

PUBLIC OFFERING STATEMENT

THE GABLES AT JACKSON

A. NOTICE

- (i) Within seven days after receipt of a public offering statement or an amendment to the public offering statement that materially and adversely affects the rights or obligations of the purchaser, the purchaser, before conveyance, may cancel any contract for purchase of a unit from a declarant.
- (ii) If a declarant fails to provide a public offering statement and any amendments to a purchaser before conveying a unit, the purchaser may recover from the declarant damages as provided in 68 Pa.C.S.A. §5406(c), as set forth below.
- (iii) That, if a purchaser receives the public offering statement more than seven days before signing a contract, the purchaser cannot cancel the contract unless there is an amendment to the public offering statement that would have a material and adverse effect on the rights or obligations of that purchaser.

PURCHASER'S RIGHT TO CANCEL

If a declarant fails to provide a purchaser to whom a unit is conveyed with a public offering statement and all amendments thereto as required by subsection (a), the purchaser, in addition to any other relief, is 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 or actual damages, whichever is the greater amount. 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.

B. STATUTORY DISCLOSURE

1. The Declarants of The Gables At Jackson are **PATRICK T. KREISER** and **SHAWN YVETTE GERHARDT-KREISER**.

2. The Gables at Jackson is a planned community consisting of single family homes and townhome units. Commencement of the construction of units began in the summer of 2007. The date of completion of construction of all building units is unknown (but is anticipated to take several years). The planned community will include some common areas that will be maintained by The Gables at Jackson Homeowners Association. There will be common areas utilized for water retention, drainage and recreational uses. The common areas will also include alleys to the rear of townhome units.

3. It is expected the community will have ninety-one (91) single family homes and one hundred seventy-nine (179) townhome units. There will typically be between three (3) and five (5) units in each detached townhome structure.

4. No additional units are presently contemplated in the planned community, except as set forth above. Whether or not units will be purchased in blocks by investors is unknown as of the preparation of this Statement. Units are available for sale to such investors.

5. No land subject to the planned community is available to be withdrawn by the Declarant.

6. A copy of the Declaration and Covenants and Easements has been provided to the Buyer with this Public Offering Statement.

7. The estimated annual budget for The Gables at Jackson Homeowners Association prepared by Declarants is attached to this Public Offering Statement. However, it is only an estimate and no actual budgets have been developed by the Association. The estimated annual budget does not include reserves for repairs, replacement or other material capital expenditures.

8. Except for a prorated annual Association dues when they are instituted, no initial or special fees shall be due from the Buyer at Closing.

9. The Declarant has financing for the development through Fulton Bank, which financing is secured by a lien on the planned community. The lien will be released as to each lot owner at the time of Closing. Any lien on the common areas will be removed prior to their conveyance to the Association.

10. The Declarant offers no financing for the purchase of lots.

11. The Declarant does have a New Construction (Limited) Warranty. That document has been provided to Purchaser. It is incorporated herein by reference.

12. There are no judgments against The Gables at Jackson Homeowners Association.

13. The common areas of The Gables at Jackson are to be maintained indefinitely by The Gables at Jackson Homeowners Association for the common benefit and use of the unit owners, subject only to the right of the unit owners to modify the Declaration in accordance with its terms.

14. Declarants and the Association will not be maintaining insurance coverage on the specific units. However, it is expected that Declarant or ultimately, the Association will provide liability insurance coverage for the common areas.

15. Other than the dues to be paid to the Association, no fees or charges are anticipated for use of the common areas by unit owners.

16. Other than general financing for purposes of concluding the development, Declarants have made no other financial arrangements for improvements that must be built under the plan documents. However, Declarants will be responsible for the cost of completing all improvements on the land development plans. The Homeowners Association will be responsible for maintaining those improvements (common areas and entrance signs) conveyed to the

Association by Declarants. Declarants have begun construction of the public sewer and public water extensions to service the development. All such installations have been installed since April of 2007. Declarants have also begun construction of road surfaces planned in the development. Construction of all structural components and major utilities are ongoing. The date of completion is unknown and could take several years, depending on how the sale of lots and homes in the development progresses. The useful life of these roads and utility installations is unknown. It is expected that the roads, together with the public water and sewer extensions, will be conveyed to the appropriate municipal organization or authority, who will then be responsible for maintaining them. However, alleys will be conveyed to The Gables at Jackson Homeowners Association, who will be responsible for maintaining them. The expected useful life of the alley surfaces is generally believed to be at least ten (10) years. The estimated costs of resurfacing the alleys within The Gables at Jackson is unknown at this time, but can be expected to exceed One Hundred Fifty Thousand Dollars (\$150,000) in current dollars.

17. The allocation of votes among unit owners is described in the Declaration, which has been provided along with this Public Offering Statement.

18. The Declarants are required to secure building permits for the construction of units. Declarants have secured certain permits and begun construction of some units. Permits will be acquired as the Declarants proceed with construction of other units as circumstances warrant. Declarants have secured a Highway Occupancy Permit from PennDOT. Declarants have received all needed governmental approvals for the land development and subdivision plans. Declarants will secure occupancy permits upon the completion of each particular unit. Declarants are responsible for the expense of obtaining all such approvals and permits.

19. Declarants are aware of no outstanding notices or uncured violations of government requirements.

20. To the best of Declarants' knowledge, there are no hazardous substances existing within the planned community. There are no known underground storage tanks. Since The Gables at Jackson was developed from farmland, no investigation relating to the presence of hazardous substances or conditions was undertaken by Declarants.

21. A description of all the areas to be designated by Declarants as common areas is contained in the Declaration which has been provided with this Public Offering Statement.

22. Declarants shall be obligated to complete all storm water management facilities, utilities, roads and the common areas as designated in the plans. Declarants will be responsible to pay for these improvements and will use financing through Fulton Bank or other appropriate lenders, as warranted. Declarants anticipate it will take several years to complete construction of all units, as well as facilities and amenities, within The Gables at Jackson. The common areas, including the alleys, will be owned by The Gables at Jackson Homeowners Association. Other roads will be conveyed to Jackson Township. The responsibilities of the unit owners and the Association, respectively, regarding the units and common areas are set forth in the Declaration.

THE UNDERSIGNED RECEIVED A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH THE DECLARATION AND ESTIMATED BUDGET, ON THE _____ DAY OF _____, 20____.

Date: _____

"BUYER"

Date: _____

"BUYER"