

TABLE OF CONTENTS

Information Sheet	1
Public Offering Statement	2
Location Map	16
Site Plan	17
Floor Plans (7 pp.).....	18
Price List	19
Specifications	20
Declaration Creating & Establishing Springcreek Manor, A Condominium	23
Amendment to Declaration (and supplemental).....	47
Bylaws--Springcreek Manor Condominium Association	53
Amendments to Bylaws	65
Title Report (see Declaration - after amendment).....	
Rules and Regulations with appendices	
Appendix A: Standards, Forms, Guides	
Appendix B: Unit-Specific Features List	

SPRINGCREEK MANOR, A CONDOMINIUM

PUBLIC OFFERING STATEMENT

INTRODUCTION

Over the past fifteen years, "condominium" has almost become a household word in our language. More and more people are choosing condominium ownership over renting or other forms of home ownership. However, even with the popularity of condominiums, there appears to be a need for a clearer understanding of the subject to prospective buyers, and the purpose of this Public Offering Statement is to help you become better informed about the concept of condominium ownership.

When you own a condominium, you hold title to a dwelling unit within a larger property. You also own, collectively with all the other owners in the same property, a percentage interest in all "common elements". Essentially, common elements are all areas outside the dwelling units and include the underlying land and portions of the building which service and support the units.

The advantages of condominium ownership combine those of home ownership and apartment living.

There are some very specific financial advantages to owning your home:

- 1) You are presently able to deduct mortgage interest payments and real estate taxes on your income tax return if you itemize deductions.
- 2) The major portion of your monthly dwelling costs tends to remain fairly stable. Under ordinary circumstances, your mortgage payment does not increase while rent payments tend to increase constantly.
- 3) Most real estate, particularly well-located "prime" real estate, tends to increase in value at a rate greater than the rate of inflation. Because of this increasing value, and because each mortgage payment reduces the balance of your mortgage loan, equity in your home increases steadily.

Equally important, condominium ownership offers the advantages of luxury apartment living. You do not have to worry about outside maintenance. All painting and patching, landscaping and so on are handled by the management.

Thus, if you own a condominium, you have the advantages of home ownership plus the advantages of apartment living. You enjoy the tax savings and financial security of ownership as well as the carefree and convenient lifestyle of the apartment dweller.

THE ROLE OF THE DEVELOPER

In the case of new condominium construction, the developer sets the entire "tone" of the project, determines the nature and quality of the construction and takes the responsibility for completing the project. It is important to note that the quality of the construction is critical -- not only to establish a desired lifestyle, but also to help prevent expensive "special" assessments for the future owners.

The developer initially selects and hires the management agent. In addition, the developer is responsible for the Condominium Declaration and the Bylaws which have a great deal to do with the success of the future operations of the Association.

In short, the developer, more than any other single factor, determines the makeup, character and future success of the property.

SPRINGCREEK MANOR, INC.

Springcreek Manor, Inc. is a Pennsylvania corporation with three principal shareholders, all of whom have extensive experience in residential real estate construction and development in the central Pennsylvania area. The three principals are:

- 1) William H. Alexander, President; of H. B. Alexander & Son, Inc., a general contracting firm located in Harrisburg, Pennsylvania, which is a recognized leader in the construction field in Dauphin County and surrounding areas.
- 2) Clyde W. Horst, chairman and president of the Lancaster, Pennsylvania based Horst Group, a multi-faceted firm with subsidiaries which are actively involved in all aspects of residential real estate development, including design, construction and management.
- 3) Abram S. Horst, Jr., president of Abram S. Horst, Inc., a general contracting firm based in New Holland, Pennsylvania, which has been involved in numerous single family and multi-family residential construction projects.

DISCUSSION

1. The Condominium: Springcreek Manor, a Condominium, (the Condominium) is a Condominium organized under the Pennsylvania Uniform Condominium Act. The office of the Condominium is at 29 East King Street, Lancaster County, Pennsylvania.

2. The Declarant: Springcreek Manor, Inc. (Declarant) 29 East King Street, Lancaster, Pennsylvania is the Declarant with respect to Springcreek Manor, a Condominium.

3. General Description of the Condominium:

(a) Land. The Condominium is located on an 11.365 acre tract of land located at Bahia Avenue and Old Meadow Lane in Hershey, Derry Township, Dauphin County, Pennsylvania. A plan of the property is located in the Appendix. The land slopes gently eastward to Spring Creek which is located just adjoining the eastern boundary of the property. The property overlooks the Springcreek Golf Course, Spring Creek Brethren Church and portions of the campus and facilities of the Milton S. Hershey School.

(b) Residences. As initially established, the Condominium includes four residential buildings containing 3 total of 11 residences. The Declarant has reserved the right to construct 3 additional buildings with a total of 10 additional residences. As of September 30, 1980, the Declarant had authorized the beginning of construction of Building No.5.

All buildings will be constructed of wood frame and brick veneer exterior construction and will have asphalt shingle roofs. Buildings 1 through 4 are constructed entirely on a concrete slab and Building 5 will also be so constructed. Buildings 6 and 7 are planned to be constructed with basements. All buildings will be one story in height.

The Condominium will include homes of five different model types, which the Declarant has identified as Models A, B, B Alternate, C and D. The model type of each of the 11 units initially established in the Condominium is identified in the Declaration. The additional ten units which Declarant has reserved the right to construct must conform to these model types (except that the additional units may have basements and except that patios, porches or decks may be varied in location to accommodate basements). The size of interior floor area of units ranges from 1,723 square feet (Model B) to 2,435 square feet (Model D). (Areas of garages, basements, porches) patios and decks are in addition to these quoted floor areas.) Each residence includes a two-car garage.

Declarant's standard floor plans and outline specifications for each model type are included in the Appendix. All interior items listed in the outline specifications are subject to variation by change order in a contract for Unit purchases signed prior to construction of the unit. The attached outline specifications are valid as of September 30, 1980. Prospective purchasers are advised to verify any change in specification detail after that date.

(c) Schedule of Construction: Construction of Units 1 to 11, in Buildings 1 to 4, began in May, 1980. Construction of structural elements of these buildings was completed in October, 1980 and all residences in

these buildings are expected to be substantially completed by December, 1980 (except for installation of interior finishes, carpet, appliances and like items in any units then unsold). A schedule of construction of remaining buildings has not yet been established since it is dependent upon the success of pre-sale efforts. Declarant intends, however, to commence and complete construction of all residences in the additional buildings during 1981 if it is feasible to do so.

All drives serving buildings 1 to 4 will be completed except for top coat paving by October 15, 1980. The finish paving coat will be installed by September, 1981. Final grading and seeding of grounds outside the area marked "convertible real estate" has been completed. Completion of landscaping in this area is to be carried out through the spring of 1981.

(d) Occupancy of Units: Declarant intends to offer all units for sale to owner-occupants. Declarant does not intend to retain any unit for rent or to market any unit for sale to any investor. Declarant does not anticipate any substantial investor interest in purchase of any units. However, all units are offered to the general public, which may include persons purchasing primarily with the view to investment.

(e) Condition and Useful Life of Components: The Uniform Condominium Act requires that a Declarant give to prospective purchasers a declaration as to the present condition, expected useful life, and estimated cost of replacement of structural components and major utility systems in the Condominium. The following declaration represents Declarant's best general estimate of useful lives, based upon available information which includes Internal Revenue Service guidelines for useful lives of components of residential structures. The estimates are made on the assumption of continuous first-class maintenance of all elements. It is expected that some elements may require replacement prior to expiration of the stated useful lives and that some may remain in service without complete renovation or replacement after the stated period. Functional obsolescence and obsolescence as a result of changing consumer tastes or life styles has not been taken into account in determining useful lives.

This statement is not intended to constitute a representation or warranty by Declarant or enhance or enlarge upon Declarant's obligations to a purchaser of a unit.

<u>Component</u>	<u>Present Condition</u>	<u>Useful Life</u>	<u>Estimated Current Replacement Cost</u>
Roof	New	20 yrs.	\$ 4,000 (aver. unit)
Exterior and bearing walls, including insulation and related items	New	45 yrs.	\$11,500

<u>Component</u>	<u>Present Condition</u>	<u>Useful Life</u>	<u>Estimated Current Replacement Cost</u>
Concrete slabs, masonry foundation and basements	New	45 yrs.	\$ 7,000
Heating system (G.E. Weathertron Heat Pump)	New	14 yrs.	\$ 4,400

4. Narrative Description of Condominium Documents: The ownership, use and occupancy of the Units of the Condominium are governed by certain regulations, covenants and restrictions contained in a Declaration Creating and Establishing Springcreek Manor, a Condominium (Declaration), the Bylaws of Springcreek Manor Condominium Association (Bylaws), and rules and regulations that may be promulgated by Springcreek Manor Condominium Association (Association), whose responsibility it is to manage the entire Condominium property. These documents, taken together, are referred to as the Condominium Documents. It is important that you read, and attempt to understand each portion of the Condominium Documents prior to your purchase, so that no restriction placed upon you because of the documents will come as a surprise, after you purchase.

By purchasing a Unit, you automatically agree to abide by the Condominium Documents and all of the rules and regulations which may be promulgated by the Association from time to time in the future.

The following is a brief summary of the significant portions of the Condominium Documents. A citation to applicable portions of the Declaration or Bylaws is set forth throughout the summary.

(a) The property is divided into eleven Units, and the Common Elements which consist of the entire property except for all Units. Certain portions of the Common Elements, which are to be used only by the Owner of one Unit, are referred to as Limited Common Elements. The Owner of each Unit shall own, in addition to his Unit, an undivided Common Interest in the Common Elements (including the Limited Common Elements) as set forth in Exhibit "B" of the Declaration. The undivided Common Interests in the Common Elements were computed on the basis of the relative sizes (in square feet) of the Units. (Declaration §4, 5, 6 and 7)

(b) Each Unit has allocated to it a Common Expense Liability as set forth in Exhibit "B" of the Declaration, which is also computed on the basis of relative size (in square feet) of the Unit. All expenses of administration, maintenance and repair or replacement of the Common Elements, and any expense agreed upon by the Unit Owners to be paid as Common Expenses by the Unit Owners, or which are set forth in the Declaration or Bylaws, shall be deemed Common Expenses and shall be paid by the Unit Owners in accordance with the Common Expense Liability of the Unit. (Declaration §7)

(c) Each Unit Owner shall be entitled to cast one vote in the affairs of the Association. (Declaration §7(C))

(d) The Declarant has reserved the right to create up to ten additional Units within a portion of the Condominium property designated "Convertible Real Estate" on the plat and plans which are part of the Declaration. In the event Declarant exercises its rights to create any or all of these additional Units, Common Interest and Common Expense Liability allocable to each Unit would be adjusted accordingly. Further, each additional Unit would be entitled to one vote in the affairs of the Association thereby reducing the relative voting strength of each Unit initially created. (Declaration §9)

(e) The Condominium shall be managed by an Executive Board of five directors. Among other powers, the Executive Board shall have the power to manage the Condominium, including paying all Common Expenses, preparing and adopting an annual budget, fixing all assessments for each Unit, promulgating rules and regulations governing the Condominium, engaging the services of a managing agent and other employees, making alterations, additions and improvements to the Common Elements and enforcing the Condominium Documents including the collection of assessments (Bylaws, §3.01, 6.01, 6.02, 6.03, 6.04, 6.06 and 6.07)

(f) In addition, the Executive Board may authorize the purchase of a Unit by the Association, but any such purchase must be approved by the Unit Owners. (Bylaws §6.05)

(g) The Executive Board of the Association is composed of five directors, who, after the expiration or termination of the Declarant's right to appoint directors shall be elected by the members of the Association. Each member of the Executive Board shall be at least 21 years of age and a resident of Pennsylvania. (Bylaws §3.01 and 3.03)

(h) The officers of the Association shall include a president, secretary and treasurer, all of whom shall be directors. The Executive Board may from time to time establish and fix the duties of a vice president and one or more assistant secretaries and assistant treasurers, who need not be directors. After any period of Declarant's control of the Association has terminated, the officers shall be appointed annually by the Executive Board. Unless expressly approved by the Association, each officer of the Executive Board shall serve without compensation. (Bylaws §4.01, 4.02 and 4.06)

(i) The Executive Board shall meet regularly at least six times a year. Special meetings of the Executive Board may be called by the president or by two directors. A quorum is deemed present throughout any meeting of the Executive Board if a majority of the directors are present at the beginning of the meeting. (Bylaws §3.06; *Amendment I: meet four times a year.*)

(j) Every person who is a Unit Owner shall, while having the status of a Unit Owner, be a member of the Association. No person other than a Unit Owner shall be a member of the Association. (Bylaws §5.01)

(k) The first annual meeting of the Association shall be held at the call of the Executive Board, but in any event, within sixty days after the date on which title to 25% of the Units have been conveyed by the Declarant. Subsequent meetings shall be held on the first Monday of April 6 of each year or at such later date prior to June 1 of each year as the executive board may fix. (Bylaws §5.03). Special meetings of the Association may be called by the president, any two directors, or by Unit Owners, entitled to cast not less than 25% of all votes of Unit Owners. (Bylaws §5.04). The present members of the Executive Board shall be elected at annual meetings of Unit Owners. (Bylaws §5.03). The presence, either in person or by proxy, of owners entitled to cast at least 25% of the votes is required as a quorum for all meetings of the Association. Irrevocable written proxies of not more than one year duration are permitted. (Bylaws §5.06 and §5.08)

(l) Each Unit in the Condominium is restricted to residential use subject to rules and regulations adopted from time to time by the executive board of the Association. (Declaration §13(B)(1))

(m) A Unit Owner may lease his entire Unit, provided such lease is in writing and provides that the terms thereof shall be subject to the provisions of the Condominium Documents and that the failure by the tenant to comply therewith shall constitute a default thereunder. (Declaration §13(B)(3))

(n) Each Unit in the Condominium is subject to a right of first refusal in favor of the Association. Generally, the right of first refusal provides that each Unit Owner who desires to sell his Unit, must first offer to sell to the Association at a price fixed by the Unit Owner. If the offer is not accepted by the Association, the Unit Owner shall be free to sell the Unit to any person at any price equal to or greater than the price at which the Unit was offered to the Association. (Declaration §13(C))

(o) All assessments made by the Executive Board shall constitute the personal liability of the Owner of the Unit assessed, and shall until fully paid constitute a lien against such Unit as provided by the Uniform Condominium Act. (Declaration §10)

(p) Each Unit Owner shall be free to mortgage his Unit but shall notify the Association of the name and address of the holder of such mortgage, within five days after it becomes a lien. (Declaration §20(A))

(q) The Association shall maintain property insurance on the Units and Common Elements and comprehensive general liability insurance meeting the requirements of the Uniform Condominium Act. If reasonably

available comprehensive general liability insurance maintained by the Association shall provide minimum coverage of \$1,000,000 for bodily injury per occurrence and in the aggregate and \$500,000 for property damage per occurrence and in the aggregate. (Declaration §15(B)(1))

(r) If reasonably available and upon the request and at the expense of any Unit Owner, the Association shall obtain or arrange for (i) comprehensive public liability insurance issued by the Association's insurer and insuring the Unit Owner in such Owner's individual capacity in connection with the use, ownership and maintenance of the Unit, and (ii) property insurance on improvements and betterments installed in the Unit by the Unit Owner and personal property of the Unit Owner, also issued by the Association's insurer. (Declaration §15(B)(2))

(s) The relative rights, duties and obligations of the Unit Owners and the Association in the event of casualty to all or any portion of the Condominium shall be as provided in the Uniform Condominium Act. (Declaration §15(C))

(t) The Condominium may be terminated by agreement of the Owners of Units to which at least 85% of the votes are allocated, with the written approval of the first mortgagees of such Units. The relative rights, duties and obligations of the Association, Unit Owners and lien holders, and all procedures relating to termination shall be as provided in the Uniform Condominium Act. (Declaration §18)

(u) The Declarant has reserved the right to maintain a certain degree of control over the Association for a period not to exceed seven years from the date of the first conveyance of any Unit. The Declarant has been given the right to appoint members to the Executive Board of the Association. However, this control phases out as the Declarant sells Units and must terminate no later than 180 days after 75% of the Units have been sold. (Declaration §19(A))

(v) Declarant may use portions of the property, including Units owned by it, in connection with sales of the Units and promotion of sales of Units. (Declaration §19(b)) The Declarant has retained certain special rights with respect to completion of construction of the Condominium. (Declaration §19(C))

(w) With the exception of certain limited circumstances enumerated in the Declaration, the Declaration may be amended only upon the approval of Owners of Units to which at least 85% of the votes are allocated and the written approval by the holders of first mortgages of the Units of such approving Unit Owners. The Declaration may not be amended during any period of Declarant control without the Declarant's express written consent. (Declaration §17 and 19(B))

(x) The Bylaws may be amended by the affirmative vote of a majority of the Unit Owners, except during any period of Declarant control

when Declarant's written consent must be obtained. (Bylaws §8.02 and Declaration §19(d))

5. Narrative Description of Contracts: The Uniform Condominium Act provides that certain contracts and leases entered into by the Executive Board before the members of the Executive Board elected by the Unit Owners take office may be terminated without penalty by the Association upon ninety days notice to the other party. Except as hereinafter provided, the Declarant is unaware of any contract or lease which may be subject to termination as provided herein.

The Executive Board has entered into a Management Contract with Clabell Management Company (Clabell), an affiliate of the Declarant, which contract may be subject to cancellation by the Association. The Management Contract provides for a one-year term, commencing November 1, 1980 for a management fee of \$15.00 per unit per month.

Clabell shall have full responsibility for the economical and efficient management of the Condominium in accordance with general policies established by the Association. Specific management duties are enumerated in the contract and include, without limitation,

- (a) Fiscal management including assistance in the preparation of the annual budget, assistance in the selection of an accountant, collection of assessments, payment of authorized disbursements and establishment of bank accounts.
- (b) The making of recommendations regarding the acquisition of necessary services; and
- (c) The making of periodic inspections of the Condominiums

Clabell's duties under the contract are strictly supervisory and advisory in nature and do not involve resident on-site personnel. For additional compensation, and at the request of the Association, Clabell will provide additional services such as actual repair or maintenance and resident on-site supervision.

Unless provided for in the budget or expressly authorized by the Association, Clabell may not incur on behalf of the Association any single expense in excess of \$1,000.00 or any inventory purchase from a single supplier in excess of \$500.00. Clabell shall make no expenditure for non-budgeted capital improvements and shall not lease any equipment without the approval of the Association.

6. Budget: The Springcreek Manor Condominium Association is a newly formed Pennsylvania non-profit corporation and has no current balance sheet. A projected budget (Budget) for the Association for the calendar year commencing January 1, 1981 is a part of the Appendix to this Public

Offering Statement. The Budget has been prepared by Clabell Management Company. It is anticipated that Association expenditures for November and December, 1980 will be substantially in accordance with the average monthly budgetary requirements for the subsequent year. Accordingly, the assessments for these two months will also be based upon the assessment figures projected in the Budget.

Although it is anticipated that some or all of the units to be built in the Convertible Real Estate will become part of the Condominium during 1981, the income and common expenses associated with such units are not included in the Budget. However, as additional units become part of the Condominium, it is expected that the Association's income and common expenses will increase proportionately. Accordingly, it is estimated that the monthly assessment for each additional unit will be equivalent to the proposed assessment for an initial unit of a corresponding model type as enumerated in the Budget.

The Budget does not reflect certain maintenance expenses which may initially be avoided due to various warranties issued by the contractor or subcontractors. Upon the expiration of such warranties, such expenses may become the responsibility of the Association.

Except as provided above, the Budget does not fail to reflect any customary services which Declarant intends to provide at its own expense during the development period and which Declarant, therefore, expects may become at any subsequent time a common expense of the Association.

The Budget contains a reserve in the amount of \$1,176 for capital expenditures, repairs and replacements. At the time of closing for each unit, the purchaser shall be required to deposit with the Association an initial fee equal to two monthly assessments for the unit being purchased based on the then current budget for the Association. With regard to units located within the Convertible Real Estate (Units 12 through 21) and not provided for in the then current budget, the initial assessment shall be equal to two monthly assessments for a corresponding model type as provided in the then current budget.

7. Title: The liens, defects or encumbrances on or affecting the title to the Condominium at the time of conveyance of any unit are identified on the specimen commitment for owner's title insurance which is included in the Appendix. Each purchaser is entitled to receive a policy of title insurance issued by Commonwealth Land Title Insurance Company insuring title to the purchaser's unit subject to the matters identified in the specimen commitment. The cost of such insurance shall be borne by Declarant. Any purchaser is entitled, at the purchaser's sole expenses, to obtain title insurance from a title insurance company of their own choice.

There is, in addition, a mortgage given by Declarant to the Commonwealth National Bank, dated May 2, 1980, and recorded in the

Recorder's Office in and for Dauphin County, Pennsylvania, in Mortgage Book 123, Page 437, securing indebtedness totaling \$2,035,000.00. This mortgage will be released as to each unit as it is conveyed.

8. Financing Offered to Purchasers by Declarant: The Declarant does not offer any financing program to prospective purchasers. Clabell Realty Company, the real estate broker assisting the Declarant in the sale and marketing of the units, is willing to assist prospective purchasers in securing mortgage financing through local lending institutions.

9. Warranties:

(a) Statutory Warranty. The provisions of Section 3411 of the Uniform Condominium Act are applicable to Springcreek Manor. In pertinent part, this section provides as follows:

"(a) Definition--as used in this section 'structural defects' means those defects and components constituting any unit or Common Element which reduce the stability or safety of the structure below accepted standards or restricted normal intended use of all or part of the structure in which require repair, renovation, restoration or replacement. Nothing in this section shall be construed to make the Declaration responsible for any items of maintenance relating to the units or common elements.

(b) General Rule--Declarant warrants against structural defects in each of the units for two years from the date each is conveyed to a bona fide purchaser, and all of the Common Elements for two years."

(b) Express Warranty. Declarant provides to each unit purchaser the following express warranty, which is set forth in the Agreement of Sale for each unit:

"Warranty. Seller shall provide to Buyer with respect to the Unit and to Buyer and the Council of Springcreek Manor Condominium with respect to the Common Elements, the Home Owners Warranty (HOW Warranty) issued by Home Owner Warranty Corporation upon the standard terms of such warranty as the same exists on the date of settlement Seller shall pay all premiums charged by Home Owners Warranty Corporation for issuance of such warranty to Buyer. THE WARRANTY TO BE ISSUED BY HOME OWNER WARRANTY CORPORATION IS EXPRESSLY IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO A WARRANTY OF HABITABILITY. THE MAXIMUM

LIABILITY OF SELLER AND ITS CONTRACTORS SHALL BE SUCH LIABILITY AS IS SPECIFIED IN THE HOME OWNER WARRANTY CORPORATION WARRANTY ISSUED TO BUYER. IN NO EVENT SHALL SELLER OR ITS CONTRACTORS BE LIABLE TO BUYER FOR CONSEQUENTIAL DAMAGES ARISING FROM ANY BREACH OF WARRANTY OR FOR THE NEGLIGENCE OR OTHER BREACH OF THIS AGREEMENT BY SELLER."

(c) Limitation of Warranties: As set forth above, any implied warrant of habitability which might otherwise arise in connection with the sale of a unit is expressly waived in the Agreement of Sale. The Home Owner's Warranty is in lieu of any and all other warranties (except the statutory warranty). The Declarant and its contractors shall not be liable for consequential damages arising from breach of the express warranty in the Agreement of Sale and, to the extent, permitted under the Uniform Condominium Act, for any breach of a statutory warranty.

(d) Warranty Details: A complete description of the standards of the HOW Warranty Program is included in the Appendix to this Public Offering Statement.

10. Pending Litigation: There are no judgments against the Springcreek Manor Condominium Association and there is no pending litigation to which it is a party. To the knowledge of Declarant, there are no pending suits material to the Condominium.

11. Escrow Deposits: Any deposit made in connection with the purchase of a unit will be held in escrow and disbursed to Declarant or the purchaser in accordance with the requirements of the Act and under the terms of the Condominium Purchase Agreement between the Declarant and the purchaser. Specifically, any deposit will be refunded to the purchaser if the purchaser cancels a contract to purchase a unit, before conveyance, within 15 days after first receipt of a Public Offering Statement or in the event no Public Offering Statement is received.

12. Restrictions on Resale: The Declaration creating the Condominium contains a restriction on resale of any residence requiring the owner to offer to sell the residence to the Association before it is sold to anyone else. If the Association does not accept the offer, the owner is free to sell his residence to anyone at any price equal to or higher than the price offered to the Association for a period of 6 months following the offer. The most important terms of the right of first refusal are as follows:

(a) The unit owner must submit a written offer to the Association specifying a price at which the owner is willing to sell.

(b) The Association must meet within 20 days of the offer to determine whether to accept or reject it. If the other unit owners approve acceptance, the Association must agree to purchase it within 5 days.

(c) If the offer is not accepted by the Association, the owner is free to sell the unit to anyone at a price equal to or higher than the price at which the unit was offered to the Association or at the price higher than any counteroffer made by the Association, if it makes any counteroffer.

(d) The right of first refusal does not apply to transfers by Declarant, transfers by lending institutions, and transfers among members of the family.

13. Insurance Coverage:

(a) Coverages maintained by the Association. The Association shall maintain policies of insurance covering (i) casualty to the common elements and units (exclusive of improvements and betterments installed in a unit by the unit owner); (ii) general liability; and (iii) excess umbrella liability.

Each of the foregoing policies shall be written to protect the Association, the unit owners, the Declarant and their agents, as appropriate. The Executive Board may, in the future, elect to purchase additional insurance it may deem necessary or appropriate. In this regard, the Association may maintain directors and officers liability insurance protecting the Executive Board.

Until such time as construction of each particular building has been completed, the buildings and the units therein (exclusive of improvements and betterments installed in a unit by the unit owner) shall be insured under the builder's risk insurance policy carried by the contractor. As and when the construction of each building has been completed, the improvements shall thereafter be covered under the Association's policy as provided herein. The builder's risk policy shall protect the Association, the unit owner and the Declarant as their interests may appear.

A brief description of the policy limits and deductibles is set forth below. However, you should contact the managing agent for specific details of any particular policy or coverage.

<u>Nature of Coverage</u>	<u>Limit of Liability (Per Occurrence)</u>	<u>Deductible/Retention (Per Occurrence)</u>
Property Insurance	Initial coverage - \$360,000.00 (As buildings are completed, coverage will be increased proportionately. It is anticipated that when the buildings containing 11 units are covered under the policy, the amount of insurance in force will	\$1,000.00

have been increased to \$914,130.00, and when the buildings containing all 21 units are covered under the policy, the amount of insurance in force will have been increased to \$1,753,560.00)

All risk and blanket coverage (with agreed amounts and replacement cost endorsement.

General Liability \$1,000,000.00
(Includes extended liability, non-owned automobile liability, host liquor liability and premises medical payments. Certain liability coverages may be subject to varying policy limits).

Excess Umbrella \$1,000,000.00 Retention: \$10,000.00
Liability Deductible: Co-ordinates with underlying policy.

(b) Coverages not provided by the Association. It will be necessary for each unit owner to acquire certain supplemental insurance coverage to fully insure the owner's interest. Specifically:

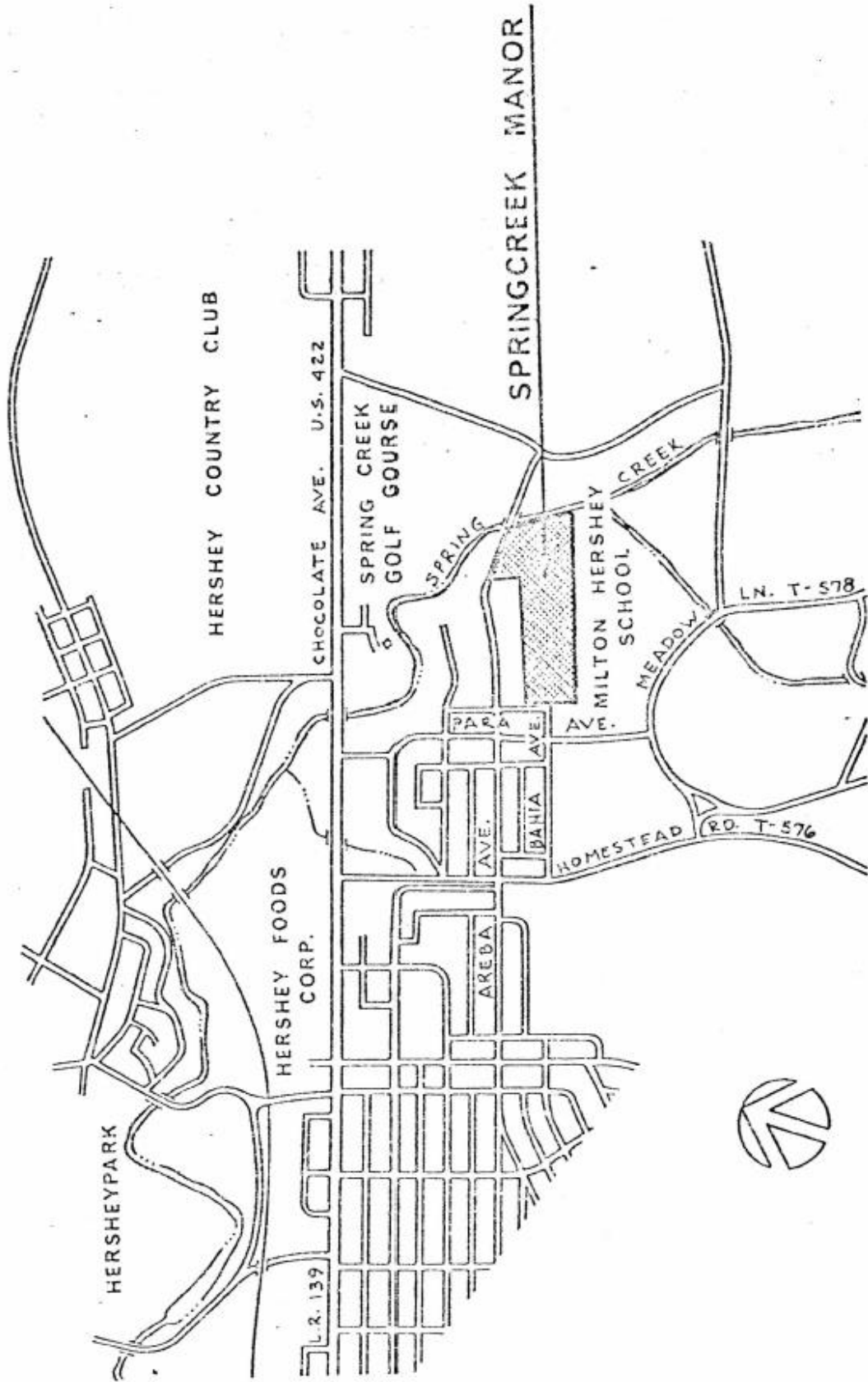
(i) the fire and casualty insurance coverage maintained by the Association insures against loss of common elements and replacement of the portion of the building within a unit to the conditions specified in Declarant's standard outline specifications for units. Coverage for loss of additional improvements and betterments placed in units by the unit owner is not provided under policies maintained by the Association (i.e. carpeting, additional or higher grade appliances, painting, papering, custom construction or cabinetry, etc.). Purchasers are advised to obtain supplemental coverage in such a manner as they deem appropriate. The Association will, whenever possible, assist in coordinating coverage and providing supplemental insurance through carriers providing insurance to the Association.

(ii) The public liability insurance maintained by the Association does not provide coverage for liability of a unit owner for accidents occurring within his own unit or for acts of a unit owner when not acting in the capacity of the unit owner. Each unit owner is, therefore, responsible for purchase of supplemental liability insurance as he determines to be appropriate. The Association will assist in providing supplemental coverage if desired.

14. Expected Fees or Charges for Use of Common Elements: The Declarant does not contemplate that the Association will levy any fees or charges upon unit owners for the use of common elements or other facilities related to the Condominium.

15. Declarant's Financial Arrangements: Declarant has obtained from Commonwealth National Bank a mortgage loan in the amount of \$2,035,000.00 to finance construction of Springcreek Manor, including construction of all improvements identified as "MUST BE BUILT" in the plats and plans which are part of the Declaration. In Declarant's judgment, the remaining proceeds of this loan will be adequate for completion of all required improvements. In Declarant's judgment, there are no unusual provisions in the loan arrangements which will restrict Declarant's ability to carry out construction of all required improvements.

16. Except as otherwise described in this statement, there are no unusual or material circumstances, features or characteristics of Springcreek Manor, a Condominium, or the units.

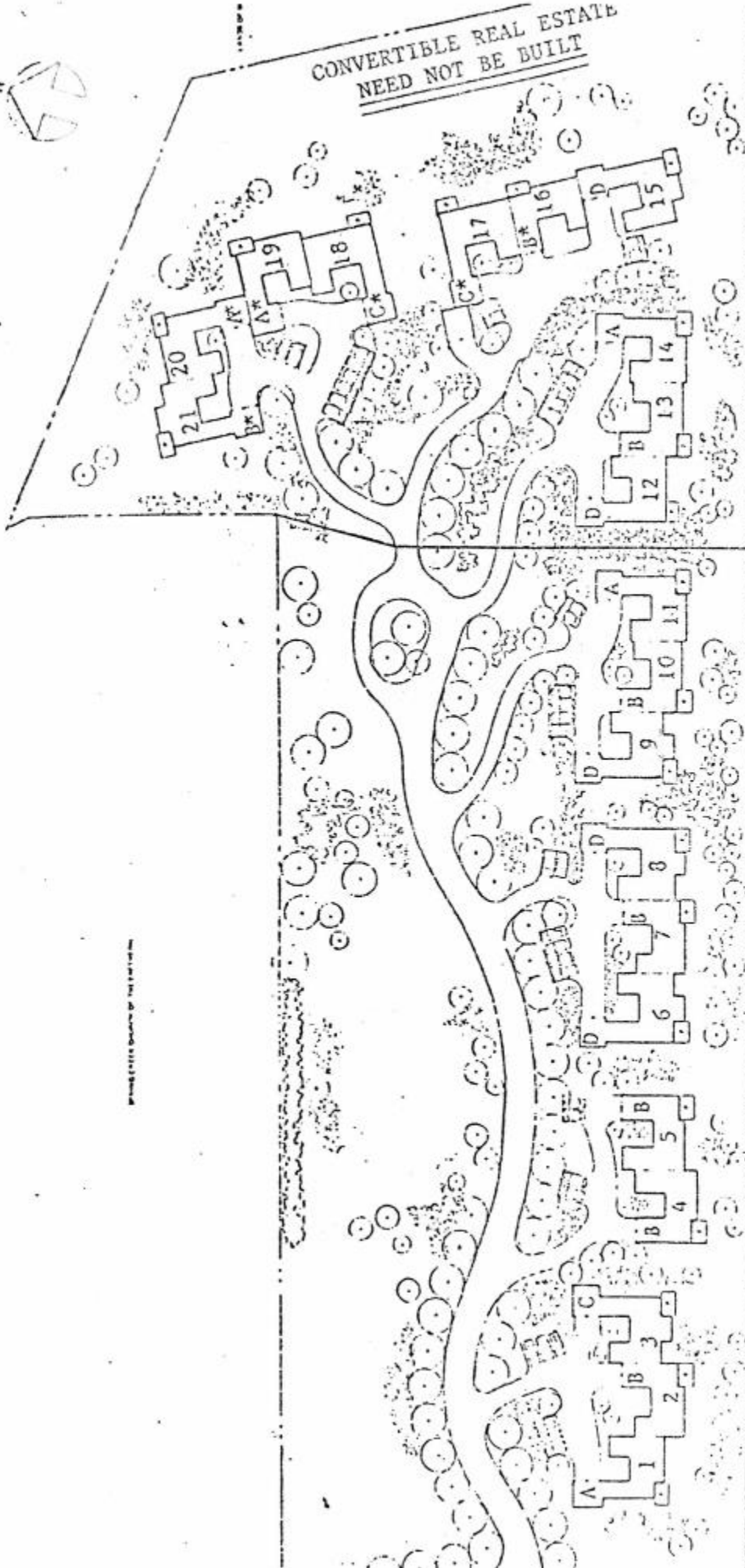


LOCATION MAP

Scale: 1" = 1000'



CONVERTIBLE REAL ESTATE
NEED NOT BE BUILT



SCALE



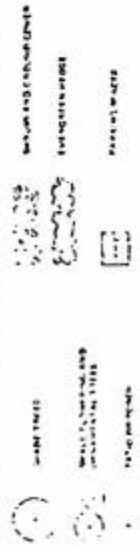
SPRING CREEK MAN

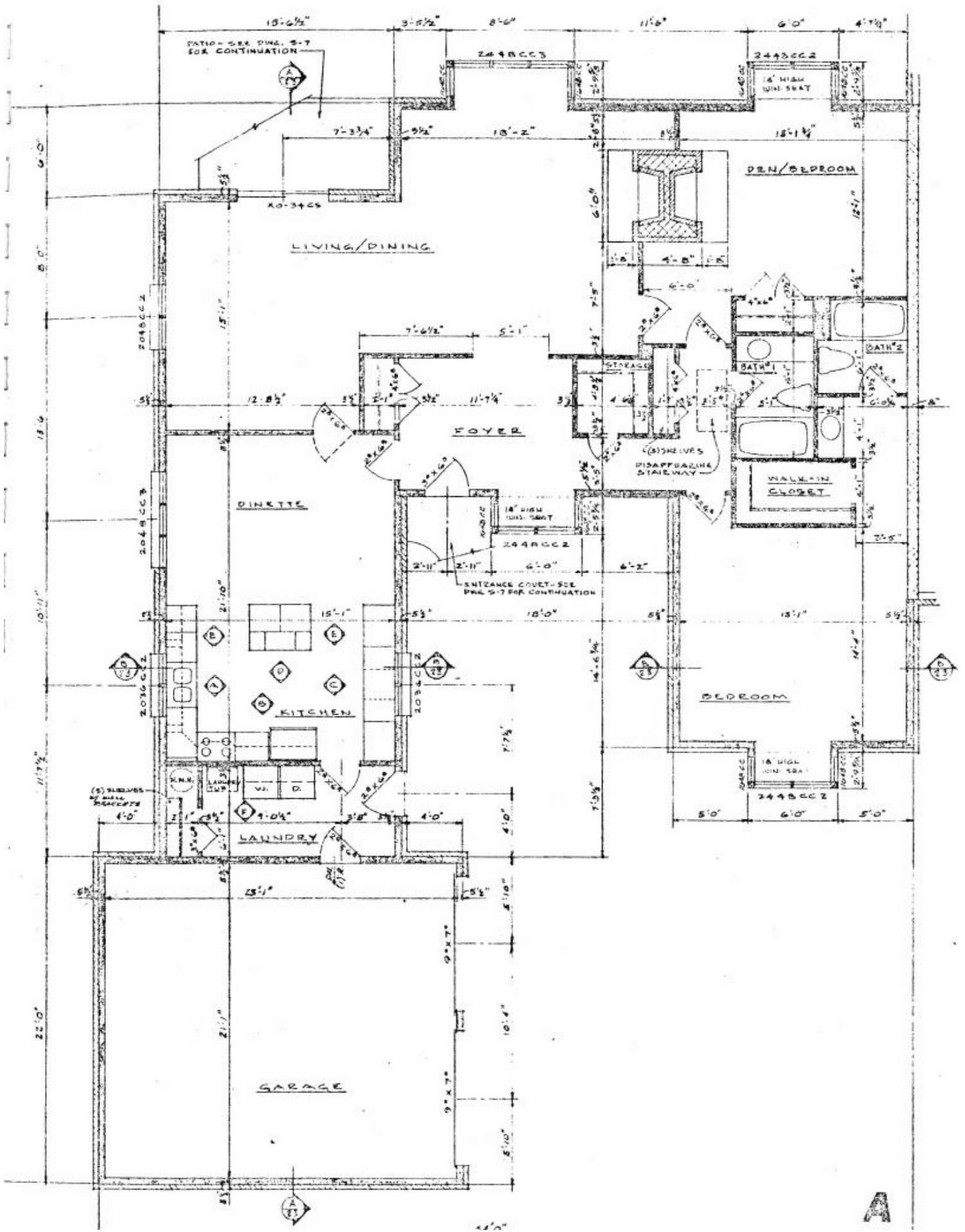


* With Basement

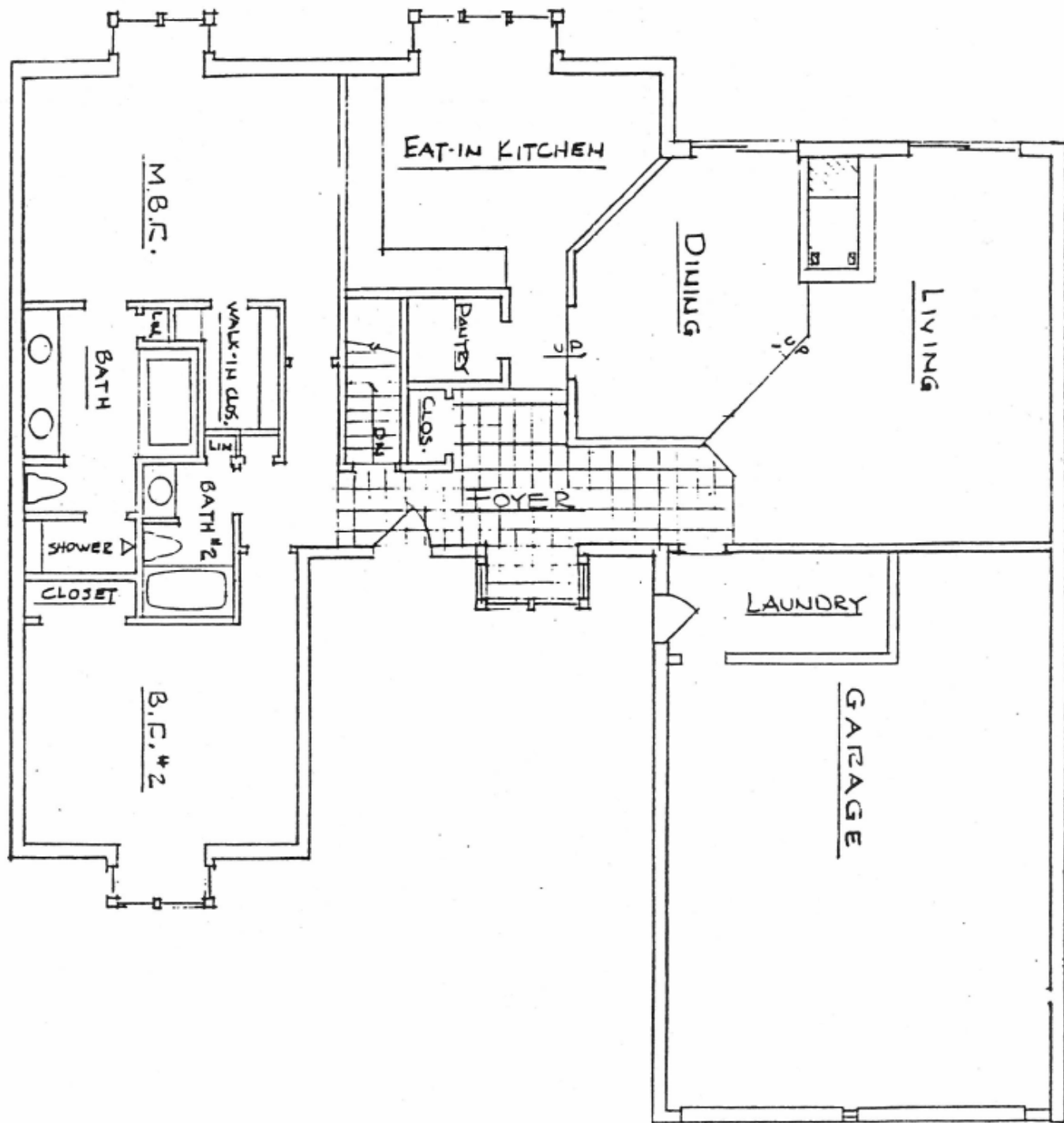
- 1. A
- 2. B SOLD
- 3. C SOLD
- 4. B SOLD
- 5. B SOLD
- 6. D SOLD
- 7. B
- 8. D SOLD
- 9. D
- 10. B
- 11. A SOLD
- 12. D
- 13. B
- 14. A SOLD
- 15. D* SOLD
- 16. B*
- 17. C*
- 18. C*
- 19. A*
- 20. A*
- 21. B*

LEGEND

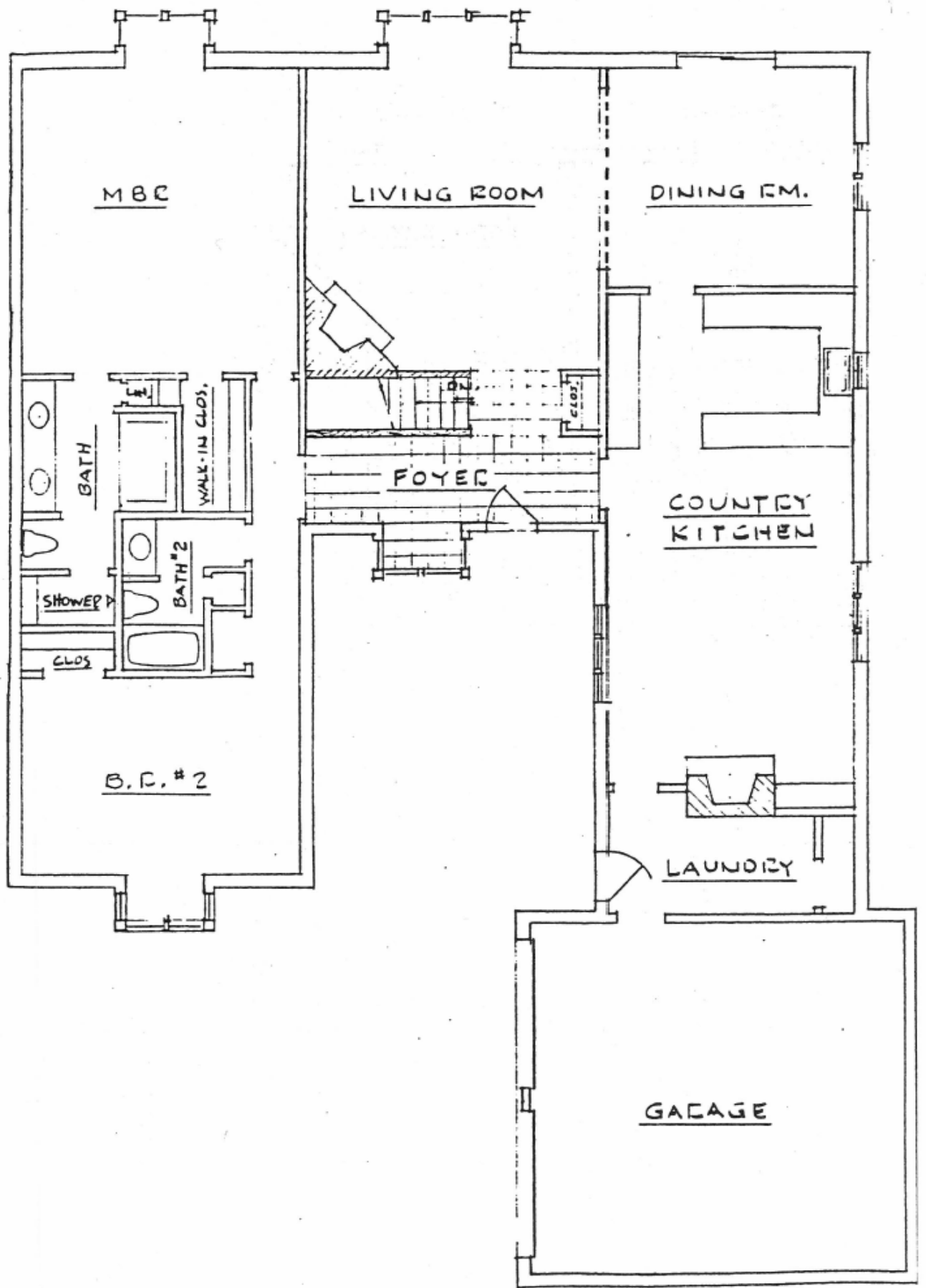




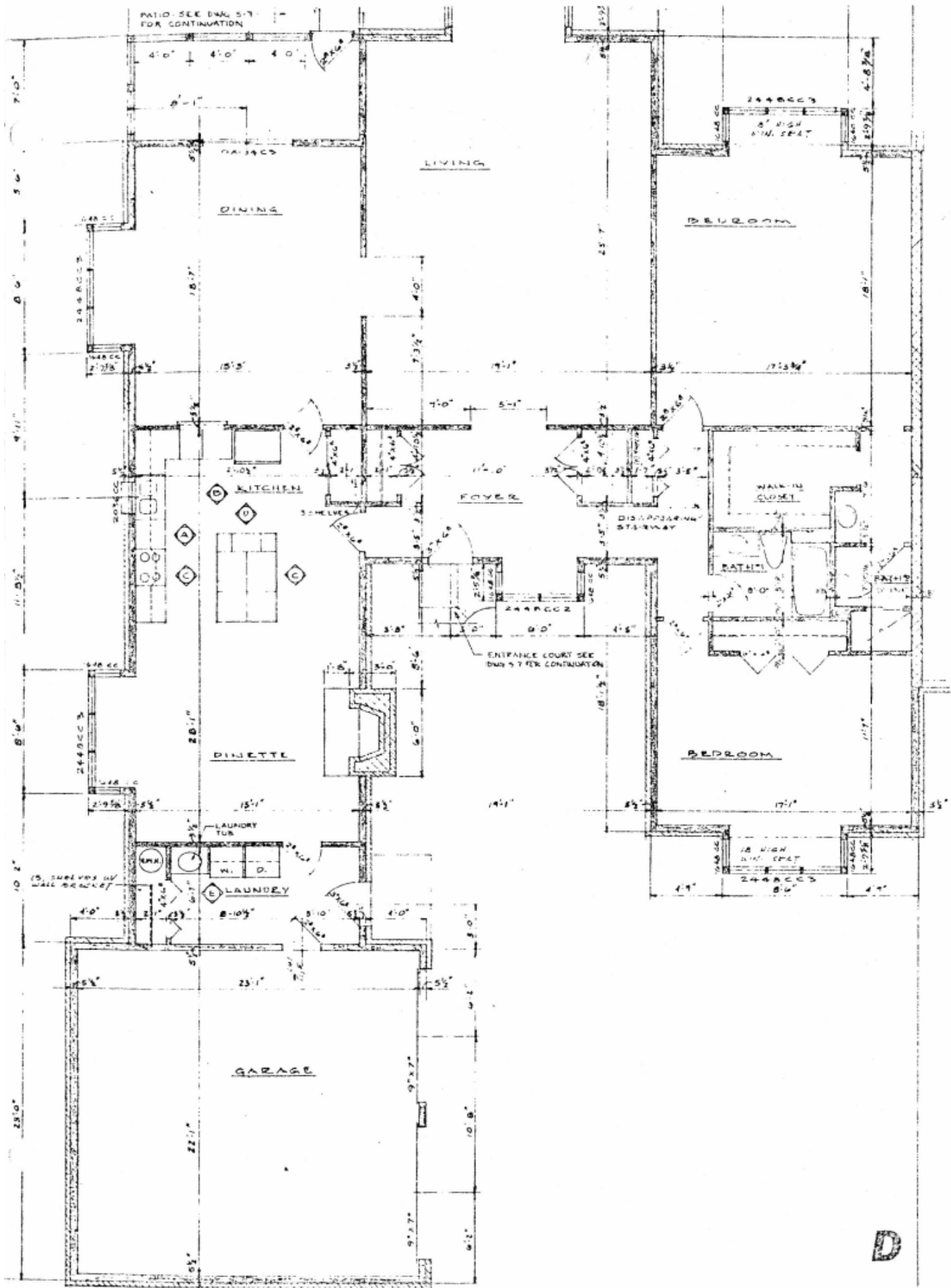
A



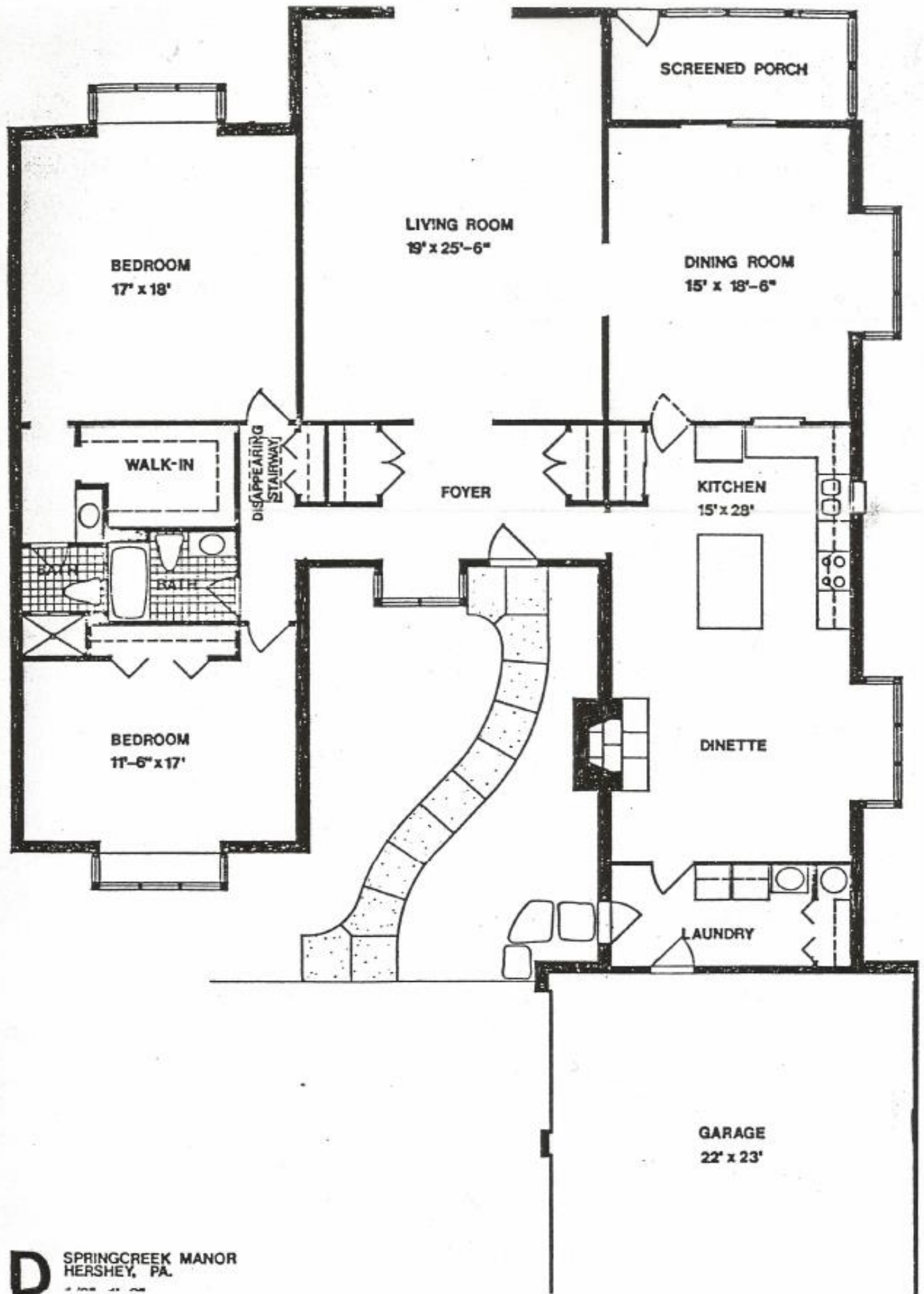
MODEL B ALT.



MODEL C



D



D SPRINGCREEK MANOR
HERSHEY, PA.

PRICE LIST

SCM 9/16/80

<u>UNIT</u>	<u>MODEL</u>	<u>SQ. FT.</u>	<u>PRICE</u>	
1	A	1,844	148,300	(Finished Unit)
2	B	1,723	SOLD	
3	C	2,337	SOLD	
4	B alt.	1,828	SOLD	
5	B alt.	1,828	SOLD	
6	D	2,435	SOLD	
7	B	1,723	126,630	
8	D	2,435	SOLD	
9	D	2,435	167,530	
10	B	1,723	126,630	
11	A	1,844	SOLD	
12	D	2,435	170,530	
13	B	1,723	129,630	128,430
14	A	1,844	SOLD	
15	D *	2,435 +	SOLD	
16	B *	1,723 +	138,930	137,430
17	C *	2,337 +	174,130	
18	C *	2,337 +	174,130	
19	A *	1,844 +	145,830	
20	A *	1,844 +	145,830	
21	B *	1,723 +	138,930	

* Indicates Model with Basement

Shed fireplace was deleted in 13816.

SALE PRICES INCLUDE:

- * Approximately a 1/11 interest in 11.365 acre site, complete with all site improvements, such as, drives, parking areas, landscaping, storm water system, water mains, sanitary sewer laterals, walks, outside lighting, etc.
- * Construction as per attached outline specifications, including garage, patio (or deck), (and screened porch in Plans C and D).
- * All insurance, interest, real estate taxes, utilities, etc. during the construction period.
- * Closing costs) including deed preparation, recording fees, transfer taxes and title insurance.

SPRINGCREEK MANOR
OUTLINE SPECIFICATION

10/16/79

EXTERIOR:

Frame Construction with Brick Veneer
Concrete Block Foundation, with 2" x 24" Polystyrene Vertical
Perimeter Insulation
Concrete slab on grade, with 4" stone fill, Polyethylene Vapor
Barrier and 2" x 24" Polystyrene Horizontal Perimeter-Insulation
(Note: Homes #16 thru #24 will have a wood floor system over a
crawl space or unfinished basement)
#340 Timberline - Asphalt Roof Shingles
Pella Wood Windows, Aluminum clad (with insulated glass and
screens)
Insulated and fully Weatherstripped Outside Entrance Doors
All Painting required
Concrete patio or outside wood decks (as determined by grade), (or
screened porch on Plans C and D)
2-car garage with 2 overhead doors and with radio controlled elec-
tric openers

INTERIOR:

Insulation - R-19 sidewalls, R-30 ceiling
HVAC - G.E. Weathertron Heat Pump (newest energy efficient system)
Electrical Wiring and Recessed Lighting Fixtures
Drywall (finished, ready for paint or wallpaper)
Millwork and finish hardware
Plumbing (including American Standard fixtures) with Ceramic Tile
or Fiberglass Wall Coverings at Tubs
Fireplaces (finished)
General Electric Appliances
Stove top
Range hood
Self-clean ovens
Garbage Disposal
Deluxe dishwasher
Self-defrost refrigerator
Washer and Dryer
Kitchen cabinets and bath vanities - \$5,000.00 allowance

NOT INCLUDED:

Floor coverings (carpeting and resilient floors)
Wall finishes (paint, wallpaper, etc.)
Surface mounted decorative light fixtures