

EXHIBIT C

BYLAWS

VILLAGWOOD MANOR HOMEOWNERS ASSOCIATION, INC.

ARTICLE I. PURPOSE, OFFICE AND DEFINITIONS

1.01. Purpose. Villageood Manor Homeowners Association, Inc., (the Association), has been formed for the purpose of organizing and operating a civic organization exclusively for the promotion of the common good, social welfare, and benefit of its members, their tenants, guests and invitees.

1.02. Office. The principal office of the Association shall be located on the Properties in the Town of Perinton, County of Monroe, State of New York.

1.03. Definitions. The definitions set forth in the Declaration of Covenants, Conditions and Restrictions are incorporated in these ByLaws as though set forth at length.

ARTICLE II. MEMBERS

2.01. Membership. Each person, firm or corporation who is the record Owner of any Townhome, which is subject to the Declaration of Covenants, Conditions and Restrictions, shall be a member of the Association and subject to its Bylaws, and the Rules and Regulations.

2.02. Assessments. As more fully provided for in the Declaration, each member shall be obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon his Lot. Any assessment which is not paid within 30 days after its due date, shall bear interest from

the date of delinquency at the highest interest rate permitted by law and the Association may bring an action against the member to pay the assessment, or foreclose any lien against his residential Lot, and will be entitled to collect interest, costs and reasonable attorney's fees of any such action. No member shall waive or otherwise relieve himself from liability for any assessment by non-use of his Lot, the Common Area or any other facilities of the Association.

2.03. Annual Meetings. The annual meeting of the members of the Association shall be held at the principal office of the Association on the last Tuesday in April of each year, if not a legal holiday, and if a legal holiday, then on the next succeeding weekday not a legal holiday, for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

2.04. Notice of Annual Meetings. Notice of the time, place, and purpose of the annual meeting shall be served, either personally or by mail, not less than ten or more than forty days before the meeting upon each person who appears upon the books of the Association as a member and, if mailed, such notice shall be directed to the member at his address as it appears on the books of the Association, unless he shall have filed with the Secretary of the Association a written request that notices intended for him be mailed to some other address, in which case it shall be mailed to the address designated in such request.

2.05. Special Meetings. Special meetings of the members, other than those regulated by statute, may be called at

any time by the President or by two directors, and must be called by the President on receipt of the written request of one-third of the members of the Association.

2.06. Notice of Special Meetings. Notice of a special meeting stating the time, place and purpose thereof shall be served personally or by mail upon each person who appears on the books of the Association as a member not less than five nor more than forty days before such meeting and, if mailed, such notice shall be directed to each member at his address as it appears on the books or records of the Association, unless he shall have filed with the Secretary of the Association a written request that notices intended for him shall be mailed to some other address, in which case it shall be mailed to the address designated in such request.

2.07. Quorum. At any meeting of members of the Association, the presence, in person or by proxy, of members holding one-third of the votes of all members shall be necessary to constitute a quorum for all purposes except as otherwise provided by the Declaration, Bylaws or law. The vote of the majority of the votes cast by the members present at any meeting at which there is a quorum shall be the act of the full membership except as may be otherwise specifically provided by statute, the Declaration or by these Bylaws.

2.08. Voting. At every meeting of members, each member shall be entitled to vote in person, or by proxy duly appointed by instrument in writing which is subscribed by such member and

bears date not more than eleven months prior to such meeting, unless such instrument provides for a longer period. The vote for directors and, upon the demand of any member, the vote upon any question before the meeting, shall be by ballot.

2.09 Voting Rights. Each member shall have one (1) vote for each Lot owned. Until the first annual meeting, Declarant (Sponsor) shall designate the members of the Association's Board of Directors. After the first annual meeting, Declarant shall not cast votes to elect any members to the Board of Directors, however, after the first annual meeting and so long as Declarant shall own ten percent (10%) or more of the Lots, Declarant shall be entitled to designate a member of the Board of Directors. Any member who is in violation of the Declaration, as determined by the Board of Directors of the Association, shall not be entitled to vote during any period in which such violation continues. Any member who fails to pay any dues, maintenance assessment or special assessment established by the Association, shall not be entitled to vote during any period in which any such assessments are due and unpaid.

2.10. 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 Bylaws, 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 the right to vote, the appointment and duties of inspectors of election, registration of members for voting purposes, the establishment of representative voting procedures and such other matters concerning the conduct of meetings and voting as it shall deem appropriate.

2.11. Corporate, Joint or Common Ownership. The vote of a corporate member may be cast by an officer of the corporation. Any one joint or common owner of a Lot shall be entitled to cast the vote with respect to the Lot so owned, however, if joint or common owners can not agree on how to cast their vote, their vote shall not be counted.

2.12. Waiver of Notice. Whenever under the provisions of any law or under the provisions of the Certificate of Incorporation or Bylaws of this Association, the Association or the Board of Directors or any committee thereof is authorized to take any action after notice to the members of the Association or after the lapse of a prescribed period of time, such action may be taken without notice and without the lapse of any period of time, if at any time before or after such action is completed, such requirements be waived in writing by the person or persons entitled to such notice or entitled to participate in the action to be taken or by his attorney-in-fact thereunto authorized.

2.13. Inspectors of Election. If requested by any member, the President shall at the Annual Meeting appoint two persons, who need not be members, to serve as inspectors of election.

2.14. Removal of Directors or Officers. Any director or officer may be removed from office by the majority of the votes cast by the members present, either in person or by proxy, at any regular or special meeting called for that purpose, for conduct detrimental to the interests of the Association, for lack of sympathy with its objectives, or for refusal to render reasonable assistance in carrying out its purposes. Any such officer or director proposed to be removed shall be entitled to at least five days notice in writing by mail of the meeting at which such removal is to be voted upon and shall be entitled to appear before and be heard at such meeting.

2.15. Compensation and Expenses. Members shall not receive any salary nor payment for their services as Director, officer or member of any Committee. The Board of Directors shall have power in its discretion to contract for and to pay to members rendering unusual or special services to the Association special compensation appropriate to the value of such services.

ARTICLE III. DIRECTORS

3.01. 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 Declarant to serve until the first annual meeting of the Association.

3.02. 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 sixty (60) 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 in its sole discretion, determine, but not less than the number of vacancies that are to be filled and such nomination may be made from members and non-members of the Association.

3.03. Election. At the first annual meeting, five directors will be elected, three for a term of two (2) years, and two 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, except that so long as Declarant shall own ten percent (10%) or more of the Lots, any director designated by Declarant shall serve for a term of only one (1) year. The directors need not be members of the Association and shall be chosen by ballot at the annual meeting by a majority of the votes of the members, voting either in person or by proxy. Until the first annual meeting, the members of the Board of Directors shall be designated by Declarant and hold office until the election of directors at the first annual meeting. Declarant may cast a majority of the votes for the election of directors at the first annual meeting.

3.04. Resignation. Any director may resign at any time by giving written notice of such resignation to the Board of Directors.

3.05. Vacancies. Any vacancy in the Board of Directors occurring during the year, may be filled for the unexpired portion of the term by affirmative vote of a majority of the directors then serving, although less than a quorum. Any director so elected by the Board of Directors shall hold office until the next succeeding annual meeting of the members of the Association or until the election of his successor.

3.06. Organizational Meeting. Immediately after each annual election the newly elected directors shall meet at the principal office of the Association for the purpose of organization, the election of officers and the transaction of other business, and if a quorum of the directors be then present, no prior notice of such meeting shall be required to be given. The place and time of such first meeting may, however, be fixed by written consent of all the directors.

3.07. Special Meetings. Special meetings of the Board of Directors may be called by the President and must be called by the President on the written request of any member of the Board.

3.08. Notice of Meetings. Notice to all directors' meetings, except as herein otherwise provided, shall be given by mailing the same at least three days, or by telegraphing the same at least one day, before the meeting to the usual business

or residence address of the director, but such notice may be waived by any director. Regular meetings of the Board of Directors may be held without notice at such time and place as shall be determined by the Board. Any business may be transacted at any properly noticed directors meeting or at any meeting at which every director shall be present, even though without notice or waiver thereof.

3.09. Chairman. At all meetings of the Board of Directors, the President, or in his absence the Vice-President, shall preside.

3.10. Quorum. At all meetings of the Board of Directors, a majority of the directors shall be necessary and sufficient to constitute a quorum for the transaction of business. The act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute, these Bylaws or the Declaration.

3.11. Contracts and Services. The directors and officers of the Association may not be interested directly or indirectly in any contract relating to or incidental to the operations conducted by the Association.

3.12. Compensation. Directors shall not receive any compensation for their services. The Board of Directors shall have the power in its discretion to contract for and to pay, to directors rendering unusual or exceptional services to

the Association, special compensation appropriate to the value of such services.

3.13. Powers. All the Association powers, except such as are conferred upon or reserved to the members by statute, these Bylaws or the certificate of incorporation, shall be and are hereby vested in and shall be exercised by the Board of Directors. Such powers shall include, but shall not be limited to, the following:

A. To adopt and publish rules and regulations governing the use of the Common Areas, and facilities, and the personal conduct of the members and their tenants, guests and invitees and to establish penalties for infractions thereof.

B. To suspend a member of his voting rights during any period in which he shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for an infraction of the published rules and regulations, for a period not to exceed thirty (30) days.

C. To authorize the officers to enter into management agreements with third parties in order to facilitate the efficient operation of the facilities of the Association. It shall be the primary purpose of such management agreements to provide for the administration, management, repair and maintenance of the facilities, and all improvements included therein, designated as Common Areas, and the receipt and disbursement of such funds as may be authorized by the Board of Directors. The

Term of these management agreements shall be determined by the Board to be in the best interests of the Association.

D. 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.

3.12. Duties.

A. The Board of Directors, pursuant to Section 519 of the Not-for-Profit Corporation Law, shall present at the annual meeting of members, and file with the records of the Association, a report verified by the President and Treasurer, or by a majority of the directors, or shall present at the annual meeting of members a report, reported upon by an independent accountant selected by the Board, showing in appropriate detail the following:

(1) The assets and liabilities, including the trust funds, of the Association as of the end of the fiscal year immediately preceding the annual meeting.

(2) The principal changes in assets and liabilities, including trust funds, during the fiscal year immediately preceding the date of the report.

(3) The revenue or receipts of the Association, for both general and restricted purposes, for the fiscal year immediately preceding the date of the report.

(4) The expenses or disbursements of the Association, for both general and restricted purposes, during

the fiscal year immediately preceding the date of the report.

(5) The members of the Association as of the date of the report, and the place where the names and places of residence of the current members may be found.

B. It shall also be the duty of the Board of Directors:

(1) As more fully provided in the Declaration to:

(a) Determine, levy and collect the assessments and common charges;

(b) Send written notice of every assessment to the Lot Owners at least thirty days in advance of the assessment period; and

(c) 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.

(2) To issue or cause to be issued upon demand of any person, a certificate setting forth the status of payment of assessments for any Lot. A reasonable charge may be made by the Board for the issuance of such certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(3) To procure and maintain adequate liability insurance, to procure adequate hazard insurance on property owned by the Association and the Townhomes as it deems appropriate.

(4) To cause all officers or employees having fiscal responsibility to be bonded, as it may deem appropriate.

(5) To use and expend the assessments and charges collected for the maintenance, care, preservation and operation of the Properties as permitted by the Declaration.

(6) To keep a complete record of the actions of the Board of Directors and the corporate affairs of the Association.

(7) To pay all taxes owing by the Association.

(8) To repair, restore or alter the properties of the Association after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

(9) To exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the members by statute or other provisions of these Bylaws, the Certificate of Incorporation or the Declaration.

ARTICLE IV. OFFICERS

4.01. Number. The officers of the Association shall be the President, Vice-President, Secretary, Treasurer, and such other officers with such powers and duties not inconsistent with these Bylaws as may be appointed and determined by the

Board of Directors. Any two offices, except those of President and Secretary, may be held by the same person.

4.02. Election, Term of Office, and Qualifications.

The President shall be elected annually by the Board of Directors from among their number, and the other officers shall be elected annually by the Board of Directors from among such persons as the Board of Directors may see fit, at the first meeting of the Board of Directors after the annual meeting of the members of the Association.

4.03. Vacancies. In case any office of the Association becomes vacant by death, resignation, retirement, disqualification, or any other cause, the majority of the directors then in office, although less than a quorum, may elect an officer to fill such vacancy. The officer so elected shall hold office and serve until the first meeting of the Board of Directors after the annual meeting of members next succeeding and until the election of his successor.

4.04. President. The President shall preside at all meetings of members and of the Board of Directors. He shall have and exercise general charge and supervision of the affairs of the Association and shall do and perform such other duties as may be assigned to him by the Board of Directors. In the absence of the President, the Vice-President shall exercise the foregoing duties.

4.05. Secretary. The Secretary shall have charge of such books, documents, and papers as the Board of Directors

may determine and shall have the custody of the corporate seal. He shall attend and keep the minutes of all the meetings of the Board of Directors and members of the Association. He shall keep a record containing the names, alphabetically arranged, of all persons who are members of the Association, showing their place of residence, and such book shall be open for inspection as prescribed by law. He may sign with the President, in the name and on behalf of the Association, any contracts or agreements authorized by the Board of Directors, he may affix the seal of the Association. He shall, in general, perform all the duties incident to the office of the Secretary, subject to the control of the Board of Directors, and shall do and perform such other duties as may be assigned to him by the Board of Directors.

4.06. Treasurer. The Treasurer shall have the custody of all funds, property and securities of the Association, subject to such regulations as may be imposed by the Board of Directors. He may be required to give bond for the faithful performance of his duties, in such sum and with such sureties as the Board of Directors may require. When necessary or proper, he may endorse on behalf of the Association, for collection, checks, notes and other obligations, and he shall deposit the same to the credit of the Association at such bank or banks or depository as the Board of Directors may designate. He shall sign all receipts and vouchers and, together with such officer or officers, if any, as shall be designated by the Board of Directors, he shall sign all checks and drafts issued by the

Association, except in cases where the signing and execution thereof shall be expressly designated by the Board of Directors or by these Bylaws to some other officer or agent of the Association. He shall make such payments as may be necessary or proper to be made on behalf of the Association. He shall enter regularly, on the books of the Association to be kept by him for the purpose, full and accurate account of all funds and obligations received and paid or incurred by him for or on account of the Association, and shall exhibit such books at all reasonable times to any director or member on application at the offices of the Association. He shall, in general, perform all the duties incident to the office of the Treasurer, subject to the control of the Board of Directors. He shall cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall 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.

4.07. Compensation. The officers shall not receive any compensation for their services. The Board of Directors shall have the power in its discretion to contract for and to pay, to officers rendering unusual or exceptional services to the Association, special compensation appropriate to the value of such services.

4.08. Removal. Any officer may be removed from office by the majority vote of all the directors, at any regular or

special meeting called for that purpose, for nonfeasance, malfeasance, or misfeasance, for conduct detrimental to the interest of the Association, for lack of sympathy with its objectives, or for refusal to render reasonable assistance in carrying out its purposes. Any officer proposed to be removed shall be entitled to at least five days notice, in writing by mail, of the meeting of the Board of Directors at which such removal is to be voted upon and shall be entitled to appear before and be heard by the Board of Directors at such meeting.

ARTICLE V. COMMITTEES

5.01. Committees. 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.

5.02. 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.

5.03. Compensation. The members of any committee shall not receive any compensation for their services. The Board of Directors shall have the power in its discretion to contract for

and to pay to any member of a committee, rendering unusual or exceptional services to the Association, special compensation appropriate to the value of such services.

ARTICLE VI. FISCAL YEAR

The fiscal year of the Association shall commence on January 1st of each year and end on December 31st.

ARTICLE VII. PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No member, director, officer, or employee of, or person connected with, the Association, or other private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Association; provided, however, that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Association in effecting any of its purposes, or the distribution of cash or property to any such person as shall be entitled to share in the distribution of any of the Association assets upon the dissolution of the Association.

ARTICLE VIII. EXEMPT ACTIVITIES

Notwithstanding any other provision of these Bylaws, no member, director, officer, employee or representative of this Association shall take any action or carry on any activity by or on behalf of the Association not permitted to be taken or

carried on by an organization exempt under Section 501(c)(4) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

ARTICLE IX. INDEMNIFICATION

To the extent permitted by law, the Association shall indemnify and defend any person made a party to any proceeding, by reason of the fact that he is or was a director or officer of the Association, against any loss and expense incurred by him by reason of such proceeding, including the settlement thereof, except in relation to matters as to which such person is adjudicated to be liable for gross misconduct in the performance of his duties. The foregoing right of indemnification shall be in addition to, and not be exclusive of, all rights to which such director or officer may otherwise be entitled.

ARTICLE X. BOOKS AND RECORDS

The books, records and papers of the Association shall be at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Certificate of Incorporation and the Bylaws 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. The Association may have a corporate seal.

ARTICLE XI. AMENDMENT

Subject to the restrictions contained herein, these Bylaws may be altered or amended at any meeting of members of the Association by any affirmative vote of two-thirds of all votes cast by the members, represented either in person or by proxy, provided that the proposed action is inserted in the notice of such meeting.

ARTICLE XII. DISSOLUTION

Subject to the restrictions contained herein, the Association may be dissolved by action of the members at any meeting of members of the Association by an affirmative vote of eighty percent (80%) of all votes held by the members, cast in person or by proxy, provided that the proposed action is inserted in the notice of such meeting.

EXHIBIT D

VILLAGEWOOD MANOR

PURCHASE AGREEMENT

WHEN SIGNED BY PURCHASER AND SELLER, THIS DOCUMENT BECOMES A BINDING CONTRACT: CONSULT YOUR ATTORNEY BEFORE SIGNING.

1. PURCHASER.

Name: _____

Address: _____

In this Agreement, Purchaser will sometimes be called "I".

2. SELLER.

Name: Villagewood Manor Associates, a New York Partnership.

Address: 115 Willowick Drive, Fairport, New York 14450

In the OFFERING PLAN for VILLAGEWOOD MANOR HOMEOWNERS ASSOCIATION, INC. VILLAGEWOOD MANOR ASSOCIATES is sometimes called "SPONSOR". As a SPONSOR, VILLAGEWOOD MANOR ASSOCIATES has filed with the DEPARTMENT OF LAW, STATE OF NEW YORK, an OFFERING PLAN for the sale of VILLAGEWOOD MANOR TOWNHOMES and for the sale of interests in the VILLAGEWOOD MANOR HOMEOWNERS ASSOCIATION, INC. READ THE OFFERING PLAN BEFORE SIGNING THIS AGREEMENT.

3. DESCRIPTION OF PROPERTY.

Property Address: _____

Lot. No. _____ Approximate Lot Size _____

Description of the Townhome units on the Lot:

Unit Number _____ containing _____ bedrooms, _____ family room, _____ bath, _____ garage. I understand that the dimensions shown on the typical floor plans are approximate and that the dimensions of this unit may differ; and

Unit Number _____ containing _____ bedrooms, _____ family room, _____ bath, _____ garage. I understand that the dimensions shown on the typical floor plans are approximate and that the dimensions of this unit may differ.

I understand that the Townhome units must be used for residential purposes only, as defined in the Offering Plan, Section ____ of the Declaration for Villagewood Manor, which I have read.

I further understand that I will automatically become a member of Villagewood Manor Homeowners Association, Inc. and that I cannot cancel this membership. That as a member of the Homeowner Association, I will share, with other residents of Villagewood Manor Townhomes, the use and enjoyment of the Common Area (land and improvements) to be owned and maintained by Villagewood Manor Homeowners Association, Inc., a New York Not-for Profit Corporation. I have read the description of the Common Area on Pages _____ through _____ of the Offering Plan.

4. FIXTURES INCLUDED.

Included in the sale are the following fixtures: gas power forced air furnace, with central air conditioning, hot water tank, plumbing fixtures and kitchen cabinets, disposal and built-in dish washer.

5. APPLIANCES INCLUDED.

Included in the sale are the following appliances: electric range with ductless hood, refrigerator/freezer.

6. FURNITURE AND FURNISHINGS NOT INCLUDED.

There is specifically excepted from this Agreement all furniture and furnishings presently, or in the future, to be located in the model unit or units which have been or will be furnished for display or rental purposes by the Seller and the same are not included in this sale.

7. PURCHASE PRICE: AMOUNT AND PAYMENT.

All of the above shall be sold, conveyed and purchased upon the following terms and conditions.

Purchase Price	\$ _____
Less credit allowance, if any, per Addenda A attached hereto.	\$ _____
Plus optional extras, if any, per Addenda B attached hereto.	\$ _____
Total Adjusted Purchase Price	\$ _____

The total adjusted purchase price shall be payable

as follows:

\$ _____, previously received as a nonbinding reservation deposit (where applicable);

\$ _____, on the signing of this Agreement the receipt whereof is hereby acknowledged;

\$ _____, certified or bank cashier's check on closing of title; and

\$ _____, by obtaining a mortgage loan in that amount;

\$ _____, Total Adjusted Purchase Price.

8. OFFERING PLAN INCORPORATED BY REFERENCE.

The Lot and Townhome units described in this Agreement are the same premises referred to by Lot and Unit numbers in the Offering Plan and in the exhibits and schedules annexed thereto, all of which are incorporated herein by reference and made a part of this Agreement with the same force and effect as if set forth in full herein.

9. DEPOSIT TO BE HELD IN ESCROW ACCOUNT.

Seller will hold all monies received by them directly, or through their agents, or employees, in trust until consummation of the transaction as herein described and in the event that the contemplated transaction is not consummated by reason of default or for any other reason the said monies shall be returned in full to me with interest if any was earned while on deposit with Seller. Seller will receive the monies paid by me and hold the same in a special account known as "Villagewood Manor Escrow Account" in Central Trust Company, 31 Exchange Street, Rochester, New York. Said monies shall be held in accordance with Sections 352(e) and 352(h) of the General

Business Law of the State of New York. The signature of Sutton, DeLeeuw, Clark & Darcy, attorneys at law of Rochester, New York shall be required to withdraw any of said monies for disbursement only at closing. In the event that the Seller cannot convey title to the unit, all monies advanced by me hereunder shall be returned to me with interest, if any was earned.

10. MORTGAGE COMMITMENT

This Agreement is conditioned upon my ability to obtain a written commitment for a mortgage loan in the amount of _____ Dollars (\$ _____) at _____ interest rate, for a term of _____ years, amortized monthly from Seller or a lending institution of my choice, within _____ banking days from the signing of this Agreement. I promise to make a prompt, diligent application for this mortgage loan and agree to deliver to Seller a copy of the commitment when received by me from the lending institution of my choice. I shall have the right to cancel this Purchase Agreement if my financing commitment lapses or expires prior to closing.

11. DECLARING THE OFFERING PLAN EFFECTIVE.

I understand that in the event Seller does not declare the Offering Plan effective, as provided at page ___ of the Plan, Seller may cancel this Agreement giving me written notice of his election to cancel, and not later than 10 days, thereafter, I shall receive a refund in full, with interest, if any, of all monies paid by me hereunder and upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations hereunder.

12. TITLE.

I understand that the title to the Lot conveyed to me will be good and marketable and ownership of my Lot will be subject to:

A. The Declaration of Covenants, Conditions and Restrictions for Villagewood Manor Homeowners Association, Inc., including amendments, if any, as set forth in the Offering Plan.

B. The Bylaws of Villagewood Manor Homeowners Association, Inc. as set forth in the Offering Plan, including amendments, if any.

C. The zoning regulations and ordinances of the Town of Perinton, Monroe County, New York, including amendments.

D. Water, sewer, gas, telephone, electricity, master or cable television service and snow and slope control easements, if any, now or hereafter recorded in the Monroe County Clerk's Office.

E. Any mortgage that I may secure to purchase my Townhome.

F. Future real estate taxes and assessment.

G. Rights of present tenants or persons in possession of the Townhome or either unit thereof, if any.

Any and all of the foregoing subject provisions may be omitted from the Deed to be delivered hereunder, however, all such provisions so omitted shall nevertheless survive delivery of the Deed.

13. TITLE DOCUMENTS.

At least ten days prior to closing, the Seller shall deliver to the Purchaser an abstract of title,

tax and bankruptcy search prepared by Rochester Abstract Corporation.

14. TITLE DEFECT.

In the event title to said property is defective, the Seller shall have 90 days from date of receipt of written notice of said defect to perfect same, and if title cannot be perfected within said time limit, the Purchaser's down payment shall be returned with interest, if any earned while on deposit, and this Agreement shall be null and void and neither party shall have any further liability to the other herein.

15. TITLE INSURANCE.

A title insurance policy issued by Rochester Abstract Corporation protecting my interest as owner of the Lot and Townhome Units, and a policy of insurance protecting the interests of the holder of any mortgage that I may obtain shall be made available to me and I may purchase these policies at my expense at the closing and transfer of title. I understand that I am not obligated to purchase either policy of insurance, however, the commitment of Rochester Abstract Corporation to insure my interest as owner, or the interests of a holder of any mortgage that I may obtain in an amount equal to the purchase price of my Townhome or the amount of my mortgage, subject only to standard exceptions contained in the policy, shall be proof that title to my Townhome is good and marketable.

16. CERTIFICATE OF OCCUPANCY.

I understand that the original Certificate of Occupancy issued by the Town of Perinton will establish that my Townhome was constructed in compliance with the zoning regulations of the Town of Perinton.

17. PURCHASER'S RIGHT TO CANCEL THIS AGREEMENT.

I understand that I shall have the right to cancel this Agreement and the return of my deposit, with interest if any earned while on deposit, within 10 days, upon the happening of any one of the following events:

A. I am unable to obtain a written commitment for my mortgage loan;

B. Seller, as Sponsor of the Offering Plan for Villagewood Manor Homeowners Association, Inc., elects not to declare the Plan effective; or

C. Rochester Abstract Corporation shall refuse to issue a commitment to insure my interest as owner in the Townhome or the interest of the holder of my mortgage.

18. VILLAGEWOOD MANOR HOMEOWNERS ASSOCIATION, INC. COMMON CHARGE.

I understand, having read the Offering Plan for Villagewood Manor Homeowners Association, Inc., that I shall be obligated to pay to the Association a common charge, monthly, for the use and purposes set forth in the Estimated Annual

Budget for Villagewood Manor set forth in the Offering Plan. I further understand that the Board of Directors of Villagewood Manor Homeowners Association, Inc. shall have the authority to prepare and adopt, annually, budgets for such uses and purposes, and I shall be obligated to pay my proportionate share of the budgeted expense, monthly, so long as I shall own my Townhome.

19. FIRE INSURANCE AND RISK OF LOSS PRIOR TO CLOSING.

A. I understand that prior to closing the risk of loss or damage by fire or other casualty to the Townhome shall be assumed by Seller.

B. I further understand that Villagewood Manor Homeowners Association, Inc. shall secure fire insurance and extended coverage, insuring my Townhome against those hazards set forth in Article VI of the Villagewood Manor Homeowners Declaration and that the cost of such insurance shall be charged to me as part of my common charge.

20. EXPENSES AND ADJUSTMENTS.

I understand that the Seller shall pay for the transfer tax due upon delivery of the deed for the Lot to me. I agree to pay for the recording of my deed and of any mortgage that I have obtained and the appropriate mortgage tax assessed. I further understand that I shall be obligated to pay all fees, including attorney's fees associated with the placement of my mortgage loan, premiums for title insurance, the fees and expenses as may be charged by my attorney, and, that at the

closing of title, real estate taxes and assessments, or estimates thereof for the tax year in which title closes, the monthly charge of the Association, for the month in which title closes, rents and the charges for water service, gas and electricity shall be adjusted and paid by me as of the date of closing or by final reading requested. And, at closing, I will pay to the Association a non-refundable capital contribution in the sum of \$100.00.

21. CLOSING DATE AND PLACE.

The closing and transfer of title of my Lot shall take place at the Office of the Clerk of Monroe County or at any other place agreeable to Seller, me or our attorneys.

The closing shall be held on/or before _____, 19___, or within thirty (30) days after Seller has given me written notice that the Offering Plan has been declared effective.

22. POSSESSION OF MY TOWNHOME.

I understand that possession and occupancy of the Townhome units shall remain exclusively in Seller until transfer of title to me, the payment of all sums due on this purchase, and the execution and delivery by me of all instruments or documents required in connection with the completion of this Agreement. This paragraph shall not apply to the unit occupied by me, if I am a tenant in occupancy of such unit on the date this Agreement is executed.

23. OFFERING PLAN FOR VILLAGEWOOD MANOR HOMEOWNERS ASSOCIATION, INC.

I acknowledge that I have received a copy of the Offering Plan for Villagewood Manor Homeowners Association, Inc. more than three (3) business days prior to my signing this Agreement and that I have had an opportunity to read the Plan and Documents. I further acknowledge that I am purchasing the Townhome solely upon the representations set forth in the Offering Plan.

24. MERGERS.

The acceptance of the deed by me shall be deemed to be in full performance and discharge of every agreement and obligation on the part of the Seller to be performed pursuant to the provisions of this Agreement, except those which are herein specifically stated to survive delivery of the deed, or as set forth in the Offering Plan.

25. AS IS SALE.

I acknowledge that I have inspected the Units and I am thoroughly familiar with the condition thereof and agree that I am purchasing the Units and the fixtures, appliances and equipment therein, "as is" and in their present condition, subject to reasonable wear, tear and natural deterioration between the date hereof and the closing.

26. PURCHASER EXISTING TENANT.

If I am presently or hereafter become a tenant in either of the Units being sold and purchased under this Agree-

ment, I agree that my continued occupancy of said Unit is that of a tenant until the closing of the sale contemplated by this Agreement and my acquisition of title of record to said Unit. I agree that my occupancy as a tenant shall not, under any circumstances, constitute me a vendee in possession and that the relationship of landlord and tenant shall continue between the Seller and me until the Recording of the deed conveying title to me and that until such event, I shall be subject to the Landlord and Tenant Law of the State of New York with regard to my occupancy, payment of rent, and all other rights and obligations of a tenant. I shall continue to pay rent as a tenant and any default by me in any of my obligations as a tenant shall entitle the Seller to all of the remedies provided by the Landlord and Tenant Law of the State of New York notwithstanding this Purchase Agreement. Unless I shall have a written lease providing otherwise, my occupancy shall be that of a tenant from month to month. If any written lease under which I shall occupy said Unit shall expire prior to closing, I shall become a tenant from month to month. This Agreement shall not in any case constitute a lease. If I shall be a tenant, any prepaid rent shall be refunded to me, pro rata, at the time of closing and any security deposit shall likewise be refunded.

27. EXISTING UNIT LEASES.

I understand and acknowledge that on the date hereof Unit _____ and Unit _____ are occupied under lease(s) expiring _____, 19 __, at a rent of \$ _____ per month,

and _____, 19 __, at a rent of \$ _____ per month respectively.

If I take title to the Unit(s) subject to lease agreement(s) and the said tenant(s) do not voluntarily remove from the Unit when the lease expires or is terminated or the right to occupancy ends, I shall be required to obtain possession at my sole expense. However, Seller may, but is not obligated to, evict a tenant wrongfully in possession at Seller's expense. In that event Seller shall pursue an eviction proceeding with due diligence and within a reasonable time and I shall extend the closing date for transfer of title until such time as the tenant(s) vacate the Unit(s). I understand and acknowledge that the Purchaser shall be obligated to comply with existing law in evicting the tenant, and that I will, after the closing of title, assume the Seller's rights and obligations under the existing lease(s) or tenancy, which will include the obligation to repair and maintain the Unit(s) for the benefit of the said tenant(s) and the right to collect rent(s) payable under the existing lease(s) or tenancy. This paragraph shall not be applicable and shall be of no force and effect with respect to the Unit that I may occupy on the date hereof.

28. SUBORDINATION.

I agree that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage on the Lot, hereto or hereafter made and any advances heretofore or hereafter made thereon, and any modifi-

cations thereof and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof to the full extent thereof without the execution of any further legal documents by me. This subordination shall apply whether such advances are voluntary or involuntary. The Seller shall satisfy all such mortgages or obtain a release of the Lot from the lien of such mortgages at or prior to the closing date, except for the individual mortgage that I may place thereon, whether same be by extension, assumption, consolidation or otherwise.

29. PURCHASER'S DEFAULT DAMAGES.

I shall be given at least 30 days to cure any default under this Agreement. My damages, in the event of my default under this Agreement, will not exceed, in any event, the lesser of my deposit or ten percent (10%) of the purchase price, unless I have specially ordered work, in which event, my damages shall be increased to include the cost of the specially ordered work.

30. AMENDMENT TO THIS AGREEMENT.

I understand that this Agreement may not be changed or amended, except by a further agreement in writing signed by Seller and me.

31. REAL ESTATE COMMISSION.

I represent and warrant to Seller that I have not negotiated with any broker for the purchase of the Townhome other than _____ of _____.

32. NOTICE UNDER THIS AGREEMENT.

Any notice to be given in connection with this Agreement shall be in writing and sent by certified mail to me at the address set forth on Paragraph 1 and to Seller at the address set forth in Paragraph 2. If either Seller or I shall change our addresses or desire another address to be used in connection with the giving of notice under this Agreement, we must notify each other in writing of such change.

33. THIS AGREEMENT MAY NOT BE ASSIGNED.

This Purchase Agreement may not be assigned without the written consent of the Seller.

34. ONLY AGREEMENT.

This is the only Agreement between Seller and me.

35. COMPLETE AGREEMENT.

This Agreement fully and completely expresses all terms and conditions of my purchase and Seller's sale of the Townhome. I understand that neither Seller nor I will be bound by any agreement or understanding which we may have made orally before or after the signing of this Agreement if such oral agreement or understanding is not contained in this Agreement or added to it by an amendment in writing signed by both of us.

36. THIS PURCHASE AGREEMENT IS CONTINGENT UPON THE TERMS OF OFFERING.

I represent that I (strike out and initial two clauses not applicable):

- (a) am a tenant in Unit _____
- (b) intend to occupy Unit _____
- (c) do not intend to occupy either Unit

and that this Purchase Agreement is subject to and contingent upon the Terms of Offering set forth in the Plan, as amended, which Terms of Offering are incorporated as though set forth at length.

The Seller and I have signed this Purchase Agreement this ____ day of _____, 19 __.

Witnesses:

_____ PURCHASER
 _____ PURCHASER

Acceptance:

VILLAGWOOD MANOR ASSOCIATES

by _____
Partner

ESCROW AGENT RECEIPT

The undersigned hereby acknowledges receipt of the
sum of _____ Dollars
(\$_____) (cash) (by check, subject to collection) this
_____ day of _____, 19__, as deposit on
Townhome Lot _____.

Escrow Agent

Purchaser's Attorney: _____

Address: _____

Telephone: _____

Seller's Attorney: Frank R. Monfredo

Address: 31 East Main Street
Rochester, New York 14614

Telephone: (716) 546-8990

EXHIBIT E

VILLAGEWOOD MANORTownhome Deed

This Indenture, made the ____ day of _____
Nineteen Hundred and Eighty-_____ between Villagewood Manor
Associates, a partnership existing under the laws of the State
of New York having its office at 115 Willowick Drive, Fairport,
New York 14450, Grantor, and

Grantee,

Witnesseth that Grantor, in consideration of One Dollar
(\$1.00) lawful money of the United States, and other valuable
consideration, paid by Grantee, does hereby grant and release
unto Grantee, his heirs, legal representatives, successors and
assigns forever.

All That Tract or Parcel of Land, situate in the Town of
Perinton, County of Monroe and State of New York and being known
and described as Townhome Lot No. _____, as shown on a
Plan of Villagewood Manor Subdivision, Section No. _____,
made by L.E.K. Associates, Inc., Licensed Surveyors, dated
_____ and filed on _____ in the Monroe
County Clerk's Office at Liber _____ of Maps at page _____

TOGETHER with all of the rights, privileges, easements
and appurtenant ownership interests in and to the premises
previously conveyed to Villagewood Manor Homeowners Association,
Inc., by deed recorded in Monroe County Clerk's Office in
Liber _____ of Deeds, at Page _____, and as more fully defined in

the Declaration of Covenants, Conditions and Restrictions recorded in Monroe County Clerk's Office on the ____ day of _____, 19 ____, in Liber ____ of Deeds, at Page _____.

Subject to the provisions of the Declaration of Covenants, Conditions and Restrictions for Villagewood Manor Homeowners Association, Inc., recorded as aforesaid.

Subject to sewer, water, gas, electric, telephone and T.V. cable antenna easements now or hereafter granted.

Grantee, by acceptance of this Deed, further acknowledges that this conveyance is subject in every respect to the Declaration of Covenants, Conditions and Restrictions, and further acknowledges that each and every provision of the foregoing Declaration is essential to the successful operation and management of Villagewood Manor Homeowners Association and in the best interests and for the benefit of all members of the Association. Grantee for himself and for the benefit of all members of the Association, covenants and agrees to abide by each and every provision of said Declaration.

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

To have and to hold the premises herein granted unto the Grantee, his heirs, legal representatives, successors and assigns forever.

The use for which the premises is intended is that of a residence only, subject to the applicable governmental regulations and the restrictions contained in said Declaration.

Grantor, in compliance with Section 13 of the Lien Law, covenants that Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purpose.

Grantor covenants that it has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed the day and year first above written.

Villagewood Manor Associates

by _____, Grantor
Partner

_____, Grantee

_____, Grantee

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this _____ day of _____, 19____, before me personally came _____, who, being by me duly sworn, did depose and say that he resides in the County of _____, State of New York and that he is a partner of the partnership which executed the foregoing instrument.

Notary

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this _____ day of _____, 19____, before _____
me personally appeared _____
to me known and known to be the same person(s) described in _____
and who executed the same.

Notary

Tax Account No. _____

Grantee's Mailing Address _____

EXHIBIT F
MORTGAGE

E-82

WORDS USED OFTEN IN THIS DOCUMENT

(A) "Mortgage." This document, which is dated _____, 19____, will be called the "Mortgage."

(B) "Borrower."

will sometimes be called "Borrower" and sometimes simply "I."

(C) "Lender."

(D) "Note." The note signed by Borrower and dated _____ will be called the "Note." The Note shows that I owe Lender _____ Dollars plus interest,

which I have promised to pay in monthly payments of principal and interest and to pay in full by _____

(E) "Property." The property that is described below in the section titled "Description Of The Property," will be called the "Property."

BORROWER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY

I mortgage, grant and convey the Property to Lender subject to the terms of this Mortgage. This means that, by signing this Mortgage, I am giving Lender those rights that are stated in this Mortgage and also those rights that the law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I fail to:

(A) Pay all the amounts that I owe Lender as stated in the Note;

(B) Pay, with interest, any amounts that Lender spends under this Mortgage, to protect the value of the Property and Lender's rights in the Property;

(C) Pay, with interest, any other amounts that Lender lends to me as Future Advances under Paragraph 23 below; and

(D) Keep all of my other promises and agreements under this Mortgage.

DESCRIPTION OF THE PROPERTY

I give Lender rights in the Property described in (A) through (J) below:

(A) The property which is located at

[Street]

[City]

[State and Zip Code]

This property is in _____ County in the State of New York. It has the following legal description:

If this property is a condominium, the following must be completed: This property is part of a condominium project known as _____ (called the "Con-

[Name of Condominium Project]

dominium Project"). This property includes my unit and all of my rights in the common elements of the Condominium Project.

If this property is in a planned unit development, the following must be completed: This property is in a development which is a planned unit development known as _____

[Name of Planned Unit Development]

(called the "PUD"). The PUD was created by _____

[Document Creating PUD]

- (B) All buildings and other improvements that are located on the property described in paragraph (A) of this section;
- (C) All rights in other property that I have as owner of the property described in paragraph (A) of this section. These rights are known as "easements, rights and appurtenances attached to the property";
- (D) All rents or royalties from the property described in paragraph (A) of this section;
- (E) All mineral, oil and gas rights and profits, water, water rights and water stock that are part of the property described in paragraph (A) of this section;
- (F) All rights that I have in the land which lies in the streets or roads in front of, or next to, the property described in paragraph (A) of this section;
- (G) All fixtures that are now or in the future will be on the property described in paragraphs (A) and (B) of this section, and all replacements of and additions to those fixtures, except for those fixtures, replacements or additions that under the law are "consumer goods" and that I acquire more than ten days after the date of the Note. Usually, fixtures are items that are physically attached to buildings, such as hot water heaters;
- (H) All of the rights and property described in paragraphs (B) through (F) of this section that I acquire in the future;
- (I) All replacements of or additions to the property described in paragraphs (B) through (F) and paragraph (H) of this section; and
- (J) All of the amounts that I pay to Lender under Paragraph 2 below.

BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY

I promise that except for the "exceptions" listed in any title insurance policy which insures Lender's rights in the Property: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

UNIFORM PROMISES

I promise and I agree with Lender as follows:

1. BORROWER'S PROMISE TO PAY PRINCIPAL AND INTEREST UNDER THE NOTE AND TO FULFILL OTHER PAYMENT OBLIGATIONS

I will promptly pay to Lender when due: principal and interest under the Note; late charges and prepayment charges as stated in the Note; and principal and interest on Future Advances that I may receive under Paragraph 23 below.

2. AGREEMENTS ABOUT MONTHLY PAYMENTS FOR TAXES AND INSURANCE

(A) Borrower's Obligation to Make Monthly Payments to Lender for Taxes and Insurance

I will pay to Lender all amounts necessary to pay for taxes, assessments, ground rents (if any), and hazard insurance on the Property and mortgage insurance (if any). I will pay those amounts to Lender unless Lender tells me, in writing, that I do not have to do so, or unless the law requires otherwise. I will make those payments on the same day that my monthly payments of principal and interest are due under the Note.

The amount of each of my payments under this Paragraph 2 will be the sum of the following:

- (i) One-twelfth of the estimated yearly taxes, assessments and ground rents (if any) on the Property which under the law may be superior to this Mortgage; plus
- (ii) One-twelfth of the estimated yearly premium for hazard insurance covering the Property; plus
- (iii) One-twelfth of the estimated yearly premium for mortgage insurance (if any).

Lender will determine from time to time my estimated yearly taxes, assessments, ground rents and insurance premiums based upon existing assessments and bills, and reasonable estimates of future assessments and bills. (Taxes, assessments, ground rents and insurance premiums will be called "taxes and insurance.") The amounts that I pay to Lender for taxes and insurance under this Paragraph 2 will be called the "Funds."

(B) Lender's Obligations Concerning Borrower's Monthly Payments for Taxes and Insurance

Lender will keep the Funds in a savings or banking institution which has its deposits or accounts insured or guaranteed by a Federal or state agency. If Lender is such an institution then Lender may hold the Funds. Except as described in this Paragraph 2, Lender will use the Funds to pay taxes and insurance. Lender will give to me, without charge, an annual accounting of the Funds. That accounting must show all additions to and deductions from the Funds and the reason for each deduction.

Lender may not charge me for holding or keeping the Funds on deposit, for using the Funds to pay taxes and insurance, for analyzing my payments of Funds, or for receiving, verifying and totalling assessments and bills. However, Lender may charge me for these services if Lender pays me interest on the Funds and if the law permits Lender to make such a charge. Lender will not be required to pay me any interest or earnings on the Funds unless either (i) Lender and I agree in writing, at the time I sign this Mortgage, that Lender will pay interest on the Funds; or (ii) the law requires Lender to pay interest on the Funds.

If Lender's estimates are too high or if taxes and insurance rates go down, the amounts that I pay under this Paragraph 2 will be too large. If this happens at a time when I am keeping all of my promises and agreements made in this Mortgage, I will have the right to have the excess amount either promptly repaid to me as a direct refund or credited to my future monthly payments of Funds. There will be excess amounts if, at any time, the sum of (a) the amount of Funds which Lender is holding or keeping on deposit, plus (b) the amount of the monthly payments of Funds which I still must pay between that time and the due dates of taxes and insurance, is greater than the amount necessary to pay the taxes and insurance when they are due.

If, when payments of taxes and insurance are due, Lender has not received enough Funds from me to make those payments, I will pay to Lender whatever additional amount is necessary to pay the taxes and insurance in full. I must pay that additional amount in one or more payments as Lender may require.

When I have paid all of the amounts due under the Note and under this Mortgage, Lender will promptly refund to me any Funds that are then being held or kept on deposit by Lender. If, under Paragraph 20 below, either Lender acquires the Property or the Property is sold, then immediately before the acquisition or sale, Lender will use any Funds which Lender is holding or has on deposit at that time to reduce the amount that I owe to Lender under the Note and under this Mortgage.

3. LENDER'S APPLICATION OF BORROWER'S PAYMENTS

Unless the law requires otherwise, Lender will apply each of my payments under the Note and under Paragraphs 1 and 2 above in the following order and for the following purposes:

- (A) First, to pay the amounts then due to Lender under Paragraph 2 above;
- (B) Next, to pay interest then due under the Note;
- (C) Next, to pay principal then due under the Note; and
- (D) Next, to pay interest and principal on any Future Advances that I may have received from Lender under Paragraph 23 below.

4. BORROWER'S OBLIGATION TO PAY CHARGES AND ASSESSMENTS AND TO SATISFY CLAIMS AGAINST THE PROPERTY

I will pay all taxes, assessments, and any other charges and fines that may be imposed on the Property and that may be superior to this Mortgage. I will also make payments due under my lease if I am a tenant on the Property and I will pay ground rents (if any) due on the Property. I will do this either by making the payments to Lender that are described in Paragraph 2 above or, if I am not required to make payments under Paragraph 2, by making payments, when they are due, directly to the persons entitled to them. (In this Mortgage, the word "person" means any person, organization, governmental authority, or other party.) If I make direct payments, then promptly after making any of those payments I will give Lender a receipt which shows that I have done so. If I make payment to Lender under Paragraph 2, I will give Lender all notices or bills that I receive for the amounts due under this Paragraph 4.

Any claim, demand or charge that is made against property because an obligation has not been fulfilled is known as a "lien." I will promptly pay or satisfy all liens against the Property that may be superior to this Mortgage. However, this Mortgage does not require me to satisfy a superior lien if: (A) I agree, in writing, to pay the obligation which gave rise to the superior lien and Lender approves the way in which I agree to pay that obligation; or (B) I, in good faith, argue or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced and no part of the Property must be given up.

Condominium and PUD Assessments

If the Property includes a unit in a Condominium Project or in a PUD, I will promptly pay, when they are due, all assessments imposed by the owners association or other organization that governs the Condominium Project or PUD. That association or organization will be called the "Owners Association."

5. BORROWER'S OBLIGATION TO OBTAIN AND TO KEEP HAZARD INSURANCE ON THE PROPERTY**(A) Generally**

I will obtain hazard insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies, and other hazards for which Lender requires coverage. The insurance must be in the amounts and for the periods of time required by Lender. It is possible that the insurance policy will have provisions that may limit the insurance company's obligation to pay claims if the amount of coverage is too low. Those provisions are known as "co-insurance requirements." Lender may not require me to obtain an amount of coverage that is more than the larger of the following two amounts: either (i) the amount that I owe to Lender under the Note and under this Mortgage; or (ii) the amount necessary to satisfy the co-insurance requirements.

I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable. All of the insurance policies and renewals of those policies must include what is known as a "standard mortgage clause" to protect Lender. The form of all policies and the form of all renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals.

I will pay the premiums on the insurance policies either by making payments to Lender, as described in Paragraph 2 above, or by paying the insurance company directly when the premium payments are due. If Lender requires, I will promptly give Lender all receipts of paid premiums and all renewal notices that I receive.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company is called "proceeds." The proceeds will be used to repair or to restore the damaged Property unless: (a) it is not economically possible to make the repairs or restoration; or (b) the use of the proceeds for that purpose would lessen the protection given to Lender by this Mortgage; or (c) Lender and I have agreed in writing not to use the proceeds for that purpose. If the repair or restoration is not economically possible or if it would lessen Lender's protection under this Mortgage, then the proceeds will be used to reduce the amount that I owe to Lender under the Note and under this Mortgage. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. The use of proceeds to reduce the amount that I owe to Lender will not be a prepayment that is subject to the prepayment charge provisions, if any, under the Note.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim for insurance benefits, then Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the amount that I owe to Lender under the Note and under this Mortgage. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

If Lender acquires the Property under Paragraph 20 below, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender or sold will belong to Lender. However, Lender's rights in those proceeds will not be greater than the amount that I owe to Lender under the Note and under this Mortgage immediately before the Property is acquired by Lender or sold.

(B) Agreements that Apply to Condominiums and PUD's

(i) If the Property includes a unit in a Condominium Project, the Owners Association may maintain a hazard insurance policy which covers the entire Condominium Project. That policy will be called the "master policy." So long as the master policy remains in effect and meets the requirements stated in this Paragraph 5: (a) my obligation to obtain and to keep hazard insurance on the Property is satisfied; (b) I will not be required to include an amount for hazard insurance premiums in my monthly payment of Funds to Lender under Paragraph 2 above; and (c) if there is a conflict, concerning the use of proceeds, between (1) the terms of this Paragraph 5, and (2) the law or the terms of the declaration, by-laws, regulations or other documents creating or governing the Condominium Project, then that law or the terms of those documents will govern the use of proceeds. I will promptly give Lender notice if the master policy is interrupted or terminated. During any time that the master policy is not in effect the terms of (a), (b) and (c) of this subparagraph 5(B)(i) will not apply.

(ii) If the Property includes a unit in a Condominium Project, it is possible that proceeds will be paid to me instead of being used to repair or to restore the Property. I give Lender my rights to those proceeds. If the Property includes a unit in a PUD, it is possible that proceeds will be paid to me instead of being used to repair or to restore the common areas or facilities of the PUD. I give Lender my rights to those proceeds. All of the proceeds described in this subparagraph 5(B)(ii) will be paid to Lender and will be used to reduce the amount that I owe to Lender under the Note and under this Mortgage. If any of those proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. The use of proceeds to reduce the amount that I owe to Lender will not be a prepayment that is subject to the prepayment charge provisions, if any, under the Note.

6. BORROWER'S OBLIGATION TO MAINTAIN THE PROPERTY AND TO FULFILL OBLIGATIONS IN LEASE, AND AGREEMENTS ABOUT CONDOMINIUMS AND PUD'S

(A) Agreements about Maintaining the Property and Keeping Promises in Lease

I will keep the Property in good repair. I will not destroy, damage or substantially change the Property, and I will not allow the Property to deteriorate. If I do not own but am a tenant on the Property, I will fulfill my obligations under my lease.

(B) Agreements that Apply to Condominiums and PUD's

If the Property is a unit in a Condominium Project or in a PUD, I will fulfill all of my obligations under the declaration, by-laws, regulations and other documents that create or govern the Condominium Project or PUD. Also, I will not divide the Property into smaller parts that may be owned separately (known as "partition or subdivision"). I will not consent to certain actions unless I have first given Lender notice and obtained Lender's consent in writing. Those actions are:

(A) The abandonment or termination of the Condominium Project or PUD, unless, in the case of a condominium, the abandonment or termination is required by law;

(B) Any significant change to the declaration, by-laws or regulations of the Owners Association, trust agreement, articles of incorporation, or other documents that create or govern the Condominium Project or PUD, including, for example, a change in the percentage of ownership rights, held by unit owners, in the Condominium Project or in the common areas or facilities of the PUD;

(C) A decision by the Owners Association to terminate professional management and to begin self-management of the Condominium Project or PUD; and

(D) The transfer, release, creation of liens, partition or subdivision of all or part of the common areas and facilities of the PUD. (However, this provision does not apply to the transfer by the Owners Association of rights to use those common areas and facilities for utilities and other similar or related purposes.)

7. LENDER'S RIGHT TO TAKE ACTION TO PROTECT THE PROPERTY

If: (A) I do not keep my promises and agreements made in this Mortgage, or (B) someone, including me, begins a legal proceeding that may significantly affect Lender's rights in the Property (such as, for example, a legal proceeding in bankruptcy, in probate, for condemnation, or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions under this Paragraph 7 may include, for example, appearing in court, paying reasonable attorney's fees, and entering on the Property to make repairs. Lender must give me notice before Lender may take any of these actions.

I will pay to Lender any amounts, with interest, which Lender spends under this Paragraph 7. This Mortgage will protect Lender in case I do not keep this promise to pay those amounts with interest.

I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will also pay interest on those amounts at the same rate stated in the Note. However, if payment of interest at that rate would violate the law, I will pay interest on the amounts spent by Lender under this Paragraph 7 at the highest rate that the law allows. Interest on each amount will begin on the date that the amount is spent by Lender. However, Lender and I may agree in writing to terms of payment that are different from those in this paragraph.

Although Lender may take action under this Paragraph 7, Lender does not have to do so.

8. LENDER'S RIGHT TO INSPECT THE PROPERTY

Lender, and others authorized by Lender, may enter on and inspect the Property. They must do so in a reasonable manner and at reasonable times. Before one of those inspections is made, Lender must give me notice stating a reasonable purpose for the inspection. That purpose must be related to Lender's rights in the Property.

9. AGREEMENTS ABOUT CONDEMNATION OF THE PROPERTY

A taking of property by any governmental authority by eminent domain is known as "condemnation." I give to Lender my right: (A) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property; and (B) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to Lender.

If all of the Property is taken, the proceeds will be used to reduce the amount that I owe to Lender under the Note and under this Mortgage. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. Unless Lender and I agree otherwise in writing, if only a part of the Property is taken, the amount that I owe to Lender will only be reduced by the amount of proceeds multiplied by the following amount: (i) the total amount that I owe to Lender under the Note and under this Mortgage immediately before the taking, divided by (ii) the fair market value of the Property immediately before the taking. The remainder of the proceeds will be paid to me. The use of proceeds to reduce the amount that I owe to Lender will not be a prepayment that is subject to the prepayment charge provisions, if any, under the Note.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that a governmental authority has offered to make a payment or to settle a claim for damages, then Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the amount that I owe to Lender under the Note and under this Mortgage. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

Condemnation of Common Areas of PUD

If the Property includes a unit in a PUD, the promises and agreements in this Paragraph 9 will apply to a condemnation, or sale to avoid condemnation, of the PUD's common areas and facilities as well as of the Property.

10. CONTINUATION OF BORROWER'S OBLIGATIONS

Lender may allow a person who takes over my rights and obligations to delay or to change the amount of the monthly payments of principal and interest due under the Note or under this Mortgage. Even if Lender does this, however, that person and I will both still be fully obligated under the Note and under this Mortgage unless the conditions stated in Paragraph 19 below have been met.

Lender may allow those delays or changes for a person who takes over my rights and obligations, even if Lender is requested not to do so. Lender will not be required to bring a lawsuit against such a person for not fulfilling obligations under the Note or under this Mortgage, even if Lender is requested to do so.

11. CONTINUATION OF LENDER'S RIGHTS

Even if Lender does not exercise or enforce any right of Lender under this Mortgage or under the law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will still have the right, under Paragraph 20 below, to demand that I make Immediate Payment In Full (see Paragraph 20 for a definition of this phrase) of the amount that I owe to Lender under the Note and under this Mortgage.

12. LENDER'S ABILITY TO ENFORCE MORE THAN ONE OF LENDER'S RIGHTS

Each of Lender's rights under this Mortgage is separate. Lender may exercise and enforce one or more of those rights, as well as any of Lender's other rights under the law, one at a time or all at once.

13. OBLIGATIONS OF BORROWERS AND OF PERSONS TAKING OVER BORROWER'S RIGHTS OR OBLIGATIONS; AGREEMENTS CONCERNING CAPTIONS

Subject to the terms of Paragraph 19 below, any person who takes over my rights or obligations under this Mortgage will have all of my rights and will be obligated to keep all of my promises and agreements made in this Mortgage. Similarly, any person who takes over Lender's rights or obligations under this Mortgage will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Mortgage.

If more than one person signs this Mortgage as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Mortgage. Lender may enforce Lender's rights under this Mortgage against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under the Note and under this Mortgage. However, if one of us does not sign the Note, then: (A) that person is signing this Mortgage only to give that person's rights in the Property to Lender under the terms of this Mortgage; and (B) that person is not personally obligated to make payments or to act under the Note or under this Mortgage.

The captions and titles of this Mortgage are for convenience only. They may not be used to interpret or to define the terms of this Mortgage.

14. AGREEMENTS ABOUT GIVING NOTICES REQUIRED UNDER THIS MORTGAGE

Unless the law requires otherwise, any notice that must be given to me under this Mortgage will be given by delivering it or by mailing it addressed to me at the address stated in the section above titled "Description Of The Property." A notice will be delivered or mailed to me at a different address if I give Lender a notice of my different address. Any notice that must be given to Lender under this Mortgage will be given by mailing it to Lender's address stated in paragraph (C) of the section above titled "Words Used Often In This Document." A notice will be mailed to Lender at a different address if Lender gives me a notice of the different address. A notice required by this Mortgage is given when it is mailed or when it is delivered according to the requirements of this Paragraph 14.

15. AGREEMENTS ABOUT UNIFORM MORTGAGE AND LAW THAT GOVERNS THIS MORTGAGE

This is a "Uniform Mortgage." It contains "uniform promises" that are in mortgages used all over the country and also "non-uniform promises" that vary, to a limited extent, in different parts of the country.

The law that applies in the place that the Property is located will govern this Mortgage. If any term of this Mortgage or of the Note conflicts with the law, all other terms of this Mortgage and of the Note will still remain in effect if they can be given effect without the conflicting term. This means that any terms of this Mortgage and of the Note which conflict with the law can be separated from the remaining terms, and the remaining terms will still be enforced.

16. BORROWER'S COPY OF THE NOTE AND OF THIS MORTGAGE

I will be given a copy of the Note and of this Mortgage. Those copies must show that the original Note and Mortgage have been signed. I will be given those copies either when I sign the Note and this Mortgage or after this Mortgage has been recorded in the proper official records.

17. AGREEMENTS THAT APPLY TO VA LOANS

A loan that is guaranteed or insured by the United States Veterans Administration is known as a "VA loan." If the loan that I promise to pay in the Note is a VA loan, then my rights and obligations, as well as those of Lender, are governed by that law which is known as Title 38 of the United States Code and the Regulations made under that Title (called the "VA Requirements"). One or more terms of this Mortgage, or of other documents that are signed in connection with my VA loan, might conflict with the VA Requirements. For example, the prepayment terms in the Note or Paragraph 19 of this Mortgage might conflict with the VA Requirements. Lender and I agree that if there is a conflict, the conflicting terms of this Mortgage or other documents are modified or eliminated as much as is necessary to make all of the conflicting terms agree with the VA Requirements.

18. BORROWER'S OBLIGATION TO PAY MORTGAGE INSURANCE PREMIUMS

If Lender required mortgage insurance as a condition of making the loan that I promise to pay under the Note, I will pay the premiums for that mortgage insurance. I will pay the premiums until the requirement for mortgage insurance ends according to my written agreement with Lender or according to law. Lender may require me to pay the premiums in the manner described in Paragraph 2 above.

NON-UNIFORM PROMISES

I also promise and agree with Lender as follows:

19. AGREEMENTS ABOUT ASSUMPTION OF THIS MORTGAGE AND ABOUT LENDER'S RIGHTS IF BORROWER TRANSFERS THE PROPERTY WITHOUT MEETING CERTAIN CONDITIONS

If I sell or transfer all or part of the Property or any rights in the Property, any person to whom I sell or transfer the Property may take over all of my rights and obligations under this Mortgage (known as an "assumption of the Mortgage") if certain conditions are met. Those conditions are: (A) I give Lender notice of the sale or transfer; (B) Lender agrees that the person's credit is satisfactory; (C) the person agrees to pay interest on the amount owed to Lender under the Note and under this Mortgage at whatever rate Lender requires; and (D) the person signs an assumption agreement that is acceptable to Lender and that obligates the person to keep all of the promises and agreements made in the Note and in this Mortgage. If I sell or transfer the Property and each of the conditions in (A), (B), (C) and (D) of this Paragraph 19 is satisfied, Lender will release me from all of my obligations under the Note and under this Mortgage.

If I sell or transfer the Property and the conditions in (A), (B), (C) and (D) of this Paragraph 19 are not satisfied, I will still be fully obligated under the Note and under this Mortgage and Lender may require Immediate Payment In Full, as that phrase is defined in Paragraph 20 below. However, Lender will not have the right to require Immediate Payment In Full as a result of certain transfers. Those transfers are: (i) the creation of liens or other claims against the Property that are inferior to this Mortgage; (ii) a transfer of rights in household appliances, to a person who provides me with the money to buy those appliances, in order to protect that person against possible losses; (iii) a transfer of the Property to surviving co-owners, following the death of a co-owner, when the transfer is automatic according to law; (iv) leasing the Property for a term of three years or less, as long as the lease does not include an option to buy.

If Lender requires Immediate Payment In Full under this Paragraph 19, Lender will send me, in the manner described in Paragraph 14 above, a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered. If I do not make the required payment during that period, Lender may bring a lawsuit for "foreclosure and sale" under Paragraph 20 below without giving me any further notice or demand for payment. (See Paragraph 20 for a definition of "foreclosure and sale.")

20. LENDER'S RIGHTS IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS

If all of the conditions stated in subparagraphs (A), (B), and (C) of this Paragraph 20 are met, Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and under this Mortgage. Lender may do this without making any further demand for payment. This requirement will be called "Immediate Payment In Full."

If Lender requires Immediate Payment In Full, Lender may bring a lawsuit to take away all of my remaining rights in the Property and to have the Property sold. At this sale Lender or another person may acquire the Property. This is known as "foreclosure and sale." In any lawsuit for foreclosure and sale, Lender will have the right to collect all costs allowed by law.

Lender may require Immediate Payment In Full under this Paragraph 20 only if all of the following conditions are met:

- (A) I fail to keep any promise or agreement made in this Mortgage, including the promises to pay when due the amounts that I owe to Lender under the Note and under this Mortgage; and
- (B) Lender sends to me, in the manner described in Paragraph 14 above, a notice that states:
 - (i) The promise or agreement that I failed to keep;
 - (ii) The action that I must take to correct that failure;
 - (iii) A date by which I must correct the failure. That date must be at least 30 days from the date on which the notice is mailed to me, or, if it is not mailed, from the date on which it is delivered to me;
 - (iv) That if I do not correct the failure by the date stated in the notice, I will be in default and Lender may require Immediate Payment In Full, and Lender or another person may acquire the Property by means of foreclosure and sale;
 - (v) That I may speak with a named representative of Lender to discuss any questions which I have about the things stated in the notice;
 - (vi) That if I meet the conditions stated in Paragraph 21 below, I will have the right to have any lawsuit for foreclosure and sale discontinued and to have the Note and this Mortgage remain in full effect as if Immediate Payment In Full had never been required; and
 - (vii) That I have the right in any lawsuit for foreclosure and sale to argue that I did keep my promises and agreements under the Note and under this Mortgage, and to present any other defenses that I may have; and
- (C) I do not correct the failure stated in the notice from Lender by the date stated in that notice.

21. BORROWER'S RIGHT TO HAVE LENDER'S LAWSUIT FOR FORECLOSURE AND SALE DISCONTINUED

Even if Lender has required Immediate Payment In Full, I may have the right to have discontinued any lawsuit brought by Lender for foreclosure and sale or for other enforcement of this Mortgage. I will have this right at any time before a judgment has been entered enforcing this Mortgage if I meet the following conditions:

- (A) I pay to Lender the full amount that would have been due under this Mortgage, the Note, and any notes for Future Advances under Paragraph 23 below if Lender had not required Immediate Payment In Full; and
- (B) I correct my failure to keep any of my other promises or agreements made in this Mortgage; and
- (C) I pay all of Lender's reasonable expenses in enforcing this Mortgage including, for example, reasonable attorney's fees; and
- (D) I do whatever Lender reasonably requires to assure that Lender's rights in the Property, Lender's rights under this Mortgage, and my obligations under the Note and under this Mortgage continue unchanged.

If I fulfill all of the conditions in this Paragraph 21, then the Note and this Mortgage will remain in full effect as if Immediate Payment In Full had never been required.

22. LENDER'S RIGHTS TO RENTAL PAYMENTS FROM THE PROPERTY AND TO TAKE POSSESSION OF THE PROPERTY

As additional protection for Lender, I give to Lender all of my rights to any rental payments from the Property. However, until Lender requires Immediate Payment In Full under Paragraphs 19 or 20 above, or until I abandon the Property, I have the right to collect and keep those rental payments as they become due. I have not given any of my rights to rental payments from the Property to anyone else, and I will not do so without Lender's consent in writing.

If Lender requires Immediate Payment In Full under Paragraphs 19 or 20 above, or if I abandon the Property, then Lender, persons authorized by Lender, or a receiver appointed by a court at Lender's request may: (A) collect the rental payments, including overdue rental payments, directly from the tenants; (B) enter on and take possession of the Property; (C) manage the Property; and (D) sign, cancel and change leases. I agree that if Lender notifies the tenants that Lender has the right to collect rental payments directly from them under this Paragraph 22, the tenants may make those rental payments to Lender without having to ask whether I have failed to keep my promises and agreements under this Mortgage.

If there is a judgment for Lender in a lawsuit for foreclosure and sale, I will pay to Lender reasonable rent from the date the judgment is entered for as long as I occupy the Property. However, this does not give me the right to occupy the Property.

ADJUSTABLE RATE NOTE

NOTICE TO BORROWER: THIS NOTE CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

....., 19.....

City

State

Property Address

City

State

Zip Code

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$..... (this amount will be called "principal"), plus interest, to the order of the Lender. The Lender is

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder".

2. INTEREST

Interest will be charged on that part of outstanding principal which has not been paid. Interest will be charged beginning on the date I receive principal and continuing until the full amount of principal I receive has been paid.

Beginning on the date of this Note, I will pay interest at a yearly rate of% (the "Initial Interest Rate"). The interest rate that I will pay will change in accordance with Section 4 of this Note until my loan is paid. Interest rate changes may occur on the day of the month beginning on and on that day of the month every months thereafter. Each date on which the rate of interest may change will be called a "Change Date".

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making payments every month. I will make my monthly payments on the day of each month beginning on 19..... I will make these payments until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. I will pay all sums that I owe under this Note no later than (the "final payment date").

I will make my monthly payments at

..... or at a different place if required by the Note Holder.

(B) Borrower's Payments Before They Are Due

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". When I make a prepayment, I will tell the Note Holder in writing that I am doing so. I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my monthly payments unless the Note Holder agrees in writing to those delays. My partial prepayment will reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

(C) Amount of Monthly Payments

My initial monthly payments will be in the amount of U.S. \$..... If the interest rate that I pay changes, the amount of my monthly payments will change. Increases in the interest rate will result in higher payments (unless my prepayments since the last Change Date offset the increases in my monthly payments). Decreases in the interest rate will result in lower payments. The amount of my monthly payments will always be sufficient to repay my loan in full in substantially equal payments by the final payment date. In setting the monthly payment amount on each Change Date, the Note Holder will assume that the Note interest rate will not change again prior to the final payment date.

4. INTEREST RATE CHANGES

(A) The Index

Any changes in the interest rate will be based on changes in an interest rate index which will be called the "Index". The Index is the: *[Check one box to indicate Index.]*

- (1) * "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.
- (2) *

If the Index ceases to be made available by the publisher, or by any successor to the publisher, the Note Holder will set the Note interest rate by using a comparable index.

(B) Setting the New Interest Rate

To set the new interest rate, the Note Holder will determine the change between the Base Index figure and the Current Index figure. The Base Index figure is The Current Index figure is the most recent Index figure available days prior to each Change Date. If the amount of the change is less than one-eighth of one percentage point, the change will be rounded to zero. If the amount of the change is one-eighth of one percentage point or more, the Note Holder will round the amount of the change to the nearest one-eighth of one percentage point.

If the Current Index figure is larger than the Base Index figure, the Note Holder will add the rounded amount of the change to the Initial Interest Rate. If the Current Index figure is smaller than the Base Index figure, the Note Holder will subtract the rounded amount of the change from the Initial Interest Rate. The result of this addition or subtraction will be the preliminary rate. If there is no change between the Base Index figure and the Current Index figure after rounding, the Initial Interest Rate will be the preliminary rate.

[Check one box to indicate whether there is any maximum limit on interest rate changes; if no box is checked, there will be no maximum limit on changes.]

- (1) If this box is checked, there will be no maximum limit on changes in the interest rate up or down. The preliminary rate will be the new interest rate.
- (2) If this box is checked, the interest rate will not be changed by more than percentage points on any Change Date. The Note Holder will adjust the preliminary rate so that the change in the interest rate will not be more than that limit. The new interest rate will equal the figure that results from this adjustment of the preliminary rate.

(C) Effective Date of Changes

Each new interest rate will become effective on the next Change Date. If my monthly payment changes as a result of a change in the interest rate, my monthly payment will change as of the first monthly payment date after the Change Date.

(D) Notice to Borrower

The Note Holder will mail me a notice by first class mail at least thirty and no more than forty-five days before each Change Date if the interest rate is to change. The notice will advise me of:

- (i) the new interest rate on my loan;
- (ii) the amount of my new monthly payment; and
- (iii) any additional matters which the Note Holder is required to disclose.

5. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any of my monthly payments by the end of fifteen calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5 % of my overdue payment of principal and interest. I will pay this late charge only once on any late payment.

(B) Notice from Note Holder

If I do not pay the full amount of each monthly payment on time, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date I will be in default. That date must be at least 30 days after the date on which the notice is mailed to me.

(C) Default

If I do not pay the overdue amount by the date stated in the notice described in (B) above, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount.

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(D) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all its reasonable costs and expenses to the extent not prohibited by applicable law. Those expenses may include, for example, reasonable attorneys' fees.

6. WAIVERS

Anyone who signs this Note to transfer it to someone else (known as an "endorser") waives certain rights. Those rights are (A) the right to require the Note Holder to demand payment of amounts due (known as "presentment") and (B) the right to require the Note Holder to give notice that amounts due have not been paid (known as "notice of dishonor").

7. GIVING OF NOTICES

Except for the notice provided in Section 4(D), any notice that must be given to me under this Note will be given by mailing it by certified mail. All notices will be addressed to me at the Property Address above. Notices will be mailed to me at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by certified mail to the Note Holder at the address stated in Section 3(A) above. Notices will be mailed to the Note Holder at a different address if I am given a notice of that different address.

8. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note. Any person who takes over the rights or obligations of a guarantor, surety, or endorser of this Note is also obligated to keep all of the promises made in this Note.

9. LOAN CHARGES

It could be that this loan is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with this loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

10. THIS NOTE SECURED BY A MORTGAGE

In addition to the protections given to the Note Holder under this Note, a Mortgage, dated, 19..... protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note. One of those conditions relates to any transfer of the property covered by the Mortgage. In that regard, the Mortgage provides in paragraph 19:

19. AGREEMENTS ABOUT ASSUMPTION OF THIS MORTGAGE AND ABOUT LENDER'S RIGHTS IF BORROWER TRANSFERS THE PROPERTY WITHOUT MEETING CERTAIN CONDITIONS

If I sell or transfer all or part of the Property or any rights in the Property, any person to whom I sell or transfer the Property may take over all of my rights and obligations under this Mortgage (known as an "assumption of the Mortgage") if certain conditions are met. Those conditions are: (A) I give Lender notice of the sale or transfer; (B) Lender agrees that the person's credit is satisfactory; (C) the person agrees to pay Interest on the amount owed to Lender under the Note and under this Mortgage at whatever rate Lender requires; and (D) the person signs an assumption agreement that is acceptable to Lender and that obligates the person to keep all of the promises and agreements made in the Note and in this Mortgage. If I sell or transfer the Property and each of the conditions in (A), (B), (C) and (D) of this Paragraph 19 is satisfied, Lender will release me from all of my obligations under the Note and under this Mortgage.

If I sell or transfer the Property and the conditions in (A), (B), (C) and (D) of this Paragraph 19 are not satisfied, I will still be fully obligated under the Note and under this Mortgage and Lender may require Immediate Payment In Full, as that phrase is defined in Paragraph 20 below. However, Lender will not have the right to require Immediate Payment In Full as a result of certain transfers. Those transfers are: (i) the creation of liens or other claims against the Property that are inferior to this Mortgage; (ii) a transfer of rights in household appliances, to a person who provides me with the money to buy those appliances, in order to protect that person against possible losses; (iii) a transfer of the Property to surviving co-owners, following the death of a co-owner, when the transfer is automatic according to law; (iv) leasing the Property for a term of three years or less, as long as the lease does not include an option to buy.

If Lender requires Immediate Payment In Full under this Paragraph 19, Lender will send me, in the manner described in Paragraph 14 above, a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered. If I do not make the required payment during that period, Lender may bring a lawsuit for "foreclosure and sale" under Paragraph 20 below without giving me any further notice or demand for payment. (See Paragraph 20 for a definition of "foreclosure and sale.")

An Adjustable Rate Loan Rider supplements the Mortgage and provides:

If there is a transfer of the Property subject to paragraph 19 of the Mortgage, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to require Immediate Payment in Full provided in paragraph 19.

.....(Seal)
Borrower

.....(Seal)
Borrower

.....(Seal)
Borrower
(Sign Original Only)

ADJUSTABLE RATE LOAN RIDER

NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

This Rider is dated, 19., and is a part of and changes and adds to the Mortgage of the same date which I have given to secure my Note of the same date (the "Note") to (the "Lender"). The Mortgage covers the property described in it and located at
Property Address

Modifications. In addition to the covenants and agreements made in the Mortgage, the Lender and I further agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note has an "Initial Interest Rate" of%. The Note interest rate may be increased or decreased on the day of the month beginning on, 19. and on that day of the month every months thereafter. Each date on which the rate of interest may change is called a "Change Date". Changes in the interest rate are governed by changes in an interest rate index called the "Index".

(A) The Index

The Index is the: *[Check one box to indicate Index.]*

(1) "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.

(2)

If the Index ceases to be made available by the publisher, or by any successor to the publisher, the Lender will set the Note interest rate by using a comparable index.

(B) Setting the New Interest Rate

To set the new interest rate, the Lender will determine the change between the Base Index figure and the Current Index figure. The Base Index figure is The Current Index figure is the most recent Index figure available days prior to each Change Date. If the amount of the change is less than one-eighth of one percentage point, the change will be rounded to zero. If the amount of the change is one-eighth of one percentage point or more, the Lender will round the amount of the change to the nearest one-eighth of one percentage point.

If the Current Index figure is larger than the Base Index figure, the Lender will add the rounded amount of the change to the Initial Interest Rate. If the Current Index figure is smaller than the Base Index figure, the Lender will subtract the rounded amount of the change from the Initial Interest Rate. The result of this addition or subtraction will be the preliminary rate. If there is no change between the Base Index figure and the Current Index figure after rounding, the Initial Interest Rate will be the preliminary rate.

[Check one box to indicate whether there is any maximum limit on interest rate changes; if no box is checked, there will be no maximum limit on changes.]

(1) If this box is checked, there will be no maximum limit on changes in the interest rate up or down. The preliminary rate will be the new interest rate.

(2) If this box is checked, the interest rate will not be changed by more than percentage points on any Change Date. The Lender will adjust the preliminary rate so that the change in the interest rate will not be more than that limit. The new interest rate will equal the figure that results from this adjustment of the preliminary rate.

(C) Effective Date of Changes

Each new interest rate will become effective on the next Change Date. If Borrower's monthly payment changes as a result of a change in the interest rate, Borrower's monthly payment will change as of the first monthly payment date after the Change Date as provided in the Note.

(D) Notice to Borrower

The Lender will mail Borrower a notice by first class mail at least thirty and no more than forty-five days before each Change Date if the interest rate is to change. The notice will advise Borrower of:

- (i) the new interest rate on Borrower's loan;
- (ii) the amount of Borrower's new monthly payment; and
- (iii) any additional matters which the Lender is required to disclose.

B. LOAN CHARGES

It could be that the loan secured by the Mortgage is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from me which exceeded permitted limits will be refunded to me. The Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to me.

** If more than one box is checked or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply.*

C. PRIOR LIENS

If the Lender determines that all or any part of the sums secured by this Mortgage are subject to a lien which has priority over this Mortgage, the Lender may send me a notice identifying that lien. I will promptly act with regard to that lien as provided in paragraph 4 of this Mortgage or I will secure an agreement subordinating that lien to this Mortgage. This means that I will obtain an agreement that this Mortgage is superior to the other lien. The form of that agreement must be satisfactory to the Lender.

D. TRANSFER OF THE PROPERTY

If there is a transfer of the Property subject to paragraph 19 of the Mortgage, the Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of the Lender's waiving the option to require Immediate Payment in Full provided in paragraph 19.

By signing this, I agree to all of the above.

..... (Seal)
—Borrower

..... (Seal)
—Borrower

EXHIBIT G

MANAGEMENT AGREEMENT

Agreement made this _____ day of _____, 19___, by and between Villagewood Manor Homeowners Association, Inc. (the "Association") and R & A Management, Inc., a New York corporation (the "Agent").

WITNESSETH

In consideration of the terms, conditions and covenants hereinafter set forth, the parties hereto mutually agree as follows:

1. APPOINTMENT OF AGENT.

A. The Association hereby appoints the Agent, and the Agent hereby accepts appointment on the terms and conditions hereinafter provided, as exclusive managing agent of certain real property and the improvements made thereon, located in the Town of Perinton, County of Monroe, State of New York, and consisting of eighty (80) Townhomes and the Common Area.

B. The Agent fully understands that the function of the Board of Directors of the Association is the operation and management of the Common Area; and the Agent agrees, notwithstanding the authority given to the Agent in this Agreement, to confer fully with the Board of Directors of the Association in the performance of its duties as herein set forth and to attend annual membership or monthly Directors meetings at the times requested by the Association or its Board of Directors. It is further understood and agreed that the authority and duties conferred upon the Agent hereunder are confined to those services and duties of the Association as defined in the recorded Declaration of Covenants, Conditions and Restrictions (the "Declaration"). The authority and duty conferred upon the Agent shall not include the promulgation of rules or regulations.

2. EMPLOYMENT BY AGENT.

The Agent shall hire in its own name all managerial personnel necessary for the efficient discharge of all duties of the Agent hereunder. Compensation for the services of such employees shall be the responsibility

of the Agent.

3. SERVICES AND DUTIES OF AGENT.

Under the personal and direct supervision of one of its principal officers, the Agent shall render services and perform duties as follows:

A. On the basis of an operating schedule, job standards, and wage rates previously approved by the Association's Board of Directors on the recommendation of the Agent, investigate, hire, pay, supervise, and discharge the personnel necessary to be employed in order to properly maintain and operate the Common Area. Such personnel shall in every instance be independent contractors, or employees of the Agent. Compensation for the services of such employees (as evidenced by payrolls) shall be considered an operating expense of the Association.

B. Maintain businesslike relations with the owners, whose service requests shall be received, considered and recorded in systematic fashion in order to show the action taken with respect to each. Complaints of a serious nature shall, after thorough investigation, be reported to the Association's Board of Directors with appropriate recommendations. As part of a continuing program, secure full performance by the owners of all items for which they are responsible.

C. Cause the Common Area and Lots' landscaping to be maintained according to standards acceptable to the Association's Board of Directors. For any item of repair or replacement the expense incurred shall not exceed the sum of Five Hundred Dollars (\$500.00), unless specifically authorized by the Association's Board of Directors, excepting, however, the emergency repairs, involving manifest danger to life or property, or immediately necessary for the preservation and safety of the Common Area, or for the safety of the owners, or required to avoid the suspension of any necessary service to the Common Area, may be made by the Agent irrespective of the cost limitation imposed by this paragraph. Notwithstanding this authority as to emergency repairs, it is understood and agreed that the Agent will, if at all possible, confer immediately with the Association's Board of Directors regarding every such expenditure. The Agent shall not incur liabilities (direct or contingent) which will at any time exceed the aggregate of One Thousand Dollars (\$1,000.00), or any liability maturing more than one (1) year from the creation thereof,

without first obtaining the approval of the Association's Board of Directors.

D. Take such action as may be necessary to comply with any and all orders or requirements affecting the premises or improvements placed thereon by any federal, state, county or town authority having jurisdiction thereover, and the Board of Fire Underwriters or other similar bodies, subject to the same limitation contained in paragraph C of this Article in connection with the making of repairs and alterations. The Agent, however, shall not take any action under this paragraph D so long as the Association is contesting, or has affirmed its intention to contest, any such order or requirement. The Agent shall promptly, and in no event later than seventy-two (72) hours from the time of their receipt, notify the Association's Board of Directors in writing of all such orders and notices of requirements.

E. Subject to approval by the Association's Board of Directors, make contracts for all necessary services, or such of them as the Board of Directors shall deem advisable. Also, place orders for such equipment, tools, appliances, materials and supplies as are necessary to properly maintain the Common Area. All such contracts and orders shall be made in the name of the Association and signed by the Agent and shall be subject to the limitations set forth in Paragraph C of this Article. When taking bids or issuing purchase orders, the Agent shall be under a duty to secure for and credit to the Association any discounts, commissions, or rebates obtainable as a result of such purchases, and to obtain the best possible price and terms.

F. When authorized by the Board of Directors in writing, cause to be placed and kept in force all forms of insurance needed to adequately protect the Association and the owners, as their respective interests appear (or as required by law), including but not limited to workmen's compensation insurance and public liability insurance. All insurance coverage shall be subject to the conditions, restrictions and limitations contained in the recorded Declaration. All of the various types of insurance coverage required shall be placed with such companies, in such amounts, and with such beneficial interest appearing therein as shall be acceptable to the Association's Board of Directors. The Agent shall promptly investigate and make a full written report as to all accidents or claims for damage relating to the management, operation and maintenance of the Common Area and shall cooperate and make any and all reports required

by any insurance company in connection therewith.

G. From the funds collected and deposited in the special account hereinafter provided, cause to be disbursed regularly and punctually (1) salaries and any other compensation due and payable to the employees of the Agent, and the taxes payable under Paragraph H of this Paragraph 3 (2) public liability and other insurance premiums and (3) sums otherwise due and payable by the Association as operating expenses authorized to be incurred under the Association Budget and the terms of this Agreement, including the Agent's commission. After disbursement in the order herein specified, any balance remaining in the special account may be disbursed or transferred from time to time, but only as specifically directed by the Association's Board of Directors in writing.

H. Working in conjunction with an accountant, prepare for execution all forms, reports and returns required by law in connection with unemployment insurance, workmen's compensation insurance, disability benefits, social security and other similar taxes now in effect or hereafter imposed, relating to the employment of personnel.

I. Maintain a comprehensive system of office records, books and accounts in a manner satisfactory to the Association's Board of Directors, which records shall be subject to examination by their authorized agents at all reasonable hours. As a standard practice, the Agent shall render to the Association by not later than the tenth (10th) of each succeeding month, a statement of receipts and disbursements as of the end of every month. Annually, at such time as the Association's Board of Directors shall request in writing, said records, books and accounts shall be reviewed by a certified public accountant whose report will be submitted to the Association's Board of Directors. The cost of said audit shall be borne by the Association.

J. Annually, at such time as the Association's Board of Directors shall request in writing, prepare with the assistance of an accountant, an operating budget setting forth an itemized statement of the anticipated receipts and disbursements for the new fiscal year based upon the then current schedule of monthly assessments. Each such budget, together with a statement from the Agent outlining a plan of operation and justifying the estimates made in every important particular, shall be submitted for approval to the Association's Board of Directors in final draft within fifteen (15) days after

said written request is delivered to the Agent, and following its adoption by the Association's Board of Directors, the budget shall serve as a supporting document for a schedule of monthly assessments proposed for the new fiscal year. It shall also constitute a major control under which the Agent shall operate and there shall be no substantial variances therefrom, except such as may be sanctioned by the Association's Board of Directors. By this it is meant that no expenses may be incurred or commitments made by the Agent in connection with the maintenance and operation of the Common Area, in excess of the amounts allocated to the various classifications of expense in the approved budget without the prior consent of the Association's Board of Directors except that, if necessary because of an emergency or lack of sufficient time to obtain such prior consent, an overrun may be experienced, provided it is brought promptly to the attention of the Association's Board of Directors in writing.

K. It shall be the duty of the Agent at all times during the term of this Agreement to operate and maintain the Common Area according to the highest standards achievable consistent with the overall plan of the Association and the recorded Declaration. The Agent shall see that all members are informed with respect to such rules, regulations and notices as may be promulgated by the Association from time to time. The Agent shall be expected to perform such other acts and duties as are reasonable, necessary and proper in the discharge of its duties under this Agreement.

4. AGENT, AN INDEPENDENT CONTRACTOR.

Everything done by the Agent under the provisions of Section 3 shall be done as an independent contractor employed by the Association and all obligations or expenses incurred thereunder shall be for the account, on behalf, and at the expense of the Association, except that the Association shall not be obligated to pay the overhead expenses of the Agent's office. Any payments to be made by the Agent hereunder shall be made out of such sums as are available in the special account of the Association as provided in Section 5 of this Agreement, or as may be provided by the Association. The Agent shall not be obligated to make any advance to or for the account of the Association or to pay any sum, except out of funds held or provided as aforesaid, nor shall the Agent be obligated to incur any liability or obligation for the account of the Association without assurance that the necessary funds for the discharge thereof will be provided.

5. BANK ACCOUNT.

The Agent shall establish and maintain, in a bank whose deposits are insured by the Federal Deposit Insurance Corporation and in a manner to indicate the custodial nature thereof, a separate bank account for the deposit of the monies of the Association, with authority to draw thereon for any payments to be made by the Agent to discharge any liabilities or obligations incurred pursuant to this Agreement, and for the payment of the Agent's fee, all of which payments shall be subject to the limitations of this Agreement.

6. AGENT'S FEE.

The sole compensation which the Agent shall be entitled to receive for all services performed under this Agreement shall be a fee of \$ _____ and for operation expenses the sum of \$ _____, payable monthly.

7. TERM AND CANCELLATION.

A. Unless cancelled pursuant to Paragraphs B, C or D of this Section, this Agreement shall be in effect for a term of twelve (12) months from the date of execution, however, this Agreement may be terminated by either party upon giving the other sixty (60) days' notice in writing. This Agreement shall continue in full force and effect for additional terms of twelve (12) months each unless and until either party gives to the other sixty (60) days' notice in writing prior to the expiration of any such term.

B. This Agreement may be terminated by mutual consent in writing of the parties hereto as of the end of any calendar month.

C. In the event a petition in bankruptcy is filed by or against the Agent, or in the event that he shall make an assignment for the benefit of creditors or take advantage of any insolvency act, either party hereto may terminate this Agreement without notice to the other. In the event this Agreement is terminated pursuant to this paragraph, the Association shall immediately and automatically have a lien upon all funds held by the Agent for the benefit of the Association in accordance with the terms of this Agreement. The Association's Board of Directors shall have the right and power to do all things necessary for the enforcement and foreclosure

of said lien.

D. Either party may terminate this Agreement at any time for cause.

E. Upon termination, the contracting parties shall account to each other with respect to all matters outstanding as of the date of termination, and the Association's Board of Directors shall furnish the Agent security, satisfactory to the Agent, against any outstanding obligations or liabilities which the Agent may have incurred hereunder.

8. MISCELLANEOUS.

A. This Agreement shall inure to the benefit of and constitute a binding obligation upon the contracting parties, their respective successors and assigns.

B. This Agreement shall constitute the entire Agreement between the contracting parties, and no variance or modification thereof shall be valid and enforceable, except by supplemental agreement in writing, executed and approved in the same manner as this Agreement.

C. For the convenience of the parties, this Agreement has been executed in several counterparts, which are in all respects similar and each of which shall be deemed to be complete in itself so that any one may be introduced in evidence or used for any other purpose without the production of the other counterpart.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

VILLAGWOOD MANOR HOMEOWNERS
ASSOCIATION, INC.

by _____

R & A MANAGEMENT, INC.

by _____

EXHIBIT H
ENGINEER'S REPORT

Villagewood Manor consists of two parcels, Sections 1 and 2, comprising approximately 34 acres on Ayrault Road in the Town of Perinton of which approximately 5.5[±] acres is Common Area. Entrance to Section 2 is approximately one-quarter mile east from the intersection of Ayrault Road and Turk Hill road, entrance to Section 1 is approximately eight hundred feet further east.

There are four buildings in the Common Area:

- A. A frame building used as a bus shelter;
- B. An office building with attached two car garage and living quarters for the superintendent;
- C. A frame and masonry barn used for storage of needed maintenance equipment;
- D. An accessory building approximately 16' x 34' near the pool that contains storage, pool equipment, toilets, changing areas and lifeguard's office.

Other Facilities and Improvements in the Common Area are:

- A. Private Roads;
- B. Swimming Pool;

C. Basketball court; and

D. Two Tennis Courts.

PRIVATE ROADS, DRIVES, SIDEWALKS AND PARKING AREAS

The private roads which shall be owned and maintained by the Association have pavement 22 feet wide and consist of 12 to 13 inches of gravel base, 1 1/2 to 2 1/2 inches of asphalt binder and 2 inches of asphalt top. A new asphalt top surface was installed in September, 1982. The pavement is in very good condition. There is no curbing. The pavement and site are drained by an underground storm sewer with catch basins located in the center of the pavement. The storm system discharges into a creek maintained by the Town of Perinton. The system is in good condition. There is no street lighting system but the Townhomes in the complex have carriage lights which shall be maintained by the individual owners.

There is a parking area near the bus shelter for eight cars and another eight carparking area with a driveway located at the office building. These consist of 8 inch gravel base and approximately 2 inches of asphalt topping. They are irregularly shaped and having been recently retopped and are in very good condition. There is one sidewalk nine feet wide that connects the office building to the pool area and tennis courts. It consists of a 6 inch gravel base and 2 inch asphalt top. These areas of parking and driveways are surface drained to the storm water sewer system.

STEVE M. SAIKI, P.C.
 Consulting Engineers
 640 Kreag Road
 PITTSFORD, NEW YORK 14534
 (716) 248-5161

JOB VILLAGWOOD MANOR
 SHEET NO. _____ OF _____
 CALCULATED BY JAK DATE 2/25/83
 CHECKED BY _____ DATE _____
 SCALE _____

LOAD CAPACITY OF PRIVATE DRIVE

MINIMUM PAVEMENT THICKNESS (Core #4 taken by Empire)

Top course = 1"
 Binder course = 1½"
 Base (gravel) = 12"
 14½"

SUBSOIL CLASSIFICATION

	AASHTO	UNIFIED
Hilton loam	A4	SM-SC, ML or CL
Appleton loam	A4	SM or ML

Classification taken from Soil Survey for Monroe County, NY -
 Soil Conservation Service (pg. 50 / 52)

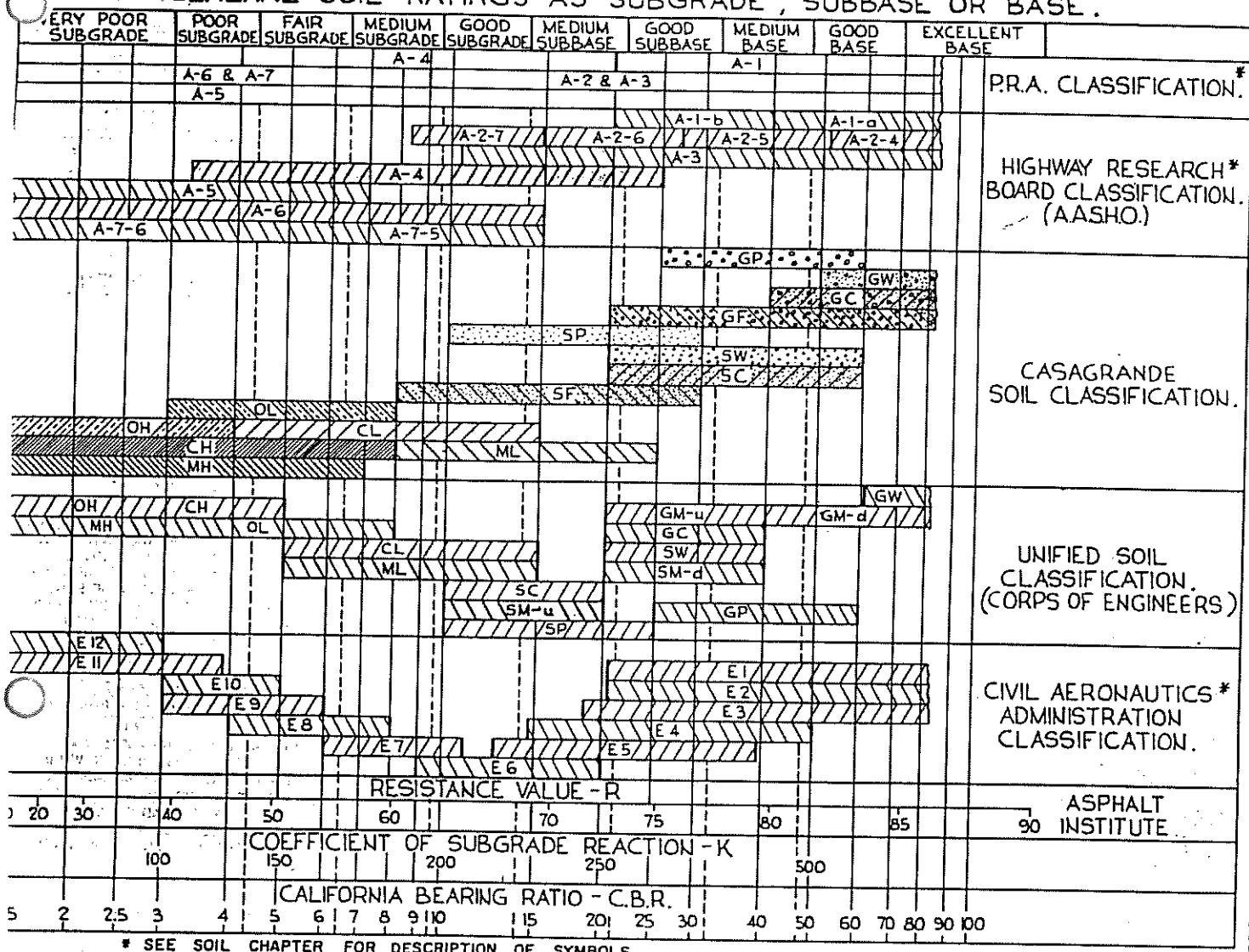
LOAD CAPACITY

According to Fig. B, pg. 10-5 of Data Book for Civil Engineers
 by Seelye -

The private drive can carry H-20 truck loads (32,000 lb.
 axle load) which is adequate to handle fire equipment.

ROADS & AIRFIELDS-GENERAL SOIL RATINGS

FIG. A GENERAL SOIL RATINGS AS SUBGRADE, SUBBASE OR BASE.



AASHO	BOULDERS	COARSE GRAVEL	MEDIUM GRAVEL	FINE GRAVEL	COARSE SAND	FINE SAND	SILT	CLAY	COLLOIDS													
CAA	GRAVEL				COARSE SAND	FINE SAND	SILT	CLAY														
UNIFIED (C of E)	COBBLES	COARSE GRAVEL	FINE GRAVEL	COARSE SAND	MEDIUM SAND	FINE SAND	FINES (SILT OR CLAY)															
SIEVE SIZES	100.0	80.0	4.0	3.0	2.0	1.0	0.8	0.6	0.4	0.3	0.2	0.1	0.075	0.05	0.025	0.02	0.0075	0.006	0.004	0.003	0.002	0.001
PARTICLE SIZE mm	100.0	80.0	4.0	3.0	2.0	1.0	0.8	0.6	0.4	0.3	0.2	0.1	0.075	0.05	0.025	0.02	0.0075	0.006	0.004	0.003	0.002	0.001

FIG. B TEXTURAL CLASSIFICATION FOR SOILS

USE: IDENTIFY SOIL AND SELECT BEARING VALUE FOR PAVEMENT. DESIGN FROM DIAGRAM.
 EXAMPLE GIVEN: HIGHLY COMPRESSIBLE CLAY SUBGRADE.
 CLASSIFICATION IS CH, A-7 OR A-8
 CBR = 4 TO 8
 K = 125 TO 180
 R = 45 TO 60

- LEGEND OF SYMBOLS**
- G - gravel
 - S - sand
 - M - medium, very fine sand, silt, rock flour
 - C - clay
 - F - fines (-0.1mm)
 - O - organic
 - W - well graded
 - P - poorly graded
 - L - low to medium compressibility
 - H - high compressibility
 - u - undesirable
 - d - desirable

NOTE: BEARING VALUES ARE APPROXIMATE AND SHOULD NOT BE USED AS A SUBSTITUTE FOR ACTUAL SOIL TESTS.

ROADS - DESIGN OF FLEXIBLE PAVEMENT

PROCEDURE:

1. ON THE BASIS OF DATA FROM TRAFFIC STUDY, DETERMINE TRAFFIC CLASSIFICATION FOR DESIGN FROM TABLE A.
2. DETERMINE MAXIMUM SINGLE AXLE LOAD ANTICIPATED DURING LIFE OF PAVEMENT.
 - a. FOR BUS STOP AREAS, THE PAVEMENT SHOULD BE DESIGNED FOR THE "HEAVY" TRAFFIC CLASSIFICATION WHERE THE NORMAL PAVEMENT DESIGN IS FOR "LIGHT" OR "MEDIUM" TRAFFIC AND FOR "VERY HEAVY" TRAFFIC WHERE THE NORMAL PAVEMENT DESIGN IS FOR "HEAVY" OR "VERY HEAVY" TRAFFIC.
 - b. FOR PARKING LOTS, THE FLEXIBLE PAVEMENT SHOULD BE DESIGNED FOR "HEAVY" TRAFFIC EXCEPT THAT WHEN ONLY PASSENGER CARS AND LIGHT TRUCKS OF 6,000 LB. AXLE LOAD OR LESS ARE EXPECTED TO USE THE PARKING FACILITY, THE MINIMUM REQUIRED THICKNESS OF BASE AND PAVEMENT MAY BE REDUCED TO 6".
3. MINIMUM BASE COURSE IS EQUAL TO 4" WITH A CBR OF 80 PLUS.

TABLE A

TRAFFIC CLASSIFICATION	TRAFFIC DENSITY MAXIMUM, PER LANE, PER DAY	
	DAILY VOLUME PASSENGER CARS & LIGHT TRUCKS UNDER 6000 #	DAILY VOLUME COMMERCIAL TRUCKS AND BUSES OVER 8000 #
LIGHT	25	5
MEDIUM	500	25
HEAVY	UNLIMITED	250
VERY HEAVY	UNLIMITED	UNLIMITED

DESIGN OF PAVEMENT

PROBLEM:

GIVEN:

PLANT MIX
 TRAFFIC CLASSIFICATION = MEDIUM
 MAXIMUM SINGLE AXLE LOAD = 18,000 LBS
 SUBGRADE CBR = 4

FIND:

REQUIRED PAVEMENT THICKNESS
 SUBBASE COURSE CBR

SOLUTION:

STEP 1 - ENTER CHART (FIG. 8) AT CBR = 4;
 READ DOWN TO INTERSECT SINGLE AXLE
 LOAD CURVE = 18,000 LBS; PROJECT
 HORIZONTALLY TO LEFT EDGE OF CHART;
 THEN FROM INTERSECTION OF EDGE OF
 CHART THRU PIVOT POINT FOR MEDIUM
 TRAFFIC DRAW LINE TO GET TOTAL
 PAVEMENT THICKNESS OF 12 INCHES.
 STEP 2 - FROM TABLE C BELOW FOR
 PLANT MIX
 BITUMINOUS SURFACE = 3 IN.
 MINIMUM BASE COURSE = 4 IN. (See note 3 above)
 TOTAL = 7 IN.
 ENTER CHART (FIG. 8) WITH 7 IN.
 THICKNESS (AT RIGHT) AND DRAW LINE
 THRU PIVOT POINT FOR MEDIUM TRAFFIC
 TO LEFT EDGE; PROJECT TO THE RIGHT
 TO SINGLE AXLE LOAD CURVE = 18,000 LBS.
 READ UP TO CBR = 10. THIS IS THE MIN.
 CBR FOR THE REMAINING SUBBASE
 OF 5 IN.

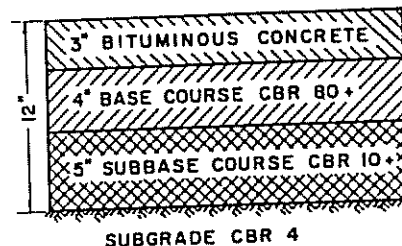
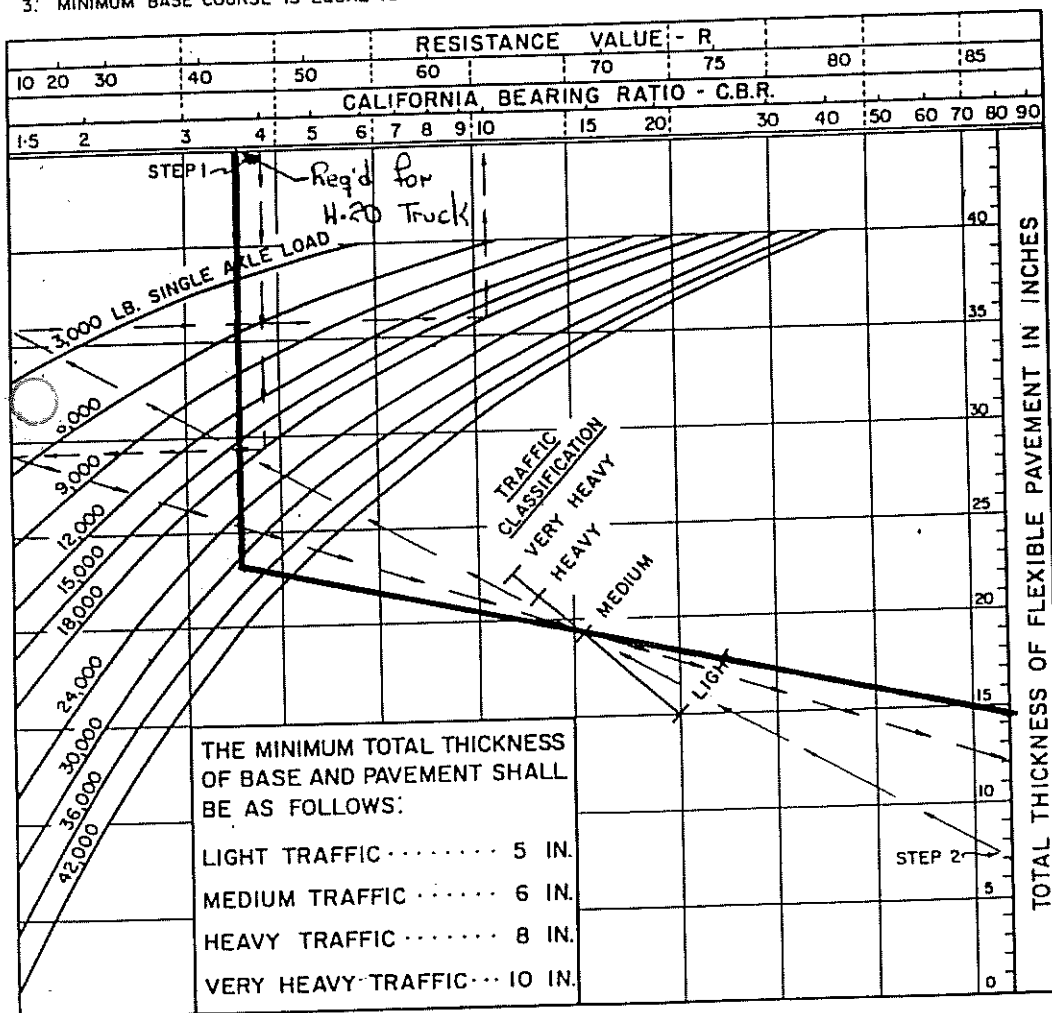


FIG. 8 DESIGN OF TOTAL PAVEMENT AND BASE THICKNESS

TABLE - C		SELECTION OF BITUMINOUS PAVEMENT TYPES FOR DIFFERENT DENSITIES OF TRAFFIC AS INFLUENCED BY SERVICE LIFE, QUALITY, AND COST FACTORS								BITUMINOUS PAVEMENT SURFACES SUGGESTED THICKNESSES				
BITUMINOUS PAVEMENT TYPE		LIGHT TRAFFIC		MEDIUM TRAFFIC		HEAVY TRAFFIC		VERY HEAVY TRAFFIC		PAVEMENT SURFACE THICKNESS IN INCHES				
		QUALITY CHOICE	COST CHOICE	QUALITY CHOICE	COST CHOICE	QUALITY CHOICE	COST CHOICE	QUALITY CHOICE	COST CHOICE	LIGHT TRAFFIC	MEDIUM TRAFFIC	HEAVY TRAFFIC	VERY HEAVY TRAFFIC	
EXPECTED SERVICE LIFE	SHORT LIFE	SINGLE SURFACE TREATMENT	6th	1st	6th	1st	-	-	-	-	1-	1-	-	-
	MEDIUM LIFE	DOUBLE SURFACE TREATMENT	5th	2nd	5th	2nd	-	-	-	-	1	1	-	-
LONG LIFE		ROAD MIX	4th	3rd	4th	3rd	4th	1st	-	-	2	3	3	-
		PLANT MIX	3rd	4th	3rd	4th	3rd	2nd	-	-	2	3	3	-
	MACADAM	2nd	5th	2nd	5th	2nd	3rd	-	-	2	2-1/2	2-1/2	-	

Sub-soil conditions:

The sub-soils consist of Hilton Loam and Appleton Loam. The soils have sufficient load bearing capacity and porosity to support the buildings as there has been no noticeable settling in the nine years the buildings have been erected. There is no moisture or seepage and no corrective action is needed. There is no damage from flooding. There is no potential for mudslides or erosions as the areas have a minor slope.

Landscape:

The entire Common Area not covered by buildings, pool or driveways, etc. is grass covered. There are evergreens and flowering plants around the front foundation of the office building and bus shelter. There are no trees on the Common Area, except near the storage barn. There is a metal chain-a-link fence around the pool area. There is one chain-a-link gate to the pool area located on the east side of the accessory building. There are no garden walks, nor retaining walls. There are no display pools nor foundations.

Utilities:

Electric power is supplied by Fairport Municipal Commission. Onsite distribution is underground with pad mounted transformers. The barn has overhead distribution and the bus shelter has no service. Gas is supplied by the Rochester Gas and Electric Corporation. Water is supplied by the Monroe County Water Authority and there are nine (9) fire hydrants

located in the project area.

Sewers:

Sanitary Sewage System:

The sanitary sewer pipe is asbestos - cement pipe class 3300. There are no pumps in the system. The system is public and is owned and maintained by the Town of Perinton, Department of Public Works.

There is no users permit required by the Home Owners Association. A permit to use the system was obtained from the Monroe County Health Department on June 10, 1974. The system has been in the control of the Town of Perinton, Department of Public Works.

Storm Drainage System:

The system is a combination of surface drainage, catch basins and underground drains. The underground piping system discharges into a town controlled creek which is maintained by the Town. There are 29 (19 in Sect. 1 and 10 in Sect. 2) catch basins and inlet manholes located in the roadways. There are no yard drains. The roof drains from the office and accessory building are connected to the storm water system. The storm water pipe consists of reinforced concrete pipe Class C-76. Catch basins that are connected to manholes are ten inch corrugated metal pipe fully coated, 16-gauge. There are no eject or sump pumps.

Refuse Disposal:

Refuse disposal is provided by Quick Way Disposal

Service, a private concern. The costs will be a common charge. There are no incinerators, nor compactors. No approvals are required for refuse pick up. Pick up of refuse is on a once a week schedule currently on Wednesday and storage is in the garage of the office building in tight refuse containers of 25 gallon size.

Garage:

There is one two car garage in excellent condition attached to the east side of the office building. The entry to the garage is from the east. There is a car parking area located directly in front (to the south) of the office building. The base of the parking area is 8 inches of gravel and 2 inches of asphalt topping in excellent condition. There is no fencing. One exterior flood light is located above the garage door. The parking is unattended. There is no garage ventilation. There is a fire wall between the garage and office building. Drainage from the garage floor is through a drain connected to the underground storm water system located in the center of the garage floor.

Office Building and Superintendent's Living Quarters
Attached Two Car Garage:

The building is a two story structure measuring approximately 20' x 32' in plan and the total height is 22 feet. The building, heating plan, etc. are in excellent condition. The distance between the basement floor and ceiling is 7'-4". The approximate square footage on the first floor is 1400 and on the second floor 640. The approximate volume of heated/cooled areas is 17,400 cubic feet. The building was constructed in

1974. It is a frame building with brick veneer on its front. A residential and commercial Certificate of Occupancy #703-1973, was issued by the Town of Perinton and no alteration permit has ever been issued by the Town.

The office building's structural system consists of a poured concrete footer and 8 inch reinforced poured concrete basement walls. The exterior walls of the building are constructed of 3/8" C.D. plywood sheathing and exterior mineral siding with brick veneer on the front, insulated with R-19 fiberglass bats. The windows are double glazed white metal aluminum with wood sills and screens. The lintels are 2" x 8" and the window locks are included in the window sash. There are no parapets. There are two doublewall metal flues located in the interior, which start in the basement and which extend three feet above the roof.

The office building has no balconies or terraces. It has two exterior doors, and no vestibules nor exterior stairs or railings. The mail box is a rural type located at the road in front of building. Exterior flood lights are located at three corners of the building.

A service entrance connects through the garage. The garage is equipped with an overhead wood garage door with throw lock.

The office building has a gable roof, R-19 insulation, three in one asphalt shingles, and aluminum flashing materials. The building is equipped with 5 drains, made of PVC pipe. The

gutters and leaders are aluminum K Type. The building has no skylights, no bulkheads, no metal work at roof levels nor rooftop facilities.

The front yard is an asphalt parking lot and along the east side is an asphalt driveway.

The interior of the building is equipped with a stairway to the cellar and one set from the first to the second floor in the living quarters, which is enclosed with painted drywall. The stairs are constructed of wood (pine) stringers, wood (pine) treads, and wood (pine) risers. There are no guard rails and no balustrades.

Interior doors and the basement door of the building are hollow core - vinyl coated flush doors with wood frames. There are no corridor, stair, hallway or roof doors.

The building has a one inch water supply K Type Copper - pressure bed. There is no fire protection system, nor water storage tanks. The water pressure is 100 psi reduced to 40 psi with pressure reducer. The water is heated by a forty gallon hot water tank, gas fired quick recovery type. The building is heated by a Lenox gas forced air - with air conditioning-input 80,000 BTU and output 65,600 BTU. There are no boilers. The Lenox unit is eight years old, and in good condition, Model #G12Q3-137, and is controlled by a thermostat located in superintendent's living quarters. There are no radiators. It is fired by natural gas supplied by Rochester Gas & Electric Corp. The air conditioner is 3.5 ton.

Accessory Building:

The accessory building is a one story structure located next to the swimming pool and measures 16' x 34' in plan covering approximately 544 square feet. The total height of the building is twelve feet and there is no cellar. The building is used as a lifeguard office, for dressing rooms, and houses the pool filtration equipment and toilets. There are no equipment rooms, nor parapet. It has no heating nor cooling facilities.

The accessory building was built in 1974 of frame construction, and has been maintained to keep it in excellent condition. A residential and commercial Certificate of Occupancy #703-1973 was issued by the Town of Perinton and no alteration permits have ever been issued by the Town. The accessory building has a three foot deep poured concrete footer and six inch poured concrete floor. The exterior walls are constructed of 2" x 4" studs, 16" on center, with 3/8" plywood sheathing, wood shingle exterior siding and insulated with R-19 fiberglass bats. The windows are double glazed white metal aluminum with wood sills and screens. The lintels are 2" x 8" and the window locks are included in the window sash. It has no parapets. It has one (1) 8" double metal chimney flue for the swimming pool heater. It has no balconies or terraces. The accessory building has exterior metal doors with wood frames and a one inch dead bolt locks. It has no vestibule doors, no exterior stairs, nor railings. Lighting is a ceiling fixture - globe type. Three sets of dual exterior flood lights are on the north wall facing the swimming pool. The accessory building has a truss roof with 3/8 plywood sheathing covered with three in

one asphalt shingles. The roof has no insulation and no flashing materials. The building has two drains made of cast iron - gravity drained. The gutters and leaders are K Type bronze aluminum. The accessory building has no skylights, no bulkheads, no metal work at roof levels and no rooftop facilities nor fire escapes. The exterior walk is asphalt, the building front has a concrete deck area for the pool. Surface drainage. There are no railings, or interior stairs. The fencing is chain-a-link galvanized.

The accessory building's water supply is one inch K copper service. There are no pumps nor storage tanks. Water pressure is 40 psi and is maintained by a pressure reducer. There is no heating nor air conditioning equipment. The electrical system is 100 Amp service - 24 panel box - 10 panels used (protected by circuit breakers). There is no compartment switch gear, nor intercommunication system nor television reception facilities.

Storage Barn:

The storage barn is a two story structure measuring 27 feet in total height. It has no cellar or equipment rooms. The barn's two floors cover approximately 1,152 square feet, per floor. The building is not heated.

The storage barn was built around 1930 of masonry and frame materials and is in fair condition. No Certificate of Occupancy was required (construction preceded the Town's Zoning Ordinance). The building is masonry for the height of the first

floor and frame siding for the second floor. It has no parapets, chimneys, nor balconies. All window openings, one on the north wall and three on the west wall, are boarded up. The exterior entrances consist of one frame overhead garage door with lock and one 2nd story loft door on the north wall and one grade entrance door on the north wall and on the south wall. There are no vestibule doors, exterior stairs, railings nor mailboxes. Lighting is first floor - five porcelain fixtures, bare bulb and second floor - two porcelain fixtures, bare bulb. The roof is made of tin, without insulation or flashing materials. It has no drains, no skylights, no bulkheads, no metal work at roof levels and no rooftop facilities. It has no fire escapes. The yard has grass and gravel areas with an evergreen arborvitae at northeast corner of building and west of the building is a 36" poplar tree and an 18" apple tree. It has gravel paving, surface drainage. It has one interior stairway, frame enclosure made of wood stringers, and treads. There are no risers, guard rails or balustrade. The barn has no plumbing or drainage and no heating or air conditioning. The electrical system has 100 amp - 24 unit breaker panel, 5 being used. There is no compartment switch gear nor intercommunication or television reception facilities.

Bus Shelter:

The bus shelter is a one story structure measuring 16' x 12.5' in plan covering approximately 200 square feet with a total height of 12 feet. There is no cellar. The structure was built in 1974 of frame construction and is in very good condi-

tion. No Certificate of Occupancy was required. The exterior of the building consists of frame vertical cedar board walls, there are no windows, and two opening without a door on both the south and west wall. The roof is wood shingle, without insulation and no flashing materials. There are no drains, skylights, bulkheads, metal work at roof levels or rooftop facilities. There are no plumbing, drainage, heating, air conditioning or electrical systems.

Swimming Pool:

The swimming pool is composed of a gunite bottom with fiberglass walls. Approximate size is 65' x 35' in plan and it is 3' to 9.5' deep and has a capacity of 62 people. It holds approximately 65,000 gallons of water. The enclosure is a galvanized chain-a-link fence surrounding the pool area. The pumping and filter system is a bromini chemical type with a sand filter; Model #24-302-101 by Swimquip - 9.6 square feet of filter area. Filter media is 20 - Sand. Pump is 5 h.p. - Two phase electric by Century. The most recent operational permit was issued by Monroe County Health Department in May, 1982. All equipment is in excellent condition.

Tennis Courts:

The two tennis courts are made of macadam, measuring 50' x 120' each and are in fair condition. There is no lighting. There is an enclosure with backstops 119' apart - 10 feet long sides on back court.

Basketball Court:

The basketball court is macadam measuring 34' x 56' and is in fair condition.

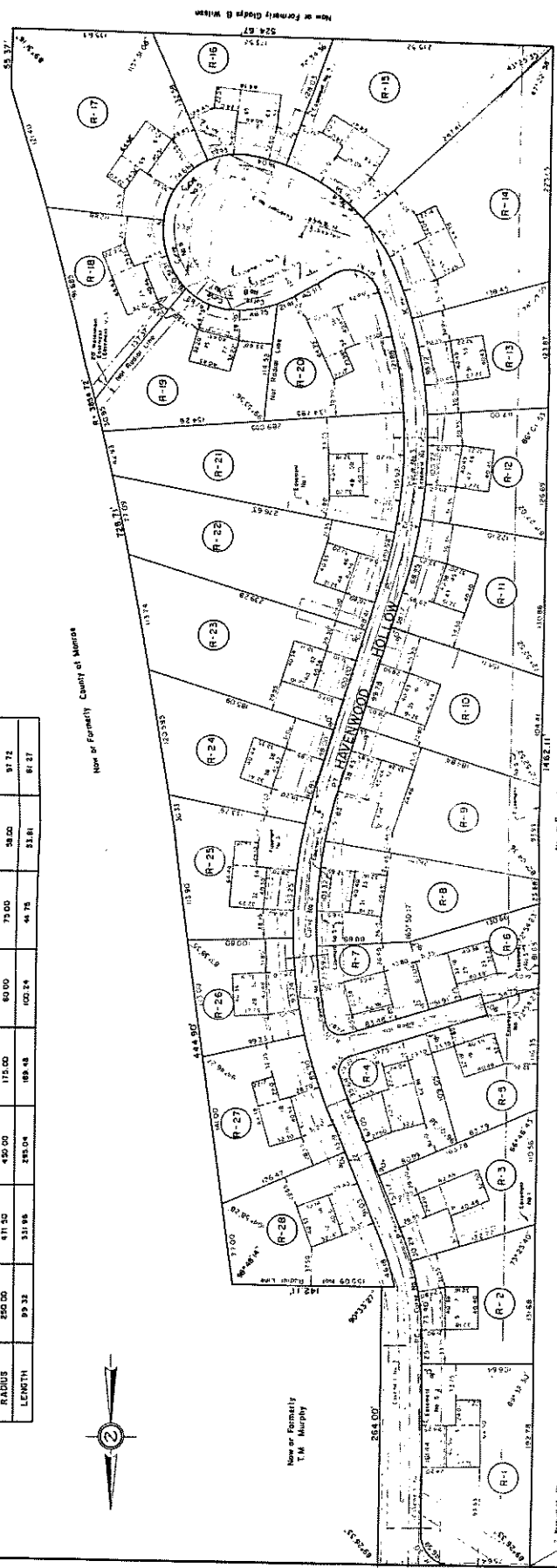
Dated: October 1982


Steve M. Saiki, P.E.

CENTERLINE CURVE DATA - HAVENWOOD HOLLOW

CURVE NO. 1	CURVE NO. 2	CURVE NO. 3	CURVE NO. 4	CURVE NO. 5	CURVE NO. 6	CURVE NO. 7	CURVE NO. 8
B.C. STATION	5 + 72.43	11 + 00.80	13 + 95.84	15 + 82.32	18 + 85.58	17 + 30.31	17 + 84.12
E.C. STATION	9 + 48.21	9 + 04.38	15 + 39.84	18 + 85.58	17 + 33.31	17 + 84.12	18 + 45.38
Δ	32°45'54"	40°20'23"	37°33'53"	82°02'18"	89°43'20"	34°17'01"	31°52'18"
RADIUS	250.00	411.30	450.00	115.00	60.00	75.00	28.00
LENGTH	89.38	331.86	280.04	102.24	46.78	21.81	81.27

ROAD (66' WIDE) AYRAULT



- EASEMENTS
- 1) Reference to Gas & Electric City and Rochester Telephone Corp., Liber 4802, Page 89
 - 2) Monroe County Water Authority (Rochester) Liber 4802, Page 193
 - 3) Monroe County Water Authority Liber 4870, Page 212
 - 4) Monroe County Water Authority Liber 5122, Page 82
 - 5) Town of Plover, recorded in the Monroe County Clerk's Office in Liber 6219, Page 272

NOTES:

- 1) All different Parcels (Lots) for the title of intervals (interlocking) shall be shown with the dimensions of each. Some of the dimensions shall be shown with the dimensions of each. Some of the dimensions shall be shown with the dimensions of each.
- 2) The terms shown, such as, etc., are necessary to show the location of the parcels and to show the location of the parcels and to show the location of the parcels.
- 3) The terms shown, such as, etc., are necessary to show the location of the parcels and to show the location of the parcels.

CERTIFICATION

I, L.E.K. ASSOCIATES, being duly sworn, depose and say that the above is a true and correct copy of the original as shown to me by the owner, the first person named in the instrument, and that the same is a true and correct copy of the original as shown to me by the owner, the first person named in the instrument, and that the same is a true and correct copy of the original as shown to me by the owner, the first person named in the instrument.

Subscribed and sworn to before me on this 17th day of November, 1983.

Notary Public for the State of New York

NOTE: This project is more than 2500 feet (or 1000 feet) from the nearest Survey Control Monument and therefore is not tied into the Monroe County Monumentation Network.

VILLAGEWOOD MANOR RESUBDIVISION
SECTION NO. 2

OWNER: RICHARD B. ANDERSON, CRICKET TRACT, 228 HAVENWOOD CIRCLE, ROCHESTER, NEW YORK 14617

ENGINEER: L.E.K. ASSOCIATES, Consulting Civil Engineers, Surveyor and Land Planners, 245 LAKE AVE., ROCHESTER, N.Y. 14608

DATE: August 23, 1982

SCALE: 1" = 30'

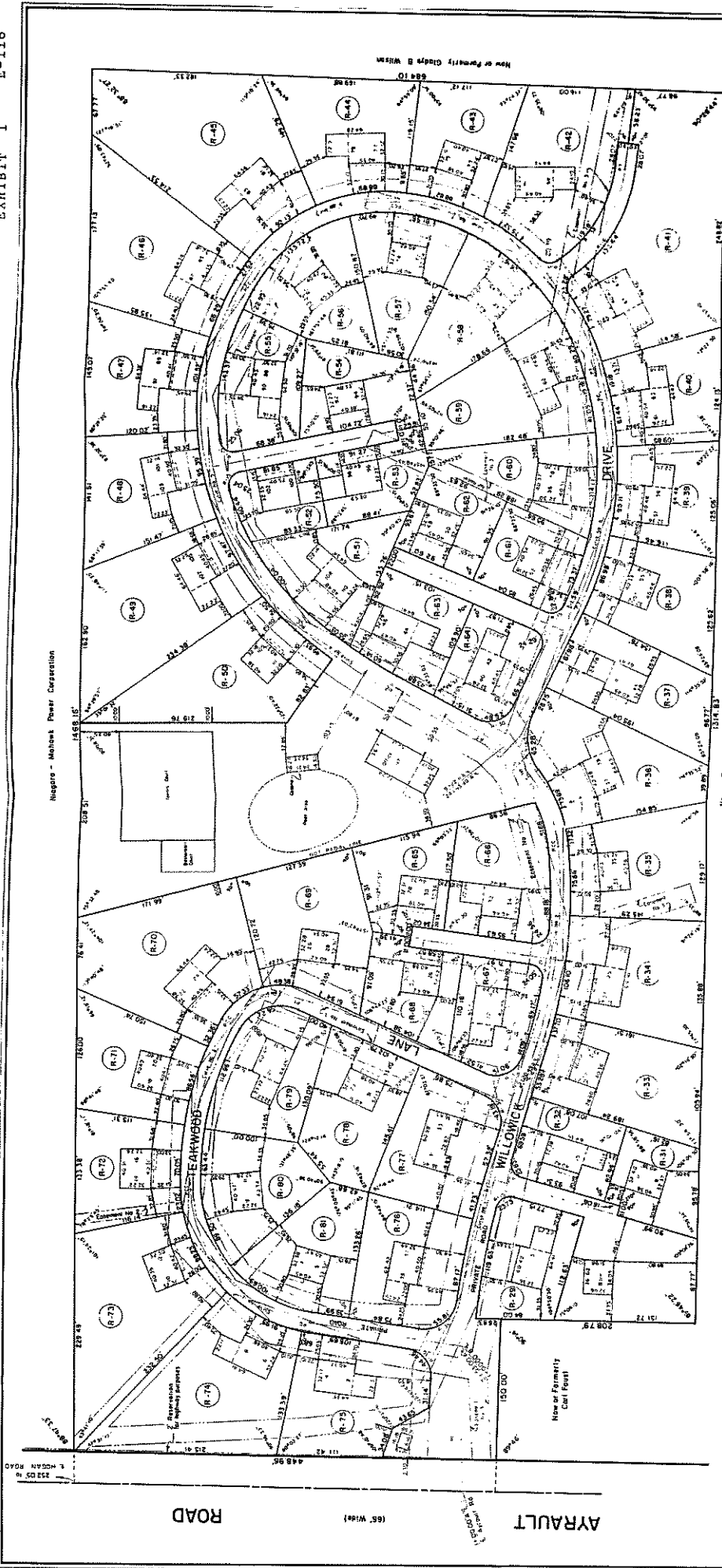
PROJECT NO.: 143-7

LOCATION SKETCH

Approved: *Robert A. Burger*
Robert A. Burger

Resided: November 8, 1982. *R.A. Burger*
Robert A. Burger

Recorded: January 17, 1983. *R.A. Burger*
Robert A. Burger



NOTES:

- 1) An Official Projecting Engineer for the use of various measurements of the City of New York, N.Y. is hereby certified as being correct and reliable.
- 2) The survey was made by the undersigned on the 17th day of January, 1933, and the same is hereby certified as being correct and reliable.
- 3) All persons shown on the map for Section No. 1 are hereby notified that they are to be held liable for the same and mentioned in the plat.

CERTIFICATION:
 I, the undersigned, being duly sworn, certify that the above is a true and correct copy of the original plat as the same appears in the office of the County Clerk of the County of New York, and that the same is a true and correct copy of the original plat as the same appears in the office of the County Clerk of the County of New York, and that the same is a true and correct copy of the original plat as the same appears in the office of the County Clerk of the County of New York.

REDATED JANUARY 17, 1933
 Approved: *[Signature]*
 County of New York

REFERENCES:

- 1) Map No. 11, 2777-78 by Resurvey of the Village Wood Manor, Section No. 1, filed in the Office of the County Clerk of the County of New York, New York, on the 17th day of January, 1933.
- 2) Map No. 11, 2777-78 by Resurvey of the Village Wood Manor, Section No. 1, filed in the Office of the County Clerk of the County of New York, New York, on the 17th day of January, 1933.
- 3) Map No. 11, 2777-78 by Resurvey of the Village Wood Manor, Section No. 1, filed in the Office of the County Clerk of the County of New York, New York, on the 17th day of January, 1933.

EASEMENTS

1. Easement for the use of the Village Wood Manor, Section No. 1, filed in the Office of the County Clerk of the County of New York, New York, on the 17th day of January, 1933.

2. Easement for the use of the Village Wood Manor, Section No. 1, filed in the Office of the County Clerk of the County of New York, New York, on the 17th day of January, 1933.

3. Easement for the use of the Village Wood Manor, Section No. 1, filed in the Office of the County Clerk of the County of New York, New York, on the 17th day of January, 1933.

Curve No. 1	Curve No. 2	Curve No. 3	Curve No. 4	Curve No. 5	Curve No. 6	Curve No. 7	Curve No. 8
B.C.	11.50 12	17.61 30	136.49	10.60 34	11.74 31	17.72 31	10.46 31
E.C.	4.21 23	7.98 44	11.87 23	11.87 23	11.87 23	11.87 23	11.87 23
D	107.71 7	22.74 48	58.74 9	17.28 08	65.40 31	4.72 17 34	37.04 34
R	150	510	153	385	288.35	344	344
L	23.0	315.5	51.18	133.7	337.05	48.01	334.01
B.C.	2.44 41	4.40 35	8.31 23				
E.C.	11.03 35	8.52 25	7.41 15				
D	11.70 16	32.42 31	65.16 17				
R	100.0	182.64	83.15				
L	203.4						

LOCATION SKETCH
 Map 19, Section 1

VILLAGEWOOD MANOR RESUBDIVISION SECTION NO. 1

Prepared by: *[Signature]*
 County of New York

LEK ASSOCIATES
 Consulting Civil Engineers,
 Surveyor and Land Planners
 245 Lake Ave., Rochester, N.Y. 14608

August 23, 1982 1:30 PM
 August 23, 1982 7:18 PM
 August 23, 1982 10:18 AM

EXHIBIT J

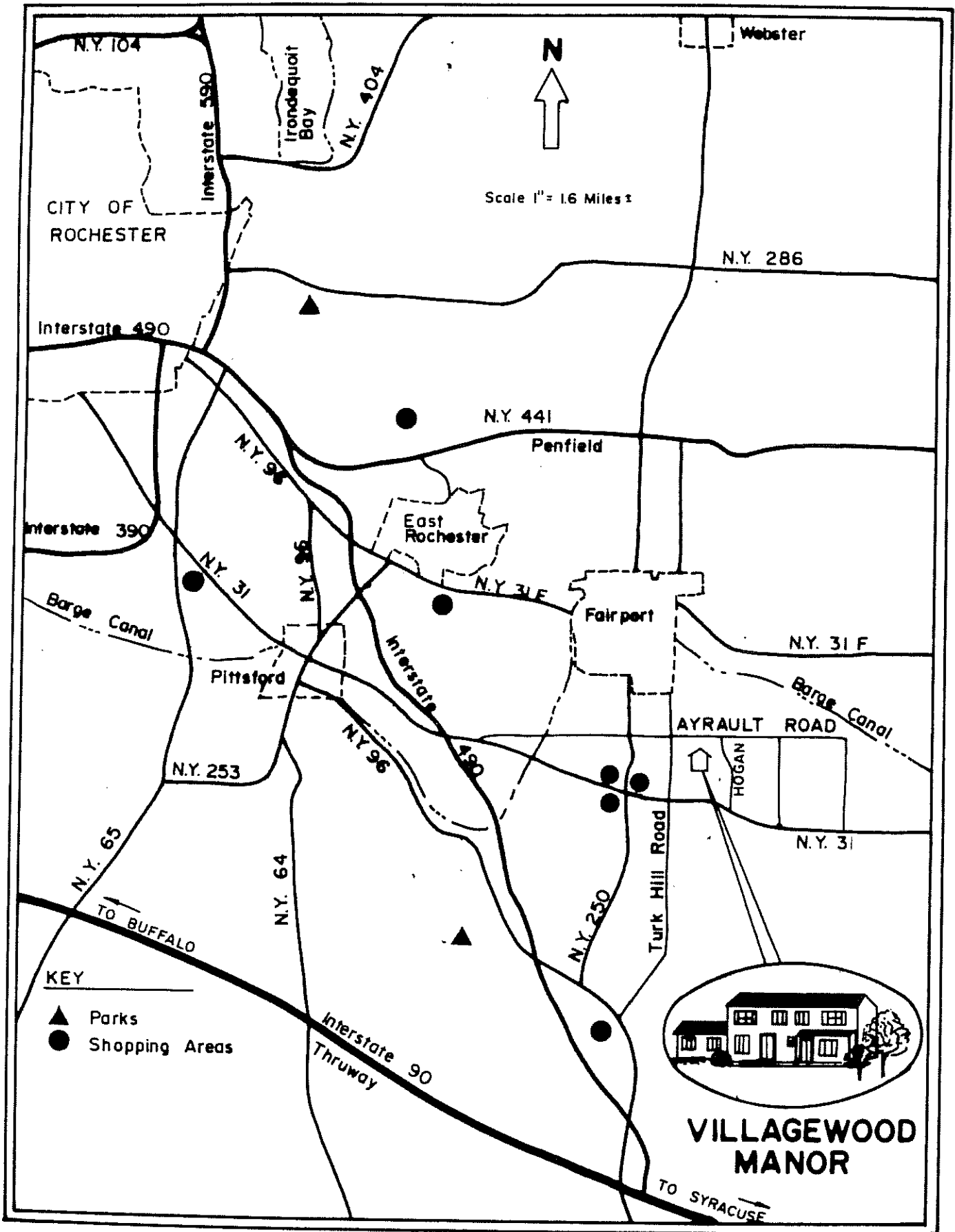


EXHIBIT K

CERTIFICATION OF SPONSOR AND SPONSOR'S
PRINCIPALS PURSUANT TO SECTION 19.1(2)
OF THE REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW, ARTICLE 23-A,
AS AMENDED.

New York State Department of Law
Two World Trade Center
New York, NY 10047

Att: Real Estate Financing Bureau

Re:
Villagewood Manor Homeowners Association, Inc.

115 Willowick Drive, Fairport, N.Y. 14450
Name and Address of Property

We are the sponsor and the principals* of sponsor of the offering to convert this property to a homeowners association.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the New York Condominium Act, the regulations promulgated by the Attorney General in Part 19 and such other laws and regulations as may be applicable.

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 making this certification. We jointly and severally certify that the offering plan does, and that all documents submitted hereafter by us which amend or supplement the offering plan will:

- (1) set forth the detailed terms of the transaction and be complete, current and accurate;
- (2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (3) not omit any material fact;
- (4) not contain any untrue statement of a material fact;
- (5) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

*"Principals" means all individual sponsors; all general partners of sponsors that are partnerships; all officers, directors and shareholders of a corporate sponsor that are actively involved in the planning and consummation of the offering; and all other individuals who both own an interest in or control sponsor and actively participate in the planning and consummation of the offering, regardless of the form of organization of sponsor:

- (6) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (7) not contain any representation or statement which is false, where I/we: (i) knew the truth; (ii) with reasonable effort could have known the truth; (iii) made no reasonable effort to ascertain the truth, or (iv) did not have knowledge concerning the representations or statement made.

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.

VILLAGEWOOD MANOR ASSOCIATES
NAME OF SPONSOR

By Angelo Crecco

Partner
TITLE OR POSITION

SPONSOR'S PRINCIPALS:

Richard P. Crecco
RICHARD P. CRECCO

Angelo Crecco
ANGELO CRECCO

Sworn to before me
this 15th day of October, 1982.

Frank R. Monfredo
Notary Public

FRANK R. MONFREDO
NOTARY PUBLIC, State of N. Y., Monroe County
My Commission Expires March 30, 1983

EXHIBIT L

CERTIFICATION OF SPONSOR'S ENGINEER
OR ARCHITECT PURSUANT TO SECTION 19.1(3)
OF THE REGULATIONS ISSUED PURSUANT
TO GENERAL BUSINESS LAW, ARTICLE 23-A
AS AMENDED.

New York State Department of Law
Two World Trade Center
New York, NY 10047

Att: Real Estate Financing Bureau

Re:

Villagewood Manor

Ayrault Road, Perinton, New York

Name of Address of Property

The undersigned, [an architect registered in New York State] (or) (an engineer licensed to practice as a professional engineer in New York State) certify as follows:

The sponsor of the offering to convert the captioned property to a condominium retained me/our firm to prepare a report disclosing the condition of the property (the "Report"). We visually inspected the property on Oct. 11, 1982 and prepared the Report dated Oct. 15, 1982, a copy of which is intended to be incorporated into the offering plan so that tenants and prospective purchasers may rely on the Report.

I/We understand that I/we am/are responsible for complying with Article 23-A of the General Business Law, the New York Condominium Act, and the regulations promulgated by the Attorney General, in Part 19, insofar as they are applicable to this Report.

I/We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. I/We certify that the Report and all documents prepared by me/us disclose all the material facts which were then discernable from a visual inspection of the property. This Certification is made for the benefit of all persons to whom this offer is made. I/We certify that, the Report and all documents prepared by me/us based on my/our visual inspection:

- (1) set forth in narrative form the physical condition of the entire property and are current and accurate as of the date of inspection;
- (2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property;

- (3) do not omit any material fact;
- (4) do not contain any untrue statement of a material fact;
- (5) do not contain any fraud, deception, concealment or suppression;
- (6) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (7) not contain any representation or statement which is false, where I/we: (i) knew the truth; (ii) with reasonable effort could have known the truth; (iii) made no reasonable effort to ascertain the truth, or (iv) did not have knowledge concerning the representations or statement made;

I/We further certify that I am/we are not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

L.E.K. Associates
 Name of Firm
 BY [Signature]
 Partner
 Title of Position

Sworn to before me
 this 15th day of October, 1982.

DAVID E. VAN LARE

NOTARY PUBLIC, State of N. Y. Wayne County

My Commission Expires March 30, 1982

[Signature]
 Notary Public

MONTALBANO · MAGGIO · MICELI

905-910 WILDER BUILDING
ONE EAST MAIN STREET
ROCHESTER, NEW YORK 14614

(716) 546-2530

(716) 454-4140

CERTIFIED PUBLIC ACCOUNTANTS

JOHN M. MAGGIO
ARTHUR W. ROBESON
FRANZ R. GRISWOLD

ACCOUNTING ASSOCIATES

PHILIP WM. MONTALBANO
ASCENZA D. MONTALBANO

April 13, 1983

Villagewood Manor Homeowners Association, Inc.
115 Willowick Drive
Fairport, New York 14450

Gentlemen:

The Sponsor of the homeowners association offering plan for the captioned property retained our firm to review Schedule A containing projections of income and expenses for the first year of operation as a homeowners association. My experience in this field includes:

- A. Assisting in the preparation of first year income and expense figures for Pitts Colony, A Condominium Property.
- B. Preparation of financial statements, projections and other financial data for fifteen apartment projects, located in the County Of Monroe, for approximately 16 years.
- C. Managing and owning a number of residential rental properties located in the City Of Rochester.

I understand that I am 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 the 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 operating as a homeowners association.

I certify that the Schedule:

- a. sets forth in detail the terms of the transaction as it relates to the Schedule and is complete, current and accurate;
- b. 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;
- c. does not omit any material fact;
- d. does not contain any fraud, deception, concealment or suppression;
- e. does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- f. 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 I am not owned or controlled by the Sponsor. I understand that a copy of this certification is intended to 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.

Montalbano, Maggio & Miceli

By: Samuel J. Miceli

State Of New York)
) ss
County of Monroe)

Subscribed and sworn to before me this

13th day of April, 1983.

Dorothy Agnes Walther
Notary Public

DOROTHY AGNES WALTHER
NOTARY PUBLIC, State of N. Y., Station County,
Commission Expires March 31, 1984.