

**PURCHASER SHOULD READ THIS DOCUMENT BEFORE
SIGNING A CONTRACT TO PURCHASE A CONDOMINIUM UNIT**

PUBLIC OFFERING STATEMENT

FOR

THE RIVERSIDE COURT CONDOMINIUM PHASE II

BY

BERKSHIRE DEVELOPMENT CORPORATION

**PURSUANT TO
La. R.S. 9:1124.102**

1. There is annexed hereto as Exhibit I, a copy of the Declaration of Condominium of The Riverside Court Condominium Phase II.
2. The Articles of Incorporation of The Riverside Court Condominium Association Phase II, Inc. are annexed as Exhibit "D" to the Declaration.
3. The By-Laws of The Riverside Court Condominium Association Phase II, Inc. are annexed as Exhibit "E" to the Declaration.
4. There are no predial leases or subleases affecting the condominium property.
5. The Declarant has entered into a contract for management of the condominium with Drumm Real Estate Management, Inc., a Louisiana corporation affiliated with Declarant. A copy of the Management Agreement is annexed hereto as Exhibit II.
6. The projected operating budget for the association is annexed as Exhibit "B" to the Declaration. An initial reserve for working capital and replacement will be established by the collection of two months' assessments at the sale of each unit by Declarant for a total of \$25,150.50. The budget provides for an annual reserve for repairs and replacement of \$1,550.00 for operating contingencies and \$4,275.00 for capital reserves per annum and for insurance premiums of \$19,800.00 per annum.
7. The Riverside Court Condominium Phase II consists of units which have been established as independent, single-family residences susceptible of individual ownership by the terms and provisions of the Declaration of Condominium.

Essentially, each unit owner will own, in fee simple, all of the space within the boundaries of his unit, together with an undivided interest, owned in common with all other unit owners, in the building and other structures comprising the condominium and the ground upon which they are situated.

The units are set forth on the plat and are designated by their identifying number. The common elements shall remain in undivided ownership and no person shall have the right to a partition or division of the common elements.

The management of the condominium is under the control of the Association, a non-profit corporation of which the unit owners are the sole members. The Association itself is governed by its Board of Directors. Initially, the Board will be comprised of individuals selected and appointed by the Declarant. The Articles and By-Laws provide for transfer of control to the unit owners by July 1, 1984, or sooner, depending upon the rapidity of sale of the units by the Declarant.

Each unit owner shall have the right to use the common elements and shall be responsible for a proportionate share of the common expenses for maintaining the common elements. In regard to the first year of operation, the declarants guarantee to pay any current expenses not covered by the regular assessments to unit purchasers pursuant to the budget annexed hereto.

The Declaration provides for procedures for levy and collection of assessments by the Association. The assessments may be enforced with a lien against each unit.

Each unit owner shall have the right to mortgage his unit together with its respective ownership in the common elements. Each unit owner will receive a separate real estate tax bill for his unit. Insurance shall be provided by the Association for common elements and limited common elements, including hazard, fire and extended coverage and flood insurance. The Association shall also provide liability insurance for the common areas. It will be necessary for each unit owner to obtain his own insurance (hazard, homeowners, flood, etc.) for the personal contents of the unit and limited common areas together with personal liability insurance.

In the event of damage to the condominium property by fire, the Declaration vests the Association with certain authority relative to the use of proceeds from insurance policies. The Association has the authority to repair or rebuild damaged portions of a unit and the common elements. In event of total destruction, the Association may rebuild or deliver proceeds to unit owners, subject to the rights of the mortgagees.

There shall be no alterations or modifications of the common elements without Association approval. Each unit owner shall be responsible for decorating and maintaining his own unit at his own expense. The Declaration also provides for use and occupancy restrictions of the subject property. In the event of violation of any of the provisions of the Declaration, the Association shall have authority to proceed with legal action to enforce the terms and conditions of the Declaration.

The Declaration may be changed and modified by a vote of unit owners totaling not less than 75% of the total ownership of the common elements.

8. A floor plan of each of the Units, by unit type, is annexed as Exhibit III.
9. The Budget sets forth and describes for each Unit an amount designated therein as the "Monthly Assessment". For a period (hereinafter referred to as the "Initial Period") of one year from and after the first day of the calendar month next following the date of recording of the Declaration, each unit owner other than Declarant shall pay and be responsible for monthly and, his proportionate share of the common expenses shall be deemed to be, his respective Monthly Assessment. If the total monthly assessments collected are greater than the actual common expenses incurred during the Initial period, such excess shall be thereafter used as the Board may prescribe. However, if the total Monthly Assessments payable by unit purchasers during the Initial Period are less than the actual common expenses incurred during the Initial Period, such deficiency shall be paid solely by Declarant. During the Initial Period, Declarant shall not be liable to pay Monthly Assessments on the units owned by it. After the "Initial Period" each unit owner, including Declarant, shall pay the Monthly Assessment imposed by the Association.
10. Within fifteen (15) days from the receipt of a copy of this Public Offering Statement the attachments annexed hereto and the reports described in Paragraph 11 hereof, a purchaser, before conveyance, may cancel any contract to purchase a unit from Declarant.
11. THERE SHALL BE DELIVERED TO EACH PURCHASER, CONTEMPORANEOUSLY WITH DELIVERY OF THIS PUBLIC OFFERING STATEMENT, A

REPORT PREPARED BY GUY F. LEMIEUX, A REGISTERED PROFESSIONAL ENGINEER AND PRESIDENT OF CONSTRUCTION CONTROL SERVICES, DESCRIBING THE PRESENT CONDITION OF ALL STRUCTURAL COMPONENTS, THE ROOF, AND THE MECHANICAL AND ELECTRICAL INSTALLATIONS, MATERIAL TO THE USE AND ENJOYMENT OF THE CONDOMINIUM. WITH THE CCS REPORT WILL BE A SUMMARY OF THE RENOVATION AND CORRECTIVE WORK WHICH WILL BE PERFORMED BY DECLARANT AT DECLARANT'S COST. EXCEPT FOR THIS WORK, THE DECLARANT WILL HAVE NO LIABILITY FOR THE PERFORMANCE OF CORRECTIVE WORK OR OTHER RENOVATION TO THE CONDOMINIUM. THE DECLARANT MAKES NO REPRESENTATIONS REGARDING THE REMAINING USEFUL LIFE OF THE ITEMS DESCRIBED IN THE REPORT. THE DECLARANT MAKES NO WARRANTY AS TO THE CONDITION OF THE IMPROVEMENTS COMPRISING THE COMMON ELEMENTS.

12. Declarant has received no notice of, and to the best of Declarant's knowledge, there are no outstanding notices of incurred building codes or other municipal regulations. There are no potential or pending suits against the Association. The Association is not a party to any pending litigation nor is there any unsatisfied judgment outstanding against the Association. Declarant has no knowledge of any pending suits or claims material to the Condominium.
13. **DISCLAIMER OF WARRANTY.** THE DECLARANT WILL TRANSFER AND CONVEY EACH UNIT WITH GOOD AND MERCHANTABLE TITLE, FREE AND CLEAR OF ALL LIENS AND ENCUMBRANCES, OTHER THAN ALL SERVITUDES, TITLE AND ZONING RESTRICTIONS OF RECORD OR CREATED BY LAW OR ORDINANCE, AND THE TERMS AND CONDITIONS, RESERVATIONS, COVENANTS, EASEMENTS, SERVITUDES, RESTRICTIONS, AGREEMENTS, LIMITATIONS ON TITLE, AND OTHER RIGHTS AND OBLIGATIONS PROVIDED IN THE LOUISIANA CONDOMINIUM ACT, LARS 9:1121.01 et seq, AS AMENDED (THE "ACT"), OR CONTAINED OR INCORPORATED BY REFERENCE IN THE CONDOMINIUM DOCUMENTS. THE DEVELOPER NEITHER MAKES NOR ASSUMES ANY SPECIAL WARRANTIES, OTHER THAN THOSE WHICH MAY BE IMPLIED IN LAW, WITH RESPECT TO THE UNIT TO BE TRANSFERRED OR OTHER PORTIONS OF THE CONDOMINIUM PROPERTY.

THE CONDOMINIUM IN WHICH PURCHASER'S UNIT IS LOCATED IS AN EXISTING BUILDING WHICH IN THE PAST HAS BEEN UTILIZED AS A RENTAL APARTMENT BUILDING, AND IS NOT A NEW BUILDING. PURCHASER HAS INSPECTED SAID UNIT TOGETHER WITH ALL OF THE COMMON ELEMENTS LOCATED IN SAID BUILDING AND ACCEPTS SAME IN THEIR EXISTING CONDITIONS AND ACKNOWLEDGES THAT PURCHASER HAS BEEN INFORMED THAT SAID BUILDING IS NOT A NEW BUILDING. THE CONDOMINIUM UNIT, ITS CONTENTS, ANY MOVABLES, FIXTURES OR APPLIANCES, AND APPURTENANT COMMON ELEMENTS ARE SOLD ON AN "AS IS" BASIS, WITHOUT ANY WARRANTY WHATSOEVER, EITHER EXPRESSED OR IMPLIED, AGAINST PATENT OR LATENT DEFECTS OR VICES. THIS WAIVER IS MADE WITH SPECIFIC INTENT TO WAIVE ANY AND ALL RIGHTS TO PROCEED AGAINST VENDOR IN REDHIBITION OR QUANTI MINORIS FOR RETURN OR REDUCTION OF THE PURCHASE PRICE, EXPENSES OF THIS SALE, INTEREST, DAMAGES, OR OTHERWISE.

INCLUDED WITH THE UNIT SOLD ARE ALL APPLIANCES AND FIXTURES IN THE UNIT, AS TO THESE ITEMS, AND AS TO ANY OTHER CONSUMER PRODUCTS (AS THAT TERM MAY BE DEFINED UNDER APPLICABLE FEDERAL LAWS) WHICH MAY BE CONTAINED IN THE UNIT, VENDOR NEITHER MAKES NOR ADOPTS ANY WARRANTY OF ANY NATURE REGARDING SUCH APPLIANCES, FIXTURES AND OTHER CONSUMER PRODUCTS. THE ONLY WARRANTIES MADE WITH RESPECT TO SUCH APPLIANCES, FIXTURES, CONSUMER PRODUCTS ARE THOSE, IF ANY, OF THE MANUFACTURER AND/OR OTHER SUPPLIER.

14. Merger of Condominium. In the Declaration of Condominium establishing Riverside Court Condominium Phase I, Declarant has reserved the right to merge Riverside Court Condominium Phase I ("Phase I") and Riverside Court Condominium Phase II ("Phase II") into a single condominium property regime. Declarant does not intend to exercise its right to merge Phase I and Phase II into a single condominium property regime, and has relinquished said right to the individual Unit Owners of Phase I and Phase II. Such merger will be based on the approval of all Unit Owners in Phase I and Phase II. In the event there is a merger of Phase I and Phase II, the said Unit Owners shall have interests in the Common Elements, voting power and share of common expenses and surplus as set forth on Exhibits F (Combined Budget) and G (Combined Common Element Interest) of the Declaration.

15. During the initial year of operation, the Association will maintain the following insurance coverage on the condominium property and for the benefit of the unit owners.

a) Building All Risk coverages, replacement cost without depreciation - all property losses subject to a \$1,000.00 deductible.

b) Liability coverage \$500,000.00 Primary Combined Single Limit, Comprehensive form and includes Personal Injury Coverages.
\$1,000,000.00 Excess

Annual Premium - \$19,800.00

New Orleans, Louisiana, this day of _____, 198__.

DECLARANT

BERKSHIRE DEVELOPMENT CORPORATION

BY: _____
STREUBY L. DRUMM, JR.
President

CCS INSPECTION REPORT

ENGINEERING REPORT

RIVERSIDE CONDOMINIUMS - PHASE II

TABLE OF CONTENTS

Introduction.....	2
Architectural & Structural	3
Plumbing.....	5
Electrical	6
Heating & Air Conditioning	6
Conclusion	8

CCS INSPECTION REPORT

INTRODUCTION

The two complexes of apartment buildings, which now constitute the Riverside Court Condo, located at 6300/6320 Ackel St. There exist 10 separate structures housing various sized apartments totalling 83 units at the 6300 Ackel St. address. There exist 9 separate structures with various configurations for a total of 115 units at the 6320 Ackel St. address.

The first visual inspection of these properties was conducted on July 1, 1983 at which time the identity of the complex was that of the Berkshire Apartments. We made subsequent visits at various dates throughout the month of July and it became known to us that the properties were to be known as the Riverside Court Condos for future identification.

The 10 buildings of 6300 Ackel St. consist of:

- 1 efficiency apartment
- 2 one-bedroom apartments
- 62 two-bedroom apartments
- 18 three-bedroom apartments
- 83 total apartments

The 9 buildings of 6320 Ackel St. consist of:

- 1 efficiency apartment
- 42 one-bedroom apartments
- 70 two-bedroom apartments
- 2 three-bedroom apartments
- 115 total apartments

It became evident as we continued visits into late July that needed remedial work was already in progress. This work will be noted later in the report in the particular areas of the project under review.

CCS INSPECTION REPORT

ARCHITECTURAL & STRUCTURAL

SITE

The location of these apartments is the northwestern section of Metairie, Louisiana in Jefferson Parish and is immediately north of Interstate Highway 10. The Interstate Highway 10 right of way is the southern line of the property.

The topography is flat. The area is a former cypress forest with soil of high humus content. The draining and compaction of this material will continue to allow any surface supported roads, walks or structures to slowly settle in comparison to structures supported by pilings. This rate of settlement is not constant and cannot be predicted. It is barely perceptible on an annual basis.

The rough surfaces of the drives and parking areas are primarily a result of this settlement.

STRUCTURAL

Adequate support for the buildings of the complex was attained by the use of wood pilings topped by 2 reinforced concrete slab and grade beams system. This structural slab and beam system is the ground floor of the apartments. The ground floor slab is about fifteen inches higher than the ground level. The upper floors are supported by 2 x 4 or 2 x 6 wood studs as indicated on the design architect's drawings.

The structural soundness of the various buildings is readily apparent in the straight and level sight lines and the lack of any cracks or separations in walls or slabs.
Doors throughout the buildings swing easily without binding.

The ground floor concrete walks immediately adjacent to the apartment entrances are also pile supported so that the stepup height from walk to entrance door remains constant throughout the project.

CCS INSPECTION REPORT

ARCHITECTURAL

The apartments were constructed 12 years ago and each of the two groups is self-sufficient in that each has its own recreation room near a swimming pool as well as laundry room and mechanical room. The condition of the mechanical equipment will be addressed later in this report.

The individual buildings consist of two story and three story units. The three story structures contain the perthouses and two story townhouses.

The architectural style is contemporary apartment, modest budget. They are of frame construction with the exterior first floor walls of brick veneer. The second floor walls are weathered wood. The upper levels walls are mansard type construction with black asphalt shingles. The roofs are flat built-up type which at time of first visits to the site were found to be aging rapidly. We have been advised that repairs would not be attempted but completely new roof would be laid and such work is now in progress.

The windows are aluminum frame type. Exterior doors are solid core flush wood veneer some of which are showing slight signs of delamination.

Since the interior finish of the individual apartments will be arranged between the buyers and sellers we have made no evaluation of individual interiors.

The upper apartments are entered from common galleries or balconies which are of concrete on wood decking supported by wood joists. Access to these upper levels is by steel framed stairs with steel hand rails and concrete filled treads in steel pans. These balconies and stairs were in varying degrees of disrepair when first observed.

Much intensive reworking is now evident. The broken concrete of the balconies is being replaced after damaged wood supports are renewed. A waterproofing procedure is placed above the wood decking before the concrete is replaced.

OCS INSPECTION REPORT

The concrete surface is broom finished to provide a good footing surface. The steel stairs noted earlier as needing maintenance are being redone as needed after the adjacent gallery/balcony repairs are done.

Sound control is another architectural consideration. We found that the wall construction between apartments was of staggered studs with gypsum board on both sides and with insulation batts in the cavity of the wall. The joints of the gypsum board were taped and floated so that the wall assembly would rate a sound transmission class of 48 which is the minimum range for apartment construction of this period.

Floor and ceiling construction is of concrete with carpet and cushion controls sound above and below. Very low frequency sounds can resonate through these floors, such as heavy stomping or dropping heavy items. Normal living sounds would be barely perceptible.

RECREATION ROOMS

These two rooms are only in fair condition. Repairs are needed for walls, ceilings and floors. *The air handling units have not been adequately maintained.*

SWIMMING POOLS

These are in fair condition and are presently undergoing renovation to be returned to good appearance.

PLUMBING

Sewerage and water service is provided by Jefferson Parish. The water is metered to each of the two groups of apartments. *The water piping is of copper and is providing good supply and pressure. Since this is a relatively new complex there is reason to believe that the plumbing installation was constructed in conformity with building code requirements. Normal maintenance has been the only needed action to provide satisfactory service.*

CCS INSPECTION REPORT

Natural gas service is provided by Louisiana Gas Service Company. The only areas in which gas is used are the mechanical rooms for the boilers and the laundry room for the dryers.

ELECTRICAL

Electricity is furnished through separate entrances to each complex by Louisiana Power & Light Company. Service is provided by a three Phase-4 wire system. Service is adequate for the connected loads of electrical equipment in the buildings. Wiring in the mechanical rooms appears to be through copper conductors while the wiring of the apartments is aluminum conductors. There was no report of unusual electrical problems to date. All kitchen appliances are electrically operated.

AIR CONDITIONING AND HEATING

There is a two pipe system using the same supply and return lines for both heating water and cooling water. The change from one to the other is theoretically controlled automatically by a sensing of the exterior air temperature. The two mechanical rooms are similar. The heating of water is in a Laars boiler model 6300D with an output of 5,040,000 B.T.U./hour.

The water is chilled in a Chrysler Airtemp dual unit reciprocating compressor model Bw125. This equipment has proven to be adequately sized for the climate and the project.

The condition of the mechanical rooms and equipment during our early visits was very poor. The condenser water cooling towers were leaking from their locations in the mechanical rooms and draining through the surrounding parking areas. Tenants were voicing great annoyance with the lack of air conditioning reliability.

A recent visit shows a complete turnabout. New Marley condenser water cooling towers have been installed and the mechanical rooms have been cleaned and painted. Repair and replacement of defective pipes, pumps and pneumatic control system parts has been completed and is continuing to bring the systems into efficient operating condition.

CCS INSPECTION REPORT

The domestic hot water for the apartments is circulated from the mechanical heat exchanger installation obviating the need for individual heaters in each apartment.

CCS INSPECTION REPORT

CONCLUSION:

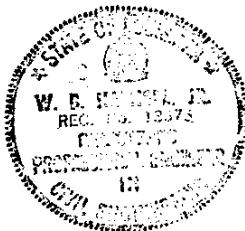
These premises are structurally sound. The early visit impression of drabness is being cosmetically improved with new color applications.

The upgrading of the mechanical equipment condition is a major improvement. The complex is being restored to a condition in conformity to its age and original quality.

This report does not in any way guarantee or warrant the building or its components from future problems which could arise as a result of latent defects. The report of the firm of Construction Control Services Corporation shall not in any way be used to express any kind of warranty or guarantee of the entire facility or any portion thereof. No opinion as to the useful life of the building or any of its component parts has been given by this firm. No statement made in this report shall be construed as a warranty of any kind or nature whatsoever in favor of any unit purchaser or the unit owners association.

W. B. Haensel

W. B. Haensel



RIVERSIDE COURT CONDOMINIUM

Refurbishment Report

For several weeks we have been busy making plans and obtaining proposals from contractors. Our objective has been the preparation of a comprehensive plan of physical and decorative treatment appropriate to the change in status of Riverside Court Condominium (Phase II from a rental property to a condominium community. Some major items in the plan involve correction of deferred maintenance, while others are primarily aesthetic in nature. The following is a brief summary of the information we want to share with you regarding the changes you may expect to see currently taking place and in the near future.

The Developer has entered into a refurbishment contract with Summit Service, Inc. Exterior improvements, systems renovation and upgrading and roof work. All of the work contracted with Summit Service, Inc. will be done at the Developer's expense and will not affect any of the funds generated from the monthly maintenance assessments or capital reserve funds of the Condominium Association. The following is a description of the services to be provided by Summit Service, Inc. and taken directly from the contract between it and the developer:

1. DOORS: To be repaired or replaced as needed including hardware.
2. EXTERIOR LIGHTING INCLUDING FIXTURES: To be repaired or replaced as needed.
3. LAUNDRY ROOMS: (The two located by the recreation room) to be refurbished like new, including equipment.
4. BALCONIES: Exterior balconies, walkways and fire escape balconies will be completely rebuilt by removing all concrete and rotted wood and replacing with necessary new lumber, new membrane, and lightweight concrete.
5. MECHANICAL ROOMS: To be completely overhauled with new equipment as necessary, to provide buildings with up-to-date heating and air conditioning.
6. PAINTING: Complete exterior, colors will be selected by owners.
7. PAVING: Restore to like new condition including striping and stop bumpers.
8. ROOFS: Replaced completely with new felt and Derbigum top coat. Support blocks for chilled water pipes included.
9. STEEL: Weld and repair and replace as needed.
10. POOLS: (2) to be completely reconditioned including equipment. New Furniture to selected by owners.
11. MAIL BOXES: To be refurbished and replaced as needed per U.S. Postal Code.
12. SMOKE DETECTORS: Battery operated Firex manufactured detectors to be installed in 198 units also in the laundry and recreation rooms.
13. FENCING: To be done by Arrow Fencing Co.
14. LANDSCAPING: As requested by owner, Robin Tanner will perform all landscaping.
15. POLY-PEBBLE: Where requested by developers.
16. ROOFTOP CHILLED WATER PIPES: To be insulated and covered with Aluminum Sheathing on all buildings.
17. WROUGHT IRON FENCE: To be fabricated, installed, and painted around each pool.
18. GUTTERS: To be replaced as necessary.

19. AIR HANDLERS: To be removed, coils cleaned, repaired as necessary and reinstalled. If beyond repair, a new air handler will be installed.
20. MANSARDS: To be repaired as necessary.
21. BRICKWORK: To be repaired as necessary.