

# COASTAL VIEW OFFERING PLAN





STATE OF NEW YORK  
OFFICE OF THE ATTORNEY GENERAL

  
ELLIOT SPITZER  
Attorney General

DIETRICH L. SNELL  
Deputy Attorney General  
Division of Public Advocacy

ERIC R. DINALLO  
Bureau Chief  
Investment Protection Bureau

(212) 416-8102

April 14, 2003

Louis M. D'Amato, Esq.  
Woods Oviatt Gilman LLP  
700 Crossroads Building  
2 State Street  
Rochester, NY 14614

RE: **Coastal View Association, Inc.**  
**File No. HO-03-0028**

Dear Mr. D'Amato:

The Department of Law has reviewed your application for CPS-7 treatment submitted on March 31, 2003 for the above-captioned homeowner's association by letter dated March 28, 2003.

Based upon the affidavit and supporting documentation submitted by you in connection with the application, such CPS-7 treatment is granted as of the date of submission. Accordingly, no enforcement action will be taken against you for failure to file an offering plan in compliance with General Business Law Section 352-e provided that you are in full compliance with the representations made in the CPS-7 application.

The granting of CPS-7 treatment is on such terms and conditions as the Department of Law may impose, in its discretion, in order to protect the public interest. It is based solely on the information provided in the application. Any material misstatement or omission of a material fact in the application may render the CPS-7 treatment void ab initio and may subject you to enforcement action.

The granting of this CPS-7 treatment shall not be construed to be a waiver of, or limitation on, the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable provisions of law.

Very truly yours, 

Marissa Piesman  
Assistant Attorney General

**AFFIDAVIT FOR OFFERING  
DI MINIMUS COOPERATIVE INTERESTS**

STATE OF NEW YORK )  
COUNTY OF MONROE ) ss.:

**RE: COASTAL VIEW ASSOCIATION, INC.  
COASTAL VIEW SUBDIVISION, WEBSTER, MONROE COUNTY,  
NEW YORK**

The undersigned being duly sworn depose and say:

1. Lake Landing, LLC is a joint venture of Aristo Lake Venture, LLC, a New York limited liability company, and Hegedorn Associates, LLC, a New York limited liability company.

Lake Landing, LLC, is the "Sponsor" of Coastal View Association, Inc.

2. Stacey Haralambides is the managing and sole member of Aristo Lake Venture, LLC, with offices at 29 Barchan Dune Rise, Victor, New York 14564.

Brian Hegedorn is the managing member of Hegedorn Associates, LLC, with offices at 964 Ridge Road, Webster, New York 14580.

3. Stacey Haralambides, as the managing and sole member of Aristo Lake Venture, LLC, joins in this Application.

Brian Hegedorn as the managing member of Hegedorn Associates, LLC, joins in this Application.

Stacey Haralambides and Brian Hegedorn are the sole members of the respective limited liability companies actively participating in the development and offering of Coastal View Association, Inc.

4. Sponsor is the owner of Coastal View Subdivision, Section 1. Attached hereto is a copy of the deed into Sponsor, together with a current copy of the Preliminary Title Report indicating that Sponsor is the present owner of Coastal View Subdivision, Section 1. The future sections of Coastal View Subdivision are owned by Hegedorn Associates, LLC. Hegedorn Associates, LLC has a binding contract with the Sponsor, under which contract the Sponsor will acquire future sections of Coastal View Subdivision.

5. The Concept Approval for Coastal View Subdivision received from the Webster Town Planning Board anticipates multiple single family housing types, including detached estate and villa homes, and attached townhomes (however, the Sponsor gives no assurance and makes no representation that townhomes will ultimately be constructed within Coastal View Subdivision).

The entire subdivision will comprise a master or umbrella homeowners association known as Coastal View Association, Inc. Every purchaser of a home in Coastal View Subdivision will be a member of Coastal View Association, Inc.

The property which is to be cooperatively owned or maintained by the Coastal View Association, Inc. consists of the following:

- (a) Open space and landscaped areas.
- (b) Subdivision entrance monument.
- (c) Lake front open air protected observation patio.
- (d) Access to shoreline.
- (e) Private driveway serving Lots 102, 103 and 104 of Coastal View Subdivision, Section 1.

Additionally, the 24 villa homes within Coastal View Subdivision, that is Lots 125-148 inclusive, will comprise a sub-association known as Coastal Villas Association, Inc. Every purchaser of a villa home in Coastal View Subdivision also will be a member of Coastal Villas Association, Inc., and in addition to this offering literature regarding Coastal View Association, Inc., will receive offering literature regarding Coastal Villas Association, Inc.

6. This development and the amenities contained on the property to be cooperatively owned or maintained by Coastal View Association, Inc. complies with the Attorney General's Requirements for CPS-7 Treatment.
7. The property is vacant residential land, and is to be improved by the rights-of-way, water mains, sanitary and storm sewers, and utilities. The Sponsor has no knowledge of any lawsuits, administrative proceedings, litigation or other proceedings the outcome of which may materially affect the offering, the property, or Sponsor's capacity to perform all of its obligations to the Coastal View Association, Inc. or the operation of Coastal View Association, Inc.
8. Coastal View Subdivision, Section 1, consists of 48 lots (Lots 101-148). Of the 48 lots, 47 lots (Lots 102-148) are being offered in conjunction with membership in Coastal View Association, Inc. Due to utility service not being available until

the completion of Coastal View Subdivision, Section 2, the 48<sup>th</sup> lot (Lot 101) will be offered for sale in conjunction with Coastal View Subdivision, Section 2. The monthly assessment per lot will be approximately \$49,00. For the sake of convenience, the assessment per lot will be paid quarterly or every three months in the amount of \$147.00. Based on existing concept plans, including additional future sections of Coastal View Subdivision, 123 homes are being offered in conjunction with membership in Coastal View Association, Inc., and upon completion the monthly assessment per lot will be approximately \$31.00. For the sake of convenience, the assessment per lot will be paid or every three months in the amount of \$93.00. The Sponsor reserves the right to revise the concept plan, and therefore the final number of homes is not guaranteed, and the quarterly assessment may vary accordingly. Purchasers are referred to the budget documentation attached and referenced in paragraph 14.(l).

9. The Sponsor will comply with the escrow and trust fund provisions of General Business Law Section 352-e(2-b) and Section 352-h and the Regulations adopted by the Attorney General in Part 22, and will hold down payments for the purchase of property in trust for the benefit of the Purchaser. Such funds will not be commingled with the monies of the Sponsor until actually employed in connection with the consummation of the transaction.
10. The Sponsor will provide to each Purchaser the following information:
  - (a) A statement that the purchase price of the home includes the cost of membership in Coastal View Association, Inc.
  - (b) A copy of the proposed Deed conveying the common area from Sponsor to Coastal View Association, Inc.
  - (c) A copy of each recorded Deed whereby the Sponsor derived title to each section of the property.
  - (d) The estimated quarterly or annual assessment and the proposed budget prepared in compliance with the requirements set forth in 13 NYCRR Section 22.3(g), including back-up documentation for all budget items associated with maintenance of the common amenities. If the project is built in phases, both the Budget for the initial phase and a Budget for all phases shall be submitted. As an alternative to including back-up documentation, a certification of the adequacy of the Budget in conformity with the requirements set forth in 13 NYCRR Section 22.4(d) may be provided.
  - (e) Disclosure of the escrow account as required by Section 22.3(k)(2) including the form for dispute resolution provided by the Attorney General.

- (f) Such other information as the Department of Law may require to be presented to each Purchaser.
10. The Sponsor agrees to furnish to each Purchaser a complete copy of the Application for CPS-7 Treatment and a copy of the letter granting such Treatment prior to accepting any down payment. If the letter granting such Treatment has not yet issued, the Sponsor agrees to furnish a copy of such letter to all Purchasers within 10 days of its issuance.
  11. The use for which the individual dwellings and property are being offered will comply, upon completion of construction, with the property's Certificate of Occupancy, and applicable Zoning, Building and Housing Laws, Rules and Regulations.
  12. The rights-of-way known as Coastal View Drive and Mill Stream Run will be dedicated to and maintained by the Town of Webster. The rights-of-way will be constructed in compliance with requirements of the Town of Webster. Sponsor is responsible for the cost of construction of the rights-of-way.
  13. If facts or circumstances contained in the Application underlying the granting of the Cooperative Policy Statement-7 Application change, the Sponsor will cease sales and submit a Supplemental Affidavit providing all the facts constituting such change. If the changes are material and adverse an offer of recession will be granted. Sales may recommence upon advice of the Department of Law. Such Supplemental Affidavit will be furnished to each offeree and each prior Purchaser whether or not such Purchaser has closed.
  14. Attached to this Affidavit are the following:
    - (a) Certification by the Sponsor and the Principles of Sponsor.
    - (b) A copy of the Declaration of Covenants, Restrictions, Easements and Liens establishing the obligations of the homeowners with respect to the commonly owned or maintained property.
    - (c) A copy of the Certificate of Incorporation.
    - (d) A copy of the By-Laws for Coastal View Association, Inc.
    - (e) A copy of the form Purchase Agreement for an individual lot.
    - (f) A copy of the Coastal View Subdivision Layout.
    - (g) A copy of the Coastal View Webster Planning Board Approval.

- (h) A check in the amount required by General Business Law Section 352-e(7)(a) made payable to the New York State Department of Law.
- (i) A Broker Dealer Statement (Form M-10) for the offerors accompanied by the check in the amount required by General Business Law Section 359-e(5).
- (j) A Statistical Information Card.
- (k) A copy of the Preliminary Title Report for the common area to be conveyed to Coastal View Association, Inc.
- (l) Deposit Escrow Agreement.
- (m) Association Budget, with back-up documentation.

*The rest of this page is intentionally left blank.*



LAKE LANDING, LLC  
By: Aristo Lake Venture, LLC

By: [Signature]  
Stacey Haralambides, managing member

Sworn to before me this 27  
day of March, 2003

[Signature]  
Notary Public

LOUIS M. D'AMATO  
NOTARY PUBLIC, State of New York  
Qualified in Monroe County  
Commission Expires Aug. 7, 2005

Aristo Lake Venture, LLC  
By: [Signature]  
Stacey Haralambides, managing member

Sworn to before me this 27  
day of March, 2003

[Signature]  
Notary Public

LOUIS M. D'AMATO  
NOTARY PUBLIC, State of New York  
Qualified in Monroe County  
Commission Expires Aug. 7, 2005

[Signature]  
Stacey Haralambides

Sworn to before me this 27  
day of March, 2003

[Signature]  
Notary Public

LOUIS M. D'AMATO  
NOTARY PUBLIC, State of New York  
Qualified in Monroe County  
Commission Expires Aug. 7, 2005

Hegedorn Associates, LLC  
By: [Signature]  
Brian Hegedorn, managing member

Sworn to before me this 27  
day of March, 2003

[Signature]  
Notary Public

LOUIS M. D'AMATO  
NOTARY PUBLIC, State of New York  
Qualified in Monroe County  
Commission Expires Aug. 7, 2005

[Signature]  
Brian Hegedorn

Sworn to before me this 27  
day of March, 2003

[Signature]  
Notary Public

LOUIS M. D'AMATO  
NOTARY PUBLIC, State of New York  
Qualified in Monroe County  
Commission Expires Aug. 7, 2005



**SPONSOR CERTIFICATION FOR CPS-7 TREATMENT  
FOR COASTAL VIEW ASSOCIATION, INC.**

STATE OF NEW YORK )  
COUNTY OF MONROE ) ss.:

**RE: COASTAL VIEW ASSOCIATION, INC., COASTAL VIEW SUBDIVISION,  
WEBSTER, MONROE COUNTY, NEW YORK**

The undersigned being duly sworn deposes and says as follows:

1. We are the Sponsor and the principals of the Sponsor of Coastal View Association, Inc. ("HOA").
2. We understand that we have primary responsibility for the compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 22, and such other laws and regulations as may be applicable, including the Application pursuant to CPS-7.
3. We have read the entire CPS-7 Application, including Sponsor's Affidavit. We have investigated the facts set forth in the Application and the underlying facts.
4. We have exercised due diligence to form a basis for this Certification. We jointly and severally certify that the Application gives full disclosure as to the amenities included in the HOA provides full disclosure as to the conditions of the property, identity of the parties involved and any lawsuits, administrative proceedings, litigation or other proceedings the outcome of which may materially affect the offering, the property, or Sponsor's capacity to perform all of its obligations to the HOA or the operation of the HOA, and complies with the Attorney General's requirements for granting a CPS-7 Application.
5. We certify that we shall correct any deficiencies in the original submission brought to our attention by the Department, serve such revisions on all purchasers, and offer rescission to such purchasers if required by the Department of Law.
6. This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100



# DECLARATION



***Declaration***

establishing

***COASTAL VIEW ASSOCIATION, INC.***

**LAKE LANDING, LLC  
29 Barchan Dune Rise  
Victor, New York**

**SPONSOR**

, 2003

**DATED**

, 2003

**RECORDED**

**WOODS OVIATT GILMAN LLP  
700 Crossroads Building, 2 State Street  
Rochester, New York 14614**

**ATTORNEYS FOR THE SPONSOR**

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,  
RESTRICTIONS, EASEMENTS, CHARGES AND LIENS

TABLE OF CONTENTS

	Page Number
ARTICLE I DEFINITIONS.....	2
ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION.....	3
ARTICLE III THE ASSOCIATION STRUCTURE, MEMBERSHIP, VOTING RIGHTS AND DIRECTORS.....	3
ARTICLE IV PROPERTY RIGHTS AND EASEMENTS.....	6
ARTICLE V ASSESSMENTS.....	9
ARTICLE VI MAINTENANCE BY THE ASSOCIATION.....	13
ARTICLE VII ARCHITECTURAL CONTROLS.....	16
ARTICLE VIII ENCROACHMENTS.....	19
ARTICLE IX INSURANCE AND RECONSTRUCTION.....	19
ARTICLE X GENERAL COVENANTS AND RESTRICTIONS.....	21
ARTICLE XI ENFORCEMENT, AMENDMENT AND DURATION OF DECLARATION.....	27
ARTICLE XII GENERAL.....	30



ARTICLE I  
DEFINITIONS

Section 1.01. Definitions. The following words, phrases or terms when used in this Declaration or in any Supplemental Declaration shall, unless the context otherwise prohibits, have the following meanings:

- A. "ASSOCIATION" shall mean and refer to the COASTAL VIEW ASSOCIATION, INC.
- B. "ASSOCIATION PROPERTY" shall mean and refer to all land, improvements and other properties heretofore or hereafter owned by or in possession of the Association.
- C. "DECLARATION" shall mean and refer to this document of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens as it may from time to time be supplemented, extended or amended in the manner provided for herein.
- D. "HOME" shall mean and refer to each completed dwelling, as evidenced by issuance of a Certificate of Occupancy by the Town of Webster, including garage, situated upon the Property or any such structure or improvement on the Property which is intended to be occupied as a residence or in conjunction with a residence.
- E. "LOT" shall mean and refer to any portion of the property (with the exception of Association Property as heretofore defined) under the scope of this Declaration and (i) identified as a separate parcel on the tax records of the Town of Webster or (ii) shown as a separate lot upon any recorded or filed subdivision map.
- F. "MEMBER" shall mean and refer to each holder of a membership interest in the Association, as such interests are set forth in Article III.
- G. "OWNER" shall mean and refer to the holder of record title, whether one (1) or more persons or entities, of the fee interest in any Lot, whether or not such holder actually resides in the Home constructed on such Lot.
- H. "PROPERTY" shall mean and refer to all properties as are subject to this Declaration.
- I. "SPONSOR" shall mean and refer to Lake Landing, LLC

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,  
RESTRICTIONS, EASEMENTS, CHARGES AND LIENS

THIS DECLARATION, made this \_\_\_ day of \_\_\_\_\_, 200\_\_, by Lake Landing, LLC, a New York limited liability company, which has offices at 29 Barchan Dune Rise, Victor, New York, being hereinafter referred to as "the Sponsor".

WITNESSETH:

WHEREAS, the Sponsor is the owner of the real property described in Article II of this Declaration, being Coastal View Subdivision as the same is shown on a map of said subdivision recorded in the Monroe County Clerk's Office in Liber \_\_\_\_\_ of Maps, at page \_\_\_\_\_, which the Sponsor desires to develop as a residential community with open spaces and other common facilities for the benefit of said community, and

WHEREAS, the Sponsor desires to provide for the preservation of the values and amenities in said community and for the maintenance of said open spaces and other common facilities, and, to this end, desires to subject the real property described above to the covenants, conditions, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof, and

WHEREAS, the Sponsor desires that certain portions of said real property be subdivided into lots upon which are or will be constructed residential dwelling units, which lots and units will be individually owned and the Sponsor desires that such open spaces and other common facilities shall remain available for the benefit of all members of the community, and

WHEREAS, the Sponsor has deemed it desirable, for the efficient preservation of the values and amenities in said community to create an Association to which should be delegated and assigned the powers of maintaining and administering the community property and facilities, and administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created, and

WHEREAS, the Sponsor has incorporated the Coastal View Association, Inc. under the Not-for-Profit Corporation Laws of the State of New York for the purpose of exercising the aforesaid functions.

NOW THEREFORE, the Sponsor, for itself, its successors and assigns, declares the real property described in Section 2.01 hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "covenants, conditions and restrictions") hereinafter set forth.

ARTICLE II  
PROPERTY SUBJECT TO THIS DECLARATION

Section 2.01. Initial Property. The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the Town of Webster, County of Monroe and State of New York, and is more particularly described in Schedule A attached hereto and incorporated by reference herein, all of which property shall be hereinafter referred to as "Initial Property".

Section 2.02. Mergers. Upon a merger or consolidation of this Association with another association as provided in its Certificate of Incorporation or By-Laws, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of this Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Property together with the covenants, conditions and restrictions established upon any other properties. Any such merger or consolidation, however, may not result in the revocation, change or addition to the covenants established by this Declaration within the Property except as hereinafter provided.

Section 2.03. Additional Property. The Sponsor shall have the right but not the duty or obligation to incorporate and bring into and within the scheme of this Declaration additional lands by amending this Declaration. The amendment shall contain such terms and conditions reflecting the uniqueness of the additional lands and its improvements.

ARTICLE III  
THE ASSOCIATION STRUCTURE,  
MEMBERSHIP, VOTING RIGHTS AND DIRECTORS

Section 3.01. Formation of the Association. Pursuant to the Not-for-Profit Corporation Law of New York, the Sponsor has formed the Association, to own, operate, and maintain the Association Property, enforce the covenants, conditions and restrictions set forth in this Declaration and to have such other specific rights, obligations, duties and functions as are set forth in this Declaration and in the Certificate of Incorporation and By-Laws of the Association, and as they may be amended from time to time. Subject to the additional limitations provided in this Declaration, the Certificate of Incorporation and the By-Laws, the Association shall have all the powers and be subject to the limitations of a Not-for-Profit Corporation as contained in the Not-for-Profit Corporation Law of New York as it may be amended from time to time.

Section 3.02. Membership. The Association shall have as Members only Owners and the Sponsor. All Owners, upon becoming such, shall be deemed automatically to have become Members and there shall be no other qualification for Membership. Membership shall be appurtenant to, and shall not be separated from the ownership of any of the interests

described in the definitions of the words "Owner" and "Sponsor" as found in Article I of this Declaration.

Section 3.03. Voting. There shall be two (2) classes of Membership. All Owners, with the exception of the Sponsor, shall be Class A Members. The Sponsor shall be a Class B Member. Until all Lots then subject to the lien of this Declaration owned by Sponsor (whether included as initial property or included as additional property pursuant to Section 2.03) are transferred, or until 15 years following the recording of the Declaration, whichever shall first occur, the Class B Membership shall be the only Class of Membership entitled to vote. Thereafter, the Sponsor's Class B Membership shall be converted into a Class A Membership, and all Members shall vote equally, i.e., one (1) Member one (1) vote, regardless of the number of Lots owned.

Section 3.04. Interest in More Than One Lot. If any person or entity owns or holds more than one (1) Lot, such Member shall be entitled to not more than one (1) vote.

Section 3.05. Lots Owned or Held by More Than One Person or by Corporation. When any Lot is owned or held by more than one (1) person as tenants by the entirety, in joint or common ownership or interest such Owners shall collectively be entitled to only that number of votes prescribed herein for such Lot and if such Owners cannot jointly agree as to how that vote should be cast, no vote shall be allowed with respect to such Lot.

In the case of a corporate Owner, votes may be cast by an appropriate officer of such corporation.

Section 3.06. Holder of Security Interest Not a Member. Any person or entity which holds an interest in a Lot only as security for the performance of an obligation shall not be a Member.

Section 3.07. Assigning Right to Vote. The Sponsor may assign its membership in the Association to any person, corporation, association, trust or other entity, and such assignee, and any future assignee of such membership, may take successive like assignments. All such assignments shall be subject to the provisions of the CPS-7 Application (with Exhibits) pursuant to which the Sponsor has offered interests in the Association, including any duly filed amendments thereof.

Any other Owner shall be entitled to assign his right to vote, by power of attorney, by proxy or otherwise, provided that such assignment is made pursuant to the By-Laws of the Association. The By-Laws may require that the assignment specify the meeting or issue to which the assignment applies.

Section 3.08. Meeting and Voting Regulations. The Board of Directors of the Association may make such regulations, consistent with the terms of this Declaration, the Certificate of Incorporation and By-Laws of the Association and the Not-for-Profit Corporation Law of New York as it may deem advisable for any meeting of its Members, in regard to proof of membership in the Association, evidence of right to vote, the appointment and duties of

inspectors of votes, registration of Members for voting purposes, the establishment of representative voting procedures and such other matters concerning the conduct of meetings and voting as it shall deem appropriate.

Section 3.09. Selection of Directors. The nomination and election of Directors and the filling of vacancies on the Board of Directors shall be governed by the By-Laws of the Association.

Section 3.10. Powers and Duties of Directors. The powers and duties of the Board of Directors shall be as set forth in the By-Laws of the Association.

Section 3.11. Indemnification of Officers and Directors. Every director and officer of the Association shall be, and is hereby, indemnified by the Association against all expenses and liabilities, including fees of counsel, reasonably incurred by or imposed upon such director or officer in connection with any proceeding to which such officer or director may be a party, or in which such officer or director may become involved, by reason of being or having been a director or officer of the Association, or any settlement thereof, whether or not such person is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of duties; provided, that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to, and shall not be exclusive of, all rights to which each director or officer may otherwise be entitled.

Section 3.12. Sponsor's Written Consent Necessary for Certain Actions Taken by Board of Directors. Notwithstanding anything to the contrary contained in this Declaration, until the Sponsor, or its designee, no longer owns a Lot then subject to this Declaration, the Board of Directors may not, without the Sponsor's written consent, which consent will not be unreasonably withheld, (i) make any addition, alteration, or improvement to the Property of the Association costing more than 20% of the then current annual budget, (ii) assess any amount for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of an amount equal to 150% of the proportion of the then existing budget which the amount of reserves in the initial budget of estimated expenses for the Association bears to the total amount of such initial budget of estimated expenses, or (iii) hire any employee in addition to the employees, if any, provided for in the initial budget or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the first closing of title to a Lot, or (v) reduce the quantity or quality of services or maintenance of the Association Property.

Until the Sponsor, or its designee, no longer owns a Lot then subject to this Declaration, this Section of the Declaration or any other section of the Declaration shall not be amended without the prior written consent of the Sponsor.

ARTICLE IV  
PROPERTY RIGHTS AND EASEMENTS

Section 4.01. Dedication of Association Property. The Sponsor intends to convey to the Association, subsequent to the recordation of this Declaration, and subject to the provisions of this Declaration, certain tracts of land within the Property for the use and enjoyment of the Members, which land shall hereinafter be referred to as "Association Property". The Association shall accept any such conveyance made by the Sponsor provided such conveyance is made without consideration.

Section 4.02. Right and Easement of Enjoyment in Association Property. Every Member (and such Member's guests, licensees, tenants and invitees) shall have a right and easement of enjoyment in and to all Association Property, subject, however, to the rights of the Association, the Sponsor, and the Lot Owners as set forth herein. Such easements shall be appurtenant to, and shall pass with, the interests of an Owner.

Every Member (and such Member's guests, licensees, tenants and invitees) also shall have an easement for ingress and egress by vehicle or on foot over Association Property and the common utility and conduit easements described in Section 4.06 hereof. These easements will be subject to the rights of the Association as set forth in Section 4.03 herein.

Section 4.03. Rights of Association. With respect to the Association Property, and/or Property, and in accordance with the Certificate of Incorporation and By-Laws of the Association, the Association shall have the right:

(a) to promulgate rules and regulations relating to the use, operation and maintenance of the Property for the safety and convenience of the users thereof or to enhance the preservation of the facilities or which, in the discretion of the Association, shall serve to promote the best interests of the Members;

(b) to grant easements or rights of way to any public or private utility corporation, governmental agency or political subdivision with or without consideration;

(c) to dedicate or transfer all or any part of the land which it owns for such purposes and subject to such conditions as may be agreed to by the Association and the transferee. Such a conveyance shall require the consent of two-thirds (2/3) of the total votes of all Members who shall vote upon written ballot which shall be sent to every Owner not less than 30 days nor more than 60 days in advance of the canvass thereof.

(d) to enter into agreements, reciprocal or otherwise, with other homeowners' and residents' associations, condominiums and cooperatives for the use of or sharing of facilities. Such agreements shall require the consent of two-thirds (2/3) of the total votes of all Members voting upon written ballot which shall be sent

to every Member not less than ten (10) days nor more than 60 days in advance of the vote on the proposed agreement;

(e) to use electricity from outdoor sockets on any Lot, the cost of which shall be reimbursed to the Lot Owner based upon the difference calculated between the current utility bill and the average of the last two (2) preceding utility bills;

(f) as may be needed from time to time, to draw water more or less equally from Lot Owners' outdoor hose bibs for maintenance. Lot Owners shall have the responsibility to have their water supply valve for the outdoor bibs in the open position from May 1st through October 31st of each year. Notwithstanding the above, pursuant to Article X of the Declaration, the Lot Owner has the duty to water the lawn associated with the Home;

(g) to connect landscape lighting to the panel box of a Lot Owner's home, with the cost of consumption to be calculated by the Association, and the cost shall be credited against such Lot Owner's common charge assessment, all as set forth in a written notice from the Association to the Lot Owner.

Section 4.04. Rights of Sponsor. With respect to Association Property, the Sponsor shall have the right until the improvement, marketing and sale of all Lots is completed:

(a) to grant and reserve easements and rights of way for the installation, maintenance, repair, replacement and inspection of utility lines, wires, pipes and conduits, including, but not limited to, water, gas, electric, telephone, cable television and sewer to service the Property;

(b) to connect with and make use of utility lines, wires, pipes, conduits and related facilities located on the Association Property for the benefit of the Property;

(c) to use the Association Property for ingress and egress to those portions of the Initial Property (as described in Section 2.01 of this Declaration);

(d) to operate a sales center/office, with additional parking area (to be removed and the area restored when construction and use of the sales center/office is complete) and to have prospective purchasers and others visit such sales center/office and use certain portions of Association Property, including, but not limited to, the paved areas;

(e) to grant to itself or to others such other easements and rights of way as may be reasonably needed for the orderly development of the Property.

All easements, rights-of-way and other rights granted by the Sponsor pursuant to (a), (b), (c) and (e) above, shall be permanent, run with the land and be binding upon and for the benefit of the Association and the Sponsor and their respective successors and assigns. The

rights granted to the Sponsor pursuant to (d) above shall remain in effect until the Sponsor completes the improvement, marketing and sale of all Lots or the Sponsor records a written memorandum releasing its rights hereunder.

Section 4.05. Common Utility and Conduit Easement. All pipes, wires, conduits and public utility lines located on each Lot shall be owned by the Owner of such Lot. Every Lot Owner shall have an easement in common with other Lot Owners to maintain and use all pipes, wires, conduits, drainage areas and public utility lines located on other Lots or on Association Property and servicing such Owner's Lot. Each Lot shall be subject to an easement in favor of the Owners of other Lots to maintain and use the pipes, wires, conduits, drainage areas and public utility lines servicing such other Lot and located on such other Lot.

Section 4.06. Maintenance of Association Facilities. In order to preserve and enhance the property values and amenities of the Property, the Association shall at all times maintain the facilities in good repair and condition, as set forth in this Declaration.

Section 4.07. Right of Association to Contract Duties and Functions. The Association may contract with any person, corporation, firm, trust company, bank, or other entity for the performance of its various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management agreements with other associations, both within and without the Property.

Section 4.08. Environmental Considerations. In carrying out its responsibilities in enforcing the provisions of this Declaration, and in particular the provisions of Articles IX and X herein, the Association shall consider the environmental impact of any existing or proposed activities on the Property or any portion thereof and, in its discretion, may establish standards or guidelines aimed at reducing or eliminating any adverse environmental impact of such activities or take affirmative action to improve the quality of the environment.

Section 4.9. Common Access Easement. The Sponsor and all Owners and their guests, licensees and invitees shall have an easement for ingress and egress in common with one another over all walkways and drives located on the Association Property and the Association shall have an access easement to each Lot for the maintenance, repair and replacement of paved areas and any other property or facilities, the maintenance of which is the responsibility of the Association.

Section 4.10. Distribution of Condemnation Awards. In the event all or part of the Association Property is taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Association. The Board of Directors of the Association shall arrange for the repair and restoration of the Association Property not so taken and shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. If there shall be a surplus of such proceeds, or if the Board of Directors shall elect not to repair or restore the remaining Association Property, then the proceeds shall be distributed in the same manner as insurance proceeds, in accordance with Article IX of this Declaration. The Board of Directors shall promptly send written notice of any pending condemnation or eminent domain proceeding to all institutional first mortgagees of



Lots whose names appear on the books or records of the Association. In the event of any dispute with respect to the allocation of the award, the matter shall be submitted to arbitration in accordance with the arbitration statutes of New York.

Section 4.11. Private Driveway for Lots 102, 103 and 104, Coastal View Subdivision, Section 1. The Owners of Lots 102, 103 and 104 shall have a mutual and reciprocal easement over each others Lots for use and enjoyment of the common driveway installed by Sponsor and maintained by the Association. Such access by vehicular traffic shall be exclusive to the Lot Owners, their guests and invitees, and the Association. All other Members shall have a limited access easement by foot only for ingress and egress to adjacent Association Property. Maintenance and repair of the driveway shall be the responsibility of the Association. Nothing shall be done by the Association or any Member to interfere with the general purpose of the easement herein created. Each Lot Owner shall have the full use and enjoyment of the area within such Lot Owner's lot lines, subject only to the terms hereof.

## ARTICLE V ASSESSMENTS

Section 5.01. Imposition, Personal Obligations, Lien. Each Lot Owner, excluding the Sponsor, by becoming an Owner by the acceptance of a deed or otherwise, whether or not such deed or any other instrument pursuant to which title was obtained so provides, shall be deemed to covenant and agree to pay to the Association: (a) annual assessments or charges for the maintenance and operation of Association Property ("Maintenance Assessments"); (b) special assessments for capital improvements or for repairs which may become necessary as a result of a casualty loss caused by nature, not otherwise covered by insurance and creating a budget deficit for the fiscal year ("Special Assessments"); hereinafter collectively referred to as "Assessments".

The Assessments shall be fixed, established and collected from time to time as hereinafter provided. Each Assessment (or installment payment thereof) together with such interest thereon and costs of collection as hereinafter provided, shall be a charge and continuing lien upon the Lot against which the Assessment is made and also shall be the personal obligation of the Owner of such Lot at the time the assessment falls due.

Section 5.02. Purpose of Maintenance Assessment. The purpose of the Maintenance Assessment shall be to fund the maintenance, preservation, operation and improvement of the Association Property and the promotion of the recreation, safety and welfare of the Members of the Association, including but not limited to, the payment of taxes on Association Property, any utility services to the Property which are commonly metered or billed, all liability insurance covering the Association Property obtained pursuant to Article IX of this Declaration, for the maintenance, repair and replacement of all facilities commonly serving the Members, whether on or off the Lots, such as landscaped areas, and for such other needs as may arise.

Section 5.03. Date of Commencement and Notice of Assessments. The Assessments provided for herein shall commence on the day on which the first Lot is conveyed or on such other date as determined by the Sponsor. The first Assessments shall be adjusted according to the number of months remaining in the fiscal year as established by the Board of Directors and such Assessments shall thereafter be on a full year basis. The Board of Directors of the Association shall fix the amount of the Assessment against each Lot at least 30 days in advance of each annual assessment period. The Assessments shall be due and payable quarterly unless the Board of Directors establishes other periods for payment. Separate due dates may be established by the Board of Directors for partial annual Assessments as long as said Assessments are established at least 30 days before they are due. Written notice of the annual Assessments shall be sent to every Owner subject thereto.

Section 5.04. Assessments for Specific Lots. Once Assessments have commenced pursuant to Section 5.03 above, the Owner of each Lot subject to this Declaration, excluding the Sponsor, shall be liable for the payment of full Maintenance Assessments, and Special Assessments, if any. For so long as Sponsor owns a Lot then subject to the Declaration, the Maintenance Assessment for Lots owned by someone other than Sponsor shall not be less than the amount set forth in the CPS-7 Application (with Exhibits), as amended, without the prior written consent of the Sponsor. The Maintenance Assessment on the Lots owned by the Sponsor shall be an amount calculated in accordance with the following: The Sponsor shall be obligated for the difference between the actual Association expenses, exclusive of reserves applicable to completed improvements, and the Association charges levied on owners who have closed title to their Lots. For those Lots owned by Sponsor upon which a home has been completed, the Sponsor shall pay for reserves from and after the issuance of a Certificate of Occupancy. In no event, however, will the Sponsor be required to make a deficiency contribution in an amount greater than it would otherwise be liable for if it were paying assessments on each unsold Lot. This Section may not be amended without the prior written consent of the Sponsor.

Section 5.05. Basis for Maintenance Assessment. The annual Maintenance Assessment chargeable to each Lot transferred to a third party purchaser for which Assessments have commenced pursuant to this Declaration shall be apportioned by dividing the total annual Maintenance Assessment by the total number of Lots then subject to the lien of this Declaration.

Section 5.06. Change in Basis of Assessments. The Association may change the basis of determining the Maintenance Assessment provided for above by obtaining the consent of not less than two-thirds (2/3) of the total votes of Members voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all voting Members at least 30 days in advance and shall set forth the purpose of the meeting. Until the Sponsor, or its designee, no longer owns a Lot then subject to this Declaration, no change in the basis of Maintenance Assessments which adversely affect the interest of the Sponsor with respect to unsold Lots shall be valid except with the specific consent of the Sponsor in writing. A written certification of any such change shall be executed by the Board of Directors and recorded in the Office of the Clerk of the County of Monroe.

Section 5.07. Special Assessments for Capital Improvements and Other Needs. In addition to the annual Maintenance Assessment, the Association may levy in any assessment year a Special Assessment, payable in that year and/or the following year for the purpose of defraying, in whole or in part, the cost of any capital improvements or for repairs which may become necessary as a result of a casualty loss caused by nature, not otherwise covered by insurance and creating a budget deficit for the fiscal year, including without limitation, the construction, reconstruction or replacement of, or repair of a capital nature to, the Association Property, including the necessary fixtures and personal property related thereto, provided that for any Special Assessment for the construction (rather than the reconstruction or replacement) of any capital improvement, and for any Special Assessment amounting to more than 20% of the then current amount of annual Maintenance Assessments, the consent is obtained of two-thirds (2/3) of the total votes of Lot Owners voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Lot Owners at least 30 days in advance, setting forth the purpose of the meeting. The Association shall establish one (1) or more due dates for each payment or partial payment of each Special Assessment and shall notify each Owner thereof in writing at least 30 days prior to the first such due date.

Section 5.08. Non-Payment of Assessment. If an Assessment, or installment thereof, is not paid on the due date, established pursuant to Section 5.03 hereof, then such Assessment payment shall be deemed delinquent. Any delinquent assessment payment, together with such interest thereon, accelerated installments, if any, and cost of collection thereof as herein provided, shall thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner and such Owner's heirs, devisees, personal representatives, successors and assigns. In addition to the lien rights, the personal obligation of the then Owner to pay such Assessment shall remain such Owner's personal obligation and shall not pass to such Owner's successors in title unless expressly assumed by them.

If the Assessment or any installment thereof is not paid within ten (10) days after the due date, the Association may impose a late charge or charges in such amount or amounts as the Board of Directors deems reasonable, not to exceed ten percent (10%) of the amount of such overdue Assessment or installment thereof, provided such late charges are equitably and uniformly applied.

If the Assessment or any installment thereof, is not paid within 30 days after the due date, (i) the Association may impose a late charge or charges in such amount or amounts as the Board of Directors deems reasonable, not to exceed ten percent (10%) of the amount of such overdue Assessment or installment thereof, and, if not paid within 30 days after the due date (ii) the Assessment shall bear interest from the due date at such rate as may be fixed by the Board of Directors from time to time, such rate not to exceed ten percent (10%) per annum, (iii) the Board of Directors may accelerate the remaining installments, if any, of such Assessment upon notice thereof to the Owner and (iv) the Association may bring legal action against the Owner personally obligated to pay the same or foreclose the lien against the property, and the cost of such proceedings, including reasonable attorneys' fees, shall be added to the amount of such Assessments, accelerated installments, if any, late charges and interest.

Once an Assessment is deemed delinquent as described above, any payments received from the Owner shall be applied in the following order: attorneys' fees, other costs of collection, late charges, interest, and then the delinquent Assessment or installments thereof beginning with the amounts past due for the longest period.

Dissatisfaction with the quantity or quality of maintenance services furnished by the Association, under no circumstances, shall entitle any Lot Owner to withhold or fail to pay the Assessments due to the Association for the Lot or Lots owned by such Owner.

The Board of Directors, when giving notice to a Lot Owner of a default in paying Assessments, may, at its option, or at the request of a mortgagee, shall send a copy of such notice to the mortgagee whose name and address appears on the Board's records for the particular Lot. The mortgagee shall have the right to cure the Lot Owner's default with respect to the payment of said Assessments.

Late charges, penalties and attorney fees shall not be payable or collectable for unpaid common charges or assessments owed by the Sponsor.

Section 5.09. Right to Maintain Surplus. The Association shall not be obligated in any calendar year to spend all the sums collected in such year by way of Maintenance Assessments or otherwise, and may carry forward as surplus any balances remaining; nor shall the Association be obligated to apply any such surpluses to the reduction of the amount of the Maintenance Assessments in the succeeding year, but may carry forward from year to year such surplus as the Board of Directors in its absolute discretion may determine to be desirable for the greater financial security and the effectuation of the purposes of the Association.

Section 5.10. Assessment Certificates. Upon written request of an Owner or lessee with respect to a Lot which he or she owns or leases, (or any prospective purchaser, lessee, occupant, mortgagee or title insurer of such Lot), the Association within a reasonable period of time, shall issue and furnish a certificate in writing signed by an officer or designee of the Association setting forth with respect to such Lot, as of the date of such certificate, (i) whether the Assessments, if any, have been paid; (ii) the amount of such Assessments, including interest and costs, if any, due and payable as of such date; (iii) whether any other amounts or charges are owing to the Association, e.g. for the cost of extinguishing a violation of this Declaration. A reasonable charge, as determined by the Board of Directors, may be made for the issuance of these certificates. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated as between the Association and any bona fide purchaser or lessee of, or lender on, or title insurer of, the property in question.

Section 5.11. Subordination of Assessment Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate to the lien of any purchase money first mortgage of record now or hereafter placed upon any Lot subject to such Assessments; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a sale or transfer of such Lot pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from

liability for any Assessments thereafter becoming due, nor from the lien of any such subsequent Assessment.

Section 5.12. Right to Borrow and Mortgage. In order to fulfill the purposes set forth herein, the Association may borrow funds from any recognized lending institution, and in conjunction therewith mortgage its properties. The amount, terms, rate or rates of all borrowing and the provisions of all agreements with note holders shall be subject to (i) the approval of 2/3 of the Lot Owners entitled to vote at a meeting duly called, and (ii) any consent of the Sponsor as required by Section 3.12 of this Declaration shall be obtained.

Section 5.13. Repayment of Monies Borrowed. In order to secure the repayment of any and all sums borrowed from time to time, the Association is hereby granted the right and power:

- (a) to assign and pledge all revenues received and to be received by it under any provision of this Declaration including, but not limited to, the proceeds of the Maintenance Assessment hereunder;
- (b) to enter into agreements with note holders with respect to the collection and disbursements of funds, including, but not limited to, agreements wherein the Association covenants to:
  - (1) assess the Maintenance Assessment on a given day in each year and, subject to the limitation on amount specified in Section 5.04 hereunder, to assess the same at a particular rate or rates;
  - (2) establish such collection, payment and lien enforcement procedures as may be required by the note holders;
  - (3) provide for the custody and safeguarding of all funds received by it;
  - (4) establish sinking funds and/or other security deposits;
  - (5) apply all funds received by it first to the payment of all principal and interest on such loans, when due, or to apply the same to such purpose after providing for costs of collection.

## ARTICLE VI MAINTENANCE AND REPAIR

Section 6.01. Maintenance and Repair by the Association. With respect to Association Property, the Association shall maintain, repair and replace all improvements, including paved areas (including snow plowing from rights of way, but not snow removal from sidewalks or foot paths) and landscaped areas. With respect to Lots, the Association will

maintain the Private Drive as referenced in Section 4.11, including snow plowing, resealing and resurfacing (such resealing and resurfacing shall be completed at such times as the Board of Directors of the Association may determine from time to time, and the cost thereof shall be funded from the general operating account or via a special assessment of the Members). Notwithstanding the above, the individual Lot Owners of Lots 102, 103 and 104 shall be solely responsible for the cost of resealing and resurfacing the Private Drive, as such Owners determine from time to time. The Lot Owner shall be responsible for shoveling of snow from sidewalks. The Association shall not be responsible for ice control or removal. The Lot Owner may take steps to control or remove ice, but may not use salt or any other corrosive material or chemical that may harm or degrade the improvement over time. Additionally, the water, storm sewer and sanitary sewer laterals servicing a Home shall be maintained at the sole cost and expense of the Lot Owner. The Lot Owner shall be solely responsible for the maintenance and repair of sidewalks on the Owner's Lot. The Lot Owner also shall be solely responsible for resurfacing and resealing of the paved areas on the Owner's Lot.

Section 6.02 Maintenance of Lots and Homes. Except as specifically assumed by the Association as set forth above, individual Lot Owners are responsible for the interior and exterior maintenance of their Lots and Homes. If Homes are not appropriately maintained by the Lot Owner, then the Association may maintain the Home and charge the Lot Owner the cost of performing the maintenance, said charge shall be deemed to be a common charge and payable as a common quarterly assessment, and if unpaid the Association shall have the same rights and privileges as for the non-payment of common charges and assessments, including without limitation the right to place a lien on the Lot and foreclose the lien in collection proceedings.

The Board of Directors of the Association may, upon the affirmative vote of not less than three-fourths (3/4) of the entire Board of Directors, provide for additional maintenance with respect to the Lots to be undertaken by the Association or to discontinue the performance of some or all of the maintenance responsibilities of the Association with respect to the Lots.

Section 6.03. Repairs and Maintenance Which Are Not the Responsibility of the Association. Any maintenance, repair or replacement necessary to preserve the appearance and value of the Property made pursuant to Section 6.01 and 6.02 above, including but not limited to the appropriate maintenance of the Home by the Lot Owner, which is occasioned by the failure or a negligent or willful act or omission of a Lot Owner, shall be made at the cost and expense of such Lot Owner. If such maintenance, repair or replacement is performed by the Association, it shall not be regarded as a common expense, but shall rather be considered a special expense allocable to the specific Lot and such cost shall be added to that Lot Owner's Maintenance Assessment and, as part of that Assessment, shall constitute a lien on the Lot to secure the payment thereof.

Section 6.04. Quality and Frequency of Maintenance and Repairs. All maintenance, repair and replacement, whether or not performed by the Association, shall be of a quality and appearance consistent with the enhancement and preservation of the appearance and value of the Property. The Association may establish reasonable schedules and regulations for maintenance, repair and replacement, which schedules and regulations shall take into account the

useful life of materials and the enhancement and preservation of the appearance and value of the Property.

Section 6.05. Access for Repairs. The Association (and its employees, contractors and agents) upon reasonable notice to the Owner(s), shall have the right to enter upon any portion of the Property and into and upon any Home at any reasonable hour to carry out its functions as provided for in this Article, except that in an emergency, the Association shall have the right, without notice, to enter upon any portion of the Property and into any Home to make necessary repairs or to prevent damage to any Home or any portion of the Property. The repair of any damage caused in gaining access shall be at the expense of the Association.

## ARTICLE VII ARCHITECTURAL CONTROLS

Section 7.01. Control by Association. After transfer of title by the Sponsor to any Lot or other completed portion of the Property, enforcement of those provisions of the Declaration pertaining to exterior appearance of the Property and control over any change in use or any additions, modifications or alterations to any exterior improvement on said Lot or other portion of the Property, including but not limited to Article X, shall be the responsibility of the Association, acting through the Board of Directors, or through the Architectural Standards Committee when one is appointed by the Board of Directors (hereinafter referred to as the "Architectural Committee") as provided in Section 7.02 below.

Section 7.02. Composition and Function of Architectural Standards Committee. The Architectural Committee of the Association, may be appointed by, and shall serve at the discretion of the Board of Directors, and shall approve all proposed improvements, additions, modifications or alterations to any existing improvements or any proposed change in the use of a Lot or any other portion of the Property, including Association Property, after transfer of title to such Lot or other portion of the Property, working within guidelines and policies established by the Board of Directors. The Architectural Committee also may assist and advise the Board of Directors of the Association in enforcing the Declaration and in advertising and publishing rules, regulations and guidelines, and may from time to time perform such other duties or functions as may be assigned to it by the Board of Directors. The Architectural Committee shall be composed of three (3) or more persons, as determined by the Board of Directors of the Association, for terms of two (2) years, but shall be subject to removal, with or without cause, by the affirmative vote of not less than two-thirds (2/3) of the members of the Board of Directors.

Section 7.03. Submission of Plans to Architectural Committee. After transfer of title to any Lot or other portion of the Property by the Sponsor no improvement, exterior addition, modification or alteration shall be made on or to such Lot or other portion of the Property or the improvements located thereon, unless and until a plan or plans therefore, in such form and detail as the Architectural Committee requires, have been submitted to, and reviewed and approved by the Architectural Committee, working within guidelines and policies

established by the Board of Directors. The Architectural Committee may charge and collect a reasonable fee for the examination of plans submitted for approval.

Section 7.04. Basis for Disapproval of Plans by Architectural Committee. The Architectural Committee, working within guidelines and policies established by the Board of Directors, may disapprove any plans submitted pursuant to Section 7.03 above for any of the following reasons:

- a. failure of such plans to comply with any protective covenants, conditions and restrictions contained in the Declaration and which benefit or encumber the Lot or other portion of the Property;
- b. failure to include information in such plans as requested;
- c. objection to the site plan, exterior design, appearance or materials of any proposed improvements, including without limitation, colors or color scheme, finish, proportion, style of architecture, or proposed parking;
- d. incompatibility of proposed improvements or use of proposed improvements with existing improvements or uses in the vicinity;
- e. failure of proposed improvements to comply with any zoning, building, preservation, health, or other governmental laws, codes, ordinances, rules and regulations;
- f. any other matter which in the judgment and sole discretion of the Architectural Committee would render the proposed improvements, use or uses inharmonious or incompatible with the general plan of improvement of the Property or portion thereof or with improvements or uses in the vicinity.

Section 7.05. Approval of Architectural Committee. Upon approval or qualified approval by the Architectural Committee of any plans submitted pursuant to Section 7.03 above, the Architectural Committee shall notify the applicant in writing of such approval or qualified approval, which notification shall set forth any qualifications or conditions of such approval, shall file a copy of such plans as approved for permanent record, together with such qualifications, or provide the applicant with a copy of such plans bearing a notation of such approval or qualified approval. Approval of any such plans relating to any Lot or portion of the Property shall be final as to such Lot or portion of the Property and such approval may not be revoked or rescinded thereafter provided (i) that the improvements or uses shown or described on or in such plans do not violate any protective covenants, conditions or restrictions set forth in the Declaration which benefit or encumber the Lot or portion of the Property, and (ii) that such plans and any qualifications or conditions attached to such approval of the plans do not violate any applicable governmental law, rule or regulation, zoning, building, preservation, health or other code or ordinance. Approval of any plans for use in connection with any Lot or portion of



the Property shall not be deemed a waiver of the right of the Architectural Committee to disapprove similar plans or any of the features or elements included therein if such plans, features or elements are subsequently submitted for use in connection with any other Lot or portion of the Property.

Section 7.06. Written Notification of Disapproval. In any case where the Architectural Committee disapproves any plans submitted hereunder, the Architectural Committee shall so notify the applicant in writing together with a statement of the grounds upon which such action was based as set forth in Section 7.04. In any such case, the Architectural Committee shall, if requested and if possible, make reasonable efforts to assist and advise the applicant so that acceptable plans can be prepared and resubmitted for approval.

Section 7.07. Failure of Committee to Act. If any applicant has not received notice of the Architectural Committee approving or disapproving any plans within 45 days after submission thereof, the applicant may notify the Committee in writing of that fact. Such notice shall be sent by certified mail, return receipt requested. The plans shall be deemed approved by the Committee not later than the later of:

- a. Fifteen (15) days after the date of receipt of such notice, if such notice is given;
- b. Seventy (70) days after the date the plans were originally submitted.

Section 7.08. Committee's Right to Promulgate Rules and Regulations. The Architectural Committee may from time to time promulgate rules and regulations governing the form and content of plans to be submitted for approval or with respect to additions or modifications to improvements, or uses; provided, however, that no such rule or regulation shall be deemed to bind the Architectural Committee to approve or disapprove any plans submitted for approval, or to waive the exercise of the Architectural Committee's discretion as to such plans, and provided further that no such rule or regulation shall be inconsistent with the provisions of the Declaration or any applicable governmental law, code, ordinance, rule or regulation.

Section 7.09. Delegation of Functions. The Architectural Committee may authorize its staff, subcommittees, or individual members of the Architectural Committee to perform any or all of the functions of the Architectural Committee as long as the number and identity of such staff or members, and the functions and scope of authority have been established by a resolution of the entire Architectural Committee. The approval or disapproval of plans by the staff member, individual member or subcommittee will be subject, however, to the reasonable review of the Architectural Committee, in accordance with procedures to be established by the Architectural Committee.

Section 7.10. Liability of Architectural Committee. No action taken by the Architectural Committee or any member, subcommittee, employee or agent thereof, shall entitle any person to rely thereon, with respect to conformity with laws, regulations, codes or ordinances, or with respect to the physical or other condition of any Lot or other portion of the Property. Neither the Association nor the Architectural Committee, nor any member,

subcommittee, employee or agent shall be liable to anyone submitting plans to them for approval or to any Owner, Member or any other person, in connection with any submission of plans, or the approval or disapproval thereof, including without limitation, mistakes in judgment, negligence or nonfeasance. Every person or other entity submitting plans to the Architectural Committee agrees, by submission of such plans, that no action or suit will be brought against the Association or the Architectural Committee, or any member, subcommittee, employee or agent thereof, in connection with such submission.

Section 7.11. Architectural Committee Certificate. Upon written request of any Owner, lessee or any prospective Owner, lessee, mortgagee or title insurer of a Lot or other portion of the Property, title to which has been previously transferred from the Sponsor, the Architectural Committee, within a reasonable period of time, shall issue and furnish to the person or entity making the request a certificate in writing (hereinafter referred to as the "Architectural Committee Certificate") signed by a member of the Architectural Committee stating, as of the date of such Certificate, whether or not the Lot or other portion of the Property, or any improvements thereon, violates any of the provisions of the Declaration pertaining to exterior appearance, design or maintenance and describing such violations, if any. A reasonable charge, as determined by the Architectural Committee, may be imposed for issuance of such Architectural Committee Certificate. Any such Architectural Committee Certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated as between the Association and the party to whom such Architectural Committee Certificate was issued.

## ARTICLE VIII ENCROACHMENTS

Intentionally deleted.

## ARTICLE IX INSURANCE AND RECONSTRUCTION

Section 9.01. Insurance to be Carried. The Board of Directors of the Association shall obtain and maintain, to the extent reasonably obtainable and to the extent determined by the Board of Directors to be appropriate or relevant: (i) liability insurance on the Association Property, (ii) directors and officers' liability insurance, (iii) fidelity bond or surety bond, and (iv) such other insurance as the Board of Directors shall deem necessary or desirable from time to time including "umbrella" catastrophe coverage. Coverage shall be as follows:

1. Fire and Casualty. Individual Lot Owners are responsible for the fire and casualty insurance for their Homes.

2. Liability. The liability insurance shall cover the directors and officers of the Association, the managing agent, if any, and all Owners of Homes, but not the liability of Home Owners arising from occurrences within such Owner's Home or on such

Owner's Lot. The policy shall include the following endorsements: (i) comprehensive general liability, (ii) Personal injury, (iii) medical payments, (iv) cross liability and (v) contractual liability.

Until the first meeting of the Board of Directors elected by the Owners, this public liability insurance shall be in a combined single limit of \$1,000,000.00 covering all claims for bodily injury and property damage.

3. Directors' and Officers' Liability. The directors' and officers' liability insurance shall cover the "wrongful" acts of a director or officer of the Association. This coverage shall provide for funds to be available to defend suits against officers and directors of the Association and to pay any claims which may result. The policy shall be on a "claims made" basis so as to cover all prior officers and members of the Board of Directors. The policy shall not provide for "participation" by the Association or by the officers or directors of the Association.

Until the first meeting of the Board of Directors elected by the Owners, the directors' and officers' liability coverage shall be in the amount of \$1,000,000.00.

4. Fidelity Bond. The fidelity bond shall cover all directors, officers and employees of the Association and of the Association's managing agent, if any, who handle Association funds.

5. Other Insurance. The Board of Directors may also obtain such other insurance as it shall deem necessary or desirable from time to time including "umbrella" catastrophe coverage.

6. No Liability for Failure to Obtain Above Coverage. The Board of Directors shall not be liable for failure to obtain any of the coverage required by this Section or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverage from reputable insurance companies, or if such coverage are so available only at demonstrably unreasonable cost.

7. Deductible. The deductible, if any, on any insurance policy purchased by the Board of Directors shall be a common expense, provided, however, that the Board of Directors of the Association may assess any deductible amount necessitated by the gross negligence or wantonly malicious act of an Owner against such Owner. The Association may pay the deductible portion for which such Owner is responsible, and the amount so paid, together with interest and costs of collection, including attorney's fees, shall be a charge and continuing lien upon the Lot involved, shall constitute a personal obligation of such Owner, and shall be collectible in the same manner as assessments under Article V of this Declaration.

Section 9.02. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of any improvement, insured through insurance obtained by the Board of Directors, as a result of fire or other casualty, the Board of Directors shall arrange for the prompt repair and restoration of the damaged property and the Board of

Directors, or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that insurance proceeds are, for any reason, insufficient to pay all of the costs of restoring or repairing the property to the same condition as formerly existed, the Board of Directors shall levy a Special Assessment to make up the deficiency, taking into account any negligence which, in the opinion of the Board, contributed to the damage and loss. In the event that insurance proceeds exceed the cost of repair and reconstruction, such excess funds shall be retained by the Association and used in any manner approved by the Board of Directors.

Section 9.03. Insurance Carried by Owners. Owners of Homes shall carry insurance for their own benefit, and such policies shall contain waivers of subrogation, and further provided, that the liability of the carriers issuing insurance procured by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by the Owner.

## ARTICLE X GENERAL COVENANTS AND RESTRICTIONS

Section 10.01. Advertising and Signs. Except for signs erected by or with the permission of the Sponsor in connection with the initial development, lease or sale of Lots, no additional sign or other advertising device of any nature shall be placed for display to the public view on any Lot or other portion of Property, including but not limited to temporary signs advertising property for sale or rent, except with the consent of the Association. With the prior consent of the Association, information boxes associated with the sale of a home may be placed on the property.

Section 10.02. Pets. The Association may, from time to time, (i) impose reasonable rules and regulations setting forth the type and number of pets and (ii) prohibit certain types of pets entirely. Pets may be allowed outdoors only when accompanied by a responsible person, and dogs shall be leashed. Provided an Owner obtains the prior written consent of the Association, an underground pet containment system may be installed. Assuming the Owner has installed an underground pet containment system, a pet may be let outdoors within the area of the underground pet containment system in the company of a responsible person, but need not be leashed. No above ground or visible pet containment enclosures shall be permitted. The Association shall have the right to require any Owner, any tenant of any Owner, or any family member or guest of any Owner or tenant to dispose of any pet, if, in the opinion of the Association, acting in its sole discretion, such pet is creating a nuisance because, e.g., the Owner does not clean up after the animal, the animal is too noisy or the animal is not properly controlled. Dogs and cats must be cleaned up after by their owners.

Section 10.03. Out Buildings, Protective Screening and Fences. No out building, fence, wall or screen planting of any kind shall be planted, installed or erected upon any portion of the Property unless approved by the Association. In reviewing a request for protective screening and or fencing, the Association will adhere to the following: (1) no fence,

wall or screen planting shall be maintained so as to obstruct sight lines for vehicular traffic; (2) no vinyl or chain link fencing will be permitted; (3) the maximum height of fencing shall be 72 inches from existing grade; (4) no fencing shall be constructed in the front yard, and shall not extend back more than 25 feet from the rear line of the house foundation; (5) if fencing extends or projects beyond the foundation of the house towards the side property line, such fencing shall be landscaped; (6) wood products and wrought iron (aluminum) type products are required [wrought iron fencing shall not exceed 48 inches in height from existing grade]; (7) outbuildings shall not be larger than eight feet by ten feet; (8) quality, workmanship, color and design shall be consistent with the architectural scheme of the home and overall character of the development. Adherence to Town code and zoning requirements of the governing municipality shall be the sole responsibility of the Lot Owner.

Section 10.04. Garbage and Refuse Disposal. Except for building materials during the course of construction or repair of any approved improvements, no lumber, metals, bulk materials, rubbish, refuse, garbage, trash or other waste material (referred to hereinafter as "Trash") shall be kept, stored, or allowed to accumulate outdoors on any portion of the Property, except in sanitary containers and screened from adjacent and surrounding property. Such containers may be placed in the open within 12 hours of a scheduled pick-up, at such place on the Lot or other portion of the Property designated by the Association so as to provide access to persons making such pick-up. The Association may, in its discretion, adopt and promulgate reasonable rules and regulations relating to the size, shape, color and type of containers permitted and the manner of storage of the same on any portion of the Property.

Section 10.05. No Above Surface Utilities Without Approval. No facilities, including without limitation, poles, antennas, dishes or wires for the transmission of electricity, electronic or telephone messages, and water, gas, sanitary and storm sewer drainage pipes and conduits shall be placed or maintained above the surface of the ground on any portion of the Property without the prior written approval of the Association.

Section 10.06. Noxious or Offensive Activities. No noxious or offensive activity shall be carried out upon any portion of the Property, nor shall anything be done thereon that may be or become a nuisance or annoyance to the area or to the residents or Owners thereof. The emission of smoke, soot, fly ash, dust, fumes, herbicides, insecticides, and other types of air pollution or radioactive emissions or electro-magnetic radiation disturbances, shall be controlled so as not to be detrimental to or endanger the public health, safety, comfort or welfare, be injurious to property, vegetation or animals, adversely affect property values or otherwise produce a public nuisance or hazard or violate any applicable zoning regulations or governmental law, ordinance or code.

Section 10.07. Pools. Except with the consent of the Association, no pool shall be permitted on any portion of the Property. In reviewing a request for a pool, the Association shall adhere to the following: (1) no above ground pool shall be permitted; (2) no slide shall be incorporated into the pool design; (3) diving boards shall not be higher than 18 inches above the pool coping; (4) the pool shall be located within the limits of the homes foundation; (5) fencing shall be [a] wrought iron (aluminum) type, [b] 48 inches in height, [c] appropriately landscaped, [d] appropriately colored, but in any event not white; (6) quality,

workmanship, color and design shall be consistent with the architectural scheme of the home and overall character of the development. Adherence to Town code and zoning requirements of the governing municipality shall be the sole responsibility of the Lot Owner.

Section 10.08. Dwelling in Other Than Residential Home. No temporary building, trailer, basement, tent, shack, barn, outbuilding, shed, garage, or building in the course of construction or other temporary structure shall be used, temporarily or permanently, as a dwelling on any Lot or other portion of the Property, except with the consent of the Association.

Section 10.09. Antennas. No outside radio, telegraphic, television or other electronic antenna, dish or other transmitting or receiving device shall be erected on any Lot or other portion of the Property, except with the consent of the Association. The Association in regulating antenna or dishes shall abide by the requirements of the Federal Telecommunications Act of 1996, as amended.

Section 10.10. Trees and Other Natural Features. After the transfer of title by the Sponsor to any Lot or other portion of the Property, no trees shall be removed from any Lot or portion of the Property, except with the permission of the Association. The Association, in its discretion, may adopt and promulgate rules and regulations regarding the preservation of trees and other natural resources and wildlife upon the Property. The area within 50 feet of the bank of Four Mile Creek, and within 25 feet from the edge of the lake bluff overlooking Lake Ontario, shall not be disturbed and shall be preserved in compliance with New York State Department of Environmental Conservation rules and regulations.

Section 10.11. Use and Maintenance of Bluff Areas. Within any lake bluff area overlooking Lake Ontario, no improvements, planting or other materials shall be permitted, nor shall any activity be undertaken, which may damage or interfere with established topography, create erosion or sliding problems, change the direction or flow of drainage channels, including but not limited to climbing, walking, hiking, planting, clearing or cutting. The area within 25 feet from the edge of the lake bluff overlooking Lake Ontario and all improvements thereon shall be subject to regulation by the Association and left in their natural state, except in those cases where a governmental agency or other public entity or utility company assumes regulatory control. The Association assumes no liability or responsibility for the safety and/or well being of individuals in or near lake bluff areas overlooking Lake Ontario. Each individual Lot Owner is solely responsible and liable for the safety and well being of individuals in or near lake bluff areas overlooking Lake Ontario.

Section 10.12. Snowmobiles. No snowmobile or similar motor vehicle shall be operated on any portion of the Property except with the consent of the Association, subject, however, to the Town of Webster Zoning Code and the Parks and Recreation Law of the State of New York.

Section 10.13. Commercial and Professional Activity on Property. No wholesale or retail business, service occupation or home business in conflict with applicable municipal laws and ordinances shall be conducted in or on any Lot or other portion of the Property without the consent of the Association, except by the Sponsor in conjunction with the

initial construction, development, lease and sale of Lots, except that Association consent shall not be required for a legal home occupation requiring no visitor parking or employee parking.

Section 10.14. Outside Storage. Outside storage or parking for more than one 72 consecutive hour period per month of any commercial or recreational vehicle, unlicensed vehicle, camper, boat, truck or trailer shall be prohibited.

No recreational equipment, toys, bicycles, tricycles, yard equipment, and/or tools, pools or portable poles, baskets and/or nets shall be left outdoors after sunset. Without limiting the foregoing, such items shall generally be brought indoors as reasonably practical after its use has stopped.

Section 10.15. Outdoor Repair Work. With respect to a Lot or other portion of the Property to which title has been transferred by the Sponsor, no work on any motor vehicles, boats or machines of any kind, other than minor servicing and maintenance, shall be permitted outdoors on such Lot or portion thereof, except with the consent of the Association.

While using the garage for repair work, or painting, sanding, refinishing and such other similar activities, the overhead garage door shall be closed.

Section 10.16. Oversized, Commercial and Unlicensed Vehicles. Unless approved by the Association or used in connection with the construction or sale of Lots by the Sponsor, or maintenance of the Property, the following shall not be permitted to remain overnight on the Property for more than 72 hours within any month:

- a. any vehicle that cannot fit into a garage of the size constructed by the Sponsor with the Homes with the overhead garage door closed;
- b. commercial vehicles of a weight of two (2) tons or more, unless garaged;
- c. unlicensed motor vehicles of any type, unless garaged.

Section 10.17. Clotheslines. No outdoor drying or airing of any clothing or bedding shall be permitted on the Property.

Section 10.18. Permanent Outdoor Recreational Equipment. No permanent outdoor recreational equipment shall be permitted without the consent of the Association. If the Association grants consent, such consent shall be in the form of a license that will expire March 1<sup>st</sup> following the date of issue. A license is renewable, subject to the March 1<sup>st</sup> expiration date. Permanent outdoor recreational equipment shall be any equipment not brought indoors after sunset each day. In reviewing a request for permanent outdoor recreational equipment, the Association will adhere to the following: (1) wood structures are encouraged; (2) all equipment shall be installed in the rear yard and located within the limits of the home foundation; (3) basketball hoops of the pole mounted or roof top variety are permitted in the front yard driveway area; (4) quality, workmanship, color and design shall be consistent with the architectural

scheme of the home and overall character of the development. Adherence to Town code and zoning requirements of the governing municipality shall be the sole responsibility of the Lot Owner.

Notwithstanding the above, no blacktop surface shall be permitted in the rear yard. Installation of any other hard surface shall be permitted only with the consent of the Association.

Section 10.19 Exterior Maintenance of Homes. No Lot Owner shall alter or change the exterior color of the improvements on his Lot without the prior written consent of the Association. In reviewing a request, the Association shall adhere to the following: (1) wood, composite wood, vinyl [equal to or better than original specifications], fiber cement, stone and brick products are permitted; (2) no log home products are permitted; (3) quality, workmanship, color and design shall be consistent with the architectural scheme of the home and overall character of the development. Adherence to Town code and zoning requirements of the governing municipality shall be the sole responsibility of the Lot Owner.

Section 10.20 Garages. Garages may be used for vehicular parking only and may not be modified for any other use. Occupants of homes shall be required, to the extent practicable, to park motor vehicles owned by them, or under their control, in their garage and shall cause the garage door to be kept in a closed position, except for ingress and egress, whenever possible.

Section 10.21 Awnings and Window/Door Coverings. No awnings, shutters, window guards or other exterior window and/or door coverings, decorative or protective, may be installed without the prior written consent of the Association.

Storm doors may be installed and shall be full glass panels only.

Section 10.22 Machinery. No machinery, refrigeration or heating devices, other than those originally provided by the Sponsor, or similar replacements of the same, or lighting fixture other than standard electric lights shall be installed or operated in or about any home without prior written consent of the Association.

Section 10.23 Unauthorized Parking. Vehicles parked in unauthorized areas or in any manner impeding or preventing ready access to the Property or an occupant's driveway, shall be towed from the premises at the expense of the respective owner of such vehicle. The Association, Managing Agent or authorized employee of either, may order such removal on behalf of the Association after giving reasonable notice to the owner of the vehicle to remove such unauthorized parked vehicle, if such owner can be readily located, and shall not be liable for any costs, loss or damage of any nature whatsoever, directly or indirectly, resulting therefrom or connected therewith. Notice is not required prior to removing a vehicle blocking the egress and ingress of another party or impeding access by emergency vehicles.

Section 10.24 Flammable Substances. No flammable substances or articles deemed hazardous to life, limb or property shall be stored or permitted to be stored anywhere on



the Property, in any dwelling or garage, except in an area so designated for such storage by the Association.

Section 10.25 Lot Owner Improvements. No Lot Owner shall make changes or improvements to the exterior of the Home, or its landscaping, unless he has first received the written permission of the Association. Once any changes or improvements have been made, the Lot Owner shall be solely responsible for its care and maintenance, which care and maintenance shall be of the highest standards as is the custom of the local community.

Any exterior lighting shall not adversely impact the Association's property or the adjacent Homes. Exterior lighting type, style, location, intensity, duration of use, and any other relevant matter shall be subject to the written consent of the Association prior to the installation.

All mailboxes shall be the same throughout the Property, as per Sponsor specifications.

All front light posts shall be the same throughout the Property, as per Sponsor specifications, and the same shall be regulated by photo electric cell providing illumination from dusk to dawn. Each Lot Owner shall maintain the light post, light fixture, photoelectric cell, shall replace light bulbs when needed, and shall bear the cost of electricity consumed by the front light post. If not promptly completed by the responsible Member, the Association shall have the option to complete repairs, and cost of such work shall be assessed to the responsible Member as a special assessment, shall be due upon invoicing by the Association, and shall be a lien upon the Lot of the responsible Member until paid in full.

Holiday ornaments and decorations shall be permitted for the holiday season only. The holiday season is defined to be 20 days before and after the holiday.

Section 10.26 Flag Poles. No free standing flag poles or halyards shall be permitted without Association approval.

Section 10.27 Lakeside Lots. Not in limitation of the above, but in addition to the above, the following restrictions apply to each Lot having frontage on Lake Ontario: (1) Lot Owners do not own, control or maintain the lake bluff areas overlooking Lake Ontario; (2) without the prior approval of the Association, no shrubs or trees shall be planted in the rear yard; (3) privacy fencing or plantings shall be permitted only with the approval of the Association, and such fencing or plantings shall be within the limits of the home foundation, and not extend more than 16 feet from the foundation of the house toward the lake.

Notwithstanding the above, Lots 124 and 125 may use up to the property line adjacent to the Association Property.

Section 10.28 Association Property. All members shall have the right to use Association Property for their recreational pleasure, consistent with the terms of this Declaration, and subject to the following: (1) use shall be in common with all Members and not exclusive by

any one Member; (2) use by one Member shall not be a disturbance or annoyance to another Member; (3) use shall be limited to daylight hours; (4) if an area is artificially lighted, such area shall be used only from dawn until 11 PM; (5) children under 12 shall be accompanied and supervised by a responsible adult at all times; (6) Members are personally responsible for any damage they cause to Association Property, same being repaired and restored at the Member's sole cost and expense. If not promptly completed by the responsible Member, the Association shall have the option to complete repairs and restoration, and cost of such work shall be assessed to the responsible Member as a special assessment, shall be due upon invoicing by the Association, and shall be a lien upon the Lot of the responsible Member until paid in full. Notwithstanding number (1) above, a Member on two weeks prior notice and approval by the Association, may reserve a portion of the Association Property for a private function or gathering. Such private function or gathering shall be subject to the terms and conditions established by the Association in its approval. Members shall respect the privacy of another Member having a private function or gathering with Association approval.

#### ARTICLE XI ENFORCEMENT, AMENDMENT AND DURATION OF DECLARATION

Section 11.01. Declaration Runs With the Land. Each person or entity acquiring an interest in a Lot or other portion of the Property or otherwise occupying any portion of the Property, whether or not the deed, lease or any other instrument incorporates or refers to the Declaration, covenants and agrees for him, her, or itself, and for his, her or its heirs, successors and assigns, to observe, perform and be bound by the provisions of the Declaration, including personal responsibility for the payment of all charges which may become liens against his property and which become due while he is the owner thereof, and also covenants to incorporate this Declaration by reference in any deed, lease or other instrument further transferring an interest in such Lot or other portion of the Property.

Section 11.02. Enforceability. The provisions of the Declaration shall bind the Property, shall be construed as running with the land and shall inure to the benefit of the Association, which shall be deemed the agent for all of its Members, and may be enforced by any Member or Owner, their respective legal representatives, heirs, successors and assigns, by actions at law or by suits in equity. As it may be impossible to measure monetarily the damages which may accrue to the beneficiaries hereof by reason of a violation of the Declaration, any beneficiary hereof shall be entitled to relief by way of injunction or specific performance, as well as any other relief available at law or in equity, to enforce the provisions hereof.

Section 11.03. No Waiver by Failure to Enforce. The failure of any beneficiary hereof to enforce any provision of the Declaration shall in no event be construed as a waiver of the right by that beneficiary or any other to do so thereafter, as to the same or a similar violation occurring prior to or subsequent thereto. No liability shall attach to the Sponsor, the Association, or any officer, director, employee, Member, agent, committee or committee member thereof, or to any other person or organization for failure to enforce the provisions of the Declaration.

Section 11.04. Obligation and Lien for Cost of Enforcement by Association.

If the Association or any other party successfully brings an action to extinguish a violation or otherwise enforce the provisions of the Declaration, or the rules and regulations promulgated hereto or collect moneys due, the costs of such action, including legal fees, shall become a binding, personal obligation of the violator. If such violator is (i) the Owner, (ii) any family member, tenant, guest or invitee of the Owner, (iii) a family member or guest or invitee of the tenant of the Owner, or (iv) a guest or invitee of (1) any member of such Owner's family or (2) any family member of the tenant of such Owner, such costs shall also be a lien upon the Lot or other portion of the Property owned by such Owner, if any. This section shall not be applicable to the Sponsor.

Section 11.05. Inspection and Entry Rights. Any agent of the Association or the Association may at any reasonable time or times, upon not less than 24 hours notice to the Owner, enter upon a Lot or other portion of the Property to inspect the improvements thereon for the purpose of ascertaining whether the maintenance, construction or alteration of structures or other improvements thereon comply with the Declaration, or with rules and regulations issued pursuant hereto. Neither the Association nor any such agent shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

In addition to the above, if the Association determines that it is necessary to trim, cut or prune any tree, hedge or other planting because its location or the height to which, or the manner in which it has been permitted to grow is unsightly, detrimental or potentially detrimental to persons or property, obscures the view of street traffic or lake vistas, or is otherwise in violation of this Declaration, the Association shall notify the Owner of the Lot or other portion of the Property who shall be obliged to remedy the violation. If the Owner fails to remedy the violation within 30 days after such notice is given, then the Association may take such remedial action at the expense of the Owner.

Section 11.06. Default Notices to be Sent to Mortgagees. Each Owner shall notify the Association of the name of the mortgagee of any mortgage on such Owner's Lot. Upon receipt of such notice, the Association shall thereafter provide such mortgagee with a duplicate copy of any notice of default sent to such Owner with regard to the violation by such Owner of any provision of this Declaration.

Section 11.07. Amending or Rescinding. Unless otherwise specifically provided for herein, this Declaration may be amended or rescinded upon the consent in writing of the Owners of not less than two-thirds (2/3) of all Lots which are subject to this Declaration. In addition, so long as the Sponsor owns a Lot subject to this Declaration, the written consent of the Sponsor will be required for any amendment which adversely affects the interest of the Sponsor.

In voting for such amendment or rescission, the Members voting rights shall be as set forth in Article III hereof.

The Owners of every Lot shall receive written notice of every proposed amendment or rescission at least 30 days prior to the date set for voting on said proposed amendment or rescission.

Section 11.08. When Amendment or Rescission Become Effective. Any amendment or rescission to this Declaration shall not become effective until the instrument evidencing such change has been duly recorded in the office of the Monroe County Clerk. Such instrument need not contain the written consent of the required number of Owners, but shall contain a certification by the Board of Directors of the Association that the consents required for such amendment have been received and filed with the Board.

Section 11.09. Duration. The provisions of this Declaration shall, unless amended or rescinded as hereinbefore provided, continue with full force and effect against both the Property and the Owners thereof until December 31, 2012, and, as then in force, shall be automatically, and without further notice, extended for successive periods of ten (10) years, except as otherwise set forth herein.

Section 11.10. Construction and Interpretation. The Association shall have the right to construe and interpret the provisions of this Declaration and, in the absence of an adjudication by a court of competent jurisdiction to the contrary, its construction or interpretation shall be final and binding as to all persons or property benefited or bound by the provisions.

Any conflict in construction or interpretation between the Association and any other person or entity entitled to enforce the provisions hereof shall be resolved in favor of the construction or interpretation of the Association. The Association may adopt and promulgate reasonable rules and regulations regarding the administration, interpretation and enforcement of the provisions of this Declaration. In so adopting and promulgating such rules and regulations, and making and finding, determination, ruling or order or in carrying out any directive contained herein relating to the issuance of permits, authorizations, approvals, rules or regulations, the Association shall take into consideration the best interest of the Owners and other residents of the Property to the end that the Property shall be preserved and maintained as a high quality community.

In granting any permit, authorization or approval, as herein provided, the Association may impose any conditions or limitations thereon as they shall deem advisable under the circumstances in each case in light of the consideration set forth in the immediately preceding paragraph hereof.

Section 11.11. Conflict with Municipal Laws. The protective covenants, conditions and restrictions set forth herein shall not be taken as permitting any action or thing prohibited by the applicable zoning laws, or the laws, ordinances, rules or regulations of any governmental authority, or by specific restrictions imposed by any deed or lease.

Section 11.12. Change of Conditions. No change of conditions or circumstances shall operate to amend any of the provisions of this Declaration, and the same may be amended only in the manner provided herein.

Section 11.13. Invalidity of Agreement or Declaration. The determination by any court of competent jurisdiction that any provision hereof is unenforceable, invalid or void shall not affect the enforceability or validity of any other provision hereof.

ARTICLE XII  
GENERAL

Section 12.01. Headings and Captions. The headings and captions contained in this Declaration are for convenience only and shall not affect the meaning or interpretations of the content thereof.

Section 12.02. Right Reserved to Impose Additional Protective Covenants. The Sponsor reserves the right to record additional protective covenants and restrictions prior to the conveyance of any lands encumbered by this Declaration.

Section 12.03. Notice. Any notice required to be sent to the Sponsor, Owner or mortgagee under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as the Sponsor, Owner or mortgagee on the records of the Association at the time of such mailing.

Section 12.04. Right of Association to Transfer Interest. Notwithstanding any other provision herein to the contrary, the Association and its successors, shall at all times have the absolute right to fully transfer, convey and assign its right, title and interest under this Declaration to any successor not-for-profit corporation or trust, and upon such assignment the successor corporation or trust shall have all the rights and be subject to all the duties of said Association as set forth in this Declaration and shall be deemed to have agreed to be bound by all provisions hereof, to the same extent as if the successor corporation or trust had been an original party and all references herein to the Board of Directors or Trustees of such successor corporation or trust. Any such assignment shall be accepted by the successor corporation or trust under a written agreement pursuant to which the successor corporation or trust expressly assumes all the duties and obligations of the Association. If the Association, for any reason, shall cease to exist without having first assigned its rights hereunder to a successor corporation or trust, the covenants, easements, charges and liens imposed hereunder shall nevertheless continue and any Owner may petition a court of competent jurisdiction to appoint a trustee for the purpose of organizing a not-for-profit corporation or trust to take over the duties and responsibilities of the entity to exist, subject to the conditions provided for herein with respect to an assignment and delegation to a successor corporation or trust.

Section 12.05. Right of Association To Transfer Functions. Unless otherwise specifically prohibited herein or within the Certificate of Incorporation or By-Laws of the Association, any and all functions of the Association shall be fully transferable in whole or in part to any other homeowners or residents association or similar entity.

Lake Landing, LLC  
By: Aristo Lake Venture, LLC, as member

By: \_\_\_\_\_  
Stacey Haralambides, member

COASTAL VIEW ASSOCIATION, INC.

By: \_\_\_\_\_  
Stacey Haralambides, president

STATE OF NEW YORK)  
COUNTY OF MONROE) ss.:

On the \_\_\_\_ day of \_\_\_\_\_ in the year 200\_\_ before me, the undersigned, a Notary Public in and for said State, personally appeared Stacey Haralambides, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK)  
COUNTY OF MONROE) ss.:

On the \_\_\_\_ day of \_\_\_\_\_ in the year 200\_\_ before me, the undersigned, a Notary Public in and for said State, personally appeared Stacey Haralambides, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

**CERTIFICATE OF AMENDMENT  
OF  
CERTIFICATE OF INCORPORATION  
OF  
COASTAL VIEW MASTER HOMEOWNERS ASSOCIATION, INC.**

**Under Section 803 of the Not-for-Profit Corporation Law**

The undersigned, being the Authorized Person for Coastal View Master Homeowners Association, Inc., does hereby certify as follows:

1. The name of the Corporation is Coastal View Master Homeowners Association, Inc.
2. The Certificate of Incorporation was filed by the New York Secretary of State on May 24, 2002 under Section 402 of the Not-for-Profit Corporation Law.
3. The Corporation is a corporation as defined in Section 102(a)(5) of the Not-for-Profit Corporation Law, and is a Type A corporation as defined in Section 201(b) of the Not-for-Profit Corporation Law.

4. a. The Certificate of Incorporation is amended to change the name of the corporation. Paragraph 1 is amended to read as follows:

" 1. The name of the Corporation is COASTAL VIEW ASSOCIATION, INC."

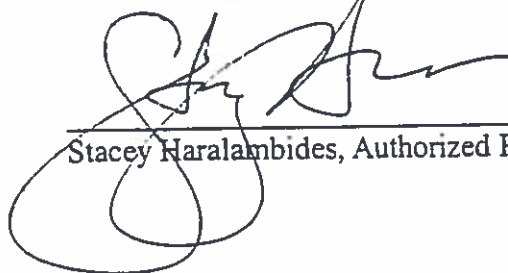
B. The Certificate of Incorporation is amended to change the address to which the Secretary of State shall mail a copy of any process against the Corporation served upon him or her. Paragraph 7 of the Certificate of Incorporation shall read in its entirety as follows:

" 7. The Secretary of State is designated as agent of the Corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the Corporation served upon him or her is:

c/o the Corporation  
17 Cathedral Oaks  
Fairport, New York 14450"

5. The foregoing amendments were authorized by the Unanimous Written Consent of the members of the Board of Directors of the Corporation.

IN WITNESS WHEREOF, this certificate has been subscribed this 30<sup>th</sup> day of December, 2002 by the undersigned who affirms that the statements made herein are true under the penalties of perjury.



\_\_\_\_\_  
Stacey Haralambides, Authorized Person



FILING RECEIPT

ENTITY NAME: COASTAL VIEW ASSOCIATION, INC.

DOCUMENT TYPE: AMENDMENT (DOMESTIC NFP)  
PROCESS NAME

COUNTY: MONR

SERVICE COMPANY: RELYEA SERVICES, INC.

SERVICE CODE: 75

FILED:01/02/2003 DURATION:\*\*\*\*\* CASH#:030102000153 FILM #:030102000151

ADDRESS FOR PROCESS

THE CORPORATION  
17 CATHEDRAL OAKS  
FAIRPORT, NY 14450

REGISTERED AGENT

FILER	FEES		PAYMENTS	
		55.00		55.00
	FILING	30.00	CASH	0.00
	TAX	0.00	CHECK	0.00
	CERT	0.00	CHARGE	0.00
	COPIES	0.00	DRAWDOWN	55.00
	HANDLING	25.00	BILLED	0.00
			REFUND	0.00
WOODS OVIATT GILMAN LLP 700 CROSSROADS BLDG. JCHESTER, NY 14614				

CERTIFICATE OF INCORPORATION  
OF  
COASTAL VIEW MASTER HOMEOWNERS ASSOCIATION, INC.

Under Section 402 of the Not-for-Profit Corporation Law

The undersigned, being of the age of 18 years or older, under Section 402 of the Not-for-Profit Corporation Law of the State of New York, hereby certifies:

1. The name of the Corporation is COASTAL VIEW MASTER HOMEOWNERS ASSOCIATION, INC.

2. The Corporation has not been formed for pecuniary profit or financial gain and no part of the assets, income or profit of the Corporation is distributable to or inures to the benefit of its members, directors or officers. The Corporation shall be a Type A Corporation under Section 201 of the Not-for-Profit Corporation Law.

3. The purposes for which the Corporation is formed are to acquire, construct upon, manage, maintain, care for, preserve, protect and enhance the value of that certain tract of property known as Coastal View Subdivision in the Town of Webster, County of Monroe, State of New York, and such additions thereto as may hereafter be brought within the jurisdiction of this Corporation and structures, fixtures and improvements thereon, and community facilities and rights, privileges and easements benefiting such property (the "Property") and being initially the premises described in that certain Declaration of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens of Coastal View Master Homeowners Association, Inc. and any supplements or additions thereto (the "Declaration") and to promote the health, safety and welfare of the owners of interests in the Property.

4. In furtherance of, and not in limitation of, the purposes of the Corporation, the Corporation shall have all the powers now or hereafter granted to corporations of its type under the Not-for-Profit Corporation Law of the State of New York and any successor statute, including, without limiting the generality of the foregoing, the power to acquire, invest in, hold, sell, exchange and dispose of real and personal property of all kinds and varieties and interests, including security interests and mortgages therein.

5. Nothing herein contained shall authorize the Corporation to undertake or carry on any of the activities specified in Section 404(a)-(u) of the Not-for-Profit Corporation Law of the State of New York, to operate a hospital, drug maintenance program, certified home health agency, health maintenance organization or to provide hospital or health related services, or to offer a comprehensive health services plan as any of the foregoing are respectively defined in Articles 28, 33, 36, and 44 of the Public Health Law.

6. The office of the Corporation will be located in the County of Monroe, State of New York.

7. The Secretary of State is designated as the agent of the Corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the Corporation served upon him is 2 Harrington Drive, Fairport, New York 14450.

8. Every person or entity who is a record owner of a fee interest in any Lot in the Property which is subject by covenants of record to assessments by the Corporation, including contract vendors and, in addition, the Sponsor so long as it shall be the record owner of a fee interest in any Lot in the Property, whether or not subject to assessments by the Corporation, shall be a member of the Corporation. The Corporation shall have two (2) classes of membership. No person shall be a member of the Corporation solely on account of ownership of an interest in a Lot in the Property solely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from record fee ownership of any Lot in the Property subject to assessment by the Corporation.

9. The initial directors of the corporation until the first annual meeting are as follows:

Stacey Haralambides  
2 Harrington Drive  
Fairport, New York

Patricia Haralambides  
2 Harrington Drive  
Fairport, New York

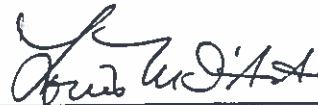
Brian Hegedorn  
964 ridge Road  
Webster, New York

10. Upon dissolution of the Corporation other than incident to a merger or consolidation, no part of the assets of the Corporation nor any of the proceeds thereof shall be distributed to the members, officers or directors of the Corporation as such, but all such property and proceeds shall, subject to the discharge of the Corporation's liabilities, be distributed as directed by the members of the Corporation to a public agency to be used for not-for-profit purposes similar to those for which the Corporation was created or for the general

welfare of the residents of the municipality in which the Property is located or to a corporation, association, trust or other organization not organized for profit and operated exclusively for the promotion of social welfare, subject to the approval of a Justice of the Supreme Court of the State of New York.

11. Neither this Certificate of Incorporation nor the Corporation's By-Laws shall be amended in any manner that conflicts with the Declaration.

IN WITNESS WHEREOF, the undersigned has subscribed and affirmed this Certificate as true under the penalties of perjury this May 23, 2002.



---

Louis M. D'Amato  
700 Crossroads Building  
2 State Street  
Rochester, New York 14614

FILING RECEIPT

=====

ENTITY NAME: COASTAL VIEW MASTER HOMEOWNERS ASSOCIATION, INC.

DOCUMENT TYPE: INCORPORATION (NOT-FOR-PROFIT)

TYPE: A COUNTY: MONR

SERVICE COMPANY: RELYEA SERVICES, INC.

SERVICE CODE: 75

=====

FILED:05/24/2002 DURATION:PERPETUAL CASH#:020524000668 FILM #:020524000640

ADDRESS FOR PROCESS

EXIST DATE

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 THE CORPORATION  
 2 HARRINGTON DRIVE  
 FAIRPORT, NY 14450

-----  
 05/24/2002

REGISTERED AGENT  
 -----

FILER	FEES	100.00	PAYMENTS	100.00
-----	----		-----	
RELYEA SERVICES LLC	FILING	75.00	CASH	0.00
P.O. BOX 5167	TAX	0.00	CHECK	0.00
	CERT	0.00	CHARGE	0.00
	COPIES	0.00	DRAWDOWN	100.00
ALBANY, NY 12205-0167	HANDLING	25.00	BILLED	0.00
			REFUND	0.00
			-----	



# BY-LAWS





**BY-LAWS**

**Establishing Coastal View Association, Inc.**

**NAME: COASTAL VIEW ASSOCIATION, INC.**

**SPONSOR: Lake Landing, LLC  
29 Barchan Dune Rise  
Victor, New York 14564**

**DATE OF BY-LAWS: \_\_\_\_\_, 200\_\_**

**WOODS OVIATT GILMAN LLP**

**Attorneys for the Sponsor**

**700 Crossroads Building, 2 State Street  
Rochester, New York 14614**

BY-LAWS  
OF  
COASTAL VIEW ASSOCIATION, INC.

TABLE OF CONTENTS

	Page Number
ARTICLE I NAME AND LOCATION.....	1
ARTICLE II DEFINITIONS.....	1
ARTICLE III MEMBERS.....	2
ARTICLE IV MEETINGS OF MEMBERS; VOTING.....	2
ARTICLE V BOARD OF DIRECTORS .....	6
ARTICLE VI OFFICERS.....	11
ARTICLE VII COMMITTEES.....	12
ARTICLE VIII FINANCE.....	14
ARTICLE IX BOOKS AND RECORDS.....	14
ARTICLE X CORPORATE SEAL.....	14
ARTICLE XI AMENDMENTS.....	15
ARTICLE XII INDEMNIFICATION.....	15

BY-LAWS  
OF  
COASTAL VIEW ASSOCIATION, INC.

ARTICLE I  
NAME AND LOCATION

SECTION 1.01 Name and Location. The name of the corporation is the COASTAL VIEW ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the Association shall be located in the Town of Webster, County of Monroe and State of New York.

ARTICLE II  
DEFINITIONS

As used in these By-Laws, the following terms shall have the definitions ascribed to them below:

SECTION 2.01 Association. COASTAL VIEW ASSOCIATION, INC., a New York not-for-profit corporation.

SECTION 2.02 Declaration. The document entitled "Declaration of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens" imposed by the Sponsor of the Property, as defined below, as it may from time to time be supplemented or amended in the manner provided for in said Declaration.

SECTION 2.03 Lot. Any portion of the Property identified as a separate parcel on the tax records of the Town of Webster or shown as a separate lot upon any recorded or filed subdivision map, with the exception of Association Property as defined in the Declaration.

SECTION 2.04 Member. Every person or entity who is a record owner of a fee interest in any Lot which is subject by covenants of record to assessments by the Association, including contract vendors and, in addition, the Sponsor, as that term is defined in the Declaration, so long as it shall be the record owner of a fee interest in any Lot subject to the Declaration, whether or not subject to assessments by this Association. No person, however, shall be a member of the Association solely on account of ownership of an interest in a Lot solely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from record fee ownership of any Lot subject to assessment by the Association.

SECTION 2.05 Property. All property within Coastal View Subdivision and subject to the lien of the Declaration.

SECTION 2.06      Sponsor. Lake Landing, LLC, its successors and assigns.

SECTION 2.07      Home. A single family dwelling on the property.

ARTICLE III  
MEMBERS

SECTION 3.01      Membership in the Association. The Members of the Association shall be the Owners of Lots within the Property, provided that any person or entity holding such interest merely as security for the performance of an obligation shall not be a Member. The Association shall have two (2) classes of Membership. Class A members shall be all Owners of Lots except the Sponsor and the sole Class B member shall be the Sponsor or assignee. The Class B membership shall be the only class of membership entitled to vote for the election of directors, the transaction of any corporate business or any other matter until all Lots owned by Sponsor (whether included as initial property or included as additional property pursuant to Section 2.03 of the Declaration) or until 15 years following the recording of the Declaration, whichever shall first occur. Immediately thereafter, the Sponsor's Class B membership shall be converted into Class A membership without further act or instrument and the Class A membership shall have full voting rights.

SECTION 3.02      Right of Sponsor to Assign; Otherwise No Assignment. Sponsor may assign its membership in the Association to any person, corporation, association, trust or other entity, and such assignee, and any future assignee of such membership may make successive like assignments. Memberships in the Association shall not otherwise be transferable or assignable.

ARTICLE IV  
MEETINGS OF MEMBERS; VOTING

SECTION 4.01      Annual Meeting. There shall be an Annual Meeting of the Members on the first Tuesday of June at 8:00 p.m., or at such other date and time and at such other place convenient to the Members as shall be designated by the Board of Directors, which meeting shall be for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the date fixed for the annual Meeting shall be a legal holiday, the meeting shall be held on the first day following, which is not a legal holiday. Failure to hold an Annual Meeting at the designated time shall not, however, invalidate the corporate existence or affect otherwise valid corporate acts.

SECTION 4.02      Special Meetings. Special Meetings of the Members may be called at any time by the President or the Board of Directors, and shall be called by the Secretary of the Association at the request in writing of Members of the Association holding not less than the ten percent (10%) of the votes entitled to be cast at the meeting.

SECTION 4.03 Notice of Meetings. Not less than ten (10) days or more than 30 days before the date of any Annual or Special Meeting of Members, the Association shall give to each Member written or printed notice stating the time and place of the meeting and, in the case of a Special Meeting, indicating that it is being issued by or at the direction of the person or persons calling the meeting and the purpose or purposes for which the meeting is called. Such notice shall be delivered either by mail or by presenting it to the Member personally, or by leaving it at such Member's residence as shown on the records of the Association. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, addressed to the Member at his or her post office address as it appears on the records of the Association. Notwithstanding the foregoing provision, a waiver of notice in writing, signed by the person or persons entitled to such notice, whether before or after such meeting is held, or actual attendance at the meeting in person without objection to lack or deficiency of notice prior to the conclusion of the meeting, shall be deemed equivalent to the giving of such notice to such persons. Any meeting of Members, Annual or Special, may adjourn from time to time to reconvene at the same or some other place, and no notice need be given of any such adjourned meeting other than by announcement at the meeting at which the adjournment is taken.

SECTION 4.04 Voting Rights. The Class B membership shall be the only class of membership entitled to vote for the election of directors, the transaction of any corporate business or any other matter until all Lots owned by Sponsor are transferred by the Sponsor, or until 15 years following the recording of the Declaration, whichever shall first occur. Immediately thereafter, the Sponsor's Class B membership shall be converted into Class A membership without further act or instrument and the Class A membership shall have full voting rights, and each Member shall have one vote, regardless of the number of Lots owned.

SECTION 4.05 Quorum and Vote. The presence in person or by proxy of Members having not less than the lesser of one-half (1/2) or one-tenth of the total votes of the Membership entitled to vote shall constitute a quorum at any meeting. However, if a meeting cannot be held because a quorum is not present, the majority of the Members present, either in person or by proxy, may, without notice other than announcement to those physically present, adjourn the meeting to a time not less than 48 hours later, until a quorum shall be present in person or by proxy, with the quorum required for each reconvened meeting being one-half (1/2) of the quorum required for the previous meeting, but never less than one-tenth of the total votes of the Membership entitled to vote. Directors shall be elected by the affirmative vote of Members entitled to vote and casting a plurality of the vote cast at a meeting of Members. With respect to all acts other than the election of Directors, the act of Members casting a majority of the votes cast at a meeting shall be the act of the Members unless the act of a greater or lesser number is required by law, or by the Certificate of Incorporation of the Association, the Declaration or these By-Laws.

SECTION 4.06 Voting Regulations. The Board of Directors of the Association may make such regulations, consistent with the terms of the Declaration, the Certificate of Incorporation, these By-Laws and the Not-for-Profit Corporation Law of the State of New York, as it deems advisable for any meeting of the Members, in regard to proof of

membership in the Association, evidence of right to vote, the appointment and duties of inspectors of votes, registration of Members for voting purposes and such other matters concerning the conduct of meetings and voting as it shall deem appropriate.

SECTION 4.07 Corporate Members. Any votes of a corporate member may be cast by an appropriate officer of such corporation.

SECTION 4.08 Joint or Common Ownership. Any one (1) joint or common fee owner of a Lot shall be entitled to cast the vote with respect to the Lot so owned, but all such joint or common owners shall together cast only one (1) vote for each Lot conferring voting rights. If the owners are unable to determine how the vote shall be cast, no vote shall be cast.

SECTION 4.09 Absentee Ballots. On any matter submitted to the Members for vote, other than the election of Directors of the Association, any Member entitled to vote may cast a vote without attending the meeting in question by filing a written statement with the Board of Directors prior to the meeting in question, specifying the issue on which the Member intends to vote and that the Member votes for or against the same. Members unable to attend a meeting at which Directors of the Association are to be elected shall be entitled to file an absentee ballot if so provided by the Board of Directors, or may vote by a proxy which shall be in writing and shall be filed with the Secretary of the Association.

SECTION 4.10 Waiver and Consent. Wherever the vote of the membership is required by law or by the Certificate of Incorporation of the Association, the Declaration or these By-Laws, to be taken in connection with any action of the Association, the meeting and vote of the membership may be dispensed with if all Members who would have been entitled to vote upon the action if such meeting were held shall consent in writing to such action being taken.

## ARTICLE V BOARD OF DIRECTORS

SECTION 5.01 Number of Directors. The business and affairs of the Association shall be managed by the Board of Directors. The number of Directors of the Association shall be five (5), except that an initial Board of three (3) Directors shall be designated by the Sponsor. The initial Board of Directors shall hold its first meeting within 30 days of transferring title to the first Lot. The initial Board of Directors shall serve until the first annual meeting after the Sponsor no longer has an interest in a Lot then subject to the terms of the Declaration. Directors need not be Members.

SECTION 5.02 Nominations. Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. Nominations also may be made from the floor at the Annual Meeting of the Association. The members of the Nominating Committee shall be appointed by the Board of Directors at least

thirty (30) days prior to each Annual Meeting of the Members and shall serve only to make the nominations for Directors to be elected at that meeting.

The Nominating Committee shall make as many nominations for election of the Board of Directors as it shall determine, in its sole discretion, but not less than the number of vacancies that are to be filled and such nomination may be made from Members of the Association.

**SECTION 5.03**      Election. At the first Annual Meeting after the Sponsor relinquishes control of the Board of Directors, the Members shall elect two (2) Directors for a term of three (3) years, two Directors for a term of two (2) years and one (1) Director for a term of one (1) year. At each Annual Meeting thereafter, the Members shall replace those Directors whose terms have expired and elect such successor Directors for a term of three (3) years. Voting shall be by secret written ballot which shall:

- a. Set forth the number of vacancies to be filled;
- b. Set forth the names of those nominated by the Nominating Committee to fill such vacancies; and
- c. Contain space for a write-in for each vacancy. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

**SECTION 5.04**      Vacancies. Any vacancy occurring in the initial or any subsequent Board of Directors may be filled at any meeting of the Board of Directors by the affirmative vote of a majority of the remaining Directors (although less than a quorum) or by a sole remaining Director and, if not previously filled, shall be filled at the next succeeding meeting of the Members of the Association. Any Director elected to fill a vacancy shall serve as such until the expiration of the term of the Director whose vacancy such person was elected to fill. Any vacancy occurring by reason of an increase in the number of Directors may be filled by action of a majority of the entire Board of Directors and any Director so elected shall hold office until the next meeting of Members or until a successor is elected and qualifies.

**SECTION 5.05**      Removal. At any meeting of Members, duly called at which a quorum is present, the Members may, by the affirmative vote of not less than two-thirds (2/3) of the Members entitled to vote, remove any Director or Directors from office with or without cause and may by plurality vote elect the successor or successors to fill any resulting vacancies for the unexpired term or terms of the removed Director or Directors. In addition the other Directors may, by the affirmative vote of not less than two-thirds (2/3) of the other Directors, declare the position of the Director vacant in the event the person filling such position shall be absent from three (3) consecutive meetings.

**SECTION 5.06**      Compensation. Directors shall not receive any compensation or salary for their services. Any Director may be reimbursed for his actual expenses incurred in the performance of his duties. A Director who serves the Association in any capacity other than as a Director or officer, however, may receive compensation therefor.

SECTION 5.07 Regular Meetings. Regular Meetings of the Board of Directors shall be held monthly without notice at such places and at such times convenient to the Directors as may be designated from time to time by resolution of the Board of Directors. Should such meeting date fall on a legal holiday, that meeting shall be held at the same time on the next day which is not a legal holiday.

SECTION 5.08 Special Meetings. Special Meetings of the Board of Directors may be called at any time at the request of the President or any two (2) Directors after not less than two (2) days notice to each Director. The person or persons authorized to call such Special Meeting of the Board may fix any place convenient to the Directors as a place for holding such Special Meeting. Any Director may, in writing signed by such Director before or after the time of the Special Meeting stated therein, waive notice of any Special Meeting. The attendance of a Director at any Special Meeting without objection to lack or deficiency of notice prior to the conclusion of such meeting shall constitute a waiver of notice of such Special Meeting. Neither the business to be transacted at, nor the purpose of any Special Meeting need be specified in the notice or waiver of notice of such meeting, unless specifically required by law, by the Certificate of Incorporation of the Association or by these By-Laws.

SECTION 5.09 Quorum and Voting. At all meetings of the Board of Directors, a majority of the entire Board of Directors shall constitute a quorum for the transaction of business, except as otherwise required by law, by the Certificate of Incorporation of the Association or by these By-Laws. Except in cases in which it is provided otherwise by law, by the Certificate of Incorporation or by these By-Laws, a vote of a majority of Directors present at a duly constituted meeting shall be sufficient to elect and pass any measure. In the absence of a quorum, the Directors present may adjourn the meeting from time to time by majority vote and without further notice, until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted as originally called.

SECTION 5.10 Informal Action by Directors. Any action required or permitted to be taken by a meeting of the Board of Directors or of any committee thereof may be taken without a meeting, provided a written consent to such action is signed by all members of the Board of Directors or of such committee, as the case may be. Such written consent shall be filed with the minutes of proceedings of the Board or committee.

SECTION 5.11 Powers of the Board. The Board of Directors may exercise all the powers of the Association, except such as are conferred upon or reserved to the Members by statute or by the Certificate of Incorporation or these By-Laws. The powers, duties and authority of the Board of Directors shall specifically include, but shall not be limited to, the following:

- a. To determine, levy and collect the assessments and common charges as provided for in the Declaration.



b. To collect, use and expand the assessments and charges collected for the maintenance, care and preservation and operation of the property of the Association as permitted by the Declaration.

c. To procure and maintain adequate liability insurance covering the Association, its Directors, Officers, agents and employees and to procure and maintain adequate hazard insurance on such of the Association's real and personal properties and the Homes as it deems appropriate.

d. To repair, restore or alter the properties of the Association or such other improvements for which the Association may now or hereafter have such responsibility under the Declaration, as amended, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

e. To promulgate rules and regulations relating to the use, operation and maintenance of the Property for the safety and convenience of the users thereof or to enhance the preservation and use of facilities or which, in the discretion of the Association, shall serve to promote the best interests of the Members and to establish and enforce penalties for infractions thereof.

f. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from Members for violations of the provisions of the Declaration or of any rules or regulations of the Association.

g. To pay all expenses incurred by the Association and all taxes owing by the Association.

h. To declare the office of a member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive meetings of the Board of Directors.

i. To keep a complete record of the actions of the Board of Directors and the corporate affairs of the Association and such other records as it deems appropriate.

j. To issue, or cause to be issued, upon request by any person, an "Assessment Certificate" as provided in the Declaration, setting forth the status of payment of assessment for any Lot.

k. To grant easements or rights of way to any public or private utility corporation, governmental agency or political subdivision with or without consideration.

l. To dedicate or transfer all or any part of the land which it owns for such purposes and subject to such conditions as may be agreed to by the Association and the transferee. Such a conveyance shall, however, require the consent of two-thirds (2/3) of the total votes of all Members at any meeting duly called and held or who

shall vote upon written ballot which shall be sent to every Member not less than 30 days nor more than 60 days in advance of the canvass thereof. In addition, no such conveyance shall be made if lending institutions which together are first mortgagees on 33-1/3% or more of the Lots advise the Association in writing, prior to the date set for voting on the proposed conveyance, that they disapprove such conveyance, which disapproval must not be unreasonable. Written notice of any proposed conveyance shall be sent to all lending institution first mortgagees not less than 30 days nor more than 60 days prior to the date set for voting on the proposed conveyance.

m. To enter into agreements, reciprocal or otherwise, with other homeowners and residents associations, condominiums and cooperatives for the use of or sharing of facilities. Such agreements shall require the consent of two-thirds (2/3) of the total votes of all Members voting upon written ballot which shall be sent to every Member not less than 10 days nor more than 60 days in advance of the vote on the proposed agreement.

n. To exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Members by other provisions of these By-Laws, the Certificate of Incorporation or the Declaration.

SECTION 5.12      Duties of the Board. It shall be the duty of the Board of Directors to:

a. Cause to be kept a complete record of all its acts and corporate affairs and to regularly present a written report thereon in compliance with New York statutes to the Members at the annual Meeting of the Members, or at any Special Meeting to present a written report only when same is requested in writing by at least one-fourth (1/4) of the Members who are entitled to vote.

b. Supervise all officers, agents and employees of the Association and to see that their duties are properly performed.

c. As more fully provided in the Declaration now or as hereafter amended or supplemented, to:

(1) Fix the amount of Special Assessments and Maintenance Assessments and other assessments to be assessed and levied against each Lot at the time or times and in the manner provided in the Declaration.

(2) Send written notice of each assessment to every owner of a Lot subject thereto at the time and in the manner provided in the Declaration.

(3) Take reasonable action consistent with the Declaration to collect assessments due the Association and not timely paid, and to bring an action at law against the Member personally obligated to pay the same.

d. Issue, or cause an appropriate officer to issue, upon demand by any person, a Certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these Certificates. If a Certificate states an assessment has been paid, such Certificate shall be conclusive evidence of such payment.

e. Procure and maintain adequate liability and hazard insurance for the Association Property, and if it so opts for the Homes.

f. Cause the Association Property, and on the default of the Lot Owner, the exteriors of the Homes to be maintained.

g. Cause all officers or employees having fiscal responsibilities to be bonded, as the Board of Directors may deem appropriate.

h. Prepare annual finance statements of the Association which are to be mailed to each Member by March 15th of each year.

SECTION 5.13 Performance of Duties: Conflict of Interests. The Directors and Officers of the Association may freely make contracts, enter transactions or otherwise act for and in behalf of the Association relating to or incidental to its operations, notwithstanding the fact that they may also be acting as individuals or as Directors of the Association and as agents for other persons or business concerns or may be interested therein as stockholders of said corporations or business concerns or otherwise, provided, however, that all such dealings shall at all times be at arm's length for and in the best interests of the Association and otherwise lawful.

## ARTICLE VI OFFICERS

SECTION 6.01 Officers. The officers of the Association shall be the President (who shall be a member of the Board of Directors), one (1) or more Vice Presidents (the number to be determined by the Board of Directors), the Secretary and the Treasurer and shall be appointed by the Board of Directors. The Board of Directors may elect such other officers as it shall deem desirable, such officers to have the authority to perform the duties prescribed from time to time by the Board of Directors. Two (2) or more offices may not be held by the same person.

SECTION 6.02 Election. The election of officers shall take place at the first meeting of the Board of Directors following each Annual Meeting of the Members.

SECTION 6.03 Term and Vacancies. The officers of the Association shall be elected annually by the Board of Directors and each shall hold offices until his or her successor shall have been duly elected, unless he or she shall sooner resign, or shall be removed

or otherwise be disqualified to serve. The vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 6.04 Resignation and Removal. Any officer may be removed by the Board of Directors, with or without cause, whenever, in the judgment of the Board, the best interests of the Association will be served thereby. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6.05 President. The President shall be the chief executive officer, shall supervise the work of the other officers, shall preside at all meetings of Members, shall preside at all meetings of Directors and shall perform such other duties and functions as may be assigned him or her. He or she may sign, in the name of the Association, any and all contracts or other instruments authorized by the Board or these By-Laws.

SECTION 6.06 Vice President. Any Vice President shall be capable of performing all of the duties of the President. He or she may sign, in the name of the Association, any and all contracts or other instruments authorized by the Board and shall perform such other duties and functions as may be assigned to him or her by the President or the Board.

SECTION 6.08 Treasurer. The Treasurer shall have the duty to oversee the management and proper safekeeping of all moneys and securities of the Association and shall keep or cause to be kept regular books and records. He or she shall account to the President and the Board, whenever they may require it, with respect to all of his or her transactions as Treasurer and of the financial condition of the Association, and shall perform all other duties that are assigned to him or her by the President, the Board or these By-Laws.

SECTION 6.08 Treasurer. The Treasurer shall have the custody of all moneys and securities of the Association and shall keep or cause to be kept regular books and records. He or she shall account to the President and the Board, whenever they may require it, with respect to all of his or her transactions as Treasurer and of the financial condition of the Association, and shall perform all other duties that are assigned to him or her by the President, the Board or these By-Laws.

SECTION 6.09 Other Officers. Such other officers as the Board may appoint shall perform such duties and have such authority as the Board may determine.

SECTION 6.10 Compensation. No executive officers of the Association shall receive any stated salary for their services, provided that nothing herein contained shall preclude any executive officer from serving the Association in any other capacity and receiving compensation therefor.

ARTICLE VII  
COMMITTEES

SECTION 7.01 Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one (1) or more committees, each of which shall consist of two (2) or more Directors, which committees, to the extent provided in the resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Association provided, however, that no such committee shall have the authority of the Board of Directors to approve an amendment to the Certificate of Incorporation of the Association or to these By-Laws or a plan of merger or consolidation.

SECTION 7.02 Committees of the Association. The committees of the Association shall be the Architectural Standards Committee, the Nominating Committee and such other committees as the Board of Directors shall deem desirable. Each committee shall consist of a chairman and two (2) or more members and shall include a member of the Board of Directors. The Architectural Standards Committee shall have the duties and functions described for such committee in the Declaration.

SECTION 7.03 Rules. Each committee may adopt rules for its own government not inconsistent with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

ARTICLE VIII  
FINANCE

SECTION 8.01 Checks. All checks, drafts and orders for the payment of money, notes and other evidences of indebtedness issued in the name of the Association shall, unless otherwise provided by resolution of the Board of Directors, be signed by the President or Treasurer and countersigned by one (1) Director of the Association, provided that the President or Treasurer and Director so signing are not the same person.

SECTION 8.02 Fiscal Year. The fiscal year of the Association shall be the twelve (12) calendar months, ending October of each year, unless otherwise provided by the Board of Directors.

SECTION 8.03 Annual Reports. There shall be a full and correct statement of the financial affairs of the Association including a balance sheet and a financial statement of operation for the preceding fiscal year. Such report shall be submitted at the Annual Meeting of the Members and filed within 20 days thereafter at the principal office of the Association.

ARTICLE IX  
BOOKS AND RECORDS

SECTION 9.01      Books and Records. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, Certificate of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association.

ARTICLE X  
CORPORATE SEAL

SECTION 10.01      Corporate Seal. The Association shall have a seal in circular form having within the circumference thereof the full name of the Association.

ARTICLE XI  
AMENDMENTS

SECTION 11.01      Alteration, Repeal or Amendment. These By-Laws may be altered, repealed or amended and new By-Laws may be adopted at any regular or special meeting of the Members, by vote of a majority of Members entitled to vote present in person or by proxy or (except as to any matter affecting membership qualifications or voting rights) at any regular or special meeting of the Board of Directors or by the affirmative vote of a majority of the whole Board of Directors.

SECTION 11.02      Conflict with Certificate of Incorporation or with Declaration. In the case of any conflict between the Certificate of Incorporation and these By-Laws, the Certificate of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XII  
INDEMNIFICATION

SECTION 12.01      Indemnification. To the extent permitted by law, the Association shall indemnify and hold harmless any person made a party to any proceeding by reason of the fact that such person is or was a Director or officer of the Association against any loss or expense incurred by said person by reason of such proceeding, including the settlement thereof, except in relation to matters which such person is adjudicated to be liable for gross misconduct in the performance of that person's duties.

**PURCHASE AGREEMENT**

THIS AGREEMENT made the \_\_\_ day of \_\_\_\_\_, 200\_\_ by Lake Landing, LLC having an office at 29 Barchan Dune Rise, Victor, New York ("Seller" and or "Sponsor")

and \_\_\_\_\_,  
residing at \_\_\_\_\_ ("Purchaser").

**WITNESSETH:**

In consideration of the mutual promises herein made, Seller agrees to sell and Purchaser agrees to purchase the premises below described for the price and upon the terms and conditions below set forth.

1. **PREMISES:** The premises known as Lot No. \_\_\_\_\_ of the Coastal View Subdivision, Webster, Monroe County, New York, as shown on a map filed in the Monroe County Clerk's Office.

The premises are sold together with all rights of Seller in and to any and all streets, roads, highways, alleys, driveways, easements and rights of way appurtenant thereto.

The premises are sold subject to restrictive covenants of record provided they have not been violated, unless enforcement of the covenants has been barred by Section 2001 of the Real Property Actions and Proceedings Law; utility easements of record, easements common to the tract or subdivision, easements and rights of way shown on the subdivision map, and easements recorded in the Monroe County Clerk's Office.

The premises are also sold subject to the Declaration of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens, and the By-Laws, for the Coastal View Association, Inc. ("Master Association"), both of which are included in the CPS-7 Application (with Exhibits) for the Coastal View Association, Inc. Purchaser acknowledges receipt of the CPS-7 Application (with Exhibits) at least three (3) business days prior to the date of this Agreement and the CPS-7 Application (with Exhibits) is incorporated in this Agreement by reference and made a part of this Agreement with the same force and effect as if set forth in full. Purchaser agrees to be bound by the Declaration, By-Laws and any Rules and Regulations of the Master Association as they may be amended from time to time. Purchaser acknowledges that he is purchasing an interest in the Master Association, and that except as stated in this Agreement [and as set forth in the CPS-7 Application (with Exhibits)], Purchaser has not relied upon any representations or other statements of any kind or nature made by Seller or otherwise.



[THE FOLLOWING IS ALSO APPLICABLE IF THIS BOX IS INITIALED BY THE PURCHASER]

The premises are also sold subject to the Declaration of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens, and the By-Laws, for the Coastal Villas Association, Inc. ("Sub-Association"), both of which are included in the CPS-7 Application (with Exhibits) for the Coastal Villas Association, Inc. Purchaser acknowledges receipt of the CPS-7 Application (with Exhibits) at least three (3) business days prior to the date of this Agreement and the CPS-7 Application (with Exhibits) is incorporated in this Agreement by reference and made a part of this Agreement with the same force and effect as if set forth in full. Purchaser agrees to be bound by the Declaration, By-Laws and any Rules and Regulations of the Sub-Association as they may be amended from time to time. Purchaser acknowledges that he is purchasing an interest in the Sub-Association, and that except as stated in this Agreement [and as set forth in the CPS-7 Application (with Exhibits)], Purchaser has not relied upon any representations or other statements of any kind or nature made by Seller or otherwise.

2. PRICE: Purchaser shall pay to Seller for the premises the following sum:

Initial Base Price	\$ _____
Lot Premium	+ _____
Total Purchase Price	\$ _____

The Purchaser shall pay the sum of \$ \_\_\_\_\_ prior to the start of construction, and the balance of the Total Purchase Price, plus extras and less credits, shall be paid upon delivery of the deed, subject to the requirements of change orders set forth in paragraph 3.

Due to market conditions and demand pressures on building materials and/or labor costs outside of the control of the Seller, which may cause an increase in raw material and/or labor costs to the Seller, *Seller advises Purchaser that the purchase price set forth above is guaranteed if final architectural plans are approved and all contingencies are removed or satisfied, in writing, within 30 days from the date Seller and Purchaser sign this Agreement.* The Seller will commence construction when the Agreement contains no unsatisfied contingencies. If this Agreement contains unsatisfied contingencies, the Seller shall have no obligation to commence construction until Purchaser removes all contingencies from this Agreement. If the 30 day purchase price guarantee is not met, Seller shall notify Purchaser of the increase in purchase price by means of a written change order, and Purchaser shall have five (5) calendar days to accept the increased purchase price. If the Purchaser does not accept the increased purchase price, either party shall have the option of terminating this Agreement, and any deposit shall be refunded to the Purchaser.



3. DWELLING: Seller agrees to sell and Purchaser agrees to purchase the home identified on the Plan attached as Exhibit "B", now on the premises or to be constructed on the premises in accordance with plans and specifications on file in the office of Seller, in accordance with the Seller's Standards attached as Exhibit "A", and those Extras requested by Purchaser and agreed to by the Seller by written change authorization form after the date of this contract. Purchaser understands that he may make changes and alterations in the plans and specifications provided that such changes are made pursuant to a change authorization form signed by Purchaser and Seller. Change authorizations that in the aggregate total less than 10.00% of the Initial Base Price set forth in paragraph 2 may be paid upon delivery of the deed. Change authorizations that in the aggregate total more than 10.00% of the Initial Base Price set forth in paragraph 2 shall be paid for at the time of the change authorization.

Purchaser understands that any model home constructed by Seller may contain furnishings, carpeting and special features and fixtures which are not included in, and which are or may be more expensive than, those included in the property which Purchaser is purchasing.

Seller reserves the right to: (i) make changes or substitutions of materials or construction for items as set forth in the plans and specifications, provided any such changes are of comparable value and quality; (ii) determine the grading, elevation, location and design of all plots, dwellings, decks, heat pumps and landscaping to fit into the general pattern of the project; and (iii) determine elevation and location of foundations, driveways and streets to conform with topographical conditions.

Seller reserves the right to create both horizontal and/or vertical chases within the dwelling for utility runs. Such chases may be within a wall or boxed out into a space. The Seller also reserves the right to furr-out exterior walls as required for plumbing insulation. Buyer acknowledges that these matters may not be shown on the final construction drawings and are located during the construction process.

Seller has the option to change grades, foundations and footings and setback of the dwelling if underground conditions are such that the original placement makes it inadvisable to construct where originally agreed. Underground conditions can be the result of rock, water, soil type or any other condition which in the judgment of Seller would necessitate a change in elevation or setback, or result in extraordinary construction costs or necessitate unusual construction methods. If underground conditions are severe and unusual costs or construction methods would be incurred, Seller shall have the right to cancel this Agreement by written notice to Purchaser.

The Seller shall clear, grade and restore only that portion of the site which the Seller requires for construction of the building and utilities. All remaining areas will be left in their natural state. For those areas designated to be final graded and seeded pursuant to the plans and specifications, Seller will complete the final grading consistent with plans on file with the Town and seed the area. Seller expressly disclaims any responsibility for seed germination. Buyer is solely responsible for watering and proper fertilization of the seed area.

Seller will attempt to preserve trees on the site. Seller, however, shall not be responsible for trees that die after closing or for removal of such trees.

Within seven (7) days of Purchaser approving final architectural drawings, Purchaser shall meet with the Seller's representative and begin making selections pursuant to the Seller's selection sheets and schedule. Failure to complete all selections by the date(s) set forth in the Seller's Selection Package will cause a delay in the completion date contained in Paragraph 15 of this Agreement, and at Seller's discretion, Buyer shall pay Seller the sum of \$100.00 per day for each day that the closing date is extended due to Purchaser's delay in completing selections, and/or at Seller's option, this Agreement may be canceled and all deposits will be refunded.

4. DEPOSITS: Purchaser is advised that to assure the return of his payments ("deposits") before delivery of the deed in the event this Agreement is terminated for reasons other than Purchaser's default:

The Seller will comply with the escrow and trust fund requirements of General Business Law Sections 352e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

All deposits, down payments, or advances made by Purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the plan, will be placed, within five business days after the agreement is signed by all necessary parties and a deposit check has been delivered by Purchaser, in a segregated special escrow account of Woods, Oviatt, as attorneys, the Escrow Agent, whose address is 700 Crossroads Building, 2 State Street, Rochester, New York 14614, and whose telephone number is (716) 987-2800. The signatory on this account authorized to withdraw funds is Louis M. D'Amato and or Kelley Ross Brown, attorneys with Woods Oviatt Gilman LLP.

The name of the account is COASTAL VIEW ESCROW ACCOUNT, located in Manufacturers and Traders Trust Company, 16 West Main Street, Rochester, New York 14614. This bank is covered by federal bank deposit insurance to a maximum of \$100,000 per account. If down payments from multiple purchasers in excess of \$100,000 are made at any one time, deposits will not be federally insured in excess of \$100,000.

The account is a Fiduciary Deposit Account bearing interest at the prevailing rate. Interest earned is the property of the Purchaser, and credited at the time of transfer of title or paid when the deposit is refunded to the Purchaser in accordance with this purchase agreement.

All instruments shall be made payable to or endorsed to the order of Coastal View Escrow Account.

Within ten business days after tender of the deposit submitted with the purchase agreement, the Escrow Agent will notify the Purchaser that such funds have been deposited into the escrow account and will provide the account number. If the Purchaser does not receive notice of such deposit within fifteen business days after tender of the deposit, the Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety days after tender of the deposit. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited

and requisite notice was timely mailed to the Purchaser in conformity with the Attorney General's regulations.

The Escrow Agent will hold funds in escrow until otherwise directed in:

1. A writing signed by both Seller and Purchaser;
2. A determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or
3. A judgment or order of a court of competent jurisdiction.

If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to the Seller until the Escrow Agent has given the Purchaser written notice of not fewer than ten business days. Thereafter, the funds may be paid to the Seller unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General regulations and has so notified the Escrow Agent in accordance with such provision.

The Seller will not object to the release of the escrowed funds to a Purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan; or to all Purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

Purchasers and the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the down payment. The Seller must avail itself of the procedure if there is a dispute that needs to be resolved. The party applying for a determination must send all other parties a copy of the application.

Pending the determination of the Attorney General to grant or deny the application, the Seller, the Purchaser, and the Escrow Agent shall abide by an interim directive issued by the Attorney General.

In the event this agreement is terminated for reasons other than Purchaser's default, deposits, with interest if any, will be returned to Purchaser within 15 days of such termination.

The parties agree that when the transfer of title occurs, the Escrow Agent shall release the Escrowed Funds to the Seller.

**YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.**

5. **BUILDING PERMIT:** This Agreement is subject to Seller being able to obtain a building permit.

6. **RISK OF LOSS:** Risk of loss or damage to the premises until transfer of title shall be assumed by the Seller. If any damage to the premises occurs prior to transfer of title and Seller determines that it cannot repair or restore such loss or damage, this Agreement shall terminate without any further liability of one party to the other, and Purchaser shall have his deposits returned in accordance with paragraph 4 of this Agreement.

7. **SURVEY:** Seller shall furnish at Purchaser's expense an instrument survey made by a land surveyor duly licensed by the State of New York, showing the premises above described and the location of all buildings, improvements and other structures affecting the premises.

8. **DEED:** At closing, Seller shall deliver to Purchaser a warranty deed, with lien covenant, conveying marketable title in fee simple, free and clear of all liens and encumbrances except as provided in this Agreement.

9. **SEARCHES:** Seller agrees to provide an abstract of title, guaranteed tax search and a United States District Court search to the time of transfer, showing marketable title. The searches will be provided to Purchaser's attorney at least fifteen (15) days prior to transfer.

10. **CERTIFICATE OF OCCUPANCY:** At the time of closing, Seller agrees to deliver to Purchaser a Certificate of Occupancy.

11. **INSPECTION:** Prior to closing, Purchaser shall have the right to inspect the premises upon reasonable notice to the Seller.

12. **POSSESSION:** Possession shall be given upon transfer of title and not before. Purchaser understands for her/his/their safety that Purchaser is not permitted on site unless accompanied by Seller. Purchaser understands that a construction site is inherently dangerous, and Purchaser hereby assumes the risk for injury, loss or damage that may occur to person and or property while on site. Seller expressly disclaims any liability or responsibility for Purchaser's personal safety or Purchaser's property while on site.

13. **ADJUSTMENTS AT CLOSING:** There shall be prorated and adjusted as of the date of transfer of title: water charges, pure water charges, current taxes computed on a fiscal year basis, rents, and Association and Master Association assessments. Purchaser will accept title subject to, and will pay all assessments and installments of assessments for local improvements that are not payable as of date of delivery of deed and which, if any, appear on the current tax rolls.

14. **COSTS:** Purchaser shall pay for any fees incurred in recording of the deed and mortgage and for the New York State Mortgage Tax. Purchaser also shall pay the cost of the required Real Estate Transfer Tax Stamps to be affixed to the deed. Purchaser shall pay for the fee and mortgagee title insurance policy, as may be required.

Purchaser agrees to reimburse Seller for the water meter, the Town of Webster Recreation Fee and any other municipal and/or district fees.

15. CLOSING: The dwelling shall be completed and ready for

closing on or about \_\_\_\_\_, provided Purchaser makes timely selections pursuant to paragraph 3 of this Agreement and provided there are no unusual delays due to circumstances beyond the Seller's control, including, but not limited to adverse weather, material shortages, strikes, labor troubles, damage by fire, governmental restrictions, or receipt of materials special ordered for Purchaser, in which case(s), the closing date shall be extended accordingly without liability to Seller. Purchaser agrees to accept transfer of title and make all payments provided for herein within ten (10) days of being notified of completion. Transfer of title shall be completed at the offices of Woods Oviatt Gilman LLP or at the office of the mortgagee's attorney.

The parties agree that the residence shall be deemed complete for closing when a Certificate of Occupancy is issued. All incomplete work shall be itemized in writing before closing at a meeting between Purchaser and Seller. No escrow for incomplete items having an individual value less than \$1,000.00 will be held, subject to the escrow requirements of Purchaser's lender as set forth in paragraph 18.

16. FAILURE TO DELIVER OR REJECTION OF TITLE: Should Seller be unable to or fail to deliver title to the premises in accordance with the provisions of this Agreement, or in the event that Purchaser raises objection to Seller's title or to any improvements, which, if valid, would render the title unmarketable, or render the present or intended use of the improvements illegal (being in violation of any effective law, ordinance, regulation or restriction) Seller shall have the right to cancel this Agreement. Seller shall cancel by giving written notice of cancellation to Purchaser and it is agreed that Seller's liability shall be limited to the return of Purchaser's deposits, with interest if any, and upon their return, this Agreement shall become null and void; provided, however, if Seller shall be able within a reasonable length of time to cure the objection or if either party secures a commitment for title insurance at standard rates to insure against the objection raised or title insurance acceptable to Purchaser, Purchaser shall pay the cost of the title insurance and this Agreement shall continue in full force and effect.

17. PURCHASER'S FAILURE TO TAKE TITLE: Provided the Seller has performed in compliance with the terms of this Agreement, if the Purchaser fails to take title and otherwise close the purchase of the dwelling, this Agreement shall become null and void and all deposits, with interest if any, shall belong to the Seller, and the Purchaser also shall pay Seller the full cost of all Extras and or change orders executed pursuant to this Agreement. Purchaser also shall pay Seller reasonable attorneys' fees and court costs incurred by Seller to enforce Seller's remedies under this Agreement. All sums due Seller from Purchaser under this paragraph shall be liquidated damages.

18. ESCROW FOR COMPLETION: In the event that the dwelling or its environs shall not be fully completed at the time set by the Seller for the closing of title, the incomplete item(s) will not constitute an objection to closing, provided that the lending institution granting Purchaser's mortgage issues an inspection report and an escrow fund is

deposited by the Seller with the lending institution if required under its report, and further provided that Purchaser shall have the right to delay the closing of title until a temporary Certificate of Occupancy has been issued. The escrow fund shall be paid by the lending institution directly to the Seller when the lending institution, in its sole discretion, deems the items for which the escrow is held to be completed. Purchaser shall receive credit at closing for any funds so held in escrow.

19. REPRESENTATIONS: This Agreement constitutes the entire agreement between Seller and Purchaser and supersedes all prior or other agreements and representations in connection with the sale and purchase. Purchaser has not relied on any representation as to size, dimensions or other characteristics of the lot, site landscaping, dwelling, the Association or the Master Association, except as presented in the CPS-7 Application (with Exhibits). Purchaser agrees that by acceptance of the deed, Purchaser (a) will be a member of the Association and Master Association and thus liable for Association and Master Association assessments, and (b) will own his property subject to rights of the Association and Master Association in accordance with the Declaration. This Agreement cannot be modified except in a writing signed by both parties. All the terms, covenants, provisions, conditions and agreements set forth or provided for shall be binding upon and inure to the benefit of the parties and their assigns.

20. MERGER: Delivery and acceptance of a deed by Purchaser shall be deemed full compliance of the Seller with all the terms of this Agreement and a release by the Purchaser of any and all rights, obligations, claims or causes of action against the Seller, except as set forth in the Limited Warranty. The dwelling shall be regarded as completed in accordance with plans and specifications except for the specific items that Seller agrees, prior to closing, will be completed or repaired.

21. ASSIGNMENT: This Agreement may be assigned by Seller, but may not be assigned by Purchaser without Seller's written consent.

22. LIMITED WARRANTY: THE SELLER MAKES NO HOUSING MERCHANT IMPLIED WARRANTY OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS CONTRACT OR THE HOME AND ALL SUCH WARRANTIES ARE EXCLUDED, EXCEPT AS PROVIDED IN THE LIMITED WARRANTY ANNEXED TO THIS CONTRACT. THE EXPRESS TERMS OF THE LIMITED WARRANTY ARE HEREBY INCORPORATED IN THIS CONTRACT AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE FACE THEREOF.

Every structure contains naturally occurring contaminants, including but not limited to radon, animal dander, dust, dust mites, fungi, mold, bacteria and pollen (collectively, "Impurities"). Such Impurities may or may not be airborne and or invisible. Seller does not claim any expertise regarding the identification, remediation, or health consequences of such Impurities. Whether or not the home experiences adverse effects of Impurities depends largely on how Purchaser maintains the home after completion of construction, as well as an individual's susceptibility to such Impurities. Purchaser should contact federal, state and or local authorities for information regarding Impurities in the home. PURCHASER AGREES THAT SELLER IS NOT RESPONSIBLE FOR ANY DAMAGES, ILLNESS OR ALLERGIC REACTIONS THAT PURCHASER, OR PURCHASER'S FAMILY, GUESTS OR INVITEES, MAY EXPERIENCE AS A RESULT OF IMPURITIES IN THE HOME. SELLER DISCLAIMS ANY LIABILITY RESULTING FROM IMPURITIES IN THE HOME, INCLUDING BUT NOT LIMITED TO PROPERTY DAMAGE, PERSONAL INJURY OR DEATH, LOSS OF INCOME, EMOTIONAL DISTRESS, LOSS OF USE, LOSS OF VALUE AND OR ADVERSE HEALTH EFFECTS.

23. **ADDENDA TO THIS CONTRACT:** Attached to and made a part of this Agreement are the following:

Exhibit A - Seller's Standards.

Exhibit B - Plan

Exhibit C -

24. **NO COMMISSIONS:** Purchaser represents that no broker has been contacted or engaged in connection with the procurement of this Agreement. Should this representation be contrary to fact, Purchaser shall pay any commission due and hold the Seller harmless from any claim or liability therefor arising out of the acts or inaction of the Purchaser. This representation shall survive the closing and delivery of the deed to Purchaser.

25. **PURCHASER'S ATTORNEY APPROVAL:** This Purchase Agreement is contingent upon Purchaser securing attorney's approval within one week of acceptance by Purchaser and Seller. Failure of Purchaser's attorney to either approve or disapprove within one week shall be deemed an approval.

**THE PURCHASER ACKNOWLEDGES THAT A WRITTEN COPY OF THE TERMS OF THE LIMITED WARRANTY HAVE BEEN PROVIDED FOR THE PURCHASER'S EXAMINATION PRIOR TO THE TIME OF THE PURCHASER'S EXECUTION OF THIS CONTRACT.**

IN WITNESS WHEREOF, the Purchaser has caused this instrument to be duly executed the day and year first above written.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Purchaser

ACCEPTANCE

Seller hereby accepts this offer and agrees to sell on the terms and conditions set forth.

Dated: \_\_\_\_\_

Lake Landing, LLC  
By: Aristo Lake Venture, LLC, member

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Stacey Haralambides, managing member

Seller's Attorney:

Louis M. D'Amato, Esq.  
Woods, Oviatt, et al  
700 Crossroads Building, 2 State Street  
Rochester, New York 14614  
Phone 716-987-2823  
Fax 716-454-3968  
Email: Ldamato@woodsoviatt.com

Buyer's Attorney:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Phone \_\_\_\_\_

Fax \_\_\_\_\_



EXHIBIT C-1  
COMMISSION AGREEMENT

Lot No. \_\_\_\_\_ of Coastal View Subdivision, Webster, Monroe County, New York.

The undersigned hereby agrees that the Purchase Agreement dated \_\_\_\_\_, 200\_\_\_\_, is hereby modified as follows:

24. COMMISSIONS: Paragraph 24 above is hereby deleted and replaced with the following language:

Purchaser represents that no broker other than \_\_\_\_\_ has been contacted or engaged in connection with the procurement of this Agreement. Should this representation be contrary to fact, Purchaser shall pay any commission due any other broker and hold the Seller harmless from any claim or liability therefor arising out of the acts or inaction of the Purchaser. This representation shall survive the closing and delivery of the deed to Purchaser. Seller agrees to pay the named broker a commission in the amount of three percent (3.00%) of the initial base price upon transfer of title. Seller shall not be obligated for the broker's commission if this transaction shall fail to close for any reason whatsoever.

Except as modified by the above paragraphs, the original terms and conditions of the Purchase Agreement are hereby ratified and remain in full force and effect.

Dated: \_\_\_\_\_, 200\_\_\_\_.

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Purchaser

LAKE LANDING, LLC

By: Aristo Lake Venture, LLC, member

Dated: \_\_\_\_\_, 200\_\_\_\_.

BY: \_\_\_\_\_  
Stacey Haralambides, managing member

EXHIBIT C-2  
SALE CONTINGENCY

Lot No. \_\_\_\_\_ of Coastal View Subdivision, Webster, Monroe County, New York.

The undersigned hereby agrees that the Purchase Agreement dated \_\_\_\_\_, 200\_\_, is hereby modified as follows:

The Purchase Agreement is contingent upon Purchaser securing a firm contract for the sale of his property located at \_\_\_\_\_ no later than

\_\_\_\_\_, 200\_\_. Purchaser shall multiple list the property with a licensed realtor of Purchaser's choice within 72 hours of acceptance of the Purchase Agreement, and provide Seller with proper evidence of the listing, or Seller shall have the option of canceling the Purchase Agreement, and all deposits shall be returned with interest, if any. If Purchaser is unable to obtain a firm contract for the sale of his property by such date, then either Purchaser or Seller may cancel the Purchase Agreement by written notice to the other.

If Seller receives another acceptable purchase offer, Seller may notify Purchaser in writing that Seller desires to accept the other purchase offer and Purchaser will then have 24 hours to remove this sale contingency by written notice to the Seller. If Purchaser does not remove this sale contingency after receiving notice from the Seller, Purchaser's rights under the Purchase Agreement shall terminate, the deposit with interest, if any, shall be refunded, and Seller shall be free to accept the other purchase offer. Purchaser may not remove this contingency by such notice to Seller if Purchaser's mortgage loan commitment requires, or may require, the sale and transfer of Purchaser's property as a condition of the mortgage lender disbursing the mortgage loan proceeds, unless Purchaser has a contract for the sale of Purchaser's property which is not then subject to any unsatisfied contingencies.

Except as modified by the above paragraphs, the original terms and conditions of the Purchase Agreement are hereby ratified and remain in full force and effect.

Dated: \_\_\_\_\_, 200\_\_.

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Purchaser

LAKE LANDING, LLC

By: Aristo Lake Venture, LLC, member

Dated: \_\_\_\_\_, 200\_\_.

BY: \_\_\_\_\_  
Stacey Haralambides, managing member

EXHIBIT C-3  
MORTGAGE CONTINGENCY

Lot No. \_\_\_\_\_ of Coastal View Subdivision, Webster, Monroe County, New York.

The undersigned hereby agrees that the Purchase Agreement dated \_\_\_\_\_, 200\_\_\_\_, is hereby modified as follows:

This Agreement is contingent upon Purchaser obtaining within 30 banking days from date of this Agreement a commitment for a

\_\_\_\_\_ first mortgage loan in the amount of \$\_\_\_\_\_ from a lending institution. If Purchaser cannot obtain such commitment within that period through Purchaser's own efforts, then either Purchaser or Seller may cancel this Agreement by giving written notice to the other. In that event, this Agreement shall be null and void and both parties released from any and all liabilities. Deposits, with interest if any, shall be returned to the Purchaser less the full cost of all Extras described in Exhibit A attached which were commenced, at the written request of Purchaser, prior to receipt by Seller of advice of the disapproval of the mortgage. In the event the cost of the Extras commenced by Seller exceeds the amount of the deposits, Purchaser shall promptly remit to Seller the difference.

Except as modified by the above paragraphs, the original terms and conditions of the Purchase Agreement are hereby ratified and remain in full force and effect.

Dated: \_\_\_\_\_, 200\_\_\_\_.

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Purchaser

LAKE LANDING, LLC

By: Aristo Lake Venture, LLC, member

Dated: \_\_\_\_\_, 200\_\_\_\_.

BY: \_\_\_\_\_  
Stacey Haralambides, managing member

**LIMITED WARRANTY**

NAME OF PURCHASER(S): \_\_\_\_\_

ADDRESS OF PURCHASER(S): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

ADDRESS OF HOME WARRANTED: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

NAME OF BUILDER: LAKE LANDING, LLC

ADDRESS OF BUILDER: 29 Barchan Dune Rise  
Victor, New York 14564

WARRANTY DATE: \_\_\_\_\_

BUILDER'S LIMIT OF TOTAL LIABILITY: Fifty percent (50%) of the Initial Base Purchase Price

This Limited Warranty excludes  
all consequential and incidental damages  
except as required by New York State Law.

1. Limited Warranty. This Limited Warranty excludes all other warranties on the construction and sale of the Home and its components, both express and implied. There are no warranties that extend beyond the face hereof.

2. To Whom Given. This Limited Warranty is extended to the Purchaser named on Page One, while the purchaser owns the Home, subject to the Warranty Periods established below in paragraph 5. This Warranty is not transferable to subsequent owners of the Home or other persons.

3. By Whom Made. This Limited Warranty is made exclusively by Builder.

4. Final Inspection. Prior to the transfer of the deed or occupancy by the Purchaser, the Purchaser shall inspect the Home at a time agreeable to both Purchaser and Builder. A representative of the Builder shall be present at the inspection. The purpose of this final inspection is to discover any defects or flaws of a visible or obvious nature. The Builder may indicate other defects known to the Builder which remain uncorrected at the time of inspection.

All defects or flaws found on final inspection of the Home will be itemized on a Final Inspection Sheet, which shall state each item that will be corrected and generally state the manner for correction. The Final Inspection Sheet will be signed by the Purchaser and the Builder before occupancy of the Home or transfer of the deed.

When the Purchaser moves into the Home or accepts the deed, the Builder's responsibility is limited to:

(a) completion of items shown on the Final Inspection Sheet, in the manner provided on the Final Inspection Sheet, and

(b) performance of warranty obligations under the provisions of this Limited Warranty, as listed below.

5. Warranty Coverage and Periods. The Warranty Period for all coverage begins on the Warranty Date shown on Page One. It ends at the expiration of the coverages shown below:

FIRST YEAR BASIC COVERAGE: For one year from the Warranty Date, the Home will be free from latent defects that constitute:

(a) defective workmanship performed by the Builder, an agent of the Builder or subcontractor of the Builder;

(b) defective materials provided by the Builder, an agent of the Builder or subcontractor of the Builder; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Builder.

Workmanship, materials, and design will be considered defective if they fail to meet or exceed the New York State Uniform Fire Prevention and Building Code or the Residential Construction Performance Guidelines adopted by the Rochester Home Builders Association, from time to time ("Performance Guidelines"). The Builder agrees to correct stated deficiencies as described in the Performance Guidelines.

TWO YEAR MAJOR SYSTEM COVERAGE: For two years from the Warranty Date, the plumbing, electrical, heating, cooling and ventilation systems of the Home which have been installed by the Builder are warranted to be free from latent defects that constitute defective installation by the Builder.

The plumbing system means: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.

The electrical system means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The heating, cooling and ventilation system means: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

All systems are exclusive of appliances, fixtures and items of equipment.

Installation will be considered defective if the Builder's workmanship upon the installation fails to meet or exceed New York State Uniform Fire Prevention and Building Code or the Performance Guidelines. The Builder agrees to correct stated deficiencies as described in the Performance Guidelines.

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: For six years from the Warranty date, the Home will be free from latent defects that are major structural defects, as defined below, and that constitute:

(a) defective workmanship performed by the Builder, an agent of the Builder or subcontractor of the Builder;

(b) defective materials provided by the Builder, an agent of the Builder or subcontractor of the Builder; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Builder.

Workmanship, materials, and design will be considered defective if they fail to meet or exceed the New York State Uniform Fire Prevention and Building Code or the Performance Guidelines. The Builder agrees to correct stated deficiencies as described in the Performance Guidelines.

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions of the Home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the Home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

6. Exclusions From All Coverages. The following are excluded from the Basic Coverage, Major System Coverage, and Major Structural Defect Coverage:

(a) Loss or damage caused by workmanship performed by any person other than the Builder, an agent of the Builder, or a subcontractor of the Builder.

(b) Loss or damage caused by defective materials supplied by any person other than the Builder, an agent of the Builder, or a subcontractor of the Builder.

(c) Loss or damage caused by defective design provided by any person other than a design professional retained exclusively by the Builder.

(d) Patent defects including defects show on the Final Inspection Sheet and defects that an examination of the Home prior to the transfer of the deed or occupancy of the Home would have revealed.

(e) Defects in outbuildings including but not limited to detached garages and detached carports (excluding outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Home); site located swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including but not limited to sodding, seeding, shrubs, trees and plantings); off-site improvements or any other improvements not a part of the Home itself.

(f) After the first year Basic Coverage, concrete floors of the basements and concrete floor of attached garages that are built separately from foundation walls or other structural elements of the Home.

(g) Damage to real property that is not part of the Home covered by this Limited Warranty and which is not included in the purchase price of the Home.

(h) Any damage to the extent that it is caused or made worse by:

(i) negligence, improper maintenance, or improper operation by anyone other than the Builder, its employees, agents or subcontractors; or

(ii) failure of the Purchaser or anyone other than the Builder, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or

(iii) failure of the Purchaser to give notice to the Builder of any defects or damage within a reasonable time; or

(iv) changes in the grading of the ground by anyone other than the Builder, its employees, agents or subcontractors; or

(v) changes, alterations or additions made to the Home by anyone after the Warranty Date shown on Page One; or

(vi) dampness or condensation due to failure of the Purchaser or occupant to maintain adequate ventilation.

(i) Any condition which does not result in actual physical damage to the Home.

(j) Loss or damage caused by or resulting from accident, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable changes in the underground water table.

(k) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect.

(l) Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

(m) Any damage which the Purchaser or occupant has not taken timely action to minimize.

(n) Normal wear and tear and normal deterioration.

(o) Insect damage.

(p) Bodily injury or damage to personal property.

(q) Failure of the Builder to complete construction of the Home.

(r) Loss or damage that arises while the Home is being used primarily for nonresidential purposes.



(s) Loss or damage due to abnormal loading on floors by the Purchaser or occupant which exceeds design loads as mandated by the New York State Uniform Fire Prevention and Building Code.

(t) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repair.

(u) Consequential damages (except where required by New York State law).

(v) Any claim not filed in a manner set forth below in paragraph 8 entitled, "Step By Step Claims Procedures".

Also excluded from coverage are naturally occurring contaminants, including but not limited to radon, animal dander, dust, dust mites, fungi, mold, bacteria and pollen (collectively, "Impurities"). SELLER DISCLAIMS ANY LIABILITY RESULTING FROM IMPURITIES IN THE HOME, INCLUDING BUT NOT LIMITED TO PROPERTY DAMAGE, PERSONAL INJURY OR DEATH, LOSS OF INCOME, EMOTIONAL DISTRESS, LOSS OF USE, LOSS OF VALUE AND OR ADVERSE HEALTH EFFECTS.

7. Warranty. If a defect occurs in an item covered by this Limited Warranty, the Builder will repair, replace or pay the Purchaser the reasonable cost of repairing or replacing the defective item(s) within a reasonable time after the Builder's inspection or testing discloses the problem in accordance with the Performance Guidelines. The choice among repair, replacement or payment is solely that of the Builder.

In no event will the Builder's total liability for deficiencies under this Limited Warranty exceed the Builder's Limit of Total Liability set forth on Page One.

Repair, replacement or payment of reasonable cost for any Major Structural Defect is further limited to (a) the repair of damage to the load-bearing portions of the Home themselves which is necessary to restore their load-bearing functions, and (b) the repair of those items of the Home damaged by the Major Structural Defect which made the Home unsafe, unsanitary or otherwise unlivable.

When the Builder finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the defect must be signed and delivered to the Builder.

8. Step By Step Claims Procedures.

(a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Builder no later than the first business day after the warranty coverage on that item expires. If this Notice of Warranty Claim Form is not properly completed and received by the Builder by the first business day after the warranty coverage on that item expires, the Builder will have no duty to respond to any

complaint or demand, and any or all claims may be rejected. NOTICE OF WARRANTY CLAIM IS NECESSARY TO PROTECT RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Builder, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Limited Warranty. The Builder's response to any complaint or request, other than a timely and properly completed Notice of Warranty Claim Form, will not impair, prejudice or otherwise affect any right of the Builder.

(c) In response to a Notice of Warranty Claim Form, or any other complaint or request of the Purchaser, the Builder and the Builder's agents will have the right to inspect and test the portion of the Home to which the claim, complaint or request relates. The Purchaser and occupant of the Home must provide reasonable access to the Builder and the Builder's agents during normal business hours to complete inspection, testing and repair or replacement.

(d) The Builder will complete inspection and testing within a reasonable time under the circumstances, not to exceed thirty (30) days after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Builder will determine whether to accept or reject the claim. If the Builder rejects the claim, the Builder will give written notice of that decision to the claimant at the address shown on the Notice of Warranty Claim Form. If the Builder accepts the claim, the Builder will take corrective action within a reasonable time under the circumstances and, upon completion, will give written notice of completion to the claimant at the address shown on the Notice of Warranty Claim Form. The Builder will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects are subject to weather conditions, Acts of God, availability of materials and other events beyond the Builder's control.

#### 9. Legal Actions.

(a) No claim or cause of action under this Limited Warranty may be commenced or asserted in any suit, action, or other legal proceeding against the Builder in any Court or forum unless notice of the claim or cause of action has been received by the Builder in a timely and properly completed Notice of Warranty Claim Form as provided above in paragraph 8.

(b) No suit, action and proceeding against the Builder under this Limited Warranty may be commenced in any Court or forum after the later of: (i) the date of expiration of the applicable warranty coverage under paragraph 5 of this Limited Warranty, or (ii) sixty (60) calendar days after the Builder has given written notice of rejection of claim or completion of corrective action as provided above in paragraph 8(d).

10. General Provisions.

(a) This Limited Warranty may not be changed or amended in any way.

(b) This Limited Warranty is binding upon the Builder and the Purchaser, their heirs, executives, administrators, successors and assigns.

(c) Should a court of competent jurisdiction deem any provision of the Limited Warranty unenforceable, the determination will not affect the enforceability of the remaining provisions.

(d) Use of one gender in this Limited Warranty includes all other genders, and use of the plural includes the singular, as may be appropriate.

(e) This Limited Warranty is to be governed in accordance with the law of New York State.

**NOTICE OF WARRANTY CLAIM FORM**

Dear Home Owner:

To ask the Builder to correct a defect in your Home that you think is covered by the Builder's Limited Warranty, you must complete this form and deliver it to the Builder. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Builder is aware of the problem, fill out this form and deliver it to the Builder.

The information you will need to fill out the form will be on Page One of the Limited Warranty. However, if you do not know the answers to any questions, write "Not Known". Please do not leave any item blank.

Name: \_\_\_\_\_

Address of Home  
Warranted: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Work or Day Phone: \_\_\_\_\_

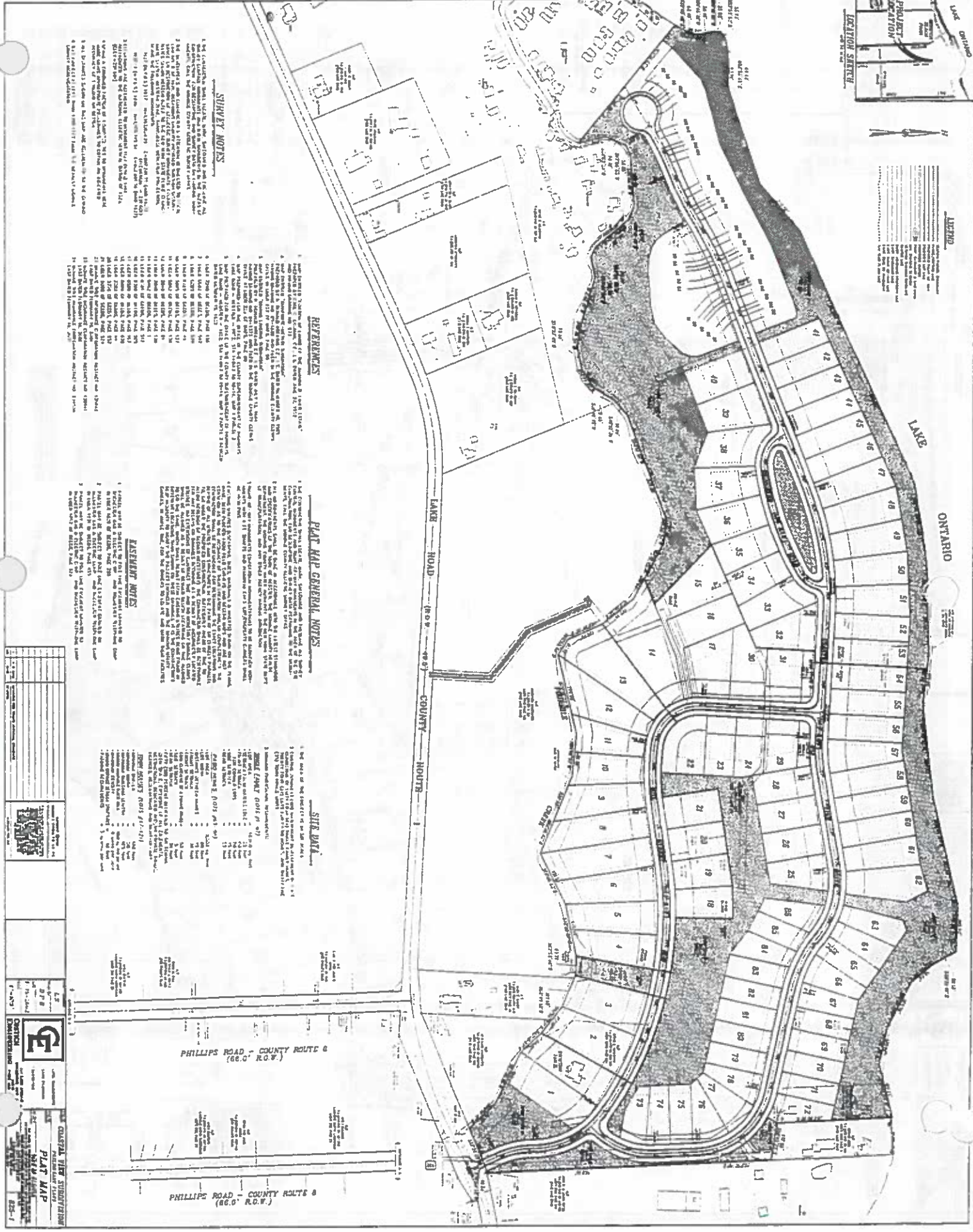
Warranty Date: \_\_\_\_\_

Describe the defect(s) that you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

# COASTAL VIEW SUBDIVISION SECTIONS 1 - 4 (Common Area is shaded)



**SHORELINE NOTES**

1. The shoreline shall be maintained and kept in accordance with the original plan and shall not be altered without the approval of the Planning Board.
2. The shoreline shall be maintained and kept in accordance with the original plan and shall not be altered without the approval of the Planning Board.
3. The shoreline shall be maintained and kept in accordance with the original plan and shall not be altered without the approval of the Planning Board.
4. The shoreline shall be maintained and kept in accordance with the original plan and shall not be altered without the approval of the Planning Board.

**REFERENCES**

1. The City of Toronto, Ontario, Planning Board, Report No. 1234, dated 1998.
2. The City of Toronto, Ontario, Planning Board, Report No. 1234, dated 1998.
3. The City of Toronto, Ontario, Planning Board, Report No. 1234, dated 1998.
4. The City of Toronto, Ontario, Planning Board, Report No. 1234, dated 1998.

**PLAT MAP GENERAL NOTES**

1. The boundaries shown on this map are based on the original survey and shall not be altered without the approval of the Planning Board.
2. The boundaries shown on this map are based on the original survey and shall not be altered without the approval of the Planning Board.
3. The boundaries shown on this map are based on the original survey and shall not be altered without the approval of the Planning Board.
4. The boundaries shown on this map are based on the original survey and shall not be altered without the approval of the Planning Board.

**EXHIBIT NOTES**

1. The boundaries shown on this map are based on the original survey and shall not be altered without the approval of the Planning Board.
2. The boundaries shown on this map are based on the original survey and shall not be altered without the approval of the Planning Board.
3. The boundaries shown on this map are based on the original survey and shall not be altered without the approval of the Planning Board.
4. The boundaries shown on this map are based on the original survey and shall not be altered without the approval of the Planning Board.

**SITE DATA**

1. The area of the project is 1.2345 acres.

2. The area of the project is 1.2345 acres.

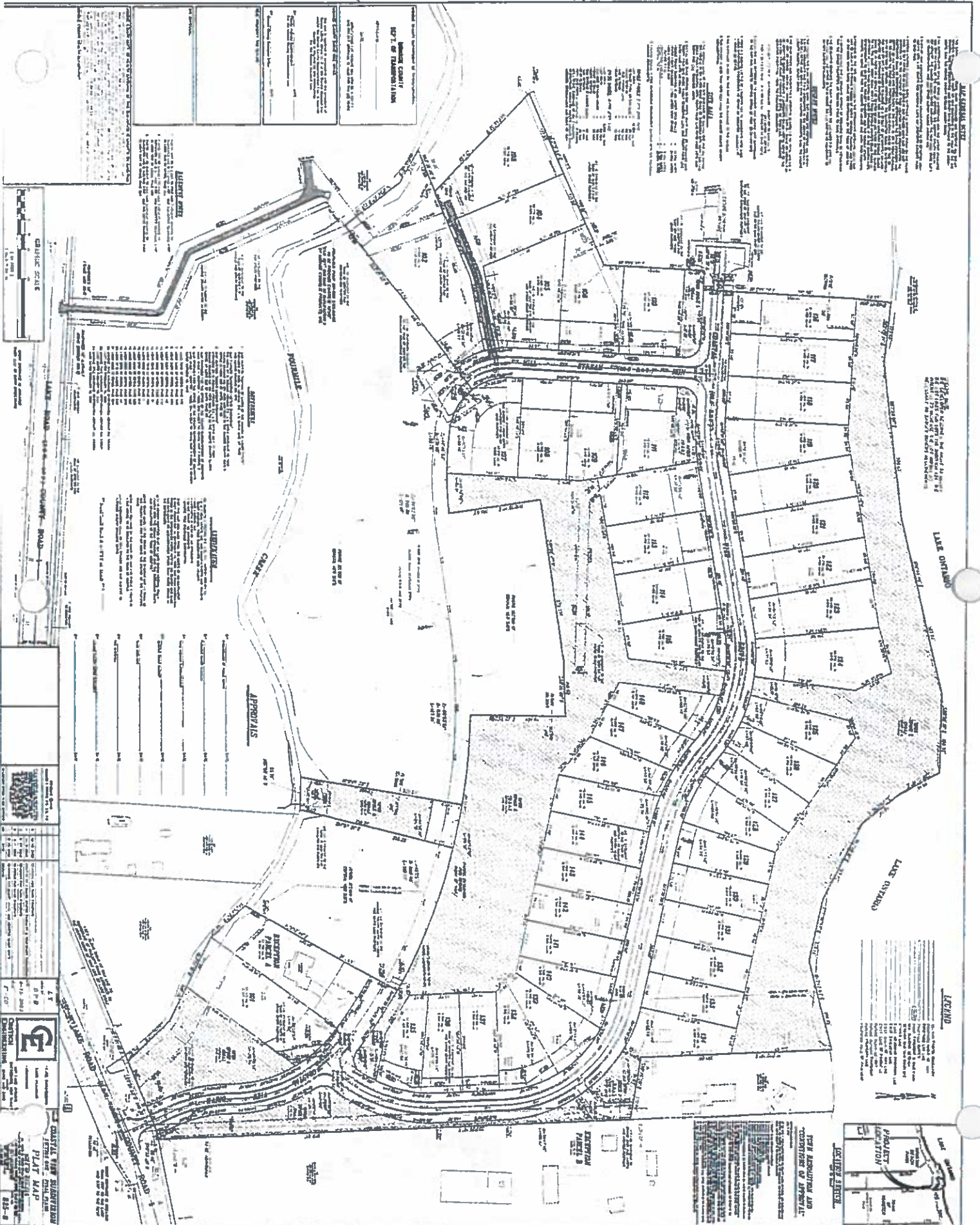
3. The area of the project is 1.2345 acres.

4. The area of the project is 1.2345 acres.

	<p>COASTAL VIEW SUBDIVISION PLAT MAP</p>
<p>DATE: 1998-01-01</p>	<p>SCALE: 1" = 100'</p>
<p>PROJECT NO. 1234</p>	<p>PLANNING BOARD NO. 1234</p>

# COASTAL VIEW SUBDIVISION SECTION 1

(Common Area is shaded)



7/11/2002 08:20 0004001701 COSTICH ENGINEERING

# THE TOWN OF WEBSTER

1000 Ridge Road

Webster, NY 14580

716-872-1000

FAX 716-872-1352

RECEIVED

JUN 11 2002

COSTICH

June 5, 2002

825.01

Mr. Mark Costich/Lee Sinnebox  
Costich Engineering  
217 Lake Avenue  
Rochester, NY 14608

Re: Coastal View Subdivision- Section One, Final Approval

Dear Mr. Costich,

At the June 4, 2002 Planning Board the project known as Coastal View Subdivision was reviewed and granted Final approval as per Drawing No. 825-8 Dated 4/12/02, Revision None, and is subject to the following conditions:

1. Subject to all Preliminary conditions.
2. Subject to Project Review Committee Comments.
3. Subject to all Engineering fees.
4. Subject to all Governmental fees.
5. Subject to all Department of Public Works Approvals.
6. Subject to Town of Webster Sewer Department approvals.
7. Subject to Monroe County Water Authority approvals.
8. Subject to Parks and Recreation fees, as set forth by Town Board Resolution.
9. Future proposed signage is required to return before the Planning Board for review and approval.
10. Any proposed structures in the common areas will also be required to return for review and approval.
11. The required temporary construction sign must be posted on applicants' property.
12. That the required 10-acre piece of property proposed as open space for the patio homes must be a contiguous parcel.
13. That lots 116-124, when further subdivided must not increase the density of the overall project.
14. That the Planning Board has agreed to provide the applicant flexibility to adjust the lot lines for lots 116-124. When development of the above lots occur they are to be submitted to Department of Public Works as an Administrative Matter, to be reviewed and approved and will require Planning Board Chairman signatures.
15. That the conditions of final approval shall be depicted on cover sheet of final design.

Mr. Costich/Sinsebox  
Page 2 of 2  
Coastal View Subdivision

- 16. The Engineer for the proposed project shall provide a letter of certification that all proposed work was completed as per resolution of final approval and Engineering, before a Certificate of Occupancy will be issued.
- 17. That one year meaningful construction shall occur, as deemed by the Planning Board, to expire on June 4, 2003.
- 18. That the T-Turnaround will require Highway Superintendent approval, and documentation must be provided to the Engineering Department confirming what will be required.

If you have any questions please contact me at 872-7025.

Thank you



Anthony Casciani, Chairman  
Webster Town Planning Board

AC/dg



LAKE LANDING, LLC  
2 HARRINGTON DR  
FAIRPORT, NY 14450

M & T BANK  
ROCHESTER, NY 14604  
10-41220 138

1058

3/27/03

PAY TO THE  
ORDER OF

W/S DEPT OF W&S  
ONE HUNDRED & FIFTY

00/100 \$ 150.00

DOLLARS

MEMO

Marta Holt

⑈001058⑈ ⑈022000045⑈

*[Handwritten Signature]*

AUTHORIZED SIGNATURE

MP

10/1/19

10/1/19



LAKE LANDING, LLC  
2 HARRINGTON DR  
FAIRPORT, NY 14450

M & T BANK  
ROCHESTER, NY 14604  
10-4/220 138

1058

3/27/03

PAY TO THE  
ORDER OF

NYS DEPT OF LAW

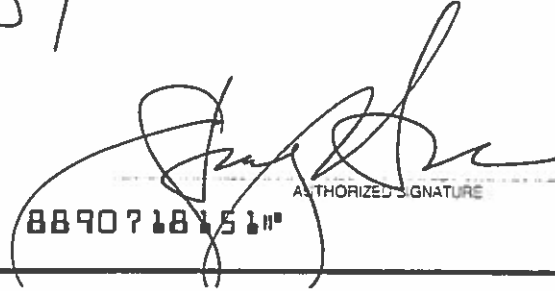
\$ 150.00

one hundred & fifty 00/100

DOLLARS

MEMO

Master H&A



AUTHORIZED SIGNATURE

⑈001058⑈

⑆022000046⑆

8890718151⑈



STATE OF NEW YORK DEPARTMENT OF LAW  
BUREAU OF REAL ESTATE FINANCING  
SPONSORS AND SELLING AGENTS BROKER DEALER STATEMENT

Out-of-state or foreign firms must attach a certified copy of a designation for the service of process from the Secretary of State.

Attach additional sheets if space provided is inadequate. For assistance in completing form, call Real Estate Financing Bureau:  
(212) 416-8106.

A check or money order for the filing fee must accompany this statement. Filing fee, which is good for four years, is \$200 plus \$10 each per partner, proprietor, principal, officer or director, payable to N.Y. S. Department of Law, 120 Broadway - 23rd floor, New York, N.Y. 10271.

Name of Registrant Lake Landing, LLC Telephone No.: 585-248-2310

Address 17 Cathedral Oaks, Fairport, New York 14450

Street City State Zip

Other offices, if any \_\_\_\_\_

1. Registrant is a  corporation  
 general partnership  
 limited partnership  
 sole proprietor  
 limited liability company composed of Aristo Lake Venture, LLC and  
 other: specify Hegedorn Associates, LLC (see attached sheet for pertinent information)

Organized under the laws of \_\_\_\_\_

2. Registrant is a  sponsor.  
 selling agent. If a licensed real estate broker, give state license number and expiration date \_\_\_\_\_  
 holder of unsold shares of a cooperative corporation.  
 purchaser for investment or resale of unsold shares of a cooperative corporation.  
 seller of interests in a homeowners association.  
 other: specify \_\_\_\_\_

3. If registrant is a new or substitute sponsor of a cooperative, condominium, homeowners association, timeshare or a holder of unsold shares of a cooperative corporation, has this been disclosed in an offering plan or amendment?  
Yes  No

4. Address, and name, if any, of cooperative, condominium, homeowners association or timeshare which gave rise to this filing.  
Coastal View Association, Inc. and Coastal Villas Association, Inc.

5. Registrant intends to offer or sell  
 stock of cooperative housing corporation

## LLC Member Information Sheet

Aristo Lake Venture, LLC, a New York limited liability company  
17 Cathedral Oaks, Fairport, New York 14450  
585-248-2310  
Formed January 1, 2001  
Federal ID #16-1598647  
Stacey Haralambides, Managing Member

Hegedorn Associates, LLC, a New York limited liability company  
964 Ridge Road, Webster, New York 14580  
585-671-4450  
Formed January 25, 1999  
Federal ID #16-1347187  
Brian C. Hegedorn, Managing Member

- condominium units (including stock of or membership in condominium associations or corporations)
- homeowners association interests in real estate.
- timeshare interest

6. The offering or selling will take place in

- New York State only
- New York and other states: specify \_\_\_\_\_

7. The offering will be made by

- officers, directors and employees of registrant
- selling agent. If so, give name(s) and address(es): \_\_\_\_\_

8. Has registrant, any officer, director, principal or partner ever

- A. been suspended or expelled from membership in any securities exchange, association of securities dealers or investment advisors or counsel? ..... Yes  No
- B. had a license or registration as a dealer, broker, investment advisor or salesperson denied, suspended or revoked? ..... Yes  No
- C. been enjoined or restrained by any court or agency from:
  - 1. the issuance, sale or offer for sale of securities? ..... Yes  No
  - 2. rendering securities advice or counsel? ..... Yes  No
  - 3. handling or managing trading accounts? ..... Yes  No
  - 4. continuing any practices in connection with securities? ..... Yes  No
- D. been convicted of any crime? ..... Yes  No
- E. used or been known by any other name? If "yes," give other name(s)..... Yes  No
- F. been the subject of any professional disciplinary proceeding? ..... Yes  No
- G. been adjudged a bankrupt or made a general assignment for benefit of creditors or been an officer, director or principal or any entity which was reorganized in bankruptcy, adjudged a bankrupt or made a general assignment for benefit of creditors? ..... Yes  No
- H. had an offering or selling of securities within the last three years or been an officer, director, principal or partner of any entity which had sold or offered securities within the last years ..... Yes  No

If any answer to "A," "B," "C," "D," "E," "F," "G," "H," is "Yes," attach statement of full particulars, giving date, nature of offense, title and location of agency or court involved, circumstances and final disposition.

9. List names and residence addresses of all securities salespersons (if none, so indicate).

None

10. Provide the following information for each proprietor, officer, director, principal or partner.

A. Name: Stacey Haralambides Title: Managing Member of Aristo Lake Venture, LLC

Home Address: 17 Cathedral Oaks, Fairport, NY Phone: 585-248-2310

Place of Birth: Syracuse, New York Date of Birth: 12/13/49

Social Security No. [REDACTED] Other home addresses for past ten years:

Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD
		See Schedule A attached	



B. Name: Brian Hegedorn Title: Managing Member of Hegedorn Associates, LLC

Home Address: 442 Sundance Trail, Webster, NY Phone: 585-455-7080

Place of Birth Rochester, New York Date of Birth: 06/09/56

Social Security No.: [REDACTED] Other home addresses for past ten years: [REDACTED]

Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD
		See Schedule B attached	

C. Name: \_\_\_\_\_ Title: \_\_\_\_\_

Home Address: \_\_\_\_\_ Phone: \_\_\_\_\_

Place of Birth: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Social Security No.: \_\_\_\_\_ Other home addresses for past ten years: \_\_\_\_\_

Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD

D. Name: \_\_\_\_\_ Title: \_\_\_\_\_

Home Address: \_\_\_\_\_ Phone: \_\_\_\_\_

Place of Birth: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Social Security No.: \_\_\_\_\_ Other home addresses for past ten years: \_\_\_\_\_

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Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD

E. Name: \_\_\_\_\_ Title: \_\_\_\_\_

Home Address: \_\_\_\_\_ Phone: \_\_\_\_\_

Place of Birth: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Social Security No.: \_\_\_\_\_ Other home addresses for past ten years: \_

**Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.**

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD

11. The undersigned constitute all proprietors, officers, directors, principals or partners of the registrant. Each hereby represents that all statements contained herein are true and correct and understands that any false statement shall constitute a violation of Article 23-A of the General Business Law.

<u>SIGNATURE</u>	<u>NAME AND TITLE (PLEASE TYPE OR PRINT)</u>	<u>DATE</u>
x	Stacey Haralambides, member	February 3/27, 2003
x	Brian Hegedorn, Member	February 3/27, 2003
	Aristo Lake Venture, LLC	February 3/27, 2003
x	By: Stacey Harlambides, Managing Member	
x	Hegedorn Associates, LLC By: Brian Hegedorn, Managing Member	February 3/27, 2003

SCHEDULE A

STACEY HARALAMBIDES

FROM	TO	EMPLOYER OR BUSINESS AFFILIATION		POSITION HELD
		NAME	ADDRESS	
8/98	Present	Horizon Pointe HOA	2 Harrington Drive Fairport, NY	President
1/02	Present	Mallard's Landing HOA	Binnacle Point, Irondequoit, NY	President
8/01	Present	Lake Landing, LLC	17 Cathedral Oaks, Fairport, New York	Member
1/01	Present	Aristo Lake Venture, LLC	17 Cathedral Oaks, Fairport, New York	Member
5/02	Present	Coastal View HOA	17 Cathedral Oaks, Fairport, New York	President
5/02	Present	Coastal View Villas HOA	17 Cathedral Oaks, Fairport, New York	President

SCHEDULE B

BRIAN HEGEDORN

FROM	TO	EMPLOYER OR BUSINESS AFFILIATION		POSITION HELD
		NAME	ADDRESS	
5 plus years	Present	Hegedorn's Inc.	964 Ridge Road Webster, New York	President
5 plus years	Present	Bill Gray's Inc.	964 Ridge Road Webster, New York	Director
5 plus years	Present	Hegedorn's Family Partnership, L.P.	964 Ridge Road Webster, New York	Partner

LAKE LANDING, LLC  
2 HARRINGTON DR  
FAIRPORT, NY 14450

M & T BANK  
ROCHESTER, NY 14604  
10-4/220 138

1056

3/27/03

PAY TO THE  
ORDER OF

W/S DEPT of ENV  
two hundred & forty

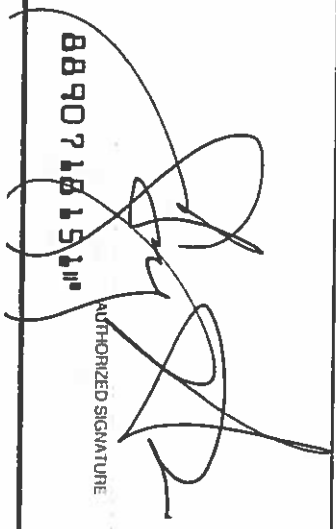
\$ 240.00

DOLLARS

MEMO

M.10

⑆001056⑆ ⑆022000046⑆

  
AUTHORIZED SIGNATURE

8890718151⑆

Security Features Included 

Details on Back

1000

1000

1000

1000

1000

1000

1000





**STATISTICAL RECORD**

File NO: \_\_\_\_\_  
FOR OFFICE USE ONLY

NAME OF PROJECT Coastal View Association, Inc.

ADDRESS Coastal View Drive

CITY Webster COUNTY Monroe STATE NY ZIP 14580

SPONSOR Lake Landing, LLC

LIST INDIVIDUAL PRINCIPALS ON BACK OF CARD)

ADDRESS 29 Barchan Dune Rise, Victor, NY 14564

SPONSOR'S ATTORNEY (Firm) Woods Oviatt Gilman LLP

BY Louis M. D'Amato, Esq. TEL. NO. 585-987-2823

ADDRESS 700 Crossroads Building, 2 State St. Rochester, NY

CHECK APPLICABLE ITEMS: \_\_\_\_\_ 14614

Pt 17 (Coop)  Pt 21 (NC/Vac Coop)

Pt 18 (Occ. Coop)  Pt 22 (Homeowners)

Pt 19 (Condo)  Pt 23 (Occ. Condo)

Pt 20 (NC/Vac Condo)  Pt 24 (Timeshare)

Other CPS-7

DEPOSIT \$ \_\_\_\_\_  
REC./DATE \_\_\_\_\_  
BALANCE \$ \_\_\_\_\_  
REC./DATE \_\_\_\_\_  
INIT. PP \$ \_\_\_\_\_  
PP on Accep. \_\_\_\_\_  
Date \_\_\_\_\_  
CPS-1 Date \_\_\_\_\_  
CPS-7 Date \_\_\_\_\_  
Atty. \_\_\_\_\_  
Date Acc. \_\_\_\_\_  
Rec. No. \_\_\_\_\_

KEY DATES:  
PLAN REC'D \_\_\_\_\_  
ASSIGNED TO: \_\_\_\_\_

REJECTED: \_\_\_\_\_  
WITHDRAWN: \_\_\_\_\_  
ABANDONED: \_\_\_\_\_  
ACCEPTED: \_\_\_\_\_  
EFFECTIVE: \_\_\_\_\_  
NO. OF UNITS SOLD: \_\_\_\_\_

**BUILDING INFORMATION**

Check Applicable Items:	Check Type:	No. Units:	Existing Use:
<input type="checkbox"/> Coop	- Res. Conver.:	Comm _____	Commercial _____
<input type="checkbox"/> Condo	Non Evic. _____	Parking _____	Loft (Mfg) _____
<input type="checkbox"/> Condo/Coop	Evic. _____	Prof. _____	Office _____
<input type="checkbox"/> Continuing Care Retirement	Prof. _____	Resort _____	Prof. Bldg _____
<input type="checkbox"/> Community	- Res. Vacant:	Resid. <u>48/123</u>	Residential _____
<input checked="" type="checkbox"/> HOA	New Const. <input checked="" type="checkbox"/>	RC _____	SRO _____
<input type="checkbox"/> Sponsored by HPD (NYC)	Rehab. _____	RS _____	School, Hosp. _____
<input type="checkbox"/> Loft	- Comm.:	Non-reg. _____	Other: _____
<input type="checkbox"/> PHFL:	Occ. _____	Storage _____	Specify _____
<u>Mitchell Lama: Art. 2</u>	Prof. _____	Other: _____	
<u>Redevelopment Co:</u>	Vacant _____		
<u>Art. 5</u>	- Other: _____	Total <u>48/123</u>	
<u>HDFC: Art. 11</u>	Specify _____		
<input type="checkbox"/> Timeshare			
<input type="checkbox"/> Other: _____			
Specify _____			

**LIST ALL INDIVIDUALS WHO ARE PRINCIPALS OF THE SPONSOR  
(PLEASE PRINT OR TYPE)**

Brian Hegedorn Stacey Haralambides \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Faint, illegible text at the top of the page, possibly a header or title.

Second section of faint, illegible text, appearing as several lines of a list or document.

Third section of faint, illegible text, continuing the list or document.

Fourth section of faint, illegible text, appearing as several lines.

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**MONROE TITLE INSURANCE CORPORATION**

47 W. Main Street, Rochester, NY 14614  
**COMMITMENT FOR TITLE INSURANCE**

Applicant: Woods Oviatt Gilman LLP  
Attention: Louis M. D'Amato, Esq.  
Title No.: TBD  
Property: Common Area, Coastal View Subdivision, Section 1, Lake Road, Webster,  
New York

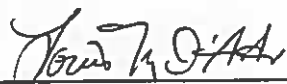
Revised March 1<sup>st</sup>, 2003

UPON EXAMINATION OF TITLE to the premises described in Schedule 'A' we find the same as of November 25, 2002, vested in fee simple in Lake Landing LLC by virtue of a deed from Hegedorn Associates LLC recorded in the Monroe County Clerk's Office on November 25th, 2002 in Liber 9709 of Deeds, at page 694.

UPON receipt of its scheduled premium, this Corporation covenants to issue its Owner's Policy in the amount of \$TBD subject to the conditions of Schedule 'B' herein. This Commitment shall constitute a binder to issue said Policy to Coastal View Association, Inc.

THIS Commitment is preliminary to the issuance of such policy or policies of title insurance and shall become null and void and all liability and obligations hereunder shall cease and terminate six months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company

MONROE TITLE INSURANCE CORPORATION

  
\_\_\_\_\_  
Authorized Signatory                      03/17/03  
Date

\_\_\_\_\_  
Authorized Signatory                      Redated

Exceptions appearing herein may affect marketability of title. Your lawyer should be consulted before taking any action based upon the contents of this report. Title insurance companies may not act as legal advisors.

Address Inquiries to:  
Louis M. D'Amato, Esq.  
Woods Oviatt Gilman LLP  
700 Crossroads Building  
2 State Street  
Rochester, New York 14614 (585) 987-2800  
MO077.37575  
November 25, 2002

**SCHEDULE A**

**SECTION ONE COMMON AREAS  
COASTAL VIEW SUBDIVISION**

All those tracts or parcels of land situate in Tax Parcel I.D. Number 036.030-01-008.100, 036.030-01-008.200, and 036.030-01-010, Part of Great Lot 17, Section 11 and 12, Township 14, Range 4, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, BEING LABELED Open Space A, B, C, E, F and H, all as shown on a map entitled, "Coastal View Subdivision, Section One, Plat Map", as prepared by Costich Engineering, having drawing number 825-8, dated 4-12-2002, and filed in the Monroe County Clerk's Office in Liber \_\_\_\_ of Maps, at page \_\_\_\_.

## **SCHEDULE B**

### **SECTION I**

**MATTERS TO BE DISPOSED OF ON OR BEFORE CLOSING OF TRANSACTION. THESE MATTERS WILL APPEAR ON OUR POLICY AS EXCEPTIONS FROM COVERAGE UNLESS DISPOSED OF TO THE SATISFACTION OF MONROE OR ITS DULY AUTHORIZED REPRESENTATIVE PRIOR TO OR ON THE DATE OF CLOSING.**

1. Continuation of all searches to date of closing.
2. Proper execution, delivery and recordation of conveyance and/or Mortgage necessary to consummate the transaction contemplated herein.
3. Lien Clause pursuant to Section 13 of Lien Law in all Deeds and Mortgages to be recorded.
4. Furnish proof that the premises have no partial or full exemption from Real Property Taxes.
5. Compliance with Section 253-b of the Tax Law (Credit Line Mortgage) is required before an instrument evidencing a sale or transfer of this real property can be recorded.
6. Furnish proof of payment of the 2003 County Taxes and 2002-03 School Taxes.
7. Access and Water Main Agreement contained in the Warranty Deed from Sol Bachler and Harry Cornell to John G. Doyle, Jr., dated October 1, 1966 and recorded October 31, 1966 in the Monroe County Clerk's Office in Liber 3776 of Deeds, page 557.
8. Access Easement granted by Bruce C. Hegedom to Brian C. Hegedom, dated July 17, 1987 and recorded July 20, 1987 in the Monroe County Clerk's Office in Liber 7154 of Deeds at page 257.

## **SCHEDULE B**

### **SECTION II EXCEPTIONS WHICH WILL APPEAR IN TITLE POLICY**

**THE FOLLOWING ESTATES, INTERESTS, DEFECTS, OBJECTIONS TO TITLE, LIENS AND ENCUMBRANCES AND OTHER MATTERS ARE EXCEPTED FROM THE COVERAGE OF THE POLICY TO BE ISSUED:**

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:

(a) created, suffered, assumed or agreed to by the insured claimant;

(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;

(c) resulting in no loss or damage to the insured claimant;

(d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material); or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated. (Loan Policy Only)

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law. (Loan Policy Only)

**SEE SCHEDULE B II (CONTINUED)**

## SCHEDULE B

### SECTION II (CONTINUED)

6. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

(a) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or

(b) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or

(c) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:

(i) to timely record the instrument of transfer; or

(ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.  
(Loan Policy Only)

7. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws that is based on:

(a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or

(b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:

(i) to timely record the instrument of transfer; or

(ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.  
(Owner's Policy Only)

8. Any state of facts an inspection of the premises would disclose (Owner's Policy Only).

9. Rights of lessees or any parties in possession of the premises other than the insured or owner (Owner's Policy Only).

10. Utility Easement from Walter F. Lauer, and Amanda B. Lauer to Rochester Gas and Electric Corporation, dated June 8, 1923 and recorded June 13, 1923 in the Monroe County Clerk's Office in Liber 1214 of Deeds, page 133.

11. Utility Easement from Hiram W. Wright and May S. Wright, to Rochester Gas and Electric

Corporation dated July 18, 1924 and recorded on July 28, 1924 in Liber 1284 of Deeds, page 46.

12. Utility Easement from Amanda B. Lauer to Rochester Gas and Electric Corporation and Rochester Telephone Corporation dated June 1, 1933 and recorded July 26, 1933 in the Monroe County Clerk's Office in Liber 1626 of Deeds, page 295.

13. Utility Easement from Amanda B. Lauer to Rochester Gas and Electric Corporation and Rochester Telephone Corporation dated May 26, 1937 and recorded June 25, 1937 in the Monroe County Clerk's Office in Liber 1831 of Deeds, page 455.

14. Utility Easement from Amanda B. Lauer to Rochester Gas & Electric Corporation and Rochester Telephone Corporation dated May 22, 1941 and recorded June 17, 1941 in the Monroe County Clerk's Office in Liber 1857 of Deeds, page 529.

15. Utility Easement from Erva Wright Smith to Rochester Gas & Electric and Rochester Telephone Corporation dated April 29, 1955 and recorded May 3, 1955 in the Monroe County Clerk's Office in Liber 2960 of Deeds, page 375.

16. Stormwater drainage easement granted by Bruce C. Hegedorn to the Town of Webster, dated and recorded April 12, 2001 in the Monroe County Clerk's Office in Liber 9443 of Deeds, at page 674.

17. Access and Water Main Agreement contained in the Warranty Deed from Sol Bachler and Harry Cornell to John G. Doyle, Jr., dated October 1, 1966 and recorded October 31, 1966 in the Monroe County Clerk's Office in Liber 3776 of Deeds, page 557.[to be terminated post development]

18. Access Easement granted by Bruce C. Hegedorn to Brian C. Hegedorn, dated July 17, 1987 and recorded July 20, 1987 in the Monroe County Clerk's Office in Liber 7154 of Deeds at page 257.[to be terminated post development]

19. No title is insured to any land lying below the high water mark of Lake Ontario as the same now or formerly existed.

20. Rights of any Governmental Agency to regulate waterfront property.

21. Rights of others to the natural and unobstructed flow of the Four Mile Creek crossing premises.



# MONROE TITLE INSURANCE CORPORATION PRIVACY POLICY NOTICE

(07/01/01)

## PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Monroe Title Insurance Corporation.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you such as on applications or other forms and our website.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law for a variety of purposes including:

- To assist us in providing service and account maintenance.
- To help us design and improve products.
- To offer products and services that may be of interest to you.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance;
- Non-financial companies such as envelope stuffers and other fulfillment service providers.
- To third party service providers that perform services for us in the processing or servicing of your transaction.

**WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT THIS IS NOT SPECIFICALLY PERMITTED BY LAW.**

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

***THIS NOTICE IS ADDITIONALLY PROVIDED ON BEHALF OF THE FOLLOWING COMPANIES IN WHICH MONROE TITLE INSURANCE CORPORATION HAS A CONTROLLING INTEREST: MONROE-ALLEGANY TITLE AGENCY, INC.; MONROE-GENESEE COUNTRY TITLE AGENCY, LLC; MONROE-GORMAN TITLE AGENCY, LLC; MONROE-MADISON TITLE AGENCY, LLC; MONROE-TOMPKINS-WATKINS TITLE AGENCY, LLC AND WYOMING ABSTRACT CO. (DIV. OF MONROE TITLE INSURANCE CORPORATION).***

5/23/01

MONROE COUNTY CLERK'S OFFICE



Index DEEDS

Return To:

BOX 93

LMD

Book 09709 Page 0694

No. Pages 0007

Instrument DEED

Date : 11/25/2002

Time : 2:26:00

Control # 200211250802

HEGEDORN ASSOCIATES LLC

LAKE LANDINC LLC

TT# TT 0000 008495

Employee ID JM40

MORTGAGE TAX

FILE FEE-S	\$	41.00
FILE FEE-C	\$	11.00
REC FEE	\$	21.00
TRANS TAX	\$	1,388.00
MISC FEE-C	\$	5.00
	\$	.00
	\$	.00
	\$	.00
	\$	.00

MORTGAGE AMOUNT	\$	.00
BASIC MORTGAGE TAX	\$	.00
SPEC ADDIT MTG TAX	\$	.00
ADDITIONAL MTG TAX	\$	.00
Total	\$	.00

Total: \$ 1,466.00

TRANSFER AMT

STATE OF NEW YORK  
MONROE COUNTY CLERK'S OFFICE

WARNING - THIS SHEET CONSTITUTES THE CLERKS  
ENDORSEMENT, REQUIRED BY SECTION 317-a(5) &  
SECTION 319 OF THE REAL PROPERTY LAW OF THE  
STATE OF NEW YORK. DO NOT DETACH OR REMOVE.

TRANSFER AMT \$ 346,710.00

TRANSFER TAX \$ 1,388.00

Maggie Brooks, County Clerk



097090694

2

WARRANTY DEED

THIS INDENTURE is made this 22 day of November, 2002 between HEGEDORN ASSOCIATES, LLC, a New York limited liability company, having an address of 964 Ridge Road, Webster, New York 14580, ("Grantor") and LAKE LANDING, LLC, a New York limited liability company, having an address of 29 Barchan Dune Rise, Victor, New York 14564 ("Grantee").

Box 51 109

WITNESSETH, that the Grantor, in consideration of One and 00/100 Dollar (\$1.00) and such other good and valuable consideration paid by the Grantee, hereby grants and releases unto the Grantee, the distributees, successors and assigns of the Grantee forever,

ALL THOSE TRACTS OR PARCELS OF LAND MORE PARTICULARLY DESCRIBED IN SCHEDULE "A" ATTACHED HERETO AND MADE A PART HEREOF.

EXCEPTING AND RESERVING to Grantor and Hegedorn Family Partnership, L.P., a New York limited liability partnership, and their successor and assigns, a nonexclusive, permanent easement for vehicular and pedestrian ingress, egress and access over those certain lands described as Coastal View Drive and Mill Stream Run on that certain Plat Map of Coastal View Subdivision, Section One, dated April 12, 2002, having Drawing No. 825-8, prepared by Costich Engineering and to be filed in the Monroe County Clerk's Office, for the benefit of the remaining lands of Grantor and Hegedorn Family Partnership, L.P. along Lake Road, in the Town of Webster, County of Monroe and State of New York which lands form the remainder of Tax Account Nos. 36.03-1-8.2 and 36.03-1-8.1 and all of those lands comprising Tax Account No. 36.03-1-1.2.

THIS CONVEYANCE is made and accepted subject to covenants, easements and restrictions of record, if any, affecting the above described premises.

BEING AND HEREBY intending to describe part of the same premises conveyed to Grantor by deed dated December 23, 1987 and recorded on December 28, 1987 in the Monroe County Clerk's Office in Liber 7248 of Deeds at Page 136 and by deed dated November 21, 2002 and recorded in the Monroe County Clerk's Office immediately prior to the recording of this deed.

MONROE COUNTY CLERK  
02 NOV 25 PM 26

RECORDED

1388

Tax Account Number: Part of 36.03-1-8.1 } (Pt. of 1432 Lake Rd)  
Part of 36.03-1-8.2 }  
36.03-1-10 (Lake Road)  
Property Address: Lake Road and Part of 1432 Lake Road  
Webster, New York 14580

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to said premises.

TO HAVE AND TO HOLD the premises herein granted unto the Grantee, the heirs or successors and assigns of the Grantee, forever. AND the Grantor covenants as follows:

1. The Grantee shall quietly enjoy the said premises;
2. The Grantor will forever warrant the title to said premises;

This deed is subject to the trust provisions of Section 13 of the Lien Law. The words "Grantor;" and "Grantee" shall be construed to read in the plural whenever the sense of this deed so requires.

This instrument is binding on and enures to the benefit of Grantor and Grantee and their respective successors and assigns.

IN WITNESS WHEREOF, the Grantor and Grantee have executed this Deed the day and year first above written.

HEGEDORN ASSOCIATES, LLC

By: \_\_\_\_\_

Brian Hegedorn, Manager

LAKE LANDING, LLC

By: Aristo Lake Venture, LLC

By: \_\_\_\_\_

Name: Stacey Haralambides  
Title: Manager

STATE OF NEW YORK )  
COUNTY OF MONROE ) ss:

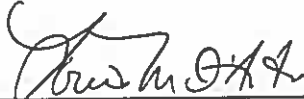
On the 22 day of November in the year 2002 before me, the undersigned, a notary public in and for the State of New York, personally appeared Brian Hegedorn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Jill M. Myers  
Notary Public

JILL M. MYERS  
Notary Public, State of New York  
Qualified in Monroe County  
Reg. No. 02 MY4977597  
My Commission Expires Feb. 11, 2003

STATE OF NEW YORK )  
COUNTY OF MONROE ) ss:

On the 23 day of November in the year 2002 before me, the undersigned, a notary public in, and for the State of New York, personally appeared Stacey Haralambides, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

LOUIS M. D'AMATO  
NOTARY PUBLIC, State of New York  
Qualified in Monroe County  
Commission Expires Aug. 7, 2005

**SCHEDULE A**

**SECTION ONE  
COASTAL VIEW SUBDIVISION**

All those tracts or parcels of land situate in Tax Parcel I.D. Number 036.030-01-008.100, 036.030-01-008.200, and 036.030-01-010, Part of Great Lot 17, Section 11 and 12, Township 14, Range 4, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "Coastal View Subdivision, Section One, Plat Map", as prepared by Costich Engineering, having drawing number 825-8, dated 4-12-2002, and is to be filed in the Monroe County Clerk's Office and being more particularly bounded and described as follows:

Beginning at the southwest corner of lands now or formerly owned by John and Joann Gefell having Tax Account # 036.040-01-01.100 and the southeast corner of lands now or formerly owned by Hegedorn Associates having Tax Account # 036.040-01-08.100, said point also being a point on said north right-of-way line of Lake Road (Width Varies) County Road 1; thence

1. S78°32'39"W, along said north right-of-way line of Lake Road a distance of 20.46 feet to a point; thence
2. S67°34'39"W, and continuing along said north right-of-way line of Lake Road a distance of 149.39 feet to a point; thence
3. N44°15'17"W, along Four Mile Creek a distance of 115.87 feet to a point; thence
4. N63°39'19"W, along Four Mile Creek a distance of 190.45 feet to a point; thence
5. N35°38'54"E, along the common property line of lot 101 and exception parcel A, a distance of 317.63 feet to a point, said point being on the south right-of-way of Mill Stream Run; thence
6. Westerly on a curve to the left having a delta angle of 06°26'09", a radius of 1,120.00 feet, and an arc length of 125.81 feet, said curve also having a chord of N57°34'11"W 125.74 feet to a point; thence
7. N29°12'44"E, a distance of 60.00 feet to a point; thence
8. Westerly on a curve to the left having a delta angle of 15°05'23", a radius of 1,180.00 feet, and an arc length of 310.77 feet, said curve also having a chord of N68°19'58"W 309.87 feet to a point; thence

9. S14°07'21"W, a distance of 318.28 feet to a point on Four Mile Creek; thence
10. N87°58'46"W, along Four Mile Creek a distance of 65.71 feet to a point; thence
11. N09°47'23"E, a distance of 329.63 feet to a point; thence
12. Westerly on a curve to the left having a delta angle of 08°53'51", a radius of 1,180.00 feet, and an arc length of 183.24 feet, said curve also having a chord of N84°39'33"W 183.06 feet to a point; thence
13. N00°53'32"E, a distance of 194.45 feet to a point; thence
14. S88°35'07"W, a distance of 110.66 feet to a point; thence
15. S81°39'49"W, a distance of 330.57 feet to a point; thence
16. S08°20'11"E, a distance of 189.52 feet to a point; thence
17. Westerly on a curve to the right having a delta angle of 14°02'06", a radius of 700.00 feet, and an arc length of 171.47 feet, said curve also having a chord of N89°12'14"W 171.04 feet to a point; thence
18. Westerly along a compound curve to the right having a delta angle of 44°46'33", a radius of 120.00 feet, northwesterly along the arc, a distance of 93.78 feet, said curve also having a chord of N59°47'55"W 91.41 feet to a point; thence
19. S52°35'23"W, a distance of 418.42 feet to a point on Four Mile Creek; thence
20. N38°34'37"W, along Four Mile Creek a distance of 137.39 feet to a point; thence
21. N61°10'46"W, along Four Mile Creek a distance of 75.72 feet to a point; thence
22. N67°38'48"E, a distance of 91.21 feet to a point; thence
23. N45°55'51"W, a distance of 275.61 feet to a point; thence
24. N66°27'54"E, a distance of 378.81 feet to a point; thence
25. N03°19'31"E, a distance of 199.51 feet to a point; thence
26. S86°40'29"E, a distance of 38.50 feet to a point; thence

27. N03°19'31"E, a distance of 310.00 feet to a point; thence
28. N06°10'19"E, a distance of 68.75 feet to a point at the approximate edge of water of Lake Ontario; thence
29. S83°49'41"E, along a tie line a distance of 123.48 feet to a point at the approximate edge of water of Lake Ontario; thence
30. N83°28'07"E, along a tie line a distance of 308.62 feet to a point at the approximate edge of water of Lake Ontario; thence
31. N76°44'40"E, along a tie line a distance of 367.74 feet to a point at the approximate edge of water of Lake Ontario; thence
32. S88°50'21"E, along a tie line a distance of 160.92 feet to a point at the approximate edge of water of Lake Ontario; thence
33. S28°22'17"E, along a tie line a distance of 89.18 feet to a point at the approximate edge of water of Lake Ontario; thence
34. S39°04'06"E, along a tie line a distance of 98.64 feet to a point at the approximate edge of water of Lake Ontario; thence
35. S62°20'11"E, along a tie line a distance of 169.70 feet to a point at the approximate edge of water of Lake Ontario thence;
36. S77°36'55"E, along a tie line a distance of 129.14 feet to a point at the approximate edge of water of Lake Ontario; thence
37. N75°42'03"E, along a tie line a distance of 187.13 feet to a point at the approximate edge of water of Lake Ontario, said point also being the northwest corner of lands now or formerly owned by George Oriel having Tax Account # 036.03-01-011; thence
38. S02°20'18"E, along said west line of lands now or formerly owned by George Oriel a distance of 389.00 feet to a point; thence
39. S80°45'28"E, along said south line of lands now or formerly owned by George Oriel a distance of 127.60 feet to a point; thence
40. S02°20'18"E, a distance of 960.25 feet to the point and place of beginning. Containing 38.098 acres of land to the tie line along Lake Ontario.



ATTORNEY GENERAL  
OF THE STATE OF NEW YORK  
MODEL FORM  
FOR ESCROW AGREEMENT  
ADOPTED BY SPONSOR AND ESCROW AGENT

AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_, between Lake Landing, LLC ("SPONSOR") as Sponsor of the CPS-7 Application (with Exhibits) and Woods Oviatt Gilman LLP as attorneys, as escrow agent, ("ESCROW AGENT").

WHEREAS, Sponsor is the sponsor of an CPS-7 Application (with Exhibits) involving the premises located at Coastal View Subdivision, Webster, Monroe County, New York; and

WHEREAS, Escrow Agent is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers, pursuant to the terms of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with M&T Bank at its branch located at The Powers Building, Rochester, New York 14614. The account number is \_\_\_\_\_.

1.2 The name of the account is Coastal View Escrow Account.

1.3 ESCROW AGENT is the sole signatory on the account.

1.4 The escrow account shall be an IOLA interest-bearing account as disclosed in the CPS-7 Application (with Exhibits).

1.5 The escrow account is an IOLA Account established pursuant to Judicial Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from prospective purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser to the order of Woods, Oviatt, as attorneys, as Escrow Agent for Coastal View Association, Inc. CPS-7 Application (with Exhibits). Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser promptly, but in no event more than five business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the CPS-7 Application (with Exhibits), provide the account number, and disclose the account as an IOLA Account. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase agreement and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the subscriber or purchaser.

3. RELEASE OF FUNDS IF NO LETTER OF CREDIT IS PROVIDED.

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both Sponsor and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until releases pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b) all purchasers after

an amendment abandoning the plan is accepted for filing by the Department of Law.

- 3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4. RELEASE OF FUNDS IF LETTER OF CREDIT IS PROVIDED.

- 4.1 The Escrow Agent shall release such funds to the Sponsor, provided the Escrow Agent has documentation showing that the Letter of Credit, or a renewal or replacement Letter of Credit, has been issued and is in effect. The Escrow Agent shall not release funds from escrow, if the Escrow Agent receives notice or information warranting the draw-down of the Letter of Credit.

- 4.2 The Escrow Agent as the beneficiary of the Letter of Credit, acting as a fiduciary for the benefit of purchasers under the plan whose funds were released from escrow, shall have the duty and the right to draw upon and collect the proceeds of the Letter of Credit, ten (10) business days after notice to the Sponsor and Sponsor's failure or refusal to restore such funds to the Escrow Agent, without the consent or despite the objection of the Sponsor or the provider of the credit, upon the following events or circumstances:

1. Timely rescission of a purchase agreement by a purchaser pursuant to an offer of rescission contained in the plan or an amendment to the plan;
2. Acceptance for filing by the Department of Law of an amendment abandoning the plan;
3. Determination by the Attorney General mandating that rescission or the return of funds is required;
4. Failure by the Sponsor to obtain a renewal or replacement Letter of Credit no later than sixty (60) days prior to the expiration of the existing Letter of Credit;
5. Direction by the Sponsor upon request of the purchaser;

6. Notice of impending cancellation of the Letter of Credit has been given or received, or the issuer has filed a bankruptcy or insolvency petition or has been taken over by a federal or state authority, and no proper replacement of the Letter of Credit has been furnished.
- 4.3 In the event of a dispute, the Sponsor shall apply, and the purchaser, the Escrow Agent or the bank issuing the Letter of Credit may apply, to the Attorney General for a determination on the disposition of funds secured by the Letter of Credit, the deposit and any interest earned thereon. Forms for this purpose shall be available from the Department of Law. The party making such application shall contemporaneously send to the other three parties a copy of such application.
- 4.4 Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the purchaser, the Escrow Agent and the bank shall abide by an interim directive issued by the Attorney General.
- 4.5 If the application permitting release of funds is granted, such funds secured by the Letter of Credit, and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.
- 4.6 The Attorney General shall act upon the application within thirty (30) days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.
- 4.7 In no event shall the disputed funds secured by the Letter of Credit be paid to the purchaser nor shall the Letter of Credit be terminated until any dispute is finally resolved either by written agreement of the parties directing payment of the funds, or by a determination of the Attorney General or by order or judgment of a court of competent jurisdiction.

5. RECORD KEEPING.

- 5.1 ESCROW AGENT shall maintain all records concerning the deposits for seven years after release of the funds.
- 5.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.
- 5.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

6. GENERAL OBLIGATIONS OF ESCROW AGENT.

- 6.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.
- 6.2 A fiduciary relationship shall exist between ESCROW AGENT and purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

7. RESPONSIBILITIES OF SPONSOR.

- 7.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.
- 7.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

8. TERMINATION OF AGREEMENT.

- 8.1 This Agreement shall remain in effect unless and until it is canceled, by either:

- (a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or
- (b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or
- (c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

- 8.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow agent.

9. SUCCESSORS AND ASSIGNS.

- 9.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

10. GOVERNING LAW.

10.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

11. ESCROW AGENT'S COMPENSATION.

11.1 SPONSOR agrees that ESCROW AGENT'S compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

12. SEVERABILITY.

12.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

13. ENTIRE AGREEMENT.

13.1 This Agreement, read together with GBL Section 352-c(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

**SPONSOR**

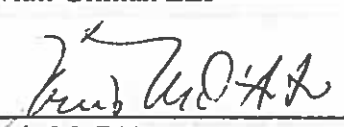
Lake Landing, LLC

By: Aristo Lake Venture, LLC, as member

By:   
Stacey Haralambides, member

**ESCROW AGENT**

Woods Oviatt Gilman LLP

By:   
Louis M. D'Amato, partner

**APPLICATION TO THE ATTORNEY GENERAL  
FOR A DETERMINATION ON THE  
DISPOSITION OF DOWN PAYMENTS**

(Send this application to the reviewing attorney assigned to the subject plan.)

Re: \_\_\_\_\_  
HOMEOWNERS ASSOCIATION, INC.

File Number: \_\_\_\_\_

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name \_\_\_\_\_  
of Applicant

2. Address \_\_\_\_\_  
of Applicant

3. Name, Address, and Telephone Number of Applicant's  
Attorney (if any) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. This is an application for  
 return of down payment.  
 forfeiture of down payment.  
 other: \_\_\_\_\_  
\_\_\_\_\_

5. The project is  
 newly constructed.  
 vacant (as is).



6. The project is structured as an homeowners association.

7. Name and Address of Sponsor:

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8. Name and Address of Escrow Agent:

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9. If down payments are maintained in an escrow account:

(a) Name of account: \_\_\_\_\_ ESCROW ACCOUNT

(b) Name and address of bank: \_\_\_\_\_

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(c) Account number (if known) \_\_\_\_\_

(d) Initial interest rate (if known  
IOLA Account.

10. If down payments have been secured by bonds:

(a) Name and address of bond issuer or surety: \_\_\_\_\_

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(b) Copy of bond included in this application. (DO NOT  
SEND ORIGINAL BOND.) If not included, explain:

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11. If down payments have been secured by a Letter of Credit:

(a) Name and address of bank which issued the letter of credit: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(b) Date of expiration of the Letter of Credit, if known:  
\_\_\_\_\_

12. Plan information:

(a) Date of filing of plan: \_\_\_\_\_

(b) Plan

has been declared effective. Approximate date: \_\_\_\_\_

has not been declared effective.

(c) If effective, the plan

has closed or the first unit has closed.  
Approximate date: \_\_\_\_\_

has not closed.

don't know.

(d) Down payments are secured by

escrow account.

bonds.

letter of credit.

13. Contract information:

(a) Copy of contract and of all riders of modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which purchase agreement was signed: \_\_\_\_\_

(c) Date(s) of down payment(s): \_\_\_\_\_

(d) Total amount of down payment(s): \_\_\_\_\_

(e) Names and addresses of purchasers affected by this application:

\_\_\_\_\_  
\_\_\_\_\_

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

15. I am contemporaneously sending a copy of this application to the following persons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or

responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name  
(Printed): \_\_\_\_\_

Telephone: (Home) \_\_\_\_\_ (Business) \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Upstate Disposal



March 4, 2003

To: Bill Tomlinson - North Coast Corp.

From: Harry Cohen- Upstate Disposal Services Inc.

Re: Coastal View HOA

Dear Bill:

Thank you, For the opportunity to quote waste removal and recycling services. Based on our previous discussions I would like to confirm the following prices:

We will provide each resident with 1-96g cart and 1 recycling box to be serviced 1 time per week at the street.

0-10 homes \$10.95 per month plus tax.

11-25 homes \$9.95 per month plus tax.

26-50 homes \$8.95 per month plus tax.

51 + homes \$7.95 per month plus tax.

Bill, thanks again for the opportunity! The above pricing will remain firm for a period of 3 years. If I may be of further assistance or if you require additional information please do not hesitate to contact me at 585-321-4101.

Sincerely,

Harry Cohen  
Sales Manager

6800 West Henrietta Road, Rush, N.Y. 14543  
Telephone (585) 334-7910 Fax (585) 334-4707



**Director and Officers Liability:**

**\$1,000,000 Limit - estimated annual premium of \$949 subject to receipt of a completed application, by-laws and financials.**

**Flat Charges:**

**Extended Liability Endorsement - \$60.**

**Employee Dishonesty including coverage on Directors/Officers/Trustees as employees for \$50,000 with \$1,000 deductible - \$171.**

**Property Manager as Additional Insured on the Liability - \$35.**

**Streets, Roads, Highway - 6.446 per mile x 1 = \$6.**

Sincerely,



**Bonnie Gionta  
Account Executive**

dap

# Hatch Leonard Naples, Inc.

An Assurax Partner

March 5, 2003

Attn: Bill Tomlinson  
NorthCoast Corporation  
339 East Avenue  
Rochester, NY 14604

RE: Coastal View Association Inc. and Coastal Villas Association, Inc.

Dear Bill:

I am sending this letter as an overview of the insurance portfolio pricing:

**Property:**

Signs (3.123 rate per \$100 of value) - \$5,000 value would develop a premium of \$156 + .62 fire fee.

Covered Patio (1.448 rate per \$100 of value) - \$15,000 value would develop a premium of \$217 + .79 fire fee.

Beach Access-Stairs only covered (.266 rate per \$100 of value) - \$7,000 value would develop a premium of \$19 + .03 fire fee.

**Liability:**

First 25 units - 1.964 per unit x 25 = \$49.

Next 75 units over the first 25 - 1.049 per unit x 75 = \$79.

Next 150 units over the first 100 - .591 x 150 = \$89.

**Umbrella:**

\$1,000,000 Limit would be a premium of \$500.

**Rochester ♦ Syracuse ♦ Buffalo ♦ Albany**

Rochester: 777 Canal View Boulevard, Suite 100, Rochester, New York 14623 ♦ (585) 546-3747 ♦ Fax (585) 424-2798

Syracuse: 7481 Henry Clay Boulevard, Liverpool, New York 13088 ♦ (315) 461-1282 ♦ Fax (315) 451-3009

Buffalo: 340 Delaware Avenue, Buffalo, New York 14202 ♦ (716) 854-9121 ♦ Fax (716) 854-9135

Albany: 3 Marcus Boulevard, Suite 106, Albany, New York 12205 ♦ (518) 453-1555 ♦ Fax (518) 453-1560



To: Bill  
Tomkinson  
Fr. Spacey.

**THE TOWN OF  
WEBSTER**

1000 Ridge Road Webster, NY 14580

Office of the Assessor  
585-872-7050 • FAX 585-872-1352

TO: Costal View Homeowners Association  
FROM: Debra Duminuco, <sup>DD</sup> Assessor  
DATE: January 20, 2003  
RE: Assessments

Please be aware that the assessment for each homeowners association owned parcel will be \$1000

The current rates are as follows:

2002/2003 School	\$20.81
2003 Town & County	\$10.96

Should you have any further questions or have any concerns, please feel free to call me at:  
(585) 872-7054



**RESIDENTIAL SERVICE  
GAS SERVICE CLASSIFICATION NO. 1 (SC1)  
ELECTRIC SERVICE CLASSIFICATION NO. 1 (SC1)**

Prices are based on one month's use  
Prices for other than one month will be prorated.

<b>A</b>	<b>GAS USED (CCF):</b> CCF equals 100 cubic feet. It is a measure of the quantity of gas you receive. <b>THERM FACTOR:</b> A factor used to convert a quantity of gas (CCF) to a measure of heat content. You are charged on the basis of the heating capacity of gas that you use. The heating capacity is measured in therms and varies from month to month. <b>GAS USED (THERMS):</b> One THERM will heat approximately 120 gallons of tap water to 130 degrees °F; the average hot water temperature. To calculate THERMS, multiply CCF times the THERM FACTOR. <b>BASIC SERVICE CHARGE:</b> The basic service charge includes maintenance of gas lines and meters, and other costs such as meter reading and billing. This charge will be billed to you whether or not you use any gas service and includes up to three therms of gas. <b>C</b>
<b>B</b>	<b>GAS ENERGY CHARGE:</b> The cost of gas used for the current billing period. The Energy Charge is calculated by multiplying the number of therms of gas used times the price per therm. <b>D</b>
<b>C</b>	<b>GAS ADJUSTMENT:</b> The average cost of gas to RG&E is \$3.58000 per therm. Since actual gas costs may be above or below this amount, the Gas Adjustment is used to adjust for our actual cost of gas. <b>E</b>
<b>D</b>	<b>GROSS REVENUE SURCHARGE:</b> The Basic Service Charge, Prices and Gas Adjustment are subject to taxes and surcharges imposed by the State of New York and local municipalities on all RG&E revenues.

**■ Prices per Therm:**

First 3 therms, or less	\$6.90
Next 97 therms, per therm	\$6.1752
Next 400 therms, per therm	\$6.0321
Next 500 therms, per therm	\$5.8026
Over 1,000 therms, per therm	\$4.5664

**■ Basic Service Charge (includes 3 therms) .....\$6.90**

<b>RG&amp;E ROCHESTER GAS AND ELECTRIC</b> 89 EAST AVE. ROCHESTER, NY 14649-0001 EQUAL OPPORTUNITY EMPLOYER	
<b>Account Number:</b> 0000 0000 0000 0	<b>Your Gas Cost (SC1 - Residential)</b> You used 130 therms at a cost of \$124.22
Billing period: 30 days mm/dd/yy to mm/dd/yy	<b>Amount of Gas Used</b> Latest reading mm/dd (estimated) 5070 Previous reading mm/dd (customer) 4944 Gas used (ccf) 126 Therm factor x 1.028 <b>A</b> Gas used (therms) 130
Meter # 000000000	<b>Cost of Gas Used</b> Basic service charge (includes 3 therms) \$ 6.90 <b>B</b> Next 97 therms @ .61752/therm + 59.90 <b>C</b> Next 30 therms @ .60321/therm + 18.10 Gas Adjustment @ .271423/therm + 35.28 <b>D</b> Gross Revenue Surcharge 3.3592% + 4.04 <b>E</b> Gas Cost \$ 124.22
<b>Your Electric Cost (SC1 - Residential)</b> You used 500 kwh at a cost of \$56.56	<b>Amount of Electricity Used</b> Latest reading mm/dd (estimated) 9490 Previous reading mm/dd (customer) 8990 Electricity used (kwh) 500 <b>F</b>
Meter # 000000000	<b>Cost of Electricity Used</b> Basic service charge \$ 17.50 <b>G</b> Charge for 500 kwh @ 07443/kwh + 37.22 <b>H</b> Gross Revenue Surcharge 3.3592% + 1.84 <b>I</b> Electric cost \$ 56.56

**THIS IS A SAMPLE BILL ONLY.**

**ELECTRIC SERVICE**

Basic Service Charge: .....\$17.50  
Price per kilowatt-hour (kWh): .....\$0.07443

<b>F</b>	<b>ELECTRICITY USED (kwh):</b> Kilowatt-hour: A measure of the quantity of electricity you receive. A kWh equals 1,000 watt-hours of electricity use. One kWh equals the energy needed to operate a 100 watt light bulb for ten hours.
<b>G</b>	<b>BASIC SERVICE CHARGE:</b> Includes maintenance of electric lines and meters, and other costs such as meter reading and billing. This charge will be billed to you whether or not you use any electric service.
<b>H</b>	<b>ELECTRIC ENERGY CHARGE:</b> The cost of electric used for the current billing period. The Energy Charge is calculated by multiplying the number of kWhs used times the price per kWh.
<b>I</b>	<b>GROSS REVENUE SURCHARGE:</b> The Basic Service Charge, Charge per kWh and any adjustments are subject to taxes and surcharges imposed by the State of New York and local municipalities on all RG&E revenues.

**Terms of Payment:**

All bills are calculated at the above prices. A late payment fee of 1 1/2% per month will be charged if payment is not made on or before the "Full Payment Due By" date specified on your bill.

- b. ENTIRE AGREEMENT. This Agreement shall constitute the entire Agreement between the contracting parties, and no variance or modification thereof shall be valid and enforceable, except by supplemental agreement in writing, executed and approved in the same manner as this Agreement, and shall be construed according to New York State Law.
- c. TWO ORIGINALS. For the convenience of the parties, the Agreement has been executed in several counterparts, which are in all respects similar and each of which is deemed to be complete in itself so that any one may be introduced in evidence for any other purpose without the production of the other counterpart.
- d. CAPTIONS. The captions used in this agreement are intended merely as a convenience and may not be interpreted to alter the meaning of the remainder of the text.

COASTAL VIEW HOMEOWNERS ASSOCIATION, INC.

By: Stacey Haralambides, President

Date

PJF PROPERTY MAINTENANCE

By:  Patrick J. Fasano, President

Date

03/03/03

to the terms of this contract: 10.0% of the amount for 85-100" on each of 01 November and 01 December, 30% of the amount for 85-100" on each of 01 January and 01 February. Final payment shall reflect actual snowfall as measured at the Monroe County Airport.

## 10. INDEMNIFICATIONS:

- a. PJJ INDEMNIFIES ASSOCIATION. PJJ agrees to indemnify and hold harmless the ASSOCIATION from any claim or loss arising from personal injury, bodily injury, or property damage caused by the negligence of PJJ, its agents, or employees in the performance of its operations. PJJ agrees to defend promptly and diligently, at its sole cost and expense, any such claim, action, or proceeding brought against the ASSOCIATION even if such claim is asserted after the term of this Agreement.
  
- b. ASSOCIATION INDEMNIFIES PJJ. The ASSOCIATION agrees to indemnify and hold harmless PJJ from any claim or loss arising from personal injury, bodily injury, or property damage by reason of cause other than PJJ's negligence either on or about the ASSOCIATION's premises or elsewhere. The ASSOCIATION agrees to defend promptly and diligently, at its sole cost and expense, any such claim, action, or proceeding brought against PJJ even if such claim is asserted after the term of this Agreement.

## 11. BOILERPLATE

- a. BINDING AGREEMENT. This Agreement shall inure to the benefit of and constitute a binding obligation upon the contracting parties, their respective successors and assigns.

5. DAMAGE. PJF is responsible for damage caused by its personnel or machinery. Repairs are to be made promptly, as soon as practicable, in a manner that will restore the property to its predamaged condition. This includes top dress and seed but not watering of damaged lawn areas.

6. INSURANCE. PJF shall present certification attesting to having insurance with the following minimum limits:

Bodily injury:	Each occurrence and aggregate:	\$1,000,000
Property damage:	Each occurrence and aggregate:	\$1,000,000

In addition, PJF shall provide workers' compensation and disability insurance. The certificate is to indicate that coverage can only be canceled upon a minimum of 10 days' notice to ASSOCIATION.

7. HYDRANTS AND DRAINS. PJF shall mark and keep a path cleared to all hydrants and take care to keep roadside drains clear for efficient operation.

8. SALT. PJF shall be available to apply sodium chloride (rock salt) to asphalt surfaces and/or calcium chloride or other ice melters to sidewalks. Such work may be requested by the Board or its authorized representative. PJF shall invoice ASSOCIATION in the amount of \$9.18 (plus tax) for each 40 lb. bag of rock salt applied; prices available on request for application of other products.

9. PRICES AND PAYMENT SCHEDULE.

Total payments:

0-70" \$225.00

70-85" pro-rated between amounts for 0-70" and 85-100"

85-100" \$250.00

over 100" \$250.00 plus \$2.50 per inch for snowfall in excess of 100"

These amounts do not include sales tax that will be added to invoices.

Payments shall be as follows upon acceptable performance according

D. Interpretation of all specifications above shall take into account severity of storms in terms of amount and speed of snowfall and wind and temperature conditions.

2. PJF TO MONITOR. PJF shall monitor snowfall and inspect premises for compliance with the specifications; no notice by ASSOCIATION is required.

3. STAKES. PJF shall place stakes provided by ASSOCIATION no later than 15 November and remove the stakes no later than 15 May. PJF shall straighten and reset stakes as soon as any such problem is observed.

4. PILES OF SNOW. PJF shall cut back and remove snow from piles where possible with pick-up trucks, because of:

A. Threat of damage to property (weight of snow, flooding from fast thaw, etc.);

or: B. Dangerous limitation of field of vision of pedestrians or operators of motor vehicles.

If loader work, hauling, or any dumping fees seem necessary to achieve these standards or to assist the 4-wheel drive pickups in initial clearance, PJF shall consult with a representative of the Board of Directors and shall arrange for such work if requested to do so. The cost of such work by other contractors shall be an expense of ASSOCIATION, not of PJF, and shall not lessen the amounts due to PJF pursuant to this contract.

# SNOW CONTRACT

by and between:

COASTAL VIEW ASSOCIATION, INC. ("ASSOCIATION")  
339 East Avenue  
Rochester, New York 14604

and:

PJF PROPERTY MAINTENANCE, INC. ("PJF")  
16 Nile Drive  
Rochester NY 14622



SCOPE AND TERM. PJF shall clear snow from private road asphalt surfaces at Coastal View homes in the Town of Perinton, New York throughout the 2003-2004 snow season according to the following specifications:

## I. SPECIFICATION AND TIMING.

- A. Snow shall be cleared from the private roadways any time an accumulation reaches a depth of three (3) inches. Such accumulation can result from one or more snowfalls and/or from major drifting.
- B. All work shall be performed on a timely basis providing around-the-clock service to permit the free movement of automobiles.
- C. Whenever there is an accumulation of three inches (3") or more during the night or in the early morning, the following requirement shall be met:
  - (1) At least a driving lane shall be cleared throughout the property by 6:00 AM.
  - (2) PJF shall stay or return after 9:30 AM to clear areas where cars were parked overnight.

A handwritten signature or set of initials in the bottom right corner of the page. The signature is written in black ink and appears to be a stylized name or set of initials.

12. INDEMNIFICATIONS:

- a. PJF INDEMNIFIES ASSOCIATION. PJF agrees to indemnify and hold harmless the ASSOCIATION from any claim or loss arising from personal injury, bodily injury, or property damage caused by the negligence of PJF, its agents, or employees in the performance of its operations. PJF agrees to defend promptly and diligently, at its sole cost and expense, any such claim, action, or proceeding brought against the ASSOCIATION even if such claim is asserted after the term of this Agreement.
- b. ASSOCIATION INDEMNIFIES PJF. The ASSOCIATION agrees to indemnify and hold harmless PJF from any claim or loss arising from personal injury, bodily injury, or property damage by reason of cause other than PJF's negligence either on or about the ASSOCIATION'S premises or elsewhere. The ASSOCIATION agrees to defend promptly and diligently, at its sole cost and expense, any such claim, action, or proceeding brought against PJF even if such claim is asserted after the term of this Agreement.

13. BOILERPLATE

- a. BINDING AGREEMENT. This Agreement shall inure to the benefit of and constitute a binding obligation upon the contracting parties, their respective successors and assigns.
- b. ENTIRE AGREEMENT. This Agreement shall constitute the entire Agreement between the contracting parties, and no variance or modification thereof shall be valid and enforceable, except by supplemental agreement in writing, executed and approved in the same manner as this Agreement, and shall be construed according to New York State Law.
- c. TWO ORIGINALS. For the convenience of the parties, the Agreement has been executed in several counterparts, which are in all respects similar and each of which is deemed to be complete in itself so that any one may be introduced in evidence for any other purpose without the production of the other counterpart.
- d. CAPTIONS. The captions used in this agreement are intended merely as a convenience and may not be interpreted to alter the meaning of the remainder of the text.

COASTAL VIEW ASSOCIATION, INC.

\_\_\_\_\_  
Stacey Haralambides, President

\_\_\_\_\_  
Date

PJF PROPERTY MAINTENANCE, INC.

  
\_\_\_\_\_  
Patrick J. Fasano, President

03/03/03  
Date

3. MECHANICAL EDGING

Mechanical edging of all sidewalks and the concrete gutters shall be done three times in the season.

4. BED MAINTENANCE

- a. Edge and clean out all bed areas (including free-standing trees and shrubs) between April 1 and April 21. Soil removed should not be thrown on mulch.
- b. Keep all bed areas, including around trees, shrubs, and berms free of weeds and debris on a weekly basis

5. MULCH

Apply 3 inches of comparable mulch to all bed areas not later than May 31. A sample of the mulch must be supplied to the sponsor for approval prior to application.

6. SPRING CLEAN-UP Clear front beds and common area beds of any debris.

7. FALL CLEAN-UP Remove leaves from the beds. Remove leaves from lawn areas on last mowing trip. (before Thanksgiving) Debris can be disposed of at specified ravine area on the property.

8. ADDITIONAL WORK NOT COVERED ABOVE

For landscape services other than described above, PJF shall charge \$26.00 per hour (plus tax) for a Head Groundskeeper and \$15.00 per hour (plus tax) for a Groundskeeper.

9. TERM OF CONTRACT

The term of the contract is *01 April 2003* through *30 November 2004*.

10. CHARGES, PAYMENTS & INVOICES

Lawn cutting and trimming: \$312.00 per trip for all Phases (I-IV), \$249.60 for Phases I & II only and \$280.80 for Phases I-III only.

Bed Maintenance, Mulch, Spring Clean-Up, Fall Clean-Up: \$2,500.00 (plus tax)

PJF shall bill ASSOCIATION in arrears. Invoices shall include the date of cuttings and shrub/bed trips. For any hourly labor pursuant to paragraph 8 herein, PJF shall invoice ASSOCIATION not more than weekly not less than monthly for such labor and shall have available for inspection time sheets recording the name of the laborer(s) and hours spent each day for which there are such charges. If such labor includes partial days (less than 8 hours) PJF may charge one-way travel time for such workers, not to exceed fifteen minutes.

11. DAMAGE

PJF shall be responsible for damage by its personnel or equipment.



# LANDSCAPE CONTRACT

by and between

COASTAL VIEW ASSOCIATION, INC. ("ASSOCIATION")  
339 East Avenue, Suite 450  
Rochester NY 14604-2693

and

PJF PROPERTY MAINTENANCE, INC. ("PJF")  
16 Nile Drive  
Rochester NY 14622



## 1. GENERAL

This contract pertains to all lawn areas and planting beds at Coastal View homes except any planting beds created by parties other than the builder/sponsor.

## 2. LAWN CUTTING AND TRIMMING

The following services shall be performed by PJF:

- a. Lawn Mowing – Cut all established lawn areas, usually weekly. Cutting height shall be 2.5 to 3 inches. Smaller mowers to be used only if necessary.
- b. Line Trim - around all obstacles and lawn edges (pavement, beds, sidewalks, concrete gutters) and areas not accessible to mowers each time the lawn is mowed, taking care to avoid damage to tree trunks and exterior siding. Trimming shall be done to the same height as the lawn (2.5 - 3 inches).
- c. Grass Clippings - to be blown from asphalt and concrete surfaces each time lawn is mowed. Unsightly amounts of grass clippings will not be left to accumulate on lawn surfaces, but will be dispersed (blown). Clear grass clippings from patios and siding.
- d. Pick up and remove all litter from lawn during each cutting.
- e. Direct grass discharge away from buildings, beds, driveways and tree areas to the extent reasonably achievable.

These services shall be performed by PJF on [Day] of each week in the growing season. ASSOCIATION and PJF may mutually agree to deviation from the weekly schedule when slower or faster growing conditions exist. A Friday, Tuesday, Friday rotation will apply to faster growing periods. Whenever performance of the described services on the regularly scheduled day or mutually agreed upon alternate days would involve practical difficulties because of moisture on the grass, PJF shall perform the service on the next day that such difficulties do not exist. PJF will not perform services on Saturday except with permission from ASSOCIATION.

A handwritten signature in black ink, appearing to be the initials 'PJF' or similar, located at the bottom right of the page.



**ONE STEP**

**2003 COMMERCIAL  
LAWCARE PROPOSAL**

4343 Buffalo Road, North Chili, NY 14514 www.onestepreeandlawn.com  
Phone (585) 594-1095 Fax (585) 594-9523 Toll Free (800) 725-9436

**TREE & LAWN CARE**

Bus. Reg. #00642  
Certified Applicator #C8601230

Coastal View Common Area only  
Webster NY 14580

North Coast Corporation

**Phase I 3.6 Acres**

APPLICATION	DATE	DESCRIPTION	COST
Spring	March 25- May 11	<input checked="" type="checkbox"/> Balanced Liquid Feeding OR <input checked="" type="checkbox"/> Controlled Granular Feeding <input checked="" type="checkbox"/> Crabgrass Control* <input type="checkbox"/> Weed Control*	342.00
Late Spring	April 29- June 29	<input checked="" type="checkbox"/> Balanced Liquid Feeding OR <input checked="" type="checkbox"/> Controlled Granular Feeding <input type="checkbox"/> Surface Insect Control* <input type="checkbox"/> Crabgrass Control* <input checked="" type="checkbox"/> Weed Control*	342.00
Summer	June 10- August 1	<input type="checkbox"/> Balanced Liquid Feeding OR <input checked="" type="checkbox"/> Controlled Granular Feeding <input type="checkbox"/> Surface Insect Control* <input type="checkbox"/> Crabgrass Control* <input checked="" type="checkbox"/> Weed Control	342.00
		<input type="checkbox"/> Merit™ for Guaranteed Grub Control This will be applied with the Summer Visit Merit™ to be applied to:421.00 Not included in totals	
Late Summer	July 29- Sept 8	<input type="checkbox"/> Balanced Liquid Feeding OR <input type="checkbox"/> Controlled Granular Feeding <input type="checkbox"/> Surface Insect Control* <input type="checkbox"/> Crabgrass Control* <input type="checkbox"/> Weed Control	
Fall	August 26- October 31	<input checked="" type="checkbox"/> Balanced Liquid Feeding OR <input checked="" type="checkbox"/> Controlled Granular Feeding <input checked="" type="checkbox"/> Weed Control	342.00
Core Aeration			
Post-Emergent Grub Control	August 31- October 31	<input type="checkbox"/> Post-Emergent Grub Control to be applied as needed The cost would be \$_____ per thousand square feet	
Phase III 190.00 per year + Merit 59.00 Phase IV 95.00 per year + Merit 30.00 No Minimum charge if done with Coastal Villa			

\*These controls are applied as needed.  
Guaranteed Grub Control is only possible with the purchase of the Merit™ application.  
If Merit™ is not purchased, we can provide Post-Emergent Grub Control.  
However, there will be no guarantee against damage due to grubs.

**Program Total  
Before Sales Tax**

**\$1,368.00**

These prices may change due to pending local county legislation.

Gail Minoia

2/27/03

Representative

Date

**\*Two Year Option\***

Yes, Please Schedule me for this program for the next two years.

Customer Signature

Date



# 2003 COMMERCIAL TREE & SHRUB CARE PROPOSAL

4343 Buffalo Road, North Chili, NY 14514 www.onesteptreeandlawn.com  
 Phone: (585) 594-1095 Fax (585) 594-9523 Toll Free (800) 725-9436

**TREE & LAWN CARE**

Bus. Reg. #00642  
 Certified Applicator #C8601230

Coastal View Common Area only North Coast Corporation  
 Phase I III & IV

Price may be changed due to amount of plant material

1	Spring Feeding and Site Inspection: Complete fertilizer injected into the root zone to maximize new growth and color.	
1A	Spring Insect Control: A target application for season long insect control.	
2	Horticultural Oil and Site Inspection: Horticultural oil spray application to help control over-wintering eggs and insects.	97.00
3	Summer Treatment and Site Inspection: Complete inspection and treatment as needed for plant materials.	
4	Summer Treatment and Site Inspection: Complete inspection and treatment as needed for plant materials.	97.00
5	Summer Treatment and Site Inspection: Complete inspection and treatment as needed for plant materials.	
6	Summer Treatment and Site Inspection: Complete inspection and treatment as needed for plant materials.	97.00
7	Summer Treatment and Site Inspection: Complete inspection and treatment as needed for plant materials.	
8	Summer Treatment and Site Inspection: Complete inspection and treatment as needed for plant materials.	
9	Fall Insect Control: A target application of season long insect control for next season.	
10	Fall Fertilization: Complete fertilizer injected into the root zone to encourage good root growth and increase overall plant vigor.	97.00
11	Winter Protection #1: Protective coating applied to shrubs for holding moisture on plant foliage and stems.	
12	Winter Protection #2: Protective coating applied to shrubs for holding moisture on plant foliage and stems.	
<b>Program Total Before Sales Tax:*</b>		<b>\$ 388.00</b>
*These charges may change due to pending N.Y.S. and county legislation.		

**NOTE:** Treatment for trees and shrubs over 15 ft. would be an additional charge. Consult your salesperson for a specific charge. This program does not include treatment of trees that bear edible fruit or rose bushes.

Comments:

*Hail Messia* 2/27/03  
 Representative Date

\_\_\_\_\_  
 Customer Signature Date

**\*Two Year Option\***

≤ Yes, Please Schedule me for this program for the next two years.

11/11/03 2:00 PM  
1.02

# Boychuk & Co., Certified Public Accountants

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P.O. Box 21  
111 Marsh Road  
Pittsford, New York 14534

(585) 899-6190  
FAX (585) 899-6192  
E-mail boychuk@frontiernet.net

March 5, 2003

Mr. William G. Tomlinson, President  
NorthCoast Corporation  
339 East Avenue Suite 450  
Rochester, New York 14604

Dear Mr. Tomlinson:

As you requested, we are providing a fee estimate for the audit and issuance of certified financial statements for Coastal View Association, Inc. We estimate our fee to audit the financial statements of Coastal View Association, Inc. for the year ending October 31, 2003, and reporting thereon, and preparation of related tax returns; not to exceed \$850.

Please do not hesitate to contact us if you have any questions on the above matter.

Very truly yours,  
BOYCHUK & CO.

  
Michael S. Boychuk

- b. The term "ASSOCIATION" means, as used herein, a corporation existing of all of the owners of houses in the community, organized and existing under the laws of the State of New York.

14. BOILERPLATE

- a. BINDING AGREEMENT. This Agreement shall inure to the benefit of and constitute a binding obligation upon the contracting parties, their respective successors and assigns.
- b. ENTIRE AGREEMENT. This Agreement shall constitute the entire Agreement between the contracting parties, and no variance or modification thereof shall be valid and enforceable, except by supplemental agreement in writing, executed and approved in the same manner as this Agreement, and shall be construed according to New York State Law.
- c. TWO ORIGINALS. For the convenience of the parties, the Agreement has been executed in several counterparts, which are in all respects similar and each of which is deemed to be complete in itself so that any one may be introduced in evidence for any other purpose without the production of the other counterpart.
- d. CAPTIONS. The captions used in this agreement are intended merely as a convenience and may not be interpreted to alter the meaning of the remainder of the text.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective the day and year first above written.

COASTAL VIEW ASSOCIATION, INC.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Stacey Haralambides, President

NORTHCOAST CORPORATION

Date: 06 MAR 03 By:   
William G. Tomlinson, PCAM®, President

11. INSURANCE. The ASSOCIATION and NORTHCOAST shall carry liability insurance coverage in an amount not less than one million dollars (\$1,000,000) and the ASSOCIATION shall have its policy endorsed to name NORTHCOAST as an additional insured.

12. TERMINATION:

a. TWO YEARS. This Agreement shall be effective as of the date first listed above and unless terminated as provided below shall continue in effect for two (2) years.

b. EARLY TERMINATION:

(i) MUTUAL CONSENT. This Agreement may be terminated by mutual consent in writing of the parties hereto as of the end of any calendar month.

(ii) BANKRUPTCY. In the event a petition of bankruptcy is filed by or against NORTHCOAST or the ASSOCIATION or in the event that either party shall make an assignment for the benefit of creditors or take advantage of any insolvency act, either party may terminate this Agreement without notice to other. In the event this Agreement is terminated pursuant to this subparagraph, the ASSOCIATION shall immediately and automatically have a lien upon all funds held by NORTHCOAST for the benefit of the ASSOCIATION in accordance with the terms of the Agreement. The ASSOCIATION's Board of Directors shall have the right and power to do all things necessary for the enforcement and foreclosure of said lien;

(iii) BREACH AND CURE. In the event of a material breach of this Agreement by NORTHCOAST or the ASSOCIATION, the party believing the Agreement to have been breached shall give written notice thereof to the other party and if such breach is not cured within a period of thirty (30) days following the receipt of such notice then the aggrieved party may cancel this Agreement. Notwithstanding the foregoing, a party shall not be deemed in breach hereof so long as it has attempted to commence the cure thereof in good faith but is prevented from doing so by acts of God, acts of government, or, without limitation by reason of the foregoing enumeration, other circumstances beyond its control. The delay caused by such events shall be added to the thirty (30) day period.

In the event this Agreement is canceled pursuant to this paragraph, the Agreement shall be null and void and neither party shall have further rights against the other, except that all funds held in a fiduciary capacity by either party shall be returned to their proper owner, with a full and proper accounting therefore, and NORTHCOAST shall deliver to the Association the originals and copies of the Association's books and records in its possession.

13. DEFINITIONS:

a. The term "assessments" shall mean those monthly or quarterly rates, or one-time charges, established by the ASSOCIATION's Board of Directors which the members are bound to pay as their share of common expenses under the Declaration.

7. **BANK ACCOUNTS.** NORTHCOAST shall establish and maintain, in a bank or banks whose deposits are insured by an agency of the United States Government, separate bank accounts in the name of the ASSOCIATION for the deposit of monies of the ASSOCIATION, with authority to draw thereon for any payments to be made by NORTHCOAST to discharge any liabilities or obligations incurred pursuant to this Agreement and for payment of NORTHCOAST's fee, unless NORTHCOAST receives written notice to the contrary from the Board of Directors. In case of a dispute over NORTHCOAST's fee, both parties hereby covenant to agree to the decision of an arbitrator including determination of responsibility for the cost of such arbitration.
8. **FIDELITY BONDS.** NORTHCOAST shall maintain a fidelity bond in the principal amount of not less than two hundred fifty thousand dollars (\$250,000) throughout the term of this agreement. NORTHCOAST agrees to furnish the Board of Directors with a certificate of such insurance with the ASSOCIATION named as a certificate holder and entitled to receive not less than ten (10) days notice of any cancellation of such insurance. The ASSOCIATION shall also maintain a fidelity bond in an amount sufficient to cover all cash on hand.

9. **FEEES.** The compensation, which NORTHCOAST shall be entitled to receive for services performed under this agreement, shall be a fee payable monthly, in advance, as follows:

1-50 homes:	\$9.50 per home per month
51-75 homes:	\$9.00 per home per month
76 or more homes:	\$8.50 per home per month

These fees are applied for all houses which have had title transferred from the Sponsor and all houses (if any) which are rented and/or occupied by the Sponsor.

These fees increase by 2.0% in the second year of the agreement.

10. **INDEMNIFICATIONS:**

- a. **NORTHCOAST INDEMNIFIES ASSOCIATION.** NORTHCOAST agrees to indemnify and hold harmless the ASSOCIATION from any claim or loss arising from personal injury, bodily injury, or property damage caused by the negligence of NORTHCOAST, its agents, or employees in the performance of its operations. NORTHCOAST agrees to defend promptly and diligently, at its sole cost and expense, any such claim, action, or proceeding brought against the ASSOCIATION even if such claim is asserted after the term of this Agreement.
- b. **ASSOCIATION INDEMNIFIES NORTHCOAST.** The ASSOCIATION agrees to indemnify and hold harmless NORTHCOAST from any claim or loss arising from personal injury, bodily injury, or property damage by reason of cause other than NORTHCOAST's negligence either on or about the ASSOCIATION's premises or elsewhere. The ASSOCIATION agrees to defend promptly and diligently, at its sole cost and expense, any such claim, action, or proceeding brought against NORTHCOAST even if such claim is asserted after the term of this Agreement.

- h. RECEIVABLES. Collect all quarterly assessments and other charges due the ASSOCIATION. NORTHCOAST shall send a delinquency notice during the first delinquent month for accounts in arrears and shall assist the Board of Directors and the ASSOCIATION's attorney with any necessary collection efforts. NORTHCOAST shall not be required to make phone calls to delinquent unit owners. All funds received by NORTHCOAST on behalf of the ASSOCIATION shall be deposited in a timely fashion into the ASSOCIATION's bank accounts.
- i. PROPERTY MANAGER. Designate one of its employees as property manager for the ASSOCIATION; such employee shall attend quarterly meetings of the Board of Directors (from the time that homeowners are in control of the Board of Directors) and shall also attend the Annual Meeting of the Members of the ASSOCIATION. For additional meetings of the Board with the property manager or with other NORTHCOAST management personnel, NORTHCOAST shall charge the ASSOCIATION at an hourly rate not to exceed \$50.00 per hour, which rate may be lessened or waived depending on the employee, the frequency, location, and/or the time of the day and day of the week of such meeting(s).
5. AGENCY RELATIONSHIP. Everything done by NORTHCOAST Corporation under the provisions of Article four (4) shall be done as Managing Agent contracted by the ASSOCIATION, and all obligations or expenses incurred thereunder shall be for the account, on behalf, and at the expense of the ASSOCIATION including but not limited to attorneys fees and/or fees to Certified Public Accountants. NORTHCOAST shall not be obligated to make any advance to or for the ASSOCIATION or to pay any sum, except of funds held or provided as aforesaid, nor shall NORTHCOAST be obligated to incur any liability or obligation for the account of the ASSOCIATION without assurance that the necessary funds for the discharge thereof will be provided. NORTHCOAST shall not reimburse itself for any portion of its overhead expenses, administrative expenses, managerial, or normal secretarial and bookkeeping expenses. However, materials for repairs, postage, long distance telephone calls, and supply expenses are ASSOCIATION expenses and NORTHCOAST is authorized to reimburse itself for such expenses. Charges for black and white copies shall be \$0.10 per side and for color originals shall be \$0.20 per side. Bank service charges are ASSOCIATION expenses. If requested, NORTHCOAST shall prepare newsletters arranged them in columns and with the addition of graphics for no additional fee for up to two issues per year if the ASSOCIATION supplies the text in electronic format. Other services, which are not included in the management fee, may be available from NORTHCOAST at fees mutually agreeable to both parties. Examples of such services are substantial negotiations with governmental officials, appearances in courts of law or for depositions on behalf of the ASSOCIATION, revision of control documents, and preparation of more than two (2) newsletters per year. Charges by NORTHCOAST for preparation of closing packages for property transfers or refinancing (assessment account verifications, bank questionnaires, etc.) are billed to the requesting party (usually the seller).
6. LIMITATION OF NORTHCOAST'S RESPONSIBILITY: CAPITAL IMPROVEMENTS. Notwithstanding the provisions of this Agreement regarding NORTHCOAST's general management responsibilities, the services provided by NORTHCOAST do not include research or bidding of new capital improvements (e.g., swimming pools, satellite dishes). For provision of such services the ASSOCIATION may enter into separate agreements with NORTHCOAST or with any third party.



- b. MAINTENANCE STANDARDS. Assist the Board of Directors of the ASSOCIATION in causing the appurtenances and grounds of the community to be maintained according to standards acceptable to the ASSOCIATION's Board of Directors.
- c. GOVERNMENT ORDERS AND REQUIREMENTS. As may be requested or required by the Board, take such action as the Board deems necessary to comply with any and all orders or requirements affecting the premises or improvements placed thereon by any Federal, State, County, or Town authority having jurisdiction thereover, and the Board of Fire Underwriters or other similar bodies. NORTHCOAST shall promptly, and in no event later than seventy two (72) hours from the time of their receipt, notify the President of the ASSOCIATION in writing of all such orders and notices of requirements.
- d. ASSOCIATION CONTRACTS. Negotiate all contracts as Agent for the ASSOCIATION for lawn mowing, snow removal, and other necessary services as the Board of Directors may deem advisable. All such contracts shall be made in the name of the ASSOCIATION, may be reviewed by the ASSOCIATION's attorney at the ASSOCIATION's expense, and all contracts valued at five hundred dollars (\$500.00) or more shall signed by an officer of the ASSOCIATION.
- e. PURCHASES. NORTHCOAST shall place orders for materials and services as are necessary to properly maintain the community. Expenses incurred for such purchases shall not exceed \$250.00 per occurrence unless specifically authorized by the ASSOCIATION's Board of Directors.
- f. INSURANCE:
  - i. BIDS. Investigate and seek out bids or quotes from licensed insurers for all necessary forms of insurance as in the opinion of the Board may be required by the Declaration or otherwise be appropriate, including but not limited to public liability insurance and fire and extended coverage insurance on Association Property. All the various types of insurance coverage required shall be placed with such companies, in such amounts, and with such beneficial interests appearing therein as shall be acceptable to the ASSOCIATION's Board of Directors.
  - ii. CLAIMS. Investigate and maintain reports of all accidents or claims for damage as reported to it relating to the management, operation, and maintenance of the community, including any damage or destruction thereof and the estimated cost of repair, and shall cooperate and make any and all reports required by any insurance company in connection therewith.
- g. RECORDS, FINANCIAL STATEMENTS, AND BUDGET. Maintain the ASSOCIATION's records, books, and accounts. As a standard practice, NORTHCOAST shall render to the ASSOCIATION monthly financial statements including a detailed accounting of all bank accounts, an accounts receivable list, and copies of reconciled bank account statements. Quarterly, NORTHCOAST shall, in addition, provide accrual financial statements including a balance sheet, an accounts payable list, and a detailed revenue and expense statement compared to budget. Annually, such records, books, and accounts shall be audited and appropriate tax returns prepared by a Certified Public Accountant, chosen by the ASSOCIATION's Board of Directors, whose report shall be submitted to the ASSOCIATION's Board of Directors. NORTHCOAST shall prepare a draft budget annually for review and approval by the ASSOCIATION's Board of Directors.

USG

# MANAGEMENT AGREEMENT

AGREEMENT commencing on 01 July 2003 by and between COASTAL VIEW ASSOCIATION, INC., a New York Not-For-Profit Corporation, herein called the "ASSOCIATION," and NORTHCOAST CORPORATION, a New York Corporation, herein called "NORTHCOAST."

## WITNESSETH:

In consideration of the terms, conditions, and covenants hereinafter set forth, the parties hereto mutually agree as follows:


1. **APPOINTMENT.** The ASSOCIATION hereby appoints NORTHCOAST, and NORTHCOAST hereby accepts appointment pursuant to the terms and conditions herein provided, as exclusive managing agent of the ASSOCIATION in the Town of Webster, County of Monroe, State of New York.
2. **LIMITATION OF AUTHORITY.** The authority and duties conferred upon NORTHCOAST herein are confined to the Association Property as defined in the recorded Declaration of Covenants, Conditions, and Restrictions (hereinafter called the "DECLARATION") and the recorded Plat thereof. Such authority and duties do not and shall not include supervision or management of individual houses except with respect to the Rules and Regulations of the ASSOCIATION.
3. **PLANS, SPECIFICATIONS, WARRANTIES.** The ASSOCIATION shall furnish NORTHCOAST with a complete set of the plans and specifications of the community, if available; with the aid of these documents NORTHCOAST will inform itself with respect to the layout, construction, locations, character, plan, and operation of the common areas. The ASSOCIATION shall furnish copies of any and all guaranties and warranties pertinent to the common area and in force at the time of the execution of this Agreement to NORTHCOAST. NORTHCOAST shall have no responsibility for any replacement, repairs, or maintenance of the homes of the members.
4. **NORTHCOAST SERVICES AND DUTIES.** NORTHCOAST shall render services and perform duties as follows:
  - a. **SERVICE REQUESTS.** Maintain businesslike relations with members, whose service requests shall be received, considered, and recorded in systematic fashion in order to show the action taken with respect to each. Complaints of a serious nature shall, after investigation, be reported to the ASSOCIATION's Board of Directors with appropriate recommendations. As part of a continuing program, NORTHCOAST will assist the ASSOCIATION in seeking full performance by members of all items of maintenance for which they are responsible. Members' service requests shall be responded to within fourteen (14) days. If it is not possible to effect the requested repair within fourteen (14) days, the member shall receive a response explaining the reason for the delay.

- 3) does not omit any material fact;
- 4) does not contain any untrue statement of a material fact;
- 5) does not contain any fraud, deception, concealment, or suppression;
- 6) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- 7) does not contain any representation or statement which is false, where I (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representation or statement made.

I further certify that my firm is not owned or controlled by the sponsor. I understand that that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of operation as a homeowners association.

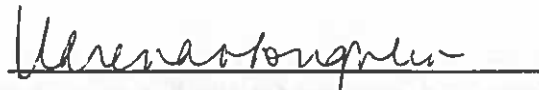
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Dated: 07 March 2003



**William G. Tomlinson, PCAM®, President  
NorthCoast CORPORATION**

Sworn to before me this  
7<sup>th</sup> day of March 2003



**KAREN A. O'LOUGHLIN  
NOTARY PUBLIC, State of N.Y., Ontario, Co.  
My Commission Expires Aug. 31, 2005**

# NorthCoast CORPORATION

339 East Avenue, Suite 450  
Rochester NY 14604-2693

William G. Tomlinson, PCAM®, President  
Office: 585. 797.0830, Extension 201  
Fax: 585. 797.0832  
E-mail: bill@northcoastcorp.com

## CERTIFICATION ON ADEQUACY OF BUDGET

STATE OF NEW YORK )  
COUNTY OF MONROE ) SS:

The undersigned, being duly sworn, deposes and says as follows:

The sponsor of the homeowners association offering plan for **Coastal View Association, Inc.** retained NorthCoast Corporation to review Schedule A containing projections of income and expense for the first year of operation as a homeowners association. My firm is currently managing agent for ten community associations. These organizations range in size from eleven to two hundred thirty-six units. I have been in the community association management business for twenty-seven years.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 22 insofar as they are applicable to Schedule A.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential property.

We certify that the projections in Schedule A appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the first year of operation as a homeowners association.

We certify that the Schedule:

- 1) sets forth in detail the projected income and expenses for the first year of HOA operation;
- 2) affords potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the first year of operation as a homeowners association;

Agency, 777 Canal View Boulevard, Suite 100, Rochester NY 14623. Coastal Villas Association, Inc. is also to be a named insured on these policies.

11. **Property Taxes** – The Assessor of the Town of Webster has determined that the assessment for each parcel of common area will be \$1,000. There will be seven (7) parcels of common area. They are budgeted at \$50.00 each per year (current tax rates are \$20.81 per thousand for School tax and \$10.96 per thousand for Town & County tax).
12. **Miscellaneous/Contingency** – For otherwise unbudgeted, unexpected expense (and for rounding)

**PLEASE NOTE CAREFULLY:** There is no reserve fund created initially and no reserve contribution included in the budget. Items that will eventually require replacement are listed below with estimated replacement costs and useful lives. If the Board of Directors never creates a reserve fund, these expenses will have to be met by Special Assessments of all of the members at the time of the replacements.

The Special Assessments are calculated for a completed Phase or combination of Phases; not all combinations are indicated but the range is represented.

	Replacement Cost	Estimated Life	Special Assessments Phases			
			I	I&II	I-III	I-IV
Covered Patio	\$15,000	25	\$319.15	\$238.10	\$176.47	\$153.06
Access to Beach	\$7,000	15	\$148.94	\$111.11	\$82.35	\$71.43
Sign	\$5,000	20	\$106.38	\$79.37	\$58.82	\$51.02
Private Drive	\$9,675	25	\$205.85	\$153.57	\$105.16	\$92.14

4. **Office** – Estimate by NorthCoast Corporation for copies at \$0.10/page, postage, and supplies.
5. **Landscape** – Prices for lawn and bed care per contract with PJF Property Maintenance, Inc. 16 Nile Drive, Rochester NY 14622. Lawn cutting is \$249.60 plus tax per trip for 27 cuts in the season (Phases I & II). For Phases I-III, the price is \$280.80 per trip and for Phases I-IV it is \$312.00 per trip. Bed care includes spade edging, weeding, mulching biannually and trimming of shrubs as needed for \$2,500.00. Lawn treatment by One Step Tree and Lawn Care, 4343 Buffalo Road, North Chili, NY 14514, includes three (3) fertilizations and three (3) applications of weed killer, and one application of crabgrass control. Shrub and small tree treatment by One Step includes three (3) inspections/applications as well as a fall fertilization. These costs will increase with the years as plant material increases in size and will also increase if a need develops to apply pesticides, e.g., grub killer. The share of the budget for One Step ranges from \$1,756.00 plus tax for Phases I & II to \$2,041 for Phases I-IV. In addition, amounts budgeted for possible plant replacement are from \$400 for Phase I to \$600 for Phases I-IV.
6. **Snow Removal** – Prices for removal of snow from the private roadway - based on a quote from PJF Property Maintenance, Inc., 16 Nile Drive, Rochester NY 14622. The contract price of \$250.00 (plus tax) includes removal whenever the depth of snow reaches three (3) inches for this price for a total season snowfall of between eighty-five (85) and one hundred (100) inches, as measured by the National Weather Service at the Rochester-Monroe County Airport. The average season snowfall in Rochester is ninety-three (93) inches. If the snowfall is light (0-70 inches), the contractual price is \$225.00 (plus tax) - so that in this case there would be a savings of compared to budget. Snowfall between 70 and 85 inches is prorated straight-line between the amounts for 0-70 inches and for 85-100 inches. If the snowfall exceeds 100 inches, PJF charges \$2.50 (plus tax) per inch for the additional amount. The budget includes the cost for up to 110 inches of snowfall.
7. **Rubbish Removal** – Provided by Upstate Disposal Services, 6800 West Henrietta Road, Rush, NY 14543 for weekly toter and recycle box pickup at the street end of the driveway for each home. The price varies from \$10.95 per month (plus tax) for -10 homes to \$7.95 per month (plus tax) for 51 or more homes. There would be an additional (unbudgeted) charge if the Association were to arrange for pickup at the garage doors.
8. **Repairs** – Miscellaneous contracted repairs for the covered patio, access to beach, common area walkways, and entrance sign. It is anticipated that once every three years the private drive (11,500 square feet) will be sealed at a cost of \$0.05/square foot plus tax = \$607.50.
9. **Electricity** – 300 watt illumination of entrance sign at \$0.074/kwh + 3.36% gross revenue surcharge – Rochester Gas & Electric. The fixtures will be tied into one of the houses at the entrance and a credit will be given on the account for that house to compensate for the use cost of the electricity.
10. **Insurance** – Property coverage for covered patio, access to beach, and sign (total \$27,000); liability coverage (\$1,000,000 per occurrence); Directors and Officers liability (\$1,000,000); and umbrella liability (\$1,000,000) based on proposals of Cincinnati Insurance Company from Hatch Leonard Naples

# Coastal View Association, Inc.

## Notes to Schedule A: Budget

1. **Assessments** – Monthly assessments vary depending on the number of phases included in the Association and the options exercised by the Sponsor as to type of homes included in Phases III and IV (Single Homes, Villa Homes, or Townhouses). Assessments will be collected *quarterly*, in advance. An option to pay by electronic transfer (automatic debit from owner's checking account) is strongly encouraged. The estimates and quotes are based on prices in March 2003. The actual costs for a first full year of operation may exceed these estimates depending on market conditions when commencement of operations occurs. The Sponsor will fund operations deficits incurred (if any) or pay full assessments on the unsold lots (for Phases which have been included) until the last lot is sold. The Sponsor is not responsible for future changes in the yearly charges due to changing market conditions, or changes in the type or level of service that the Board of Directors chooses to put into effect. Reserves for some major maintenance/replacements of Association Property are *not* included in this budget. Estimates are given at the end of these notes for these expenses. Future homeowner Boards of Directors should cause studies of such expenses to be made from time to time in order to re-evaluate the long-term financial needs of the Association. If regular contributions are not made to a Reserve Fund, the major maintenance/replacement expenses will have to be met by special assessments levied on members.
2. **Management** – The budgeted amounts are based on a contract with NorthCoast Corporation, 339 East Avenue, Suite 450, Rochester, NY 14604-2693, for management services including bookkeeping, budget advice to the Board of Directors, recording of the requests of homeowners for service and information, assistance in the enforcement of Regulations, preparation of specifications for contracted services, and solicitation of bidders for contracted work. NorthCoast is the managing agent for 10 community associations in Monroe County. The management contract specifies fees which decrease depending on the number of houses in the Association (ranging initially from \$9.50 per home per month to \$8.50 per home per month) with a 2% increase commencing in the second year of operation. NorthCoast charges its management fees commencing with the initial closing or renting/occupation of each lot.
3. **Audit/Legal** – Boychuk & Company, Certified Public Accountant, 111 Marsh Road, Pittsford, NY 14534 for a certified year-end audit and preparation of a Federal and New York State tax returns: quote of \$850.00. Legal expense of \$200 (Phase I) and \$300 (all succeeding Phase combinations) based on quote from Woods Oviatt Gilman LLP, 700 Crossroads Building, 2 State Street, Rochester NY 14614, covering a very limited amount of legal work for establishing appropriate collection procedures.

# Coastal View Association, Inc.

## Schedule A: Budget

	Phase I	Phases I&II	Phases I-III	Phases I-III	Phases I-III	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Phases I-IV	Footnotes	
	1	2	3A	3B	4A	4B	4C	4D	4E	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39		
<b>Revenue</b>																					
Option																					
Single Homes	23	23+16=39	23+16+22=61	23+16=39	23+16+22+13=74	23+16+13=52	23+16=39	23+16+22=61	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	23+16=39	4E
Villa Homes	24	24	24	24+29=53	24	24+29=53	24	24	24	24+29=53	24	24	24	24	24	24	24	24	24	24	24+29=53
Townhomes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	31
<b>Total Homes</b>	<b>47</b>	<b>63</b>	<b>85</b>	<b>92</b>	<b>98</b>	<b>105</b>	<b>110</b>	<b>120</b>	<b>123</b>												
<b>ASSESSMENTS/HOME/MONTH</b>	<b>\$49.00</b>	<b>\$41.00</b>	<b>\$36.00</b>	<b>\$35.00</b>	<b>\$35.00</b>	<b>\$34.00</b>	<b>\$33.00</b>	<b>\$32.00</b>	<b>\$31.00</b>												
<b>Revenue</b>																					
Assessments	27,636	30,996	36,720	38,640	41,160	42,840	43,561	46,080	45,755												
<b>TOTAL REVENUE</b>	<b>27,636</b>	<b>30,996</b>	<b>36,720</b>	<b>38,640</b>	<b>41,160</b>	<b>42,840</b>	<b>43,561</b>	<b>46,080</b>	<b>45,755</b>												
<b>Expense</b>																					
<b>Administrative</b>																					
Management	5,358	6,804	8,670	9,384	9,996	10,710	11,220	12,240	12,546												
Audit/Legal	1,050	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150												
Office	500	600	800	800	800	850	850	850	850												
<b>TOTAL ADMINISTRATIVE</b>	<b>6,908</b>	<b>8,554</b>	<b>10,620</b>	<b>11,334</b>	<b>11,946</b>	<b>12,710</b>	<b>13,220</b>	<b>14,240</b>	<b>14,546</b>												
<b>Contracted Services</b>																					
Landscape	12,075	12,075	13,290	13,290	14,402	14,402	14,402	14,402	14,402												
Snow Clearance	270	270	270	270	270	270	270	270	270												
Rubbish Removal	5,452	6,491	8,758	9,479	10,097	10,818	11,334	12,364	12,673												
Repairs	300	500	700	700	800	800	800	800	800												
<b>TOTAL CONTRACTED SERVICES</b>	<b>18,096</b>	<b>19,336</b>	<b>23,018</b>	<b>23,739</b>	<b>25,569</b>	<b>26,291</b>	<b>26,806</b>	<b>27,836</b>	<b>28,145</b>												
<b>Utilities</b>																					
Electricity (entrance sign)	101	101	101	101	101	101	101	101	101												
<b>TOTAL UTILITIES</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>												
<b>INSURANCE</b>																					
	2,187	2,203	2,226	2,234	2,240	2,245	2,248	2,254	2,256												
<b>PROPERTY TAXES</b>																					
	200	250	300	300	350	350	350	350	350												
<b>MISCELLANEOUS/ROUNDING</b>																					
	144	552	455	932	954	1,143	836	1,299	357												
<b>TOTAL EXPENSE</b>	<b>27,636</b>	<b>30,996</b>	<b>36,720</b>	<b>38,640</b>	<b>41,160</b>	<b>42,840</b>	<b>43,561</b>	<b>46,080</b>	<b>45,755</b>												