

PUBLIC OFFERING STATEMENT
BLUE COURSE, A CONDOMINIUM
MARCH , 1990

NOTICE

1. A BUYER WHO RECEIVES THIS PUBLIC OFFERING STATEMENT MORE THAN 15 DAYS BEFORE SIGNING A CONTRACT OF PURCHASE MAY NOT CANCEL THE CONTRACT.

2. A BUYER WHO RECEIVES THIS PUBLIC OFFERING STATEMENT WITHIN 15 DAYS OF PURCHASE AND BEFORE THE CONVEYANCE TO BUYER BY SELLER OF THE CONDOMINIUM UNIT MAY CANCEL THE CONTRACT OF PURCHASE OF THE UNIT, IF IT IS BEING PURCHASED FROM THE DECLARANT.

3. A DECLARANT WHO FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT TO THE BUYER CONVEYING THE UNIT TO THE BUYER MAY BE LIABLE FOR DAMAGES TO THE BUYER IN AN AMOUNT EQUAL TO 5% OF THE THE SALES PRICE OF THE UNIT UP TO \$2,000, OR ACTUAL DAMAGES, WHICHEVER IS GREATER.

THE FOLLOWING IS A PUBLIC OFFERING STATEMENT FOR BLUE
COURSE, A CONDOMINIUM:

1. The name and principal address of the Declarants of the condominium are Ann S. Bartges and Dabro Construction, Inc., of Suite 201, 204 Calder Way, State College, Pennsylvania 16801. The units are located at Lot 3, Bayfield Court, State College, Centre County, Pennsylvania.

2. The units are three (3) in number; each contains first floor and second floor; the units measure approximately 20'3 1/4" feet wide by 28'10 3/4" feet deep, and the style of the units is townhouse. All three (3) new units were completed JUNE, 19 88.

3. No additional units will be added to the condominium as additional real estate.

4. Declarant reserves no option to withdraw withdrawable real estate.

5. Copies and brief narrative description of significant features of the Declaration, and By-Laws may be obtained from the realtor who is listing the condominiums for sale. The Declaration generally provides for sale of a unit to a person or organization. The Condominium Association is governed by the Declaration and By-Laws. Common elements are operated and controlled by the Condominium Association. There are common elements which all parties who own a unit own and may use, and

there are limited common elements which only particular unit owners have a right to use. The Condominium Association is operated by an Executive Board, the members of which are elected by the unit owners. Unit purchasers must finance the purchase of an individual unit through their own means. There is a monthly charge placed upon each unit owner for the upkeep and repair of the common elements.

The units may be used only for residential use and further as restricted by the Declaration and By-Laws. Insurance is to be provided for all units by the Condominium Association for which a charge will be levied against all unit owners. Unit owners may separately insure their unit and must separately insure their private personal property.

The owner of a unit may sell his unit to whomever he pleases.

The By-Laws provide for membership with the Condominium Association and state who may vote, who may hold office, when persons are to be elected to the Executive Board, what the powers and duties of the Executive Board are, who the officers of the Association shall be, when meetings of the Executive Board must be held or may be held, the fiscal physical management of the organizations, and a budget for the Condominium Association.

The real estate sales contract and a closing statement of all costs are to be provided by the realtor selling the particular unit.

6. The Condominium Association does not have a current balance sheet. A projected budget for the Condominium Association for the first year of operation is attached as Exhibit "A".

The budget includes \$250 per year as a reserve for repairs and replacement.

The projected monthly common expenses assessment for each unit is \$65.00.

7. There are no services which are not reflected in the budget provided by Declarant.

8. At Closing, a purchaser of a unit must make a payment of \$150.00 as an initial condominium fee. Beginning with the first day of the first month of ownership, the unit owner will make the normal monthly condominium assessment, initially \$65.00 per month.

9. Description of liens, defects, or encumbrances affecting the title to the condominium: two (2) Mortgages between Declarants and United Federal Savings Bank, (1) in the amount of \$288,000.00, dated March 16, 1986, and recorded in Centre County Mortgage Book Volume 345, page 805, and (2) in the amount of \$336,000.00, dated January 14, 1987, and recorded in Centre County Mortgage Book Volume 363, Page 834. At closing of each Unit, the Mortgage will be released as to the Unit purchased.

10. Declarant offers no financing to prospective purchasers for the purchase of the unit.

11. There are no significant limitations of any warranties provided by Declarant.

12. Reserved.

13. There are no judgments against Association, nor suits pending for or against the Association.

14. A deposit made by a Buyer for the purchase of a unit from the Declarant shall be placed in escrow, held in Pennsylvania in an account designated solely for that purpose unit (a) it is delivered to the Declarant at the closing or in an installment sales contract thirty (30) days after the date of occupancy of the unit, (b) it is delivered to the Declarant because of Buyer's default under the contract to purchase the unit; or (c) it is refunded to the Buyer.

15. There are no restraints on alienation or resale of any portion of the condominium.

16. A description of the insurance coverage is provided in Exhibit "B", attached hereto and made a part hereof.

17. The current or expected fees or charges to be paid by unit owners for use of the common elements and other facilities are as follows: A monthly charge shall be levied by the Executive Board against each unit owner for the maintenance, repair, and replacement of the common elements as directed by the Executive Board. The initial charge until modified by the unit owners through their Executive Board shall be \$150.00 per unit. A monthly operation and maintenance charge for the common elements in the amount of \$65.00 per month shall be paid by each unit owner until modified by the Executive Board.

18. Financial arrangements were made with United Federal Savings Bank for the mortgage money to provide for the construction of the condominium units. Any item labeled "MUST BE BUILT" shall be financed from those funds.

19. Reserved.

20. Reserved.

21. There is no provision made in the budget for the Association for capital expenditure. Otherwise, the Executive Board shall be required to make its own reserve for capital expenditures.

22. The present condition of all structural components and major utility installations on the property is excellent.

The date of construction, installation and any major repairs is: February, 1988 through and including JUNE, 1988. The useful life of the structure and any utility serving the condominiums is expected to be thirty (30) years. The estimated costs of replacing the units in current dollars for each Unit is: building - \$40,000.00; electrical hook-up - \$2,000.00; water lines and hook-up - \$2,500.00; sewer lines and hook-up - \$2,500.00.

DECLARANTS:

X Ann S. Bartges
Ann S. Bartges

Dabro Construction, Inc.

By: [Signature]
President

Attest: [Signature]
Secretary

Dated: 3-23-90

EXHIBIT "A"

PROJECTED BUDGET FOR 1990

1993

1. Outdoor Lighting	\$ 90.00	
2. Landscape Maintenance	\$250.00	550.00 → \$715
3. Snow Removal	\$150.00	
4. Insurance	613.00 \$650.00	\$744
5. Trash Removal	\$650.00	600 700
6. Water and Sewer Consumption	\$550.00	1000 1122
7. Reserves for Repair and Replacement	\$250.00	250
8. <i>Book keeping</i>	\$250.00	240 \$100
Total	\$2,590.00	
Cost per unit per year	\$863.00	1200.00
Cost per unit per month	\$ 72.00	100.00

3536.11
1178.96
98.22 per

EXHIBIT "B"

INSURANCE COVERAGE

1. During the period of construction, the premises are covered by a builders' risk policy which is a policy insuring against fire and extended coverage, or "all risk". The policy is made payable to the Declarants. Also, a liability policy in the minimum amount of \$300,000.00 combined bodily injury and property damage coverage will be included.

2. When all units within the building are completed, the property will then be covered by a special multi-peril insurance coverage package (condominium package policy). The coverage insures against all risks to the building. There is also liability coverage in the minimum amount of \$1,000,000.00 combined bodily injury liability and property damage liability.

3. The insuring company for all of the insurance above is currently scheduled to be Hartford.

4. The cost of the special multi-perils package is \$583.00 per year.

5. A copy of the insurance coverage as contained in the insurance policy is obtainable from the P. A. Frost Agency, Inc.