

EXHIBIT "C"

BY-LAWS

Establishing Village Walk Homeowners Association, Inc.

NAME: VILLAGE WALK HOMEOWNERS ASSOCIATION, INC.

SPONSOR: MARK IV CONSTRUCTION CO., INC.
 301 Exchange Blvd.
 Rochester, New York 14608

DATE OF BY-LAWS: _____, 1986

WOODS, OVIATT, GILMAN, STURMAN & CLARKE

Attorneys for the Sponsor

44 Exchange Street
 Rochester, New York 14614

BY-LAWS
OF
VILLAGE WALK HOMEOWNERS ASSOCIATION, INC.

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BY-LAWS
OF
VILLAGE WALK HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

SECTION 1.01 Name and Location. The name of the corporation is the VILLAGE WALK HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the Association shall be located in the Village 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. VILLAGE WALK HOMEOWNERS 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 Village 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 Village Walk Townhomes.

SECTION 2.06 Sponsor. Mark IV Construction Co., Inc., its successors and assigns.

SECTION 2.07 Townhouse. A single family dwelling on the property that is attached to at least one (1) or more Townhouses by means of a party wall or otherwise.

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 two (2) years after the sale and transfer by the Sponsor of the first Lot, or until 28 Lots are sold and transferred by the Sponsor. 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 March 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 lesser of ten percent (10%) or 52 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 two (2) years after the sale and transfer by the Sponsor of the first Lot, or until 28 Lots are sold and transferred by the Sponsor. 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 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 100 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 the lesser of one-tenth (1/10) or 100 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 in Village Walk Subdivision. The initial Board of Directors shall serve until the first annual meeting after the Sponsor has sold and transferred title to 41 Lots or until two (2) years after the date of selling and transferring the first Lot, whichever first occurs. 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 may also 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 28 Lots have been sold and transferred or two (2) years after the date of selling and transferring the first Lot, whichever first occurs, the Members shall elect three (3) Directors for a term of two (2) years and two (2) Directors 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 two (2) 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 and the exteriors of the Townhouses (and other improvements, to the extent now or hereafter required or permitted under the Declaration) 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 Townhouses as it deems appropriate.

d. To repair, restore or alter the properties of the Association and the exteriors of the Townhouses (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 Association 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) Foreclose the lien against any Lot for which assessments are not paid within 30 days after their due date, and to bring an action at law against the Member 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 and maintain adequate liability and hazard insurance for the Townhouses and Association Property.

f. Cause the Association Property and the exteriors of the Townhouses 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.

SECTION 6.01
SECTION 6.02
SECTION 6.03
SECTION 6.04
SECTION 6.05

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 6.07 Secretary. The Secretary shall cause notices of all meetings to be served as prescribed in these By-Laws, shall record the votes and keep the minutes of all meetings, shall have charge of the seal and corporate records of the Association, and shall perform such other duties as are assigned to him or her by the President or the Board. Any Assistant Secretary shall be capable of performing all of the duties of the Secretary.

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 December 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.

THIS AGREEMENT, made and entered into this day of _____, 1981, by and between _____ of _____ (hereinafter "Sponsor") and _____ (hereinafter "Association"), and _____ (hereinafter "Agent").

**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.

WHEREAS, the Sponsor desires to employ the Agent to manage the Association and the Agent desires to be employed by the Association;

NOW, THEREFORE, in consideration of the covenants herein, the parties agree as follows:

1. The Agent is employed to manage the Association for a period of two (2) years, beginning _____ and terminating the date of the expiration of the term of the Association, but the term of the Association shall be extended to the two (2) year period unless the management agreement is terminated earlier.

2. The Agent shall manage the Association to the best of his ability and upon the terms of this Agreement. The Agent shall perform the following services in connection with the management of the Association, and the Association hereby gives the Agent the authority and powers required to perform these services:

2.1 The Agent shall collect and, if necessary, recover for all monthly or other assessments due to the Association and all other charges due to the Association, if and when payments from contributors are not received. The Agent shall have no responsibility for collection or delinquency or other charges, except sending notices of delinquency.

2.2 The Agent shall maintain records showing all receipts and expenditures relating to the Association and shall promptly advise the President and Treasurer of the Association of the balance and disbursements statement for the preceding month and a statement indicating the balance in detail in the Agent's personal account for the Association on or before the 15th day of the following month.

EXHIBIT D

THIS AGREEMENT, made and entered into this _____ day of _____, 198 , by and between MARK IV CONSTRUCTION CO., INC. (hereinafter "Sponsor") on behalf of VILLAGE WALK HOMEOWNERS ASSOCIATION, INC. (hereinafter "Association") and MARTEX MANAGEMENT COMPANY (hereinafter "Agent").

W I T N E S S E T H :

WHEREAS, the Offering Plan of Village Walk Homeowners Association, Inc. provides for the Sponsor to enter into a Management Agreement on behalf of the Association, and

WHEREAS, the Sponsor desires to employ the Agent to manage the Association and the Agent desires to be employed to manage the Association,

NOW, THEREFORE, in consideration of the covenants herein, the parties agree as follows:

1. The Agent is employed to manage the Association for a period of two (2) years, beginning _____, and thereafter the Agent has the option of making its services available to the Association, but neither party is obligated to continue the management arrangement after the two (2) year period.

2. The Agent shall manage the Association to the extent, for the period, and upon the terms of this Agreement. The Agent shall perform the following services in the name of and on behalf of the Association, and the Association hereby gives the Agent the authority and powers required to perform these services:

2.1 The Agent shall collect and, as necessary, receipt for all monthly or other assessments and other charges due to the Association and all rental or other payments from concessionaires, if any, provided that the Agent shall have no responsibility for collection of delinquent assessments or other charges, except sending notices of delinquency.

2.2 The Agent shall maintain records showing all its receipts and expenditures relating to the Association and shall promptly submit to the President and Treasurer of the Association a cash receipts and disbursements statement for the preceding month and a statement indicating the balance or deficit in the Agent's custodial account for the Association on or before the 10th day of the following month.

EXHIBIT D (continued)

2.3 The Agent shall prepare and submit to the Association on or before November 1st of each year, a recommended budget for the next year showing anticipated receipts and expenditures for such year.

2.4 Within 15 days after the end of each calendar year, the Agent shall submit to the Association a summary of all receipts and expenditures for the preceding year. This service shall not be construed to require the Agent to supply an audit. Any audit required by the Association shall be prepared at its expense by accountants of its selection.

2.5 Subject to the direction and at the expense of the Association, the Agent shall cause the common properties of the Association to be maintained according to appropriate standards of maintenance consistent with the character of the project to include:

A. Maintenance, including repair and replacement as necessary, of the common properties including the driveways and parking areas, signs, and those portions of sewer, water and utility laterals servicing one or more Townhouse and not maintained by a utility company, public authority, the Town of Greece or other entity, provided, however, that the maintenance of the laterals will be limited to repair necessitated by leakage or structural failure.

B. Exterior maintenance of the Townhouses as required by the Offering Plan and Declaration establishing the Association.

C. Removal of snow from the roadways, driveways, and parking areas.

D. Obtaining fire and casualty insurance on the Townhouses, and fire, casualty and liability insurance on the Association Property.

E. Enforcement of restrictive covenants and establishment of rules and regulations governing the use of the Association Property and the conduct of Lot Owners.

2.6 On the basis of the budget, job standards, and wage rates approved by the Association, the Agent shall hire, pay, negotiate collective bargaining agreements, if necessary, supervise and discharge janitors and other personnel required to maintain and operate the Association's common properties and Townhouse exteriors. All such personnel shall be employees of the Association. All salaries, taxes, and other expenses payable on account of such employees shall be operating expenses of the Association.

2.7 The Agent shall execute and file all returns and other instruments and do and perform all acts required of the Association as an employer under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, Subtitle C of the Internal Revenue Code of 1954, and the New York State Income Tax Act with respect to wages paid by the Agent on behalf of the Association and under any similar Federal, State, or Municipal law. The Association shall, upon request, execute and deliver promptly to the Agent all necessary powers of attorney, notices of appointment, and the like.

2.8 Subject to the direction of the Association, the Agent shall negotiate and execute on behalf of the Association, contracts for services for the common properties of the Association and the Townhouse building exteriors, as may be necessary or advisable. The Agent also shall purchase on behalf of the Association such equipment, tools, appliances, materials and supplies as are necessary for the proper operation and maintenance of the Association. All such purchases and contracts shall be in the name and at the expense of the Association.

2.9 The Agent shall pay from the funds of the Association all taxes, water rates and other governmental charges, and all other charges or obligations incurred by the Association with respect to the maintenance or operation of the Association or incurred by the Agent on behalf of the Association pursuant to the terms of this Agreement or pursuant to other authority granted by the Association.

2.10 The Agent shall maintain appropriate records of all insurance coverage carried by the Association. The Agent shall cooperate with the Association in investigating and reporting all accidents or claims for damage relating to the ownership, operation and maintenance of the common properties of the Association, including any damage or destruction to them.

2.11 The Agent shall not be responsible for activities of an Architectural Committee, if any, or for assisting individual owners or the Association in obtaining approvals for capital improvements or changes to the exterior of structures, fences, landscaping or the like.

3. In discharging its responsibilities under Paragraph 2 of this Agreement, the Agent shall not make any expenditures, nor incur any non-recurring contractual obligation exceeding \$500.00, without the prior consent of the Association, provided that no such consent shall be required to repay any advances made by the Agent under the terms of Paragraph 5. Notwithstanding these limitations, the Agent may, on behalf of the Association without prior consent, expend any amount or incur a contractual obligation in any amount required to deal with emergency conditions which may involve a danger of life or property or may threaten the safety of the owners and occupants or may threaten the suspension of any necessary service to the owners' dwellings.

4. Notwithstanding any other provision of this Agreement, the Agent has no authority or responsibility for maintenance of, or repairs to, the interior of individual dwelling units. Such maintenance and repairs shall be the sole responsibility of the owners individually. Each individual dwelling owner may contract with the Agent on an individual basis for the provision of certain maintenance and other related services which will be paid for in accordance with the agreement between the Agent and the individual dwelling owner. This shall not be considered to be a conflict of interest or otherwise obligate the Agent to take any action except as it may agree to with an individual dwelling owner.

5. All monies collected by the Agent on behalf of the Association shall be deposited in a custodial account in a state or national bank where deposits are insured by the Federal Deposit Insurance Corporation, separate and apart from the Agent's

own funds. All expenses of operation and management may be paid from the Association's funds held by the Agent, and the Agent is authorized to pay any amounts owed to the Agent by the Association from such account at any time without prior notice to the Association. The Agent shall have no obligation to advance funds to the Association for any purpose whatsoever.

All Agent's employees who handle or are responsible for the safekeeping of any monies of the Association shall be covered by a fidelity bond protecting the Association and paid for from Association funds.

6. The Association shall pay the Agent a management fee equal to \$ 9,072.00 per year. The management fee shall be paid monthly in advance. No further charge shall be made by the Agent for the services of the Account Manager pursuant to Paragraph 7, its services pursuant to Paragraph 2, and the other services of the Agent's professional staff, except as otherwise expressly provided in this Agreement. Any clerical services performed by the Association, such as the preparation and circulation of notices and newsletters and general correspondence of the Association, shall be at the expense of the Association.

7. One (1) of the Agent's employees shall be designated Account Manager for the Project. The Account Manager or other representative of the Agent shall attend one regular meeting of the Board of Directors of the Association each month and the annual meeting of the Association's members. The Account Manager or other representative of the Agent shall, upon not less than 24 hours' notice, attend additional meetings of the Association or the owners as requested, provided that the Association shall pay the Agent \$10.00 per hour for the Account Manager's or other representative's attendance at each meeting.

8. The Association's Board of Directors shall designate a single individual who shall be authorized to deal with the Agent on any matter relating to the management of the Association. The Agent is directed not to accept directions or instructions with regard to the management of the Association from anyone else. In the absence of any other designation by the Board of Directors, the President of the Association shall have this authority.

9. The Agent shall have no authority to make any alterations or repairs not authorized by the Declaration establishing the Association.

The Agent has no responsibility for the compliance of the Association or any of its equipment with the requirements of any ordinances, laws, rules, or regulations of the City, County, State, or Federal Government, or any public authority or official thereof having jurisdiction over it, except to notify the Association promptly of, or forward to the Association promptly, any complaints, warnings, notices, or summonses received by it relating to such matters.

10. The Association shall:

10.1 Indemnify, defend, and save the Agent harmless from all suits in connection with the Association and from liability for damage to property, and injuries to or the death of any employee or other person whomsoever, and carry at its own expense public liability and workers' compensation insurance naming the Association and the Agent in form, substance, and amounts reasonably satisfactory to the Agent, and furnish to the Agent certificates evidencing the existence of such insurance. Unless the Association shall provide such insurance and furnish such certificates within thirty (30) days from the date of this Agreement, the Agent may, but shall not be obligated to, place said insurance and charge the cost thereof to the account of the Association.

10.2 Pay all expenses incurred by the Agent including, without limitation, attorneys' fees for counsel employed to represent the Agent or the Association in any proceeding or suit involving an alleged violation by the Agent or the Association, or both, of any constitutional provision, statute, ordinance, law, or regulation of any governmental body pertaining to environmental protection, fair housing, or fair employment including, without limitation, those prohibiting or making illegal discrimination on the basis of race, creed, color, sex, religion, or national origin in the sale, rental, or other disposition of housing or any services rendered in connection therewith, or in connection with employment practices (unless, in either case, the Agent is finally adjudicated to have personally, and not in a representative capacity, violated such constitutional provision, statute, ordinance, law or regulation), but nothing herein contained shall require the Agent to employ counsel to represent the Association in any such proceeding or suit.

The Agent has no responsibility for the consequences of the Association's failure to comply with the requirements of the City of Rochester or any other authority or agency of the State of New York.

10.3 Indemnify, defend and save the Agent harmless from all claims, investigations, and suits with respect to any alleged or actual violation of state or federal labor laws. The Association's obligation under this Paragraph 10.3 shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, litigation expenses, and attorneys' fees.

11. The Agent may cancel this Agreement within the first year of its term upon not less than sixty (60) days prior written notice, only if the Association fails or refuses to comply with or abide by any rule, order, determination, ordinance, or law of any federal, state or municipal authority, or to perform its obligations under this Agreement. The Agent may cancel this Agreement at any time after the first year of its term on not less than sixty (60) days written notice. The Association may cancel this Agreement at any time for cause. The Agent may assign this Agreement with the consent of the Association, which consent will not be unreasonably withheld.

12. Any notice required or permitted to be served hereunder may be served by registered or certified mail or in person as follows:

12.1 If to the Agent:
Martex Management Company
301 Exchange Blvd.
Rochester, New York

12.2 If to the Association, to the President of the Association at his or her home address.

Either party may change the address for notice by notice to the other party. Notice served by mail shall be deemed to have been served when deposited in the mails.

EXPRESSWAY

IRONDEQUOIT - WAYNE COUNTY LINE

COMMON AREA

WOOD LANE

CIRCLE

REYNOLDS ROAD

APARTMENT COMPLEX
(Proposed)

OFFICE COMPLEX
(Proposed)

BOUNDARY PLAN

VILLAGE WALK

R. RONALD KREILING
Civil Engineer
6200 Stocum Road
Ontario, New York 14519

THIS MAP IS FILED IN THE OFFICE OF THE CLERK OF THE DISTRICT COURT OF THE STATE OF NEW YORK, COUNTY OF ALBANY, ON APRIL 15, 1984, AT 10:30 AM. BY THE CLERK.

84-1425-2



EXHIBIT E

10

REYNOLD

DRIVE

SPRING

DEAN

13. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Agent and the Association, respectively.

MARTEX MANAGEMENT COMPANY

By: _____

VILLAGE WALK HOMEOWNERS ASSOCIATION, INC.

By: _____

EXHIBIT "F"

LOCATION MAP

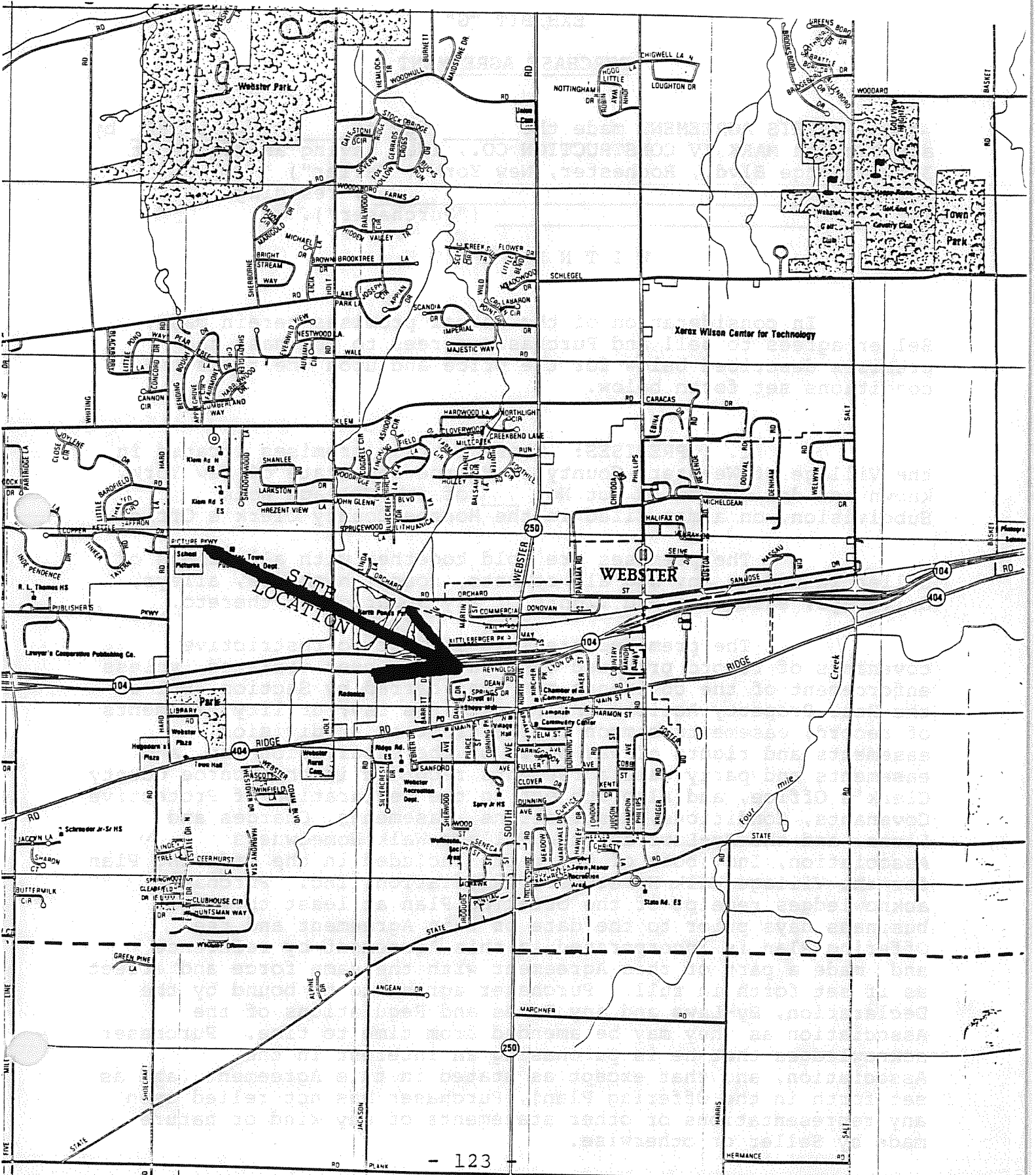


EXHIBIT "G"

PURCHASE AGREEMENT

THIS AGREEMENT made the _____ day of _____, 198_ by and between MARK IV CONSTRUCTION CO., INC. having an office at 301 Exchange Blvd., Rochester, New York ("Seller") and _____, residing at _____ ("Purchaser").

W I T N E S S E T H :

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

1. PREMISES: Those certain premises located in the Village of Webster, County of Monroe and State of New York, known and designated as Lot No. _____ of the Village Walk Subdivision, 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 and party wall agreements recorded in the Monroe County Clerk's Office, and also subject to the Declaration of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens, and the By-Laws for the Village Walk Homeowners Association, Inc. both of which are included in the Offering Plan for the Village Walk Homeowners Association, Inc. Purchaser acknowledges receipt of the Offering Plan at least three (3) business days prior to the date of this Agreement and the Offering Plan 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 Association as they may be amended from time to time. Purchaser acknowledges that he is purchasing an interest in the Association, and that except as stated in this Agreement (and as set forth in the Offering Plan), 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 sum of \$ _____ payable as follows:

Upon signing this Agreement: \$

Upon Purchaser's receipt of a mortgage commitment: \$

Upon _____ \$

Upon delivery of the deed: \$

TOTAL \$

3. DWELLING: Seller agrees to sell and Purchaser agrees to purchase the _____, now on the premises or to be constructed on the premises in accordance with plans and specifications on file in the office of Mark IV Construction Co., Inc. including the Extras requested by Purchaser, in accordance with Exhibit "A" attached. Seller reserves the right to make such changes and/or substitutions in the construction of the dwelling as may be required, authorized, and/or appointed by the lending institution granting Purchaser's mortgage loan or by any governmental agency having jurisdiction, provided any such changes are of comparable value. Seller shall also have the right to determine the grading, elevation and design (including reversal of the building layout) of the lot and dwelling to fit into the general pattern of the development. Purchaser understands that he may make changes and alterations in the plans provided only that such changes are made prior to the start of construction and are listed on a change authorization form signed by Purchaser and Seller. The cost of the changes and alterations shall be paid for at the time the Purchaser executes and submits to the Seller the change authorization form.

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:

Seller has obtained an irrevocable letter of credit with funds to be available on the signed certification of Spiro T. Janetos, Esq., attorney to the Seller; or

Deposits will be held in escrow by the Seller at Central Trust Company, 44 Exchange Street, Rochester, New York until closing and released upon the signature of Spiro T. Janetos, Esq.

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 funds will be handled in accordance with Section 352-h and 352-e(2)(b) of the New York General Business Law.

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 good and 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 guaranteed tax and title searches and a United States District Court Search to the time of transfer, showing good and marketable title. The searches will be provided to Purchaser's attorney at least five (5) days prior to transfer.

10. CERTIFICATE OF OCCUPANCY: Seller agrees to deliver to Purchaser, at the time of closing 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: Purchaser shall have possession and occupancy of the premises from and after the date of delivery of the deed.

13. MORTGAGE LOAN FOR PURCHASER: 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 the Seller will cooperate with the Purchaser in making the mortgage application. Purchaser agrees to pay total origination fees of _____ percent (____%) of the mortgage amount to the lending institution making the loan in cooperation with the Seller or to the Seller. If Purchaser in cooperation with Seller is unable to obtain a commitment within 60 banking days thereafter, then Purchaser may cancel this Agreement by giving written notice to the Seller. In that event, this Agreement shall be null and void and both parties released from any and all liabilities. Purchaser has the option, however, of continuing with this Agreement and making application for a mortgage loan for an additional 60 banking days by giving written notice to the Seller, prior to the expiration of the 90 day mortgage contingency period, of the Purchaser's election with the understanding that the Purchaser will pay an additional three percent (3%) of the purchase price to the Seller at time of transfer. If Purchaser is unable to remove any and all contingencies within 150 days from date of this Agreement, Seller has the right of cancelling the Agreement and returning the deposit, with interest if any. 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.

14. 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 assessments. Purchaser will accept title subject to, and will pay all assessments and

installments of assessments for local improvements which are not payable as of date of delivery of deed and which, if any, appear on the current tax rolls.

15. COSTS: Purchaser shall pay for any fees incurred in recording of the deed and mortgage and for the New York State Mortgage Tax. Seller shall pay the cost of the required Real Estate Transfer Tax Stamps to be affixed to the deed. Purchaser shall pay for the mortgagee title insurance policy, if a policy is required by the Purchaser's lender. Purchaser shall also, at closing, reimburse to the Seller the \$100.00 initial capital contribution to the Village Walk Homeowners Association, Inc. which Seller advanced. Purchaser agrees to reimburse Seller the sum of \$ _____ for Purchaser's water meter.

16. CLOSING: This Agreement shall be closed at the Monroe County Clerk's Office 120 days after the removal of the contingencies set forth in paragraphs _____, or within fifteen (15) days following completion of the dwelling whichever date shall occur sooner, except that if the dwelling is not ready for occupancy on such date, the closing may be postponed by Seller to a date to be set by Seller upon written notice mailed to Purchaser at his address set forth above. In the event the postponed date is more than 120 days after the above closing date, Purchaser may cancel this Agreement by sending written notice to Seller at the address set forth above within ten (10) days of the date on which the notice of postponement of the closing was mailed. In that event this Agreement shall become null and void and both parties shall be released from any liability, except that Seller shall refund to Purchaser his deposits, with interest if any. Seller shall not be responsible for any delay in completing the dwelling if such delay is caused by the unavailability of materials, labor or transportation or by other causes beyond the control of Seller. The refund to Purchaser of the deposits or portion thereof in accordance with this Agreement, shall discharge and release Seller from any liability arising out of or resulting from such delay. The closing shall not be delayed due to any unfinished exterior work which cannot be completed on account of weather conditions.

If the dwelling is substantially completed and ready for transfer and Purchaser declines to complete transfer of title for whatever reason, then the Purchaser may elect to extend the closing date for a period not to exceed 30 days, provided, however, the cost of postponing the closing, including but not limited to construction interest, taxes, utilities, and all other carrying costs shall be paid by the Purchaser to the Seller at the time of closing.

17. 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.

18. PURCHASER'S FAILURE TO TAKE TITLE: Upon the Purchaser's failure to take title or the Purchaser's failure to make prompt and proper application for his mortgage, this Agreement shall become null and void and the deposits, with interest if any, up to a maximum of 10% of the purchase price excluding Extras, shall belong to the Seller, in addition to which the Purchaser shall pay Seller the full cost of all Extras in Exhibit "A" which were commenced prior to the date of closing, and reasonable attorneys' fees and court costs, if incurred to enforce Seller's remedies, all of which shall be liquidated damages.

19. THIS AGREEMENT SUBJECT TO BUILDING LOAN MORTGAGE: Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building loan mortgage on the premises made before or after this Agreement and any advances, payments or expenses already made or incurred or which may be made or incurred, after this Agreement under a building loan mortgage without the execution of any further legal documents by the Purchaser. This subordination applies whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or are accelerated payments by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments. The Seller shall satisfy all such mortgages or obtain a release of the premises from the lien of such mortgages at or prior to closing.

20. 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 incompleteness 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.

21. 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. 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.

22. MERGER: Delivery and acceptance of a deed by Purchaser shall be full compliance by 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. The dwelling shall be regarded as completed in accordance with plans and specifications except for the specific items which Seller agrees, prior to closing, will be completed or repaired.

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

24. SERVICE: For a period of one (1) year after closing, Seller shall continue to service all defects caused directly by defective materials or workmanship. Seller's obligation to service defects caused directly by defective materials or workmanship shall be limited to the specific replacement or repair of the defective materials or the repair of defective workmanship, as the case may be. Seller shall not be responsible for any glass breakage, wind or storm damage, or any conditions caused by Purchaser's negligence after the transfer. Seller does not guarantee the health nor continued life of any grass, trees or shrubs on the premises.

EXHIBITS

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

Exhibit A - Extras, Changes, Additions or Deletions to Seller's Model or to Plans and Specifications.

Exhibit B - Builder's Standards.

Exhibit C -

26. 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 inactions of the Purchaser. This representation shall survive the closing and delivery of the deed to Purchaser.

In the event a broker has been contacted or engaged in connection with the procurement of this Agreement, Seller shall not be obligated for the broker's commission if this transaction shall fail to close for any reason whatsoever. In order to confirm his agreement with the terms of this paragraph, the broker executes this Agreement.

27. LIFE OF OFFER: This offer is good until the ___ day of _____, 198_, at at which time it shall be null and void.

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

Purchaser

Witness

Purchaser

ACCEPTANCE

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

Dated: _____ MARK IV CONSTRUCTION CO., INC.

By: _____

Witness _____

The undersigned broker hereby executes this Agreement to acknowledge its consent to the terms herein concerning the brokerage commission.

Dated: _____

Broker

Witness

THIS OFFER IS GOOD UNTIL THE DAY OF _____, 1981, at which time it shall be null and void.

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

Broker

Witness

Witness

EXHIBIT "H"

SPONSOR'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

The undersigned, being duly sworn, depose and say as follows:

1. We are the Sponsor and the principals of the Sponsor of the Village Walk Homeowners Association, Inc. Offering Plan.

2. We understand that we have primary responsibility for compliance with provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General in Part 22, and such other laws and regulations as may be applicable.

3. We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan for the Village Walk Homeowners Association, Inc. does, and that documents submitted hereafter by us which amend or supplement the Offering Plan for the Village Walk Homeowners Association, Inc. will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or

representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) know 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 representations or statements made.

4. We certify that the roads, sewers and water lines, when constructed, will be in accordance with local government specifications. If the construction of the above public improvements have not been completed prior to conveyance to the Village of Webster or the Association, a bond or letter of credit will be posted with the Village or Association, or other adequate security will be provided in an amount to be determined by an engineer licensed to practice as a professional engineer in the jurisdiction where the Association is located, which amount shall not be less than the amount required to complete such construction to required specifications.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Dated: 9-10-86

MARK IV CONSTRUCTION CO., INC.

By:


Anthony M. DiMarzo, Pres.


Anthony M. DiMarzo

Patsy DiMarzo, Jr.
Patsy DiMarzo, Jr.

Loretto Basso, Jr.
Loretto Basso, Jr.

Sworn to before me this
10 day of Sept., 1986.

Louis M. D'Amato
Notary Public

LOUIS M. D'AMATO

Notary Public, State of N.Y., Monroe County
Commission Expires March 30, 1987.

The purpose of the captioned opinion is to advise the association of the facts of the case and the conclusions reached by the notary public. The opinion is based on the facts and circumstances presented to the notary public and is not intended to constitute an endorsement or a guarantee of the accuracy of the information presented. The notary public is not responsible for the accuracy of the information presented or for the consequences of any action taken based on the information presented.

We understand that the facts of the case are as follows: The notary public was called upon to certify the accuracy of the information presented to him by the association. The notary public has examined the information presented and has found it to be accurate and complete. The notary public is satisfied that the information presented is true and correct.

We have read the entire report and the facts set forth therein. We have also read the facts set forth in the report and the facts set forth in the report. We have also read the facts set forth in the report and the facts set forth in the report. We have also read the facts set forth in the report and the facts set forth in the report.

(i) The notary public has examined the information presented to him by the association and has found it to be accurate and complete. The notary public is satisfied that the information presented is true and correct. The notary public is not responsible for the accuracy of the information presented or for the consequences of any action taken based on the information presented.

(ii) The notary public has examined the information presented to him by the association and has found it to be accurate and complete. The notary public is satisfied that the information presented is true and correct. The notary public is not responsible for the accuracy of the information presented or for the consequences of any action taken based on the information presented.

EXHIBIT I

July 23, 1986

Department of Law
Real Estate Financing Bureau
Two World Trade Center
New York, New York 10047

Re: Village Walk Homeowners Association, Inc.
Reynolds Road
Village of Webster, County of Monroe
Webster, New York

The Sponsor of the captioned offering plan for a homeowners' association retained our firm to prepare a report describing the property when constructed (the "Report"). We prepared the plans and specifications for improvements within the common area Dated February 27, 1985, and are fully familiar with their contents. We prepared the Report dated July 23, 1986, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the Report.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in 13 NYCRR Part 22 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this Certification. We Certify the Report does:

(i) set forth in narrative form the significant elements of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our opinion afford potential investors, purchasers and participants an adequate basis upon which to found their judgement concerning the physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

EXHIBIT I (continued)

- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;
- (v) not contain any fraud, deception, concealment or suppression;
- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) not contain any representation or statement which is false, where we: (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.

We further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor and that our compensation for comparing this Report is not contingent on the profitability of price of the Offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

R. RONALD KREILING, P.E., L.S.

By R. Ronald Kreiling
 R. Ronald Kreiling, P.E., L.S.
 P.E. License No. 41049
 L.S. License No. 49053

Dated: 7/24/86

Sworn to before me this

23 day of July, 1986

Louis M. D'Amato
 Notary Public

LOUIS M. D'AMATO
 Notary Public, State of New York, Orange County
 Commission Expires March 30, 1987

EXHIBIT J

ROCKHURST CORPORATION

500 Helendale Road □ Rochester, New York 14609-3109 □ 716-288-9540

CERTIFICATION ON ADEQUACY OF BUDGET

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

The undersigned, being duly sworn, deposes and says as follows:

Mark IV Construction Co., Inc., the sponsor of Village Walk Homeowners Association, Inc., has retained my firm to review the Projected Schedules of Receipts and Expenses for the first year of operation as a homeowners association. My firm is currently managing agent for fourteen homeowners associations and four condominiums. These organizations range in size from thirteen to two hundred eighty units. I have been in the property management business for ten years.

I understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 22 insofar as they are applicable to Schedule A.

I have reviewed the Schedule and investigated facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential property.

I certify that the projections in Schedule A appear reasonable and adequate under existing circumstances, and the projected income will be sufficient to meet the anticipated operating expenses for the projected first year of operation as a homeowners association.

I certify that the projection:

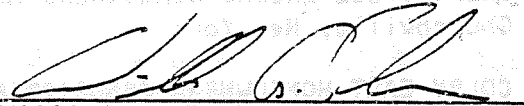
- 1) sets forth in detail the terms of the transaction as it relates to the Schedule and is complete, current, and accurate;
- 2) affords potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the first year of operation as a homeowners association;
- 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 representations or statements made.

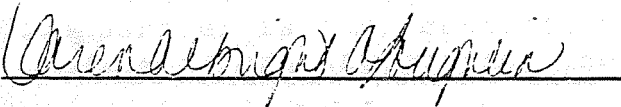
I further certify that my firm is not owned or controlled by the sponsor. I understand that it is intended that a copy of this certification will be incorporated into the offering plan.

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: 24 June 1986


William G. Tomlinson, President
ROCKHURST MANAGEMENT CORPORATION

Sworn to before me this
twenty-fourth day of June 1986



Notary
My c.

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See the following page for a representative list of clients
of Rockhurst Management Corporation.

WESTAR

1 EAST AVENUE ROCHESTER, N.Y. 14608
LETTER OF CREDIT ADMINISTRATION

13428
Beneficiary

Beneficiary
Spirito T. Jancoski, Esq.
301 Exchange Blvd.
Rochester, New York 14608

Air Mail _____ SHORCABLE Through _____

THE WESTAR BANK

Beneficiary hereby authorized to draw on us at _____
for sums not exceeding TWENTY FIVE THOUSAND AND NO/100 (\$25,000.00)
for the account of _____
Beneficiary's signed statement certifying that _____
has been called to release certain _____
of Village Walk Townhomes in accordance with the _____
change agreement between the parties.

This Letter of Credit is the _____
for identified purposes only and its terms and
conditions are hereby not incorporated _____
the event this Letter of Credit is not renewed one (1) year from
Spirito T. Jancoski, Esq., Rochester, New York 14608
to secure the deposit of purchase of lots of Village Walk
Townhomes, up to the amount of _____

WESTAR BANK

WESTAR BANK

WESTAR BANK

Expiration Date _____

This draw number must specify the number and date of the credit _____
The beneficiary agrees with the drawer and does his holder that each draft drawn on
in accordance with the terms of this credit and approved by the drawer _____
presented at this office on or before the expiration date _____

WESTAR BANK

WESTAR BANK
1981 Revision, International Chamber of Commerce
New York Uniform Commercial Code
This credit is subject to _____