



Town Homes at Wood Run Homeowners Association, Inc. Governing Documents

- **Declaration of Common Areas and Facilities**
- **The Association**
- **Declaration of Covenants, Conditions and Restrictions**
- **Certificate of Incorporation**
- **By-Laws and Homeowners Association Rules**

**DECLARATION OF COMMON AREAS AND FACILITIES TO BE
OWNED OR MAINTAINED BY THE HOMEOWNERS ASSOCIATION**

The development, when completed, will have approximately 4.12 acres of Common Area, known and designated as Lot 55 of the Wood Run Townhouses Subdivision, as shown on a map filed in the Monroe County Clerk's Office in Liber 234 of Maps at page 79.

The Common Area consists of a private drive known and designated as Wood Run Commons and individual driveways for all 54 units. That part of the Common Area which is not paved will be grassed and landscaped with various arborvitaes, junipers and an ornamental deciduous tree.

The specifications for the installation of the common drive and individual driveways appear in the engineer's report and noted as Exhibit J.

The sponsor will dedicate the right-of-way, known and designated as WOOD RUN, as shown on the Wood Run Townhouses Subdivision map filed in the Monroe County Clerk's Office in Liber 234 of Maps at page 79, together with all water mains, sanitary sewer and storm sewer easements, to the Town of Greece and/or the Monroe County Water Authority. Said rights and easements will be maintained by the Town of Greece and/or the Monroe County Water Authority.

THE ASSOCIATION

Prior to the conveyance of the first unit, the sponsor will file the Declaration of Covenants, Conditions and Restrictions in the Office of the Monroe County Clerk. The full text of the Declaration is set forth in Part II of this Offering Plan. The only members of the Homeowners Association will be unit owners, and all unit owners will automatically become members.

The Declaration provides that the membership in the Homeowners Association is mandatory for unit owners and that its provisions shall remain with the land and shall be enforceable by the sponsor, the Association and the Owner of a unit.

The sponsor organized the Town Homes at Wood Run Homeowners Association, Inc. on October 29, 1985 under the provisions of the New York Not-For-Profit Corporation Law. The purpose of the Association is to own, maintain and repair the Association property; to maintain and repair the exterior of the units and landscaping of the individual lots and Common Areas; administer and enforce protective covenants, conditions, restrictions, charges and liens imposed on the property; obtain and maintain fire and casualty insurance on the units, liability insurance on the Association property and such other insurance as the Association may obtain in accordance with the provisions of the Declaration.

The Declaration gives to the Association the power to collect and disburse the assessments and charges necessary to perform its functions, all for the benefit of the members of the Associa-

tion. In the event there is a violation of the Declaration, By-Laws or Rules and Regulations, the Association has the power to levy and enforce penalties as expressly stated in said documents.

By accepting a deed, the grantee is bound by the provisions of the Declaration and is personally responsible for the payment of all charges and assessments during the period that such person is the Owner in fee of such unit. Upon conveyance of said unit, the Owner is no longer liable for the payment of such charges and assessments and the subsequent Owner will be bound by the provisions of the Declaration, including the personal responsibility for the payment of all charges and assessments for his unit.

There will be a maximum of 54 units whose Owners will be members of the Homeowners Association if the sponsor completes the project as contemplated. Although the sponsor contemplates completion of the entire development within two years of the commencement of construction, there is no time limit placed on the sponsor for completion.

The Declaration of Covenants, Conditions and Restrictions will run with and bind the land for a term of 20 years from the date it is recorded in the Monroe County Clerk's Office. Said Declaration will be automatically extended for additional periods of 10 years unless, however, 90% of the members elect to amend the Declaration during the first 20-year period and thereafter by 75% of the members.

The purchaser of a unit takes title subject to certain ease-

ments as more particularly set forth in the Declaration. Easements reserving to municipalities and utility companies over any part of the property are beneficial to the Association and unit Owner. The Declaration has created additional easements addressing itself to the problems of encroachments caused by construction, settlings, and overhangs for all buildings constructed by sponsor and for the rebuilding of any buildings due to fire loss or other destruction. The Declaration does establish a blanket easement over all the property for the maintenance and repair of all utilities and for the entry by the Association or its agents or employees to maintain and repair the improvements as needed.

There are no restrictions on who may become a member of the Homeowners Association, except that occupancy is limited to single-family use. The Declaration contains numerous restrictions relating to the use of the premises.

Window air conditioners, exterior antennas, clothes poles and other types of exterior items are prohibited. The Declaration recites that there shall be no commercial activity, advertising or political signs allowed on the premises. Unit Owners have an absolute right to sell or mortgage their units.

The Board of Directors of the Association must approve alterations made to the exterior of the units.

Unit Owners are precluded from storing motor vehicles, trailers, boats, campers, etc., except within the garages, nor can any person park a motor vehicle or otherwise obstruct any

resident's use of ingress and egress, driveway or parking space nor may any vehicle be parked on the roadways and obstruct access by emergency or service vehicles.

The Declaration does give to a unit Owner the right to keep domestic household pets.

Any land or construction loan mortgage on any part of the planned unit development will be subordinate to the Declaration.

The Association shall obtain and maintain fire and casualty insurance and the cost of said fire insurance shall become a part of the common charges. The unit Owner may desire to insure his personal effects and the interior of the home itself for fire and liability. Such insurance, if taken by the purchaser, will be payable by the purchaser directly.

Any Owner of property in the development will take title subject to the Declaration. A mortgagee who acquires title through foreclosure or by deed in lieu of foreclosure will take title free and clear of the lien for delinquent common charges. Said mortgagee, however, will be liable for common charges which accrue after it takes title.

The Homeowners Association will be run by a Board of Directors consisting of at least three, but not more than five, members. These directors need not be members of the Association. The initial directors will be selected by the sponsor, who will have the power to designate the directors until all 54 units are transferred, or two years after the first unit is transferred, whichever occurs

first, at which time the sponsor shall have a vote for as long as it owns at least one unit, which vote will be similar to the vote of any other member. After the sponsor's right to select the directors has terminated, directors will serve for a three-year term, and they may be removed by a majority vote of the members of the Homeowners Association. The directors shall meet on a monthly basis at a time and place as set by the resolution of the Board. The first meeting of the Board of Directors will be within 90 days after the transfer of title of the first unit. The first regular meeting held in each calendar year shall be the annual meeting of the Board.

The Board of Directors shall elect a president, vice president, secretary and treasurer. The term for an officer shall be one year. Any officer may be removed by the Board of Directors with or without cause, whenever, in the judgment of the Board, the best interest of the Association will be served thereby.

Each member of the Association, regardless of the number of units he owns, shall be entitled to one vote in the operation of the Homeowners Association. In the event a unit is owned jointly by one or more persons, they shall jointly be considered a member and shall share in and be entitled to one vote. Prior to the transfer of all 54 units or two years after the sale of the first unit, whichever occurs first, the sponsor shall have only one vote which will be on a par with the vote of all other unit Owners.

The activities of the Association shall be governed by a

majority of the members. However, special assessments may be made only with the approval of two-thirds of the votes of the Association members. The Declaration may be amended only by 90% of the members until 20 years after recording of the Declaration and 75% of the members thereafter. Any amendment to the Declaration must be recorded in the Monroe County Clerk's Office.

The initial Board of Directors shall consist of:

Gerald W. Alaimo
Director and President
461 Long Pond Road
Rochester, New York 14612

James C. Alaimo
461 Long Pond Road
Rochester, New York 14612

Mary E. Hansen
318 Creighton Lane
Rochester, New York 14612

Gerald W. Alaimo and James C. Alaimo are principals of sponsor Alaimo Enterprises, Ltd. Mary E. Hansen is an employee of sponsor Alaimo Enterprises, Ltd.

Each lot will be subject to an annual assessment for Common Area maintenance, insurance, water charges and related expenses as well as special assessments for capital improvements, as needed. The assessments will be levied on an annual basis as set by the Association's Board of Directors. The annual assessment shall be paid by each Owner in quarterly installments on the first day of each calendar quarter. Assessments will be prorated for each purchaser based on the date of closing.

Special assessments for the purpose of paying for capital

improvements may be imposed by the Board with the assent of at least two-thirds of the members.

The annual assessments and any special assessments shall be paid equally by all unit Owners.

All assessments and special assessments are the personal obligation of the unit Owner and, in addition, are liens against a unit Owner's lot. If the assessment is not paid when due, the unit Owner is in default and the assessment will bear interest at the maximum permissible rate after 30 days following the due date. In addition, the unit Owner will be liable for any cost and expense incurred by the Homeowners Association in collecting delinquent assessments. The Homeowners Association may enforce the lien for assessments through a foreclosure action similar to a mortgage foreclosure which may result in the eventual sale of the property to pay for delinquent charges, interest and expenses.

The obligation to pay assessments is personal to the unit Owner and the lien for the assessments will continue after transfer of title except in the event of a foreclosure of a first mortgage lien or transfer of title to a first mortgagee by deed in lieu of foreclosure.

Owners who are delinquent may be prohibited by the Homeowners Association from using any common facilities other than the access road while they are delinquent. A unit Owner's voting rights will not be suspended even though he is delinquent in payment

of assessments.

The Board of Directors shall have the power to establish penalties for violation of rules and regulations adopted by the Board of Directors governing the use of the Common Areas and Common Facilities and the personal conduct of the Owners, their families and guests thereon.

As shown on the proposed budget, a reserve for capital/major repair will be collected at the rate of \$16 per unit per month. There will be no initial contribution from the sponsor, although the sponsor will contribute on an ongoing basis for those unsold completed units owned by it. (A unit will be deemed to be completed when the Certificate of Occupancy has been issued by the Town of Greece.) It is estimated that sufficient funds will be available as needed to cover foreseeable capital expenditures. If additional funds are needed, the Association's Board of Directors is empowered to propose special assessments. While the sponsor is in control of the Board of Directors, the working capital fund shall not be used to reduce projected Association charges. Neither the Department of Law nor any other government agency has passed on the adequacy of the capital reserve fund.

The sponsor will retain control of the Board of Directors for a period of up to two years after the transfer of the first lot. This control is retained through the power to designate the Directors of the Association. At such time as all 54 units have been transferred or two years after the closing of the first

unit, all unit Owners shall have an equal vote in the election of the Directors. If two years have passed since the closing of the first unit and all 54 units have not yet been transferred, the sponsor shall be entitled to designate one Director and the remaining unit Owners shall be empowered to elect the remaining Directors. The sponsor may not exercise his control of the Board to reduce the level of services described in the Offering Plan or prevent capital repairs or prevent expenditure required to comply with applicable laws and regulations.

During the period that the sponsor is empowered to delegate the Directors, no mortgage liens will be placed on the Association property without the consent of at least 51% of the unit Owners, excluding the sponsor or sponsor's nominees. Certified financial statements for Association activities will be provided to members each year for so long as the sponsor remains in control of the Board of Directors.

The sponsor shall pay, as its share of the Common Area charges, an amount equal to the difference between the assessments charged to individual unit Owners as estimated in the projected budget and actual expenses of operating the Homeowners Association until such time as all units have been sold. The sponsor will pay into the capital reserve accounts for each completed unit owned by sponsor.

Sponsor will provide a set of "as built" plans or specifications, as specified on the drawings for the common property improve-

ments, to the Board of Directors, including specifications of roads, sewers and/or water lines; and said plans or specifications are in substantial compliance with the terms of the Offering Plan.

As long as sponsor has unsold units which are offered for sale pursuant to this plan, the sponsor shall amend the plan whenever there is a change in the budget or when one year has passed since the last budget was updated. The amendment shall include the prior year's certified financial statements.

LOCAL GOVERNMENT APPROVAL

On the 26th day of June 1985, the Planning Board of the Town of Greece approved the Wood Run Townhouses Subdivision as a 54 lot subdivision for construction of townhouses. Wood Run Townhouses Subdivision map was filed in the Monroe County Clerk's Office in Liber 234 of Maps, page 79, which map is included herein as Exhibit D-7.

OBLIGATIONS OF SPONSOR

Alaimo Enterprises, Ltd., acting as sponsor of this Offering Plan, has agreed that it will assume specific obligations under this Plan. It will complete and pay for construction of all of the site improvements, together with improvements for the Common Areas, in a good and workmanlike manner. It will construct 54 townhouses, comprising all of the units to be included in the Association. The sponsor will file the Declaration and will convey the Association property free and clear of liens and encumbrances prior to closing title to the first unit, whose Owner will be a member of the Association. Sponsor will, at its own expense, complete construction of all driveways and common drive serving

the units in the Wood Run Townhouses Subdivision. The sponsor will escrow funds with the Town of Greece for items which are uncompleted at the time of transfer of title provided said items are not vital to the health and safety of the prospective Owners and if the Town of Greece permits occupancy prior to the completion.

The landscaping would be performed by the sponsor around individual units when it can be completed upon transfer of title.

The sponsor is obligated to complete all work to be performed under the plan and in the event mechanics liens are filed with respect to the development and construction, the sponsor will promptly discharge or bond said mechanics lien. Sponsor will defend any suits or proceedings arising out of sponsor's acts or omissions and indemnify the Board of Directors in any of said suits or proceedings.

The sponsor does not intend to furnish any bond or other security to secure its obligation to complete the Common Area property.

Sponsor Alaimo Enterprises, Ltd. is a domestic corporation and is in the business of developing land and constructing residential housing. Sponsor Alaimo Enterprises, Ltd. has been involved in the business of constructing and selling residential housing for a number of years. Although sponsor could dissolve at any time, the sponsors' obligations under this plan would continue.

Sponsor will retain the right of ingress and egress through properties being offered for sale pursuant to this plan in order

to complete construction of units offered for sale. Sponsor will remain liable for any damage caused in the course of developing the property under this plan. At no time will sponsor obstruct homeowners' access to their units.

Title will be insured at the time of transfer to the Association by the Public Abstract Corporation, a company authorized to do business in the State of New York. The title insurance policy will be written in the amount of \$241,035.00.

If any mortgages or liens remain on the property covered by this plan following the conveyance of the first unit, the lien or mortgage must subordinate to the Declaration.

It shall be the obligation of sponsor Alaimo Enterprises, Ltd. to pay, as its share of the Common Area charges, an amount equal to the difference between the assessments charged to individual unit Owners as stated in the projected budget and the actual expenses of operating the Association until such time as all units have been sold. The sponsor will pay into the capital and reserve accounts for each completed unit owned by sponsor.

TRUST FUNDS

Upon the execution and delivery of a purchase contract by a prospective purchaser and the acceptance of the same by the sponsor Alaimo Enterprises, Ltd., purchaser will remit to sponsor a deposit not to exceed 10% of the purchase price. Such deposit shall be deposited into a special interest-bearing account at Security Trust Company, One East Avenue, Rochester, New York,

entitled "Town Homes at Wood Run Escrow Account". Such funds may only be released by the signature of a member of the firm of Faraci, Guadagnino, Lange & Johns, as attorneys for sponsor, at the closing or prior to closing if the purchaser rescinds the contract or defaults in performance of the same. The purchaser shall receive a credit at closing for all interest earned on such deposit. Sponsor shall comply with the trust fund provisions of Sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York.

MANAGEMENT AGREEMENT

Sponsor will enter into an Agreement with the Rockhurst Management Corporation, a New York corporation with principal offices located at 500 Helendale Road, Rochester, New York, 14609, to manage the Town Homes at Wood Run Homeowners Association, Inc. for a two-year period with a provision giving the Association sixty days to elect to enter into a new contract with Rockhurst Management Corporation if it so desires.

The Management Agreement may be cancelled by either party after the second year. It may, however, be cancelled at any time for cause.

The managing agent shall:

1. Cause the building, appurtenances and grounds of the property to be maintained according to the standards of the Board of Directors.

2. Negotiate all contracts as agent for the Association

for lawn mowing, snow removal and other necessary services as the Board shall deem advisable.

3. Investigate and invite bids or quotes from licensed insurers for all necessary form of insurance as, in the opinion of the Board of Directors, may be required by the Declaration or otherwise be appropriate, including, but not limited to public liability, fire and extended coverage insurance on all dwellings.

4. Maintain the Association's records, books and accounts and render a quarterly statement of income and expenses to the Association.

5. Collect all assessments and other charges due the Association.

6. The managing agent shall place orders for the purchase of supplies, tools and materials as are necessary to properly maintain the property. However, expenses incurred for such contracts and orders shall not exceed \$500 per occurrence unless specifically authorized by the Association's Board of Directors.

All expenses incurred by the managing agent pursuant to the Agreement shall be for the account, on behalf, and at the expense of the Association. The Association shall also indemnify the managing agent against any liability for acts properly performed by the managing agent pursuant to the Agreement or the Board of Directors' instructions.

The managing agent shall indemnify the Association from any claims or loss arising as a result of bodily injuries and/or property

damage caused by the negligence of the managing agent, its agents or employees.

The managing agent shall also maintain a fidelity bond in the principal amount of not less than \$250,000 throughout the term of this Agreement.

The Management Agreement will not be assignable by the managing agent to any other party.

IDENTITY OF PARTIES

The sponsor, Alaimo Enterprises, Ltd., a New York corporation with principal offices located at 461 Long Pond Road, Rochester, New York, 14612. The principals of Alaimo Enterprises, Ltd. are Gerald W. Alaimo and James C. Alaimo, with business addresses of 461 Long Pond Road, Rochester, New York, 14612. Alaimo Enterprises, Ltd. has conducted home construction and sales in the Rochester area since 1975. The sponsor has developed or participated in the development of the following subdivisions in Monroe County. These properties were sold without memberships in homeowners associations.

<u>Subdivision</u>	<u>Location</u>	<u>Year First Available</u>
Wood Run Subdivision	Town of Greece	1985
Long Park Acres	Town of Greece	1985
Canal Park Estates	Town of Perinton	1985
Long Park Acres	Town of Greece	1984
Weiland Woods	Town of Greece	1984
Long Park Acres	Town of Greece	1983
Weiland Woods	Town of Greece	1983
Long Park Acres	Town of Greece	1982
Weiland Woods	Town of Greece	1982
Long Park Acres	Town of Greece	1981
Weiland Woods	Town of Greece	1981
Long Pond Acres	Town of Greece	1980

The general counsel of sponsor Alaimo Enterprises, Ltd. is the law firm of Faraci, Guadagnino, Lange & Johns, 309 Times Square Building, Rochester, New York, 14614. This Offering Plan has been prepared by Joseph S. Guadagnino of the law firm of Faraci, Guadagnino, Lange & Johns.

James C. Alaimo, Esq., with offices at 125 State Street, Suite 400, Rochester, New York, 14614, will represent the sponsor in the sale and closing of individual homes.

The Homeowners Association will initially be managed by Rockhurst Management Corporation. The managing agent is presently managing 13 homeowners associations and 5 condominiums. These organizations range in size from 13 to 264 units in the western New York area. The sponsor has retained the engineering firm of LaDieu Associates, 40 Cederfield Commons, Rochester, New York, 14612.

REPORTS TO MEMBERS

The Association, through its Board of Directors, will deliver a financial statement prepared by a certified public accountant or a public accountant to all members on an annual basis. In addition, all members will have at least 30 days notice prior to the holding of the annual meeting.

DOCUMENTS ON FILE

The sponsor shall retain copies of the Offering Plan and parts A, B and D of the Exhibits and documents referred to in the plan on file at 461 Long Pond Road, Rochester, New York, for

at least 6 years after the closing of the first unit. These documents will be available for inspection and copying at a minimal charge during normal business hours.

GENERAL

There are no lawsuits, administrative proceedings or other proceedings the outcome of which may materially affect the offering, the property, sponsor's capacity to perform all of its obligations under the plan or operation of the Homeowners Association.

The property offered under this plan is not subject to any prior offering and no preliminary nonbinding agreements have been entered into, nor money collected from prospective purchasers as of the date of this plan.

The sponsor and its agents will not discriminate against any person based on race, creed, color, sex, national origin or any other basis prohibited by state or federal civil rights laws.

ALAIMO ENTERPRISES, LTD.

By _____

EXHIBIT A

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS DECLARATION, made on the date hereinafter set forth by **ALAIMO ENTERPRISES, LTD.**, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the Town of Greece, County of Monroe and State of New York, which is more particularly described on Schedule A attached hereto and made a part hereof.

NOW, THEREFORE, Declarant hereby declares that all of the Properties described in the attached Schedule A shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof. Such property includes all of the Lots and the designated Common Areas.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Town Homes at Wood Run Homeowners Association, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 5. "Unit" shall mean and refer to all dwellings of residential housing situated upon the Properties.

Section 6. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 7. "Declarant" shall mean and refer to Alaimo Enterprises, Ltd., its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, including any necessary rights of ingress and egress to

Owners' property over the Common Area, which easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

A. The right of the Association to suspend the right to use of any facilities on the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published Rules and Regulations;

B. The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rds of each class of members and their mortgagees has been recorded.

C. The right of the Association, pursuant to its By-Laws, to adopt Rules and Regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.

D. The right of invitees and business visitors of any Owner to ingress and egress over those portions of the Common Areas that lie within private roadways.

ARTICLE III

EASEMENTS

Section 1. Easements for Utilities. Declarant reserves the right to grant easements, both temporary and permanent, to all public authorities and utility companies over any part of the Properties.

Section 2. Easements for Encroachments. Each Lot, and the property included in the Common Area, shall be subject to an easement for encroachments created by construction, settling and overhangs for all buildings constructed by Declarant. A valid easement for said encroachments, and for the maintenance of same, so long as such encroachments stand, shall and does exist. In the event that any structure containing two or more living units is partially or totally destroyed and then rebuilt, or is in need of repair, the Owners of the living units so affected agree that minor encroachments of parts of the adjacent living units on adjoining Lots or on the Common Area due to such construction shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist.

Section 3. Other Easements. There is hereby created a blanket easement upon, across, over and under all of the Properties, for ingress, egress, installation, replacement, repair and maintenance of all utilities, including but not limited to water, sewers, gas, telephones and electricity, and a master

cable television system. By virtue of this easement it is expressly permissible to erect and maintain the necessary transformers or other equipment on the Properties, and to affix and maintain underground electrical or telephone wires and conduits, sewer and water lines on or below any residence of land owned by an Owner. An easement is hereby granted to the Association, its officers, agents, employees, including employees of any management company having a contract with the Association over all of the Common Areas, and to enter any residence to perform the duties of maintenance and repair of the residences or Common Area, to maintain any utilities for which an easement has been granted and to prevent damage to any other residence. An easement is hereby reserved to Declarant to enter the Common Areas during the period of construction and sale of the Properties, or any additions to the Properties, and to maintain such facilities and perform such operations as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of residences, including, without limitation, a business office, sales office, storage area, construction yards, signs and model units, provided that this does not unreasonably obstruct access by members of the Association.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall

be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of Declarant. Each Class A member shall be entitled to one vote. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as the Owners among themselves determine, but in no event shall more than one vote be cast with respect to any Lot, nor shall any member be entitled to more than one vote regardless of the number of Lots owned by that member.

Class B. The Class B member(s) shall be the Declarant or its successors or assigns, and shall be entitled to one vote for so long as one lot is owned by Declarant. The Class B membership shall cease and be converted to Class A membership when title to all 54 units have been transferred, for 2 years after the first unit has been conveyed by Declarant, whichever occurs first. Class A members shall not be entitled to vote for members of the Board of Directors until after all 54 units have been transferred or 2 years after the first unit is transferred, whichever occurs first.

ARTICLE V

COVENANT FOR ANNUAL OR SPECIAL ASSESSMENT

Section 1. Creation of the Lien and Personal Obligation

of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The covenant in this Section shall not constitute a guarantee, or promise of any kind by Declarant to pay any assessment, or any other obligation of any Owner, other than Declarant. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall be the personal obligation of the person who is the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessment shall not pass to the Owner's successors in title unless expressly assumed by them.

Notwithstanding the provisions of this Article V, the Declarant shall be obligated to pay only the difference between the amount collected on completed units (which amount will not exceed the budgeted amount per completed unit) and the actual cost of operation for the Association. In addition, the Declarant shall pay the capital improvement charges only for completed units.

Section 2. Purpose of Assessments. Assessments levied by the Association shall be used exclusively (1) to operate, maintain, repair, improve, construct, reconstruct and preserve, on a non-profit basis, the Common Area owned by the Association, exclusively for the benefit of its members, their guests, tenants and invitees; and (2) to maintain, repair, reconstruct, replace and preserve, on a non-profit basis the Lots, and the improvements constructed thereon, for the purpose of preserving the exterior appearance and configuration of said Lots and Units, including, but not limited to, foundations, all exterior (outside) walls, including window casements (excluding, nevertheless, all glass replacements or breakage and window screens and excluding window cleaning), exterior chimney and exterior doors (excluding, nevertheless, storm and screen doors), roof and roof members, facia and exterior trim, gutters and down spouts, driveways, walks and parking areas, trees, shrubs and grasses and other exterior improvements. Except for the structural portion of the exterior walls and roof members, there shall be no obligation on the part of the Association to maintain, repair, reconstruct, replace or preserve any part of the interior of any Unit or any fixtures or mechanical system (including but not limited to heating, including chimney, lighting, plumbing, air conditioning) for any Owner. The above obligation shall not include any maintenance, repairs or replacements caused by fire or other casualty to a unit, except as provided under Article VII, Section 3 and Article X.

Section 3. Date of Commencement of Annual Assessments and Due Dates. The assessments provided for herein shall be fixed from time to time, but at least annually, and shall commence as to all Lots on the 1st day of the month following the recording of this Declaration, and shall be prorated on the basis of the Estimated Budget for the first year, published in the Offering Plan, according to the number of months remaining in the fiscal year. The Board of Directors shall fix the amount of subsequent assessments from time to time, but at least annually, for each Lot at least 30 days in advance of annual assessment period. Written notice of the assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors, and, unless otherwise provided, the Association shall collect each quarter from the Owner of each Lot one-fourth (1/4) of the annual assessment for such Lot. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer, or the Managing Agent, if any, of the Association setting forth whether the assessments on a specified Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part,

the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, and the Lots, or any of them, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the members, present in person or by proxy, at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Section 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 of this Article V shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. The presence of members, in person or by proxy, entitled to cast two-thirds (2/3) of all the votes of the membership shall constitute a quorum.

Section 6. Uniform Equal Rate of Assessment. Both annual and special assessments must be fixed at a uniform equal rate for all Lots and may be collected on a quarterly basis.

Section 7. Effect of Non-Payment of Assessment and Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum prevailing legal rate per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against such Owner's Lot, and interest, costs and reasonable attorney's fees of any such action shall

be added to the amount of such assessment. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of liens against real property, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage foreclosure on real property and such Owner hereby expressly grants to the Association a power of sale in connection with the foreclosure of said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Lot Owners. The Association, acting on behalf of the Lot Owners, shall have the power to bid for the interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to subrogate so much of its right to such liens as may be necessary or expedient to an insurance company **continuing to give** total coverage notwithstanding nonpayment of such defaulting Owner's portion of the premium for fire and other hazard insurance. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area, abandonment of his lot, or by renunciation of membership in the Association. An Owner may give to the Association, nevertheless, subject to acceptance thereof by the Association, a deed in lieu of foreclosure.

Section 8. Subordination of the Association Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of any first mortgage, or by deed in lieu of foreclosure, given as above provided, shall extinguish the lien of such assessments as to payments which were due prior to the foreclosure sale and transfer. No foreclosure sale or transfer shall relieve such Lot Owner from liability for any assessments thereafter becoming due or relieve the Lot from the lien thereof.

Section 9. Reserves and Surplus. The Association's Board may establish, from time to time, reserves for such lawful purposes as in its sole discretion it may determine necessary to be desirable for the greater financial security of the Association and the affectuation of its purposes. The Association shall not be obligated to spend in any fiscal year all the sums collected in such year, and may carry forward, as surplus, any balances remaining; nor shall the Association be obligated to apply any such surplus to the reduction of the amount of the annual assessment in the succeeding year, but may carry forward the same from year to year.

Section 10. Contractual Authority. The Association shall be entitled to contract with any corporation, firm or other entity in the performance of the various duties imposed on the Association

hereunder and the performance by any such entity shall be deemed the performance of the Association hereunder.

Section 11. In spite of any provision to the contrary in this Article V, the Declarant shall not be liable for the payment of common charges for any unsold lots owned by it, unless and until said lots are improved by completed units. For purposes of this section, a completed unit shall be a unit for which a Certificate of Occupancy has been issued by the Town of Greece. The Declarant shall, however, contribute to the Association the amount equal to the difference between the cost of operating the Association and the assessments collected from Owners as set forth in the projected budget. Similarly the Declarant shall not be obligated to make any capital contribution except for the units which have been completed and are retained by Declarant.

ARTICLE VI

EXTERIOR MAINTENANCE

In addition to maintenance of the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder as follows: Paint, repair, replace and care of roofs, gutters, downspouts, exterior building surfaces. The Association shall also be responsible for landscape, maintenance, and snow removal of the driveways, and maintenance and repair of the walks, driveways, and facilities comprising the Common Properties. Such exterior maintenance shall not include glass surfaces, screens, screen for storm doors, nor shall it

include the maintenance or snow shoveling of individual sidewalks. In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, guests or invitees, the costs of such maintenance and repairs shall be added to and become part of the assessment to which such Lot is subject. The Association shall also purchase water from various Association members and said members shall be required to sell water to the Association to be used for the maintenance of all of the landscaped areas including but not limited to the Common Areas. Said water charge shall be the difference between the water bill for the spring and summer seasons.

ARTICLE VII

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the units upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a

party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE VIII

USE OF PROPERTY

The use of a Unit by a Member or other occupant shall be

subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Directors and the following covenants and restrictions:

(a) Each Member's Unit and Lot shall be maintained in good repair and overall appearance.

(b) Any Member who mortgages or sells his Unit shall notify the Board of Directors providing the name and address of his mortgagee or new owner.

(c) The Board of Directors shall, at the request of the mortgagee of the Unit, report any delinquent assessments due from the Owner of such Unit.

(d) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(e) No improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances, the regulations of all governmental bodies having jurisdiction thereof, shall be observed.

(f) Regulations promulgated by the Board of Directors concerning the use of the property shall be observed by the Members, provided, however, that copies of such regulations are furnished to each Member prior to the time the said regulations become effective.

(g) The maintenance and special assessments shall be paid

when due.

(h) No owner or resident shall keep or maintain any animals or birds except a single animal or bird commonly known as a household pet unless prior written consent is obtained from the Board of Directors. No Owner or resident shall allow any pet to run free on the Common Areas. Pets on the Common Areas shall be on leash and accompanied by an adult. Owners shall be responsible for picking up after pets.

(i) No resident of a unit shall post any advertisement or posters of any kind in or on the Properties except as authorized by the Board of Directors. This paragraph shall not apply to Declarant.

(j) No fence or gate shall be erected on the Properties without the prior written consent of the Board of Directors. This paragraph shall not apply to Declarant.

(k) No television or radio antenna or any other type of receiving or transmitting antenna nor awnings or other projections or structure shall be attached or erected on the exterior of Units or on any Lot without the prior written consent of the Board of Directors.

(l) No Unit Owner shall move, remove, add, or otherwise change the landscaping on the Properties.

(m) No Unit Owner shall paint the exterior surfaces of windows, walls or doors opening out of his Unit.

(n) No boats, trailers, motorcycles, bicycles or motor

vehicles of any kind shall be parked on the premises except in the unit garage, nor shall any person park a motor vehicle or otherwise obstruct any resident's use of ingress or egress to any sidewalk, garage, driveway, or parking space nor may any motor vehicle be parked on the roadways when parking would obstruct access by emergency or service vehicles. No baby carriages or bicycles shall be allowed to stand on the sidewalks, entrances, driveways or other Common Areas.

(o) No Unit Owner shall install or permit to be installed any window mounted or through the wall mounted air conditioning unit in his Unit.

(p) No repair of motor vehicles shall be made in any of the roadways, driveways or parking areas to the Development nor shall such areas be used for storage parking of any boat, trailer, camper, bus, truck or commercial vehicle without the written permission of the Board of Directors.

(q) No Unit Owner shall make or permit any disturbing noises in any building or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners.

(r) Units may be used for residential purposes only.

(s) The Common Area shall not be obstructed, littered, defaced or misused in any manner.

(t) Every Member shall be liable for any and all damage to the Common Area and the property of the Association, which

shall be caused by said Owner or such other person for whose conduct he is legally responsible.

(u) No interior alterations to a home are permitted, which would impair the structural soundness of any party walls, reduce the levels of fire safety in neighboring Units, or diminish the heat and sound insulation between Units.

(v) It is prohibited to install clothes poles, exterior antennas and other types of exterior items or to hang garments, rugs, etc., or to string clothes lines on any portion of the Unit, Lot or Common Area.

(w) All units shall be used for single family residence purposes only.

ARTICLE IX

ARCHITECTURAL CONTROL

Section 1. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an Architectural Committee composed of 3 or more representatives appointed by the Board.

In the event said Board, or its designated committee, fails

to approve or disapprove such design and location within 30 days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE X

INSURANCE

Section 1. Insurance to be Carried by the Board. The Board of Directors shall be required to obtain and maintain, to the extent obtainable, the following insurance: fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements, insuring all of the Buildings in the Development, including all of the Units (but not including furniture, furnishings or other personal property supplied or installed by Unit Owners), together with all heating, air conditioning and other service machinery, contained therein, covering the interest of the Association, the Board of Directors and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Units and Buildings. Each of such policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Directors and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Directors may determine. All such policies shall

provide that adjustment of loss shall be made by the Board of Directors with the approval of the Insurance Trustee, and that the net proceeds thereof, if \$50,000 or less, shall be payable to the Association, and if more than \$50,000 shall be payable to the Insurance Trustee.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insureds or any Unit Owners, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Units and Buildings for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

The Board of Directors shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Directors may from time to time

determine, covering each member of the Board of Directors, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that such policies 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 any Unit Owner.

The unit Owner may desire to insure his personal affects and the interior of the home for fire and liability. Such insurance, if taken by the unit Owner, will be paid by the Owner directly.

Section 2. Insurance Trustee. The Insurance Trustee shall be a bank or trust company located in the State of New York designated by the Board of Directors. All fees and disbursements for the Insurance Trustee shall be paid by the Board of Directors and shall constitute a common expense of the Association. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company located in the State of New York.

Section 3. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of

the Units and Buildings as a result of fire or other casualty, the Board of Directors shall arrange for the prompt repair and restoration of the Buildings (including any damaged Units, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), 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. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess all Unit Owners for such deficit as part of the common charges.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in

no wise affect any other provisions which shall remain in full force and effect.

Section 3. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable and the necessary grammatical changes required to make the provisions hereof apply either in corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 8th day of November, 1985.

ALAIMO ENTERPRISES, LTD.

BY


GERALD W. ALAIMO

STATE OF NEW YORK)
COUNTY OF MONROE)

On this 10 day of November, 1985, before me personally appeared **GERALD W. ALAIMO**, to me known, who being by me duly sworn, did depose and say that he resides in Greece, New York; that he is the President of **ALAIMO ENTERPRISES, LTD.**, the corporation described in and which executed the above Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

NOTARY PUBLIC

[Faint, illegible notary seal or stamp]

CERTIFICATE OF INCORPORATION

OF

TOWN HOMES AT WOOD RUN HOMEOWNERS ASSOCIATION, INC.

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

The undersigned, for the purpose of forming a corporation pursuant to Section 402 of the Not-for-Profit Corporation Law, does hereby certify:

FIRST: The name of the corporation is TOWN HOMES AT WOOD RUN HOMEOWNERS ASSOCIATION, INC. (the "Corporation").

SECOND: The corporation is a corporation defined in subparagraph (a)(5) of Section 102 of the Not-for-Profit Corporation Law.

THIRD: The purpose or purposes for which the corporation is formed are: To promote and protect the interests of the owners of property in Wood Run Subdivision; to provide for the acquisition, development, construction, management, maintenance and preservation of corporation property; to enforce all covenants, easements, restrictions and agreements within the subdivision; and to do any act or thing incidental to or connected with the foregoing purposes or in advancement thereof; but not for the pecuniary profit or financial gain of its members, directors or officers except as permitted under the Not-for-Profit Corporation Law.

FOURTH: The corporation shall be a Type A Corporation

under Section 201 of the Not-for-Profit Corporation Law.

FIFTH: The office of the corporation is to be located in the County of Monroe and State of New York.

SIXTH: The Secretary of State of the State of New York is hereby 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 served upon him is:

Town Homes at Wood Run Homeowners Association
461 Long Pond Road
Rochester, Monroe County, New York, 14612

IN WITNESS WHEREOF, the subscriber has signed this Certificate this 24th day of October, 1985 and hereby affirms the statements contained herein are true under the penalties of perjury.

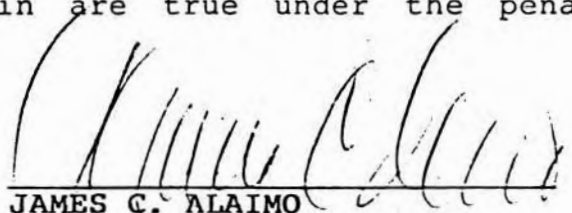

JAMES C. ALAIMO
125 State Street, Suite 400
Rochester, New York 14614

EXHIBIT C

BY-LAWS OF TOWN HOMES AT WOOD RUN

HOMEOWNERS ASSOCIATION, INC.

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EXHIBIT C

BY-LAWS OF

TOWN HOMES AT WOOD RUN HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

Section 1. "Name and Location". The name of the corporation is TOWN HOMES AT WOOD RUN HOMEOWNERS ASSOCIATION, INC. The principal office of the corporation shall be located at 461 Long Pond Road, Rochester, Monroe County, New York, but meetings of members and directors may be held at such places within the State of New York, Monroe County, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to the TOWN HOMES AT WOOD RUN HOMEOWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Owner" shall mean and refer to the owner, whether now or hereafter owned, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation, unless or until such secured parties have acquired title pursuant to a foreclosure, or any proceedings in lieu of foreclosure.

Section 3. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration. It shall

be appurtenant to and may not be separated from such Lot ownership.

Section 4. "Common Area" shall mean all real property which will be conveyed to the Association pursuant to the Declaration for the common use and enjoyment of its members as shown on a map of the Properties, entitled the Wood Run Townhouses Subdivision, which map is filed in the Monroe County Clerk's Office in Liber 234 of Maps at page 79.

Section 6. "Common Facilities" shall mean all improvements located on the Common Area for the common use and enjoyment of the Association and its members.

Section 7. "Lot" shall mean and refer to any plot of land shown upon the filed subdivision map of the Properties, with the exception of the Common Areas, which is or will be, improved by one unit dwelling structure.

Section 8. "Unit Dwelling Structure" shall mean and refer to a dwelling structure erected on a unit Lot, attached and separated from other like dwelling structures by one or more common party walls, each being capable of separate ownership and designated for occupancy by a single family.

Section 9. "Maps" shall mean and refer to any and all subdivision maps recorded or filed, from time to time, in the Monroe County Clerk's Office covering the Properties.

Section 10. "Declarant" shall mean and refer to Alaimo Enterprises, Ltd., its successors and assigns.

Section 11. "Declaration" shall mean and refer to the Declara-

tion of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Monroe County Clerk's Office.

ARTICLE III

MEMBERSHIP: MEETING OF MEMBERS

Section 1. "Exercise of Rights and Privileges". The exercise of membership rights and privileges are contingent upon payment of any and all assessments provided for in the Declaration. The Association has the right to suspend the use of any facilities on the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid and for a period not to exceed 60 days for any infraction of its published rules and regulation.

Section 2. "Annual Meetings". The first annual meeting shall be held within 1 year from the date of incorporation of the Association. Each subsequent regular annual meeting shall be held during the month of ~~March~~ ^{April (Amended at April 1992 Annual Mtg)} at a time and place to be determined by the Board of Directors.

Section 3. "Special Meetings". Special meetings of the Members may be called at any time by the president, by the vice president or by 2 or more members of the Board of Directors, or upon written request of the Members who are entitled to cast one-fourth of all of the votes of Class A Membership.

Section 4. "Notice of Meetings". Written notice of each meeting shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy thereof,

postage prepaid, at least 15 days before such meeting to each Member entitled to vote thereat. Such notice shall specify the purpose, place, day and hour of the meeting.

Section 5. "Quorum". The presence at the meeting of Members, or of proxies, entitled to cast one-half of the votes of the Members entitled to vote shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at proxies at any meeting, the Members present and entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum, as aforesaid, shall be present or be represented by such proxies.

Section 6. "Proxies". At all meetings of Members, the casting of votes may be accomplished in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of that Member's Lot.

Section 7. "Notice and Quorum for Raising Maximum Maintenance Assessments and Levying Special Assessments". Written notice of any meeting called for the purpose of raising maximum maintenance assessment or levying special assessments as is more particularly described in Article V, Section 4 of the Declaration, shall be sent to all Members, not less than 30 days, nor more than 60 days, in advance of the meeting. The presence of Members or of proxies

entitled to cast two-thirds of all the Members entitled to vote shall constitute a quorum for: a) any first meeting in any year called for the increase in maintenance assessments; or b) any first meeting called for the levying of a special assessment.

If the required quorum, as described in the preceding paragraph, is not present, a second meeting may be called subject to the same notice requirement and the required quorum at the second meeting shall be two-thirds of all votes of each class of membership.

No such second meeting or subsequent meeting shall be held later than 60 days following the preceding meeting.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. "Number". The affairs of the Association shall be managed by a Board of Directors, who need not be Members of the Association. The number of the Board of Directors shall not be less than three but not more than five.

Section 2. "Initial Board of Directors". Until the first annual meeting, the names and addresses of the Directors shall be as follows:

Gerald W. Alaimo
461 Long Pond Road
Rochester, New York 14612

James C. Alaimo
461 Long Pond Road
Rochester, New York 14612

Mary E. Hansen
318 Creighton Lane
Rochester, New York 14612

The initial Board of Directors shall be Declarant, who is authorized to choose the Directors until all 54 units are transferred, or 2 years after transfer of the first unit, whichever occurs first.

Section 3. "Term and Election". At such time as the Members become empowered to elect a Board of Directors, they shall elect three Directors, the person receiving the greatest number of votes serving for 3 years, the person receiving the next highest number of votes serving for 2 years and the person receiving the next highest number of votes serving for 1 year. Thereafter and at each annual meeting the Members shall elect one Director to serve for 3 years.

Section 4. "Removal". Any Director may be removed from the Board with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, that Director's successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of said Director's predecessor.

Section 5. "Compensation". No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of that Director's duties.

Section 6. "Action Taken Without a Meeting". The Directors shall have the right to take any action in the absence of a meeting

which they could take at such meeting by obtaining the written approval of all the Directors. Any action or approval shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

MEETINGS OF BOARD OF DIRECTORS

Section 1. "Regular Meetings". Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed, from time to time, by resolution of the Board. The first meeting of the Board of Directors will be within 90 days after the transfer of title of the first unit. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Notice of the regular meetings shall be given to each Director personally or by mail, telephone or telegram at least 3 days prior to the day named for the meeting unless such notice is waived.

Section 2. "Special Meetings". Special meetings of the Board shall be held when called by the president or vice president of the Association, or by any two Directors, after not less than 3 days notice to each Director to be given personally, by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting. Any Director may waive notice of a meeting before, at or after the meeting and such waiver shall be equivalent to the giving of notice.

Section 3. "Quorum". A majority of the number of Directors shall constitute a quorum for the transaction of business. Every

act or decision done or made by a majority of the Directors present at a duly held meeting, at which quorum is present, shall be regarded as the act of the Board. If, at any meeting of the Board there be fewer than a quorum, the Directors present shall adjourn the meeting from time to time until a quorum is present. At an adjourned meeting, any business which might have been transacted at the meeting as originally called, may be transacted without further notice.

Section 4. "Action Without Meeting". Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all of the members of the Board consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. "Powers". The Board of Directors shall have the power, in addition to the other powers already enumerated herein, to:

A. Exercise for the Association all powers, duties and authority of the Association, as vested in or delegatd to it by and through the Declaration, and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration;

B. Establish, levy, collect and enforce all regular and special assessments on the Common Area and Common Facilities

by any lawful means pursuant to the terms of the Declaration;

C. Pay all expenses incurred by the Association in the conduct of its business, including all licenses, taxes and other governmental charges;

D. With the consent of two-thirds of the members:

(1) Acquire by gift, purchase or otherwise own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(2) Borrow money for the purpose of improving the Common Area and Common Facilities, and in aid thereof, and with the consent of two-thirds of the Members, mortgage, pledge, deed in trust or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred;

(3) Dedicate, sell or transfer any or all of the Common Area or Common Facilities to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless two-thirds of the Members have agreed to same in writing;

E. Participate in mergers and consolidations with other not-for-profit corporations organized for the same purposes, provided such merger or consolidation shall have the consent of two-thirds of the Members;

F. In the event that the Class B membership still exists or Alaimo Enterprises, Ltd. controls the Board of Directors, then no action under D and/or E above may be taken without the consent of two-thirds of the Members of Class A.

G. Adopt and publish Rules and Regulations governing the use of the Common Area and Common Facilities, and the personal conduct of the Members, their families and guests thereon, and to establish penalties for the infraction thereof.

H. Declare the office of a Member of the Board to be vacant in the event such Member shall be absent from three consecutive regular meetings of the Board of Directors.

I. Employ a manager, independent contractor, managing agent, or such other employees as the Board deems necessary and to prescribe their duties so as to facilitate the efficient operation of the Properties, the Common Area and Common Facilities. It shall be the primary purpose of such management to provide for the administration, management, repair and disbursement of funds as may be authorized by the Board of Directors. The term of such agreements shall be determined by the Board, and shall be subject in all respects to the Articles of Incorporation, these By-Laws and the Declaration;

J. Have and exercise any and all powers, rights and privileges which a corporation organized under the Not-For-Profit Corporation Law of the State of New York by law may now or hereafter have or exercise.

Section 2. "Duties". It shall be the duty of the Board of Directors to:

A. Cause to be kept a complete record of all of 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 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, to:

(1) Fix the amount of regular, insurance and special assessments to be assessed and levied against each Lot at least 30 days in advance of such assessment and levy, as provided in the Declaration;

(2) Send written notice of each assessment to every Owner of a Lot subject thereto at least 30 days in advance of such assessment and levy;

(3) Foreclose the lien against any Lot for which assessments are not paid within 30 days after their due date, or to bring an action at law against the Owner thereof 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 adequate liability and/or casualty insurance for the units, Common Area and Common Facilities;

F. To assure the maintenance, repair and operation of all Association property for the common use and enjoyment of unit Owners;

G. Cause all officers or employees having fiscal responsibilities to be bonded, as the Association may deem appropriate; and

H. Cause to be prepared annual fiscal statements of the Association which are to be mailed to each Member by April 15 of each year.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1. "Enumeration of Officers". The Officers of this Association shall be a president and vice president, who shall, at all times, be Members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board may, from time to time by resolution create.

Section 2. "Election of Officers". The election of Officers shall take place at the first meeting of the Board following each annual meeting of the Members of the Association. Election shall

be by a majority vote.

Section 3. "Term". The Officers of this Association shall be elected annually by the Board and each shall hold office for one year unless that Officer shall sooner resign or shall be removed, or otherwise disqualified to serve.

Section 4. "Special Appointments". The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 5. "Resignation and Removal". Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the president or secretary. Such resignation shall take effect on the date of receipt of such notice or at 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. "Vacancies". A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer replaced.

Section 7. "Multiple Offices". The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section

4 of this Article.

Section 8. "Duties". The duties of the Officers shall be as follows, or as may later be established by written resolution of the Board of Directors:

A. President: The president shall preside at all meetings of the Board of Directors; see that orders and resolutions of the Board are carried out; shall sign, when appropriate, all leases, mortgages, deeds and other written instruments, and shall co-sign all checks and promissory notes.

B. Vice President: The vice president shall act in the place and instead of the president in the event of the president's absence, inability or refusal to act; and shall exercise and discharge such other duties as may be required of such officer by the Board.

C. Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members, keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association, together with their addresses.

D. Treasurer: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by resolution of the Board; co-sign all checks and promissory notes of the Association; keep proper

books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the Members.

E. The compensation, if any, of all Officers and employees of the Association shall be fixed by the Board of Directors. However, a Member of the Board shall not be entitled to compensation for his services as such, but he may be reimbursed for any out-of-pocket expenses incurred on behalf of the Association. This provision shall not preclude the Board of Directors from employing a Director as an Officer or employee of the Association.

ARTICLE VIII

FISCAL MANAGEMENT

The provisions for fiscal management of the Association as set forth in the Declaration shall be supplemented by the provisions which follow:

A. "Assessment Roll". The assessment roll shall be maintained in a set of books of account in which there shall be an account for each lot in the subdivision. Such an account shall designate the name and address of the Owner or Owners, the amount of each assessment against the Owners, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

B. "Budget". The Board of Directors shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Association in the manner provided for in the Declaration.

C. "Fiscal Year". The fiscal year of the Association shall begin on the 1st day of December and end on the 30th day of November of every year, except that the first fiscal year shall begin on the date title to the first unit is transferred to a purchaser.

D. "Depository". The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall only be by checks signed by such persons as are authorized by the Board.

E. "Audit". An audit of the accounts of the Association including a summarization of receipts and expenditures, shall be made annually at the end of each fiscal year by a certified public accountant, selected by the Board, and a copy of the report, including the summarization of receipts and expenditures for the year, shall be furnished to each member.

F. "Fidelity Bonds". Fidelity bonds shall be required by the Board of Directors for all officers and employees of the Association and from any contractor handling or responsible for

Association funds. The amount of such bonds shall be determined by the Board of Directors, but shall be at least the amount of the total annual assessments against Members. The premium on such bonds shall be a common expense and be paid by the Board of Directors.

ARTICLE IX

LIABILITY OF THE BOARD OF DIRECTORS

In order to limit the liability of the unit Owners, any contract agreement or commitment made by the Board of Directors shall state that it is made by the Board of Directors as agent for the unit Owners as a group only and that no Member of the Board of Directors nor individual unit Owner shall be liable for such contract, agreement or commitment, except that every unit Owner shall be liable to the extent that his proportionate interest in the Common Areas bears to the total liability under such commitment. The Board of Directors shall have no liability to the unit Owners in the management of the Association except for willful misconduct or bad faith and the unit Owners shall severally indemnify all members of the Board of Directors in accordance with their duties as such Members except for acts of willful misconduct or acts made in bad faith. Such several liability of the unit Owners shall, however, be limited to the extent that his proportionate interest in the Common Area bears to the total liability of the Members of the Board of Directors.

ARTICLE X**COMMITTEES**

The Board of Directors may appoint an Architectural Committee, as provided in the Declaration. In addition, the Board may appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI**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, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII**ASSESSMENTS**

As more fully provided in the Declaration, each Member is obligated to pay to the Association, the assessments set out therein which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date, the assessment shall bear interest from the date of delinquency at the maximum permissible rate and the association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment.

No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of that Owner's Lot.

ARTICLE XIII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: TOWN HOMES AT WOOD RUN HOME-OWNERS ASSOCIATION, INC., CORPORATE SEAL.

ARTICLE XIV

AMENDMENTS

Section 1. "Amendment". These By-Laws may be amended at a regular or special meeting of the Members by a vote of a majority of a quorum of Members present in person or by proxy.

Section 2. "Conflicts Between Documents". In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

SECRETARY