performance of contractors, the availability of materials, market conditions and other factors.

7. Declarant may add an additional 434 Units by the Declarant's election to add some or all of the Additional Real Estate. No Units in excess of the 481 planned by the Declarant may be included in the Planned Community.

8. Declarant may market any one or more Units or blocks of Units to homebuilders or other real estate developers or investors.

9. The Declarant has reserved the right to withdraw any Withdrawable Real Estate from the Planned Community.

10. Attached as Exhibits to this Public Offering Statement are copies of:

- A. The Declaration for the Planned Community;
- B. The Bylaws of the Association;
- C. The proposed form of the Agreement of Sale pursuant to which Units will be sold by Declarant to purchasers; and
- D. The current Balance Sheet and Proposed Budget of the Association.

11. There are no contracts or leases or other agreements of a material nature to the Planned Community that will or may be subject to cancellation by the Association under §5305 of the Act, except any agreement to be entered into between the Board and Declarant by which the Board may transfer to Declarant the responsibility for the

preparation of resale certificates and/or statements of unpaid assessments and the right to collect and retain the sums charged for those certificates or statements.

12. The Declaration includes information required under the Act concerning the Planned Community. The Declaration will be recorded by the Declarant in the Office of the Recorder of Deeds of Erie County before the conveyance by the Declarant of the first Unit in the Planned Community.

13. The significant features of the Declaration are as follows:

- A. A description of the Planned Community and the Common Elements. The Declaration incorporates the Plat depicting the Planned Community and Common Elements.
- B. The votes in the Association and the percentage share of the common expenses of the Planned Community allocated to each Unit. Voting rights in the Association are further described in the Bylaws of the Association.
- C. The requirement that each Owner of a Unit be a member of the Association.
- D. Restrictions imposed by the Declarant against the Units and easements benefitting and burdening the Units are described in the Declaration.
- E. A description of rights reserved by the Declarant, including the rights to (i) add real estate to the Planned Community; (ii) relocate the boundaries between Units owned by Declarant; (iii) subdivide or convert Units owned by the Declarant; (iv) control the Association for a designated period of time; and (v) designate portions of the Planned Community as a Common Facility and to convey that Common Facility, and/or the responsibility for the maintenance, improvement, repair, replacement, regulation, management and insurance of that Common Facility, to the Association.

14. The Bylaws provide for the manner in which the Association functions and contain provisions governing the organization and operation of the Association, and include sections dealing with meetings of Unit owners, the formation of the Board of Directors (the governing body of the Association) and officers of the Association, elections and removal of Board members and Association officers, powers of the Board and officers, meetings of the Board, and powers of the Association to levy and assess Unit owners for the expenses of the Association and to enforce the Restrictions.

15. The Agreement of Sale contains provisions dealing with the procedures to be followed by the Declarant and a Unit purchaser in connection with the sale and

purchase of a Unit. The Agreement of Sale provides and identifies, among other things, the purchase price for a Unit, the manner in which the purchase price for a Unit is to be paid, any financing contingency, other conditions to be satisfied by the Declarant and the purchaser before settlement can be completed, the date, time and place of settlement, the procedure for the completion of settlement and rights and remedies available upon a default by the purchaser or Declarant.

16. Attached to this Public Offering Statement as Exhibit D is a current balance sheet and projected budget of the Association containing information required by the Act.

17. Services provided by the Declarant and not included in the budget but which will become a Common Expense of the Association in the future include administrative expenses of the Association and the maintenance, improvement, repair, replacement, regulation, management and insurance of the Existing Facilities and the Future Facilities. Except for equipment owned by the Declarant and used for landscaping and maintenance of the Common Elements before their conveyance to the Association, there will be personal property associated with the swimming pool, tennis courts and picnic areas provided by the Declarant that will be required by the Association for the use or enjoyment of the Common Elements. Upon the conveyance of the Common Elements to the Association, the Association will incur Common Expenses for the maintenance, improvement, repair, replacement, regulation, management and insurance of the Common Elements, and the budget projects its impact on the Common Expenses and assessment liability of the Unit Owners.

18. Upon either (a) the close of the sale of a Unit from the Declarant, or (b) the joinder of an Excluded Lot in the Association, the purchaser of the Unit from the Declarant or the Owner of the former Excluded Lot, as the case may be, must pay an initial contribution of \$200 to the Association. All such funds collected shall be deposited in an account of the Association, which account shall be administered by the Board. The purpose of the initial contribution is to meet the Association's administrative expenses and to provide capital for the Association to operate when the Declarant conveys to the Association the responsibility for the maintenance of one or more of the Common Elements.

19. The Planned Community is subject to:

- A. The instruments, easements and restrictions described in Section 4 of the Declaration appended hereto as Exhibit A, the Developer's Agreements between Declarant and the Township and final approval plans for the Planned Community; and
- B. Statutory easements granted by the Act, which include:

- i. Section 5216 of the Act, which provides that the Unit or Common Element is subject to a valid easement to the extent that any other Unit or Common Element encroaches upon it;
- ii. Section 5217 of the Act, which provides that Declarant may maintain sales offices, management offices and models in portions of the Planned Community; and

- iii. Section 5218 of the Act, which provides that Declarant may use the Common Elements as may be reasonably necessary in order to facilitate the completion of the Planned Community or the exercise of any Special Declarant Rights.

20. There is no financing for purchasers offered or arranged by the Declarant.

21. Pursuant to §5411(b) of the Act, the Declarant warrants to each of Declarant's bona fide purchasers that the Declarant will correct any "structural defects" appearing in the Common Elements within the two (2) year period commencing upon the later of (a) the time at which the work on, or improvement to, the Common Element in question was completed, or (b) the time at which the first Unit in the Planned Community is conveyed to a bona fide purchaser, or (c) for Common Elements created within any Additional Real Estate only, the time at which the first Unit within such Additional Real Estate is conveyed to a bona fide purchaser. This warranty does not extend to any of the Common Elements which has been dedicated to a municipality, municipal authority or other governmental unit. The term "structural defect" is defined in the Act as "those defects in any structure which is a component of any Unit or Common Element or any other portion of a Unit or Common Element constructed, modified, altered or improved by or on behalf of the Declarant, any of which reduce the stability or safety of the structure below accepted standards or restrict the normal intended use of all or part of the structure and which require repair, renovation, restoration or replacement."

22. The Declarant disclaims any and all implied warranties, including but not limited to implied warranties of habitability, fitness for a particular purpose and merchantability, which otherwise would or may be applicable to any Unit or any Common Element.

23. No claim arising out of any of the warranties set forth in the Agreement of Sale may be brought unless, prior to the expiration of the appropriate warranty period, the purchaser, Unit owner or Association has delivered notice to the Declarant of alleged breaches of these warranties.

24. As of the effective date of this Public Offering Statement there are no judgments against the Association nor is the Association a party to any pending litigation.

25. Any deposit made in connection with the purchase of a Unit will be held in an escrow account in accordance with the provisions of §5408 of the Act and will be returned to the purchaser if the purchaser cancels that contract within the fifteen (15) day time period provided by the terms of §5406 of the Act (as explained more fully on the first page of this Public Offering Statement).

26. There are no restrictions on the resale or lease of a Unit by its Owner and no right of first refusal with respect thereto, except those restrictions contained in the restrictions which are referred to in and appended to the Declaration which is an exhibit to this Public Offering Statement.

27. Declarant is securing a liability insurance policy on behalf of the Association and all Unit Owners to insure against liability arising out of the ownership or use of the Common Elements, complying with the applicable requirements of the Act. Declarant may elect, at any time, to require the Association to pay the expense of any future policy. This policy will not insure Unit Owners against liability arising from an accident or an injury occurring within their Unit or from the Unit Owners' own negligence. No insurance will be maintained by the Association or the Declarant for any Unit.

28. There are no fees or charges presently expected for the use of the Common Elements. After the earlier of the date upon which Declarant first conveys title to any Common Facility to the Association or the date upon which Declarant first conveys the responsibility for the repair, maintenance, management, control, insurance, taxes and assessment of any Controlled Facility to the Association, each Unit Owner will receive as part of his or her Annual Assessment charges for costs attributable to the maintenance of the Common Elements.

29. Public water, public sanitary and storm sewers, natural gas lines, electric lines, telephone lines and cable television lines have been installed or will be installed prior to the date the Unit is offered for sale by Declarant. These utilities will be available at the street for installation into and use of each Unit.

30. Each Unit in the Association is entitled to one vote in the Association. There is only one class of votes. Cumulative voting is not permitted.

31. The Declarant has not reserved the right to permit any of the powers of the Association to be exercised by or delegated to a Master Association.

32. The Following governmental approvals and permits have been obtained or will be obtained and are required for the use and occupancy of the Planned Community:

<u>Approval/ Permit</u>	<u>Date Obtained or To Be Obtained</u>	<u>Expiration</u>
Sewage Facilities Act Planning Module Approval 6-99-196		

APS #46416	August 24, 1999	N/A
Soil Erosion & Sediment Pollution Control Plan Approval 2592499180	October 14, 1999	N/A
Sewage Permit No. 2595412 for Sanitary Sewer Lift Station	January 1, 2003	N/A
NPDES Permit No. PAR10K143	October 14, 1999	N/A
Tentative Plan Approval --	October 20, 1999	N/A
Harbor Ridge Golf Community Section One (covering Units P1 through)23 and T1 through Twr	November 16, 1999	N/A

All permits and approvals required for the use and occupancy of vacant building lots in the Planned Community will be obtained by, and at the expense of, Declarant. All other permits and approvals including but not limited to permits or approvals required for the construction and use of a house on a Unit (including but not limited to building permit), must be obtained by, and at the expense of, the Unit owner.

33. The Declarant has no knowledge of any outstanding and uncured notices of violation of governmental requirements.

34. The Declarant has no knowledge of any hazardous condition, hazardous wastes or underground storage tanks for petroleum products which may presently exist at or otherwise affect the Planned Community. The Declarant has no knowledge of any report or investigation by any governmental body, agency or authority regarding whether there is any hazardous condition which presently exists at or otherwise affects the Planned Community. The Declarant did not cause an investigation to be performed to confirm the absence of hazardous conditions on or affecting the Planned Community site. Section 5402(a)(27) of the Act requires the Declarant to provide you with the addresses and telephone numbers set forth below of the Pennsylvania Department of Environmental Protection and the United State Environmental Protection Agency where you may obtain information about the environmental conditions of the Property.

Pennsylvania Department of Environmental Protection
1012 Water Street
Meadville, PA 16335
(814) 332-6945

United States Environmental Protection Agency
Region 3
1650 Arch Street
Philadelphia, PA 19103-2029
(800) 438-2747

35. Section 8 of the Declarations set forth information regarding the facilities which the Declarant reserves the right to designate as either Common Facilities to be conveyed to the Association or Controlled Facilities to be conveyed to the Township or an Authority. In summary, that section provides that not later than the date upon which the Declarant conveys the last Unit in the Planned Community to a purchaser, the Declarant shall designate the Existing Facilities and the Future Facilities, if any, as either a Common Facility or a Controlled Facility and the Association shall then assume full responsibility for the repair, maintenance, management, control, insurance, taxes and assessments of that common Element. The Existing Facilities have been completed. The Future Facilities, if any, shall be completed by Declarant before Declarant designates any such Future Facilities as either a Common Facility or a Controlled Facility. Prior to the time Declarant designates the Existing Facilities and the Future Facilities, if any, as Common Elements, Declarant shall own that portion of the Planned Community. When Declarant designates the Existing Facilities and the Future Facilities, if any, as either a Common Facility or a Controlled Facility, the Association shall accept either title to the Common Facility or the responsibility for the repair, maintenance, management, control, insurance, taxes and assessments of the Controlled Facility for no consideration, and upon such conveyance, the Association shall be required to impose an assessment on each Unit owner to provide funds for the repair, maintenance, management, control, insurance, taxes and assessments of the Common Elements, together with any reserve funds deemed necessary or appropriate by the Board of the Association. Declarant shall furnish a letter of credit in favor of the Township to secure the completion of the streets and the Future Facilities, if any.

36. Harbor Ridge Trail, Dogleg Trail, Heather Trail and Mulligan Trail in the Planned Community will be offered for dedication to the Township after they are completed and the obligation to maintain and repair these streets will be the obligation of the Township. Hazard Court, Dune Trail, Sandy Trail, Flagstick Court, Greenside Trail and Bunker Trailer will be private streets and the obligation to maintain and repair these streets will be an obligation of the Unit Owners. Nonetheless, any sidewalks, not adjacent to a Unit, any boulevards and any grass islands shall be designated as Common Elements and after such designation the Association shall be responsible for the maintenance and repair of those sidewalks, boulevards and grass islands. If any stormwater management facility is created within any part of the Additional Real Estate, that stormwater management facility will be conveyed to the Association after the completion of such facility or facilities. After such facility or facilities are conveyed to the

Association, the maintenance and repair of such facilities will be the obligation of the Association and the cost of that maintenance and repair will be Common Expenses assessed by the Association to the Unit owners.

37. This Public Offering Statement is subject to change without notice in order to reflect any material changes in the information set forth herein as otherwise required by the Act. The Declarant will mail copies of all such amendments to any persons who are parties to valid and binding Sale Agreements respecting any Unit or Units.

ANY INFORMATION OR DATE REGARDING THE PLANNED COMMUNITY NOT INCLUDED IN THIS PUBLIC OFFERING STATEMENT MUST NOT BE RELIED UPON. NO PERSON HAS BEEN AUTHORIZED BY THE DECLARANT TO MAKE ANY STATEMENT, REPRESENTATION OR WARRANTY NOT EXPRESSLY CONTAINED HEREIN. THIS OFFERING STATEMENT MAY NOT BE CHANGED OR MODIFIED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY THE DECLARANT.

List of Exhibits to Public Offering Statement:

1. Declaration
2. Bylaws of the Association
3. Agreement of Sale Form
4. Balance Sheet and Projected Budget of the Association