

THIS PLAN HAS BEEN AMENDED. SEE INSIDE FRONT COVER

OFFERING PLAN

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

Town of Webster, County of Monroe, New York 14580

APPROXIMATE VALUE OF PROPERTY TO BE
OWNED BY THE ASSOCIATION: \$255,000

MEMBERSHIP IN THE BLUFFS OF WEBSTER, INC.
(A HOMEOWNERS' ASSOCIATION)
IS INCLUDED IN THE PURCHASE PRICE OF THE HOME

NUMBER OF HOMES TO BE OFFERED:	
Section I:	33
Section II:	15
TOTAL:	48

SPONSOR: CASCANI CONSTRUCTION COMPANY, INC.
850 Lake Road
Webster, New York 14580

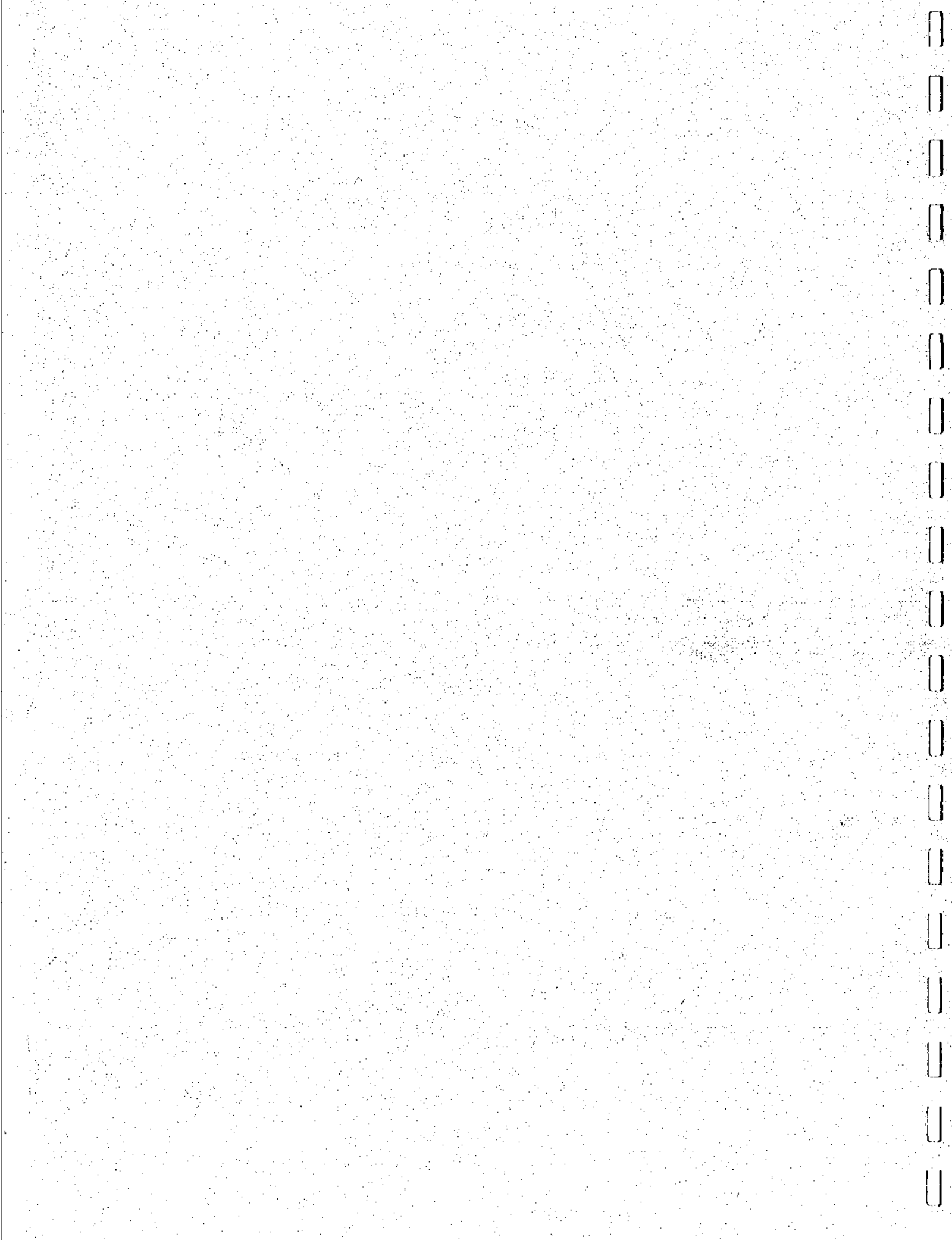
SALES AGENT: MAYDA MIHEVC REALTORS
One Lockwood Drive
Pittsford, New York 14534

DATE OF ACCEPTANCE FOR FILING: February 14, 1996. THIS PLAN
MAY NOT BE USED AFTER February 13, 1997 UNLESS FURTHER
EXTENDED BY AMENDMENT.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS

THIS OFFERING PLAN IS THE ENTIRE OFFER TO SELL MEMBERSHIP
INTERESTS IN THE BLUFFS OF WEBSTER, INC. (A HOMEOWNERS'
ASSOCIATION). NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE
ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN
WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR
OFFERING TO SELL ANY MEMBERSHIP INTERESTS. FILING WITH THE
DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY
OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

FILE NO. H 95-0072



AMENDMENTS

MARK FREDERICO 455 - 0891 647.1210

Hanson Metal + Fabricating

Insurance DTO + General Lin. 315.331.1432

Mike Boycyk 899-6190 CPA NOT TAX exempt.



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

ELIOT SPITZER
Attorney General

DIETRICH L. SNELL
Deputy Attorney General
Division of Public Advocacy

ERIC R. DINALLO
Bureau Chief
Investment Protection Bureau

(212) 416-8111

Casciani Construction Company, Inc.
c/o William M. Higgins, Esq.
Attention: William Higgins
16 East Main Street
Rochester, NY 14614

RE: Bluffs Of Webster, HOA
File Number: H 950072
Date Amendment Filed: 12/06/2002
Receipt Number: 60819

Amendment No: 6
Filing Fee: \$150.00

Dear Sponsor:

The referenced amendment to the offering plan for the subject premises is hereby accepted and filed. Since this amendment is submitted after the post closing amendment has been filed, this filing is effective for twelve months from the date of filing of this amendment. However, any material change of fact or circumstance affecting the property or offering requires an immediate amendment.

Any misstatement or concealment of material fact in the material submitted as part of this amendment renders this filing void ab initio. This office has relied on the truth of the certifications of sponsor, sponsor's principals, and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

Filing this amendment shall not be construed as approval of the contents or terms thereof by the Attorney General of the State of New York, or any waiver of or limitation on the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable law. The issuance of this letter is conditioned upon the collection of all fees imposed by law. This letter is your receipt for the filing fee.

Very truly yours,

Susan Scharbach
Assistant Attorney General y.H.

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Town of Webster, County of Monroe, New York 14580

FILE NO. H 95-0072

FILING DATE: FEBRUARY 14, 1996

AMENDMENT NO. 6

The purposes of this Amendment No. 6 is to extend the Offering Plan for twelve (12) months. The Post Closing Amendment (Amendment No. 1) was accepted for filing March 31, 1997, Amendment No. 2 was accepted for filing December 10, 1997, Amendment No. 3 was accepted for filing September 25, 1998, Amendment No. 4 was accepted for filing October 30, 2000 and Amendment No. 5 was accepted for filing October 31, 2001.

1. STATUS OF CONSTRUCTION:

Twenty seven (27) Homes have been completed and title transferred. Two (2) Lots/Homes are under contract and nineteen (19) Lots numbered 109, 110, 111, 116, 118, 123, 125, 201, 202, 203, 204, 205, 207, 208, 209, 210, 212, 213 and 214 remain unsold:

Two dock sections have been completed providing for a total of thirty two (32) boat slips.

2. FINANCIAL STATEMENTS:

Financial statements for the fiscal year ending July 31, 2002 are made a part of this Amendment.

3. FRANCHISE TAXES AND FEDERAL INCOME TAXES:

All New York State Franchise Taxes have been paid for each year since the filing of the Certificate of Incorporation (August 28, 1995) and Federal Tax Returns have been filed.

4. The budget for the fiscal year August 1, 2002 thru July 31, 2003 is made a part of this Amendment, together with a letter of adequacy.

5. RESERVE FUND:

As stated on Page 35 of the Offering Plan, there is no special advanced reserve fund. However, reserves for the boat docks, in the amount of \$5,336, has been deposited in an interest-bearing account in the name of the Association.

6. WORKING CAPITAL:

As stated on Page 35 of the Offering Plan, there will be no Working Capital.

7. SPONSOR'S AGGREGATE MONTHLY ASSOCIATION CHARGES:

Monthly Association Assessments are currently \$64.94 per month per Home. The Sponsor is providing Association management at its own expense. \$2,574 has been budgeted for this expense for 32 Homes and \$3,744 for 48 Homes. Any excess operating funds at the end of the operating year, if any, is being retained in the Association interest-bearing reserve account, together with reserves for the boat docks, for unanticipated future expenses. The Sponsor is not obligated to pay Assessments on Unsold Lots. The Sponsor is current in its obligations to the Association.

8. MONTHLY AGGREGATE REAL ESTATE TAXES PAYABLE BY THE SPONSOR ON THE UNDEVELOPED LANDS AND LOTS:

The Sponsor is current on the payment of all real estate taxes due on the undeveloped lands and Lots. Current real estate taxes on the undeveloped lands and Lots are approximately \$1,716 per month (\$20,594 per year).

9. OTHER SPONSOR FINANCIAL OBLIGATIONS:

Other than the payment of real estate taxes on the Unsold Lots, the Sponsor has no obligations coming due during the next twelve (12) months.

10. UNSOLD LOTS SUBJECT TO MORTGAGES OR OTHERWISE REPRESENT SECURITY FOR FINANCING ARRANGEMENTS:

There are no mortgages or any other financing arrangements for which the Unsold Lots represent security.

The Sponsor has a five-year line of credit with Ontario Savings Bank, Ontario, New York in the amount of \$650,000 and an interest rate of 2-over-Prime.

11. FUNDING SOURCE FOR SPONSOR'S FINANCIAL OBLIGATIONS TO THE ASSOCIATION:

The Sponsor will fund its financial obligations to the Association from projected sales. However, in the event such projected sales are not made, the Sponsor will fund its obligations from other sources of the Principal's business ventures.

12. SPONSOR CONTROL OF THE BOARD OF DIRECTORS:

The Sponsor shall remain in control of the Board until all Lots and/or Homes are sold to initial Purchasers or ten (10) years from the transfer of title to the first Lot and/or Home, whichever first occurs (see Pages 2 and 24 of the Offering Plan). Transfer of title to the first Home occurred on or about April 3, 1996.

13. OTHER ASSOCIATIONS IN WHICH THE SPONSOR AND PRINCIPALS OF THE SPONSOR OWN MORE THAN TEN PERCENT (10%) OF THE UNSOLD HOMES:

The Sponsor and its Principal have previously been involved in the offering of cooperative interest in real estate in New York State, which was a three-lot subdivision, Fern Valley Subdivision, Bay Road, Town of Webster, County of Monroe, New York. The File No. is NA 94-0096. The application for the No-Action Letter was accepted by the Department of Law on June 22, 1994. The Sponsor and its Principal are current with their financial obligations to this Association.

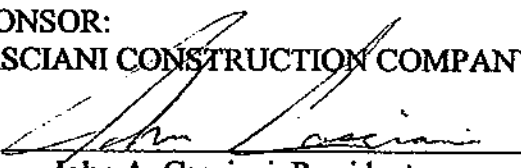
There are no outstanding rescission periods.

The Sponsor is not aware of any investigation currently pending by the Department of Law of the Sponsor, a Principal of the Sponsor or the Association property.

There no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect The Bluffs of Webster, Inc. (A Homeowners' Association) Offering, the Association Property, the Sponsor's ability to perform all of its obligations under the Offering Plan or the operation of the Association.

There are no prior amendments have been submitted to but not yet filed with the Department of Law. Other than as set forth above, there are no material changes in fact or circumstances which require an amendment to the Offering Plan.

SPONSOR:
CASCIANI CONSTRUCTION COMPANY, INC.

By: 
John A. Casciani, President

Dated: November 4, 2002

SCHEDULE A
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
 Projected Budget for First Year of Operation
 August 1, 2002 thru July 31, 2003
 Includes Boat Dock Budget Originally Set Forth as Schedule B

INCOME: (1)	<u>32 HOMES & 32 BOAT SLIPS</u>	<u>48 HOMES & 48 BOAT SLIPS</u>
Assessments (\$779.28 Per Home per year payable monthly)	\$ 24,937	\$ 37,405
EXPENSES:		
Electric (2)	\$ 1,000	\$ 2,000
Water & Sewer (3)	\$ 800	\$ 1,200
Repairs & Maintenance (4)	\$ 2,000	\$ 3,200
Refuse Collection (5)	\$ 6,325	\$ 9,487
Office Expense (6)	\$ 600	\$ 1,200
Insurance (7)	\$ 3,460	\$ 6,000
Management (8)	\$ 2,574	\$ 3,744
Real Estate Taxes (9)	\$ 165	\$ 330
Franchise Taxes (10)	\$ 100	\$ 100
Federal Income Taxes (11)	\$ -0-	\$ -0-
Legal (12)	\$ -0-	\$ -0-
Audit (13)	\$ 900	\$ 1,800
Miscellaneous (14)	\$ 1,000	\$ 2,000
Reserves (15)	\$ 6,013	\$ 6,344
TOTAL EXPENSES:	\$24,937	\$37,405
Per Home Per Year	\$779.28	\$779.28
Per Home Per Month	\$ 64.94	\$ 64.94

The expenses for the boat slips originally set forth as Schedule B, including reserves, has been incorporated into this Schedule A.

**SCHEDULE A
FOOTNOTES**

- (1) \$24,937/\$37,405 Income: Based on 32/48 Homes and Boat Slips.
- (2) \$1,000/2,000 Electricity: There will be no street lighting. Based on actual cost for electricity for the boat dock area for 32 slips and projected, allowing for a possible rate increase, for the 48 slips.
- (3) \$800/1,200 Water and Sewer: Each Home will be separately metered and will be billed directly by the Village of Webster for actual usage. Based on actual cost for the first 16 boat slips and projected for the 32 and 48 slips.
- (4) \$2,000/3,200 Repairs and Maintenance: Based on actual costs for spring and fall cleanup of the common areas and weeding and trimming of the landscaped entry easement area and boat dock area. There is no contract for this work. The Sponsor engages the services of a local grounds maintenance person as such services are required.
- (5) \$6,325/9,487 Refuse Collection: Based on a written quotation from Upstate Disposal, P. O. Box 8007, Webster, New York 14580 who provides once a week, curb side pickup of refuse and recycling at a cost of \$16.47 (including tax) per Home per month. Therefore:
- | | |
|--|------------|
| 32 Homes: \$16.47 x 12 months x 32 Homes | \$6,325.00 |
| 48 Homes: \$16.47 x 12 months x 48 Homes | \$9,487.00 |
- (6) \$600/1,200 Office Expense: For 32/48 Homes for cost of an estimated 6 mailings per year per Home and the cost of bookkeeping supplies, checks and stationary.
- (7) \$3,460/6,000 Insurance for 32/48 Homes and Boat Slips. Based on a written quotation from Ely & Leene Agency/Mead-Maloy Agency, Inc., 212 N. Main Street, P. O. Box 190, Newark, New York-14513-0190 which provides for \$2,000,000 General Liability and boat docks. Coverage for the docks is \$40 per slip. Upon transfer of control, Directors & Officers Liability coverage will be added at an estimated additional cost of \$750, based on current rates for this coverage.

NOTE: OWNERS ARE REQUIRED TO OBTAIN HAZARD INSURANCE FOR THE REPLACEMENT VALUE OF THEIR HOMES AND GENERAL LIABILITY INSURANCE FOR OCCURRENCES WITHIN THE HOME OR ON THE OWNER'S LOT. OWNERS SHOULD ALSO OBTAIN INSURANCE THE CONTENTS OF THEIR HOMES AGAINST LOSS.

SCHEDULE A

- (8) \$2,574/3,744 Management for 32/48 Homes & \$3,744 for 48 Homes: Casciani Construction Co., Inc., 850 Lake Road, Webster, New York 14580 (the Sponsor), will provide financial management for the Association for a period of two (2) years. Compensation will be \$78 per Home per year, not to exceed \$3,744 per year when title to the 48th Home occurs. Financial management responsibilities shall include, but not necessarily be limited to, maintaining a full set of accounting records on a modified accrual basis, bill and receive all Assessments and deposit the proceeds in a designated bank account in the name of the Association, prepare for signatures all checks for payment of invoices/statements received, maintain all bank accounts in the name of the Association, submit monthly and quarterly income and expense statements, maintain all Association and Owners' files and assist in the preparation of the annual budget.
- (9) \$165/330 Real Estate Taxes: Based on actual cost as billed by the Town of Webster Assessor, based on an estimated value of \$5,000 for the common areas. The 2001/2002 combined Town, County and School tax rate is \$32.20.
- (10) \$100 New York State Franchise Tax: The minimum New York State Franchise Tax.
- (11) - 0 - Federal Income Taxes: It is not anticipated the Association will have any taxable income during the next year of operations.
- (12) - 0 - Legal: It is not anticipated the Association will have any legal fees during the next year of operations.
- (13) \$900/1,800 Certified Financial Statements and Preparation of State and Federal Income Taxes. Based on actual billing by Boychuk & Co., Certified Public Accountants, 33 West Main Street, P. O. Box 56, Victor, New York 14564.
- (14) \$1,000/2,000 Miscellaneous for unanticipated expenses for 32/48 Homes.
- (15) \$6,013/\$6,344 Reserves:

32 Boat Slips (2 Docks) and 48 Boat Slips (3 Docks) cost to replace based on estimates by the supplier of the docks Dock Pete', Inc., Odenback Associates, 1400 Ticonderoga Drive, Fort Collins, CO 80525 as follows:

60 year estimated life \$38,400 per dock (16 slips) or \$640 per dock			
2 docks (32 slips)	\$1,280	3 docks (48 slips)	\$1,920
reserves for improvements to common areas and waterfront areas	\$4,733		\$4,424
Total Reserves	\$6,013		\$6,344

DeROO ASSOCIATES, INC.

Consultants

29 NORTHWOOD DRIVE
P.O. BOX 2105
BALLSTON SPA, NY 12020-8105

November 4, 2002

TELEPHONE (518) 885-6667
FAX (518) 885-1473

Department of Law
Investment Protection Bureau
120 Broadway - 23rd Floor
New York, New York 10271

Re: The Bluffs of Webster, Inc. (A Homeowners' Association)
Town of Webster, County of Monroe, New York

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

Involvement in the development, conversion, marketing and management of condominium and homeowners' associations since 1973 and prior to that with the development and management of multifamily residential rental properties since 1970; a Past President of the Western New York Chapter and the Capital Region Chapter of the Institute of Real Estate Management (IREM®); founder and President for three years of the Western New York Chapter of the Community Associations Institute (CAI) and a member of the Community Associations Institute since 1976 and founder of the Community Associations of Upstate New York. I service over ten associations in the Capital District.

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 13 NYCRR 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 and community association properties.

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

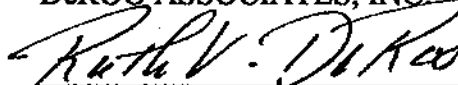
I certify that the Schedule:

- (i) sets forth in detail the projected income and expenses for the current year of homeowners' association operation;
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the current year of operation as a homeowners' association;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) 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 statement 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 Amendment of the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the current year of operation as a homeowners' association.

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

DeROO ASSOCIATES, INC



Ruth V. DeRoo, President

Sworn to before me this

07th day of November, 2002



Notary Public

DONNA L. CHIARENZA

Notary Public for New York

Reg. No. 01CH0015193

Qualified in Saratoga County

Comm. Expires: 10/26/06

F E D

BOYCHUK & CO.
P.O. BOX 218
111 MARSH RD.
PITTSFOND, NY 14534

SEPTEMBER 5, 2002

THE BLUFFS OF WEBSTER, INC.
P.O. BOX 8191
WEBSTER, NY 14580

THE BLUFFS OF WEBSTER, INC.:

WE HAVE PREPARED AND ENCLOSED YOUR 2001 HOMEOWNERS
ASSOCIATION INCOME TAX RETURN FOR THE YEAR ENDED JULY 31,
2002. THE RETURN SHOULD BE SIGNED AND DATED BY THE
APPROPRIATE CORPORATE OFFICER(S) AND MAILED.

THE FEDERAL FORM 1120-H SHOULD BE MAILED ON OR BEFORE OCTOBER
15, 2002 TO:

INTERNAL REVENUE SERVICE
CINCINNATI, OH 45999-0012

NO PAYMENT IS REQUIRED WITH THIS RETURN WHEN FILED.

A COPY OF THE RETURN IS ENCLOSED FOR YOUR FILES. WE SUGGEST
THAT YOU RETAIN THIS COPY INDEFINITELY.

VERY TRULY YOURS,

MICHAEL S. BOYCHUK

F	Date: <u>11-11</u>	No. of Pages: <u>7</u>
	To: <u>HIGGINS</u>	
A	Company: _____	
	Fax #: <u>325-4559</u>	
X	From: <u>Canadian Custom Homes</u>	
	<u>John Cianciol</u>	
	Fax @ (714) 671-0000	Phone @ (714) 671-0000

Department of the Treasury Internal Revenue Service

For calendar year 2001 or tax year beginning August 1, 2001, and ending July 31, 2002

Header section containing name (THE BLUFFS OF WEBSTER, INC.), address (P.O. BOX 8191, WEBSTER, NY 14580), employer identification number (16-1508920), and date association formed (08/28/1995).

Check box section for association type: (1) Final return, (2) Name change, (3) Home change, (4) Address change, (5) Amended return. Association type: Residential real estate association (checked).

Summary table with rows A-E: A Check type of homeowners association, B Total exempt function income (22320), C Total expenditures made for purposes described in 28% expenditure test (17512), D Association's total expenditures for the tax year (17654), E Tax-exempt interest received or accrued during the tax year (0).

Gross Income section with rows 1-8: 1 Dividends, 2 Taxable interest (31), 3 Gross rents, 4 Gross royalties, 5 Capital gain net income, 6 Net gain or (loss) from Form 4707, Part II, line 16, 7 Other income, 8 Gross income (excluding exempt function income) (31).

Deductions section with rows 9-18: 9 Salary and wages, 10 Repairs and maintenance, 11 Rents, 12 Taxes and licenses, 13 Interest, 14 Depreciation, 15 Other deductions (See Statement 1, 142), 16 Total deductions (142), 17 Taxable income before specific deduction of \$100 (<111.00), 18 Specific deduction of \$100 (\$100.00).

Tax and Payments section with rows 19-28: 19 Taxable income (<211.00), 20 Enter 30% of line 19 (0), 21 Tax credits, 22 Total tax (0), 23 Payments: a 2000 overpayment credited to 2001, b 2001 estimated tax payments (Total 0), c Tax deposited with Form 7004, d Credit for tax paid on undistributed capital gains, e Credit for Federal tax on fuels, g Add lines 23c through 23f, 24 Tax due (0), 25 Overpayment (0), 26 Enter amount of line 25 you want credited to 2002 estimated tax (0).

Sign Here section with signature line for officer, date (09/05/02), title, and a declaration box: 'Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.'

Preparer's information section: Preparer's signature (BOYCHUK & CO.), date (09/05/02), check if self-employed (checked), preparer's SSN or PTIN (P00105271), EIN (16-1369629), and phone no. ((585) 899-6190).

Form 1120-H

Other Deductions

Statement 1

Description

Amount

**ACCOUNTING
MANAGEMENT FEES**

45.

97.

Total to Form 1120-H, Line 15

142.

2002

COPY.

BOYCHUK & CO.
P.O. BOX 218
111 MARSH RD.
PITTSFORD, NY 14534

SEPTEMBER 5, 2002

THE BLUFFS OF WEBSTER, INC.
P.O. BOX 8191
WEBSTER, NY 14580

THE BLUFFS OF WEBSTER, INC.:

CT4 AND 1120-

WE HAVE PREPARED AND ENCLOSED YOUR 2001 NEW YORK CORPORATION INCOME TAX RETURN FOR THE YEAR ENDED JULY 31, 2002. THE RETURN SHOULD BE SIGNED AND DATED BY THE APPROPRIATE CORPORATE OFFICER(S) AND MAILED.

THE NEW YORK FORM CT-4 SHOULD BE MAILED ON OR BEFORE OCTOBER 15, 2002 TO:

NYS CORPORATION TAX
PROCESSING UNIT
P.O. BOX 1909
ALBANY, NY 12201-1909

10/9
1217

ENCLOSE A CHECK OR MONEY ORDER FOR \$10.00, PAYABLE TO NEW YORK STATE CORPORATION TAX.

A COPY OF THE RETURN IS ENCLOSED FOR YOUR FILES. WE SUGGEST THAT YOU RETAIN THIS COPY INDEFINITELY.

VERY TRULY YOURS,

MICHAEL S. BOYCHUK

2001

CT-4 Final return (see procedure in inst.)

New York State Department of Taxation and Finance
General Business Corporation Franchise Tax Return Short Form
Tax Law - Article 9-A

2001 calendar-yr. filers, check box
Other filers enter tax period:
beginning 08/01/01
ending 07/31/02

Employer identification number 16-1508920		File number 1AA5	Check box if management claimed <input type="checkbox"/>	For office use only
Legal name of corporation THE BLUFFS OF WEBSTER, INC.		Date name / USA		
Mailing name and address	Mailing name (if different from legal name) and address		State or country of incorporation NY	
	City		Date of incorporation 08/28/1995	
	Number and street or PO box P.O. BOX 8191		Foreign corporation that began business in NYS	
	City WEBSTER, NY 14580		State ZIP code	
If address above is new, check box (see instructions) <input type="checkbox"/> If your name, employer identification number, address or general office information has changed, you must file Form CT-28. You can get these forms by fax, phone, or from our Web site. See the Most help! section of the instructions.		Business telephone number 585-671-9300		Audit use
NAICS business code number (see instructions) 531310		Principal business activity HOMEOWNERS ASSOCIATION		

Metropolitan transportation business tax (MTA surcharge)
During the tax year did you do business, employ capital, own or lease property, or maintain an office in the Metropolitan Commuter Transportation District? If Yes, you must file Form CT-3M/4M (see instructions) Yes No

A. Payment - pay amount shown on line 45. Make check payable to: New York State Corporation Tax	Payment enclosed 10
← Attach your payment here.	

Computation of entire net income base (see instructions, Form CT-3/4-I, for assistance)

	Dollars	Cents
1 Federal taxable income before net operating loss and special deductions	<211>	
2 Interest on federal, state, municipal and other obligations not included on line 1		
3 Interest paid to a corporate stockholder owning more than 50% of issued and outstanding stock		
4 New York State and other state and local taxes deducted on your federal return (see instructions)		
5 ACRS/MACRS deduction used in the computation of line 1 (see instructions)		
6 Add lines 1 through 5	<211>	
7 New York net operating loss deduction (attach federal and NYS computations)		
8 Allowable New York depreciation (see instructions)		
9 Refund or credit of certain taxes (see instructions)		
10 Total subtractions (add lines 7 through 9)		
11 Entire net income base (subtract line 10 from line 6; enter here and on line 21)	<211>	
12 Entire net income base tax (multiply line 11 by the appropriate rate from Table I or Table II in the Tax rates schedule on page 4 of Form CT-3/4-I; enter here and on line 28)		0

Computation of capital base

	A Beginning of year	B End of year	C Average value
13 Total assets from federal return	7009 00	11244 00	9127 00
14 Real property and marketable securities included on line 13			
15 Subtract line 14 from line 13	7009 00	11244 00	9127 00
16 Real property and marketable securities at fair market value			
17 Adjusted total assets (add lines 15 and 16)	7009 00	11244 00	9127 00
18 Total liabilities	3856 00	3394 00	3625 00
19 Total capital base (subtract line 18, column C, from line 17, column C)			5502
20 Capital base tax (multiply line 19 by .00178; enter here and on line 28)			10

(continued)

Computation of minimum taxable income base

Dollars Cents

21 Entire net income from line 11	21	<211>
22 Depreciation of tangible property placed in service after 1985 (see instructions)	22	
23 Net operating loss deduction from line 7	23	
24 Total (add lines 21 through 23)	24	<211>
25 Alternative net operating loss deduction (see instructions)	25	
26 Minimum taxable income base (subtract line 25 from line 24)	26	<211>
27 Tax on minimum taxable income base (multiply line 26 by 2.5%)	27	0

Computation of tax

28 Tax on entire net income base from line 12	28	0
29 Tax on capital base from line 20 (Now small business: <input type="checkbox"/> First year <input type="checkbox"/> Second year)	29	10
30 Fixed dollar minimum tax (See Table VI in the Tax rates schedule on page 4 of Form CT-3/4-I. See instructions; you must enter an amount in each of the boxes below)	30	0

31 Gross payroll	0
32 Total receipts	22320
33 Gross assets	9127

34 Tax due (amount from line 27, 28, 29, or 30, whichever is largest)	34	10
---	----	----

First installment of estimated tax for next period:

35a If you filed a request for extension, enter amount from Form CT-5, line 2	35a	
35b If you did not file Form CT-5 and line 34 is over \$1,000, enter 25% of line 34	35b	0
36 Add line 34 and line 35a or 35b	36	10
37 Total prepayments from line 58	37	0
38 Balance (subtract line 37 from line 36; if line 37 is more than line 36, enter "0")	38	10
39 Penalty for underpayment of estimated tax (check box if Form CT-222 is attached <input type="checkbox"/> ; if none, enter "0")	39	
40 Interest on late payment (see instructions)	40	
41 Late filing and late payment penalties (see instructions)	41	
42 Balance (add lines 38 through 41)	42	10
43 Return a Gift to Wildlife (see instructions)	43	0 00
44 Breast Cancer Research and Education Fund (see instructions)	44	0 00
45 Balance due (if line 37 is less than the total of lines 38, 39, 40, 41, 43, and 44, the difference is the amount due; enter payment on line A on page 1)	45	10
46 Overpayment (if line 37 is more than the total of lines 38, 39, 40, 41, 43, and 44, the difference is the amount you overpaid)	46	
47 Amount of overpayment to be credited to next period	47	
48 Balance of overpayment (subtract line 47 from line 46)	48	
49 Amount of overpayment to be credited to Form CT-3M/4M	49	
50 Refund of overpayment (subtract line 49 from line 48)	50	

Composition of prepayments on line 37

	Date paid	Amount
51 Mandatory first installment		
52a Second installment from Form CT-400		
52b Third installment from Form CT-400		
52c Fourth installment from Form CT-400		
53 Payment with extension request from Form CT-5, line 5		
54 Overpayment credited from prior years <input type="checkbox"/> Period	54	
55 Overpayment credited from Form CT-3M/4M <input type="checkbox"/> Period	55	
56 Total prepayments (add lines 51 through 55; enter here and on line 37)	56	0

Interest paid to shareholders

57 Did this corporation make any payments treated as interest in the computation of entire net income to shareholders owning directly or indirectly, individually or in the aggregate, more than 50% of the corporation's issued and outstanding capital stock? If Yes, complete the following (if more than one, attach separate sheet) 57 Yes No

Shareholder's name	Social security number or EIN
--------------------	-------------------------------

	Dollars	Cents
58 Interest paid to shareholder		
59 Total indebtedness to shareholder described above		
60 Total interest paid		

61 Is there written evidence of the indebtedness? 61 Yes No

62 Are you claiming small business taxpayer status for lower entire net income tax rates? 62 Yes No

63 Enter total capital contributions (see worksheet in instructions) 63

64 Federal return filed 1120 1120-A 1120-S Consolidated basis Other: 1120E

Attach a complete copy of your federal return.
 Check box if a qualified subchapter S subsidiary (QSSS) is included in this return (attach Form CT-60-QSSS)

	Dollars	Cents
65 Total receipts entered on your federal return	22320	
66 Interest deducted in computing federal taxable income		
67 Depreciable assets and land entered on your federal return		

68 If the IRS has completed an audit of any of your returns within the last five years, list years 68

69 If you are a member of an affiliated federal group, enter primary corporation: EIN

70 If you are more than 50% owned by another corporation, enter parent corporation: EIN

Corporations organized outside New York State only:

Capital stock issued and outstanding:

71 Number of par shares Value \$

72 Number of no-par shares Value \$

If you do not need forms mailed to you next year, check box. We will send you a postcard for the following year (see instructions.)

Certification: I certify that this return and any attachments are to the best of my knowledge and belief true, correct, and complete.

Signature of elected officer or authorized person	Official title	Date
Firm's name (or yours if self-employed) BOYCHUK & CO.	ID number 16-1369629	Date 09/05/02
Address PO BOX 218, 111 MARSH RD. PITTSFORD, NY 14534		Signature of individual preparing this return

Mail your return to: NYS CORPORATION TAX, PROCESSING UNIT, PO BOX 1909, ALBANY NY 12201-1909

Boychuk & Co., Certified Public Accountants

P.O. Box 218
111 Marsh Road
Pittsford, New York 14534

(585) 899-6190

FAX (585) 899-6192

E-mail boychuk@frontier.net

To the Board of Directors and the Homeowners
The Bluffs of Webster, Inc.

We have audited the accompanying balance sheet of The Bluffs of Webster, Inc. (a Not-For-Profit Corporation) as of July 31, 2002, and the related statements of revenues, expenses and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Bluffs of Webster, Inc. as of July 31, 2002, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles of the United States of America.

Boychuk & Co.

September 5, 2002

THE BLUFFS OF WEBSTER, INC.

Balance Sheet
July 31, 2002

Assets

Cash \$11,244

Liabilities and Fund Balances

Liabilities:

Accounts payable	\$ 92
Due to sponsor (note 4)	2,902
Prepaid common charges	390
Accrued income taxes (note 3)	10
	<u>3,394</u>

Fund balances (note 5)	<u>7,850</u>
	<u>\$11,244</u>

See accompanying notes to financial statements.

THE BLUFFS OF WEBSTER, INC.

**Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended July 31, 2002**

	<u>Operating Fund</u>	<u>Major Maintenance Fund</u>	<u>Total</u>
Revenues:			
Common charges (note 2)	\$19,565	-	19,565
Sponsor assessments (note 4)	2,755	-	2,755
Interest income	-	31	31
	<u>22,320</u>	<u>31</u>	<u>22,351</u>
Expenses:			
Repairs and maintenance	7,148	-	7,148
Utilities	720	-	720
Trash removal	4,534	-	4,534
Administrative expenses	810	-	810
Professional fees (note 4)	2,837	-	2,837
Insurance	1,546	-	1,546
Property taxes	49	-	49
Income taxes (note 3)	10	-	10
	<u>17,654</u>	<u>-</u>	<u>17,654</u>
Excess of revenues over (under) expenses	4,666	31	4,697
Transfers	(4,666)	4,666	-
Fund balances - beginning of year	<u>5,171</u>	<u>(2,018)</u>	<u>3,153</u>
Fund balances - end of Year	<u>\$ 5,171</u>	<u>2,679</u>	<u>7,850</u>

See accompanying notes to financial statements.

THE BLUFFS OF WEBSTER, INC.

Statement of Cash Flows
For the Year Ended July 31, 2002

Cash flows from (used in) operating activities:	
Excess of revenues over (under) expenses	\$ 4,697
Net (increase) decrease in payables, prepaid common charges and accrued expenses	<u>(462)</u>
	<u>4,235</u>
Net increase (decrease) in cash	4,235
Cash balance - beginning of year	<u>7,009</u>
Cash balance - end of year	<u>\$11,244</u>
Supplemental disclosure:	
Income taxes paid	\$ 8

See accompanying notes to financial statements.

THE BLUFFS OF WEBSTER, INC.

Notes to Financial Statements
July 31, 2002

1. Summary of Operations and Significant Accounting Policies

The association was incorporated under Section 402 of the New York State Not-For-Profit Corporation Law on August 28, 1995, for the purpose of maintaining the common areas of The Bluffs subdivision, consisting of 48 residential units, of which 26 are sold. The sponsor is in control of the association and also manages the association. In connection with these operations, the following significant accounting policies have been adopted:

Fund accounting. The association uses fund accounting, which requires that funds, such as operating funds and funds designated for future major repairs and replacements, be classified separately for accounting and reporting purposes. Disbursements from the operating fund are generally at the discretion of the board of directors. Disbursements from the major maintenance fund generally may be made only for designated purposes, currently dock replacement.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Owners' Assessments

Monthly assessments to owners are \$65, of which a portion is transferred to the major maintenance fund. The annual budget and assessments of owners are determined by the board of directors. The association retains excess operating funds at the end of the operating year, if any, for use in future operating periods.

The association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are significantly in arrears.

(Continued)

THE BLUFFS OF WEBSTER, INC.

Notes to Financial Statements
July 31, 2002

3. Income Taxes

Pursuant to the Tax Reform Act of 1976, homeowner associations are permitted to make an annual election to be treated as a regular corporation or a tax exempt organization. Each year the association will file its tax return under the election which is most beneficial to the organization. Under Section 528 of the Internal Revenue Code, taxes are paid on non-exempt function income (principally interest, net of expenses).

4. Commitments and Related Party Transactions

~~The association is managed by the sponsor, who will retain control until all the lots are sold or ten years from the sale of the first lot. Per the offering plan, the sponsor receives a management fee of \$78 annually per homeowner. The sponsor is required to fund operating deficits or pay common charges on unsold lots, until the last lot is sold.~~

5. Future Major Repairs and Replacements

The association has elected to accumulate funds for future major repairs and replacements. Accumulated funds are accounted for separately and generally are not available for expenditures for normal operations.

The offering plan determines amounts to be allocated to the major maintenance fund. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the major maintenance fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

Dock Pete's conducted a study, dated September 21, 1998, to estimate the remaining useful lives and the replacement costs of components of common property. The estimates are based on future estimated replacement costs.

The following unaudited table is based on the study and presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Remaining Useful Lives (Years)</u>	<u>Estimated Future Replacement Costs</u>
Boat docking system, 32 finger slips	60	\$76,800



ELIOT SPITZER
Attorney General

STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

DIETRICH L. SNELL
Deputy Attorney General
Division of Public Advocacy

Real Estate Financing Bureau

(212)416-8144

Casciani Construction Company, Inc.
c/o William M. Higgins, Esq.
Attention: William Higgins
16 East Main Street
Rochester, NY 14614

RE: Bluffs Of Webster, HOA
File Number: H 950072
Date Amendment Filed: 10/31/2001
Receipt Number: 56702
Amendment No: 5
Filing Fee: \$150.00

Dear Sponsor:

The referenced amendment to the offering plan for the subject premises is hereby accepted and filed. Since this amendment is submitted after the post closing amendment has been filed, this filing is effective for twelve months from the date of filing of this amendment. However, any material change of fact or circumstance affecting the property or offering requires an immediate amendment.

Any misstatement or concealment of material fact in the material submitted as part of this amendment renders this filing void ab initio. This office has relied on the truth of the certifications of sponsor, sponsor's principals, and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

Filing this amendment shall not be construed as approval of the contents or terms thereof by the Attorney General of the State of New York, or any waiver of or limitation on the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable law. The issuance of this letter is conditioned upon the collection of all fees imposed by law. This letter is your receipt for the filing fee.

Very truly yours,

Oliver Rosengart
Assistant Attorney General

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Town of Webster, County of Monroe, New York 14580

FILE NO. H 95-0072

FILING DATE: FEBRUARY 14, 1996

AMENDMENT NO. 5

The purposes of this Amendment No. 5 is to extend the Offering Plan for twelve (12) months. The Post Closing Amendment (Amendment No. 1) was accepted for filing March 31, 1997, Amendment No. 2 was accepted for filing December 10, 1997, Amendment No. 3 was accepted for filing September 25, 1998 and Amendment No. 4 was accepted for filing October 30, 2000.

The Sponsor's mailing address has been changed to: P. O. Box 8191, Webster, New York 14580.

1. STATUS OF CONSTRUCTION:

Twenty two (22) Homes have been completed and title transferred. Four (4) Lots/Homes are under contract and the following twenty two (22) Lots 197, 109, 110, 111, 116, 118, 123, 125, 129, 130, 201, 202, 203, 204, 205, 207, 208, 209, 210, 212, 213 and 214 remain unsold:

Two dock sections have been completed providing for a total of thirty two (32) boat slips.

2. FINANCIAL STATEMENTS:

Financial statements for the fiscal year ending July 31, 2001 are made a part of this Amendment.

3. FRANCHISE TAXES AND FEDERAL INCOME TAXES:

All New York State Franchise Taxes have been paid for each year since the filing of the Certificate of Incorporation (August 28, 1995) and Federal Tax Returns have been filed.

4. The budget for the fiscal year August 1, 2001 thru July 31, 2002 is made a part of this Amendment, together with a letter of adequacy.

5. RESERVE FUND:

As stated on Page 35 of the Offering Plan, there is no special advanced reserve fund. However, reserves for the boat docks, in the amount of \$5,336, has been deposited in an interest-bearing account in the name of the Association.

6. WORKING CAPITAL:

As stated on Page 35 of the Offering Plan, there will be no Working Capital.

7. SPONSOR'S AGGREGATE MONTHLY ASSOCIATION CHARGES:

Monthly Association Assessments are currently \$64.94 per month per Home. The Sponsor is providing Association management at its own expense. \$2,574 has been budgeted for this expense for 32 Homes and \$3,744 for 48 Homes. Any excess operating funds at the end of the operating year, if any, is being retained in the Association interest-bearing reserve account, together with reserves for the boat docks, for unanticipated future expenses. The Sponsor is not obligated to pay Assessments on Unsold Lots. The Sponsor is current in its obligations to the Association.

8. MONTHLY AGGREGATE REAL ESTATE TAXES PAYABLE BY THE SPONSOR ON THE UNDEVELOPED LANDS AND LOTS:

The Sponsor is current on the payment of all real estate taxes due on the undeveloped lands and Lots. Current real estate taxes on the undeveloped lands and Lots are approximately \$1m716 per month (\$20,594 per year).

9. OTHER SPONSOR FINANCIAL OBLIGATIONS:

Other than the payment of real estate taxes on the Unsold Lots, the Sponsor has no obligations coming due during the next twelve (12) months.

10. UNSOLD LOTS SUBJECT TO MORTGAGES OR OTHERWISE REPRESENT SECURITY FOR FINANCING ARRANGEMENTS:

There are no mortgages or any other financing arrangements for which the Unsold Lots represent security.

The Sponsor has a five-year line of credit with Ontario Savings Bank, Ontario, New York in the amount of \$650,000 and an interest rate of 2-over-Prime.

11. FUNDING SOURCE FOR SPONSOR'S FINANCIAL OBLIGATIONS TO THE ASSOCIATION:

The Sponsor will fund its financial obligations to the Association from projected sales. However, in the event such projected sales are not made, the Sponsor will fund its obligations from other sources of the Principal's business ventures.

12. SPONSOR CONTROL OF THE BOARD OF DIRECTORS:

The Sponsor shall remain in control of the Board until all Lots and/or Homes are sold to initial Purchasers or ten (10) years from the transfer of title to the first Lot and/or Home, whichever first occurs (see Pages 2 and 24 of the Offering Plan). Transfer of title to the first Home occurred on or about April 3, 1996.

13. OTHER ASSOCIATIONS IN WHICH THE SPONSOR AND PRINCIPALS OF THE SPONSOR OWN MORE THAN TEN PERCENT (10%) OF THE UNSOLD HOMES:

The Sponsor and its Principal have previously been involved in the offering of cooperative interest in real estate in New York State, which was a three-lot subdivision, Fern Valley Subdivision, Bay Road, Town of Webster, County of Monroe, New York. The File No. is NA 94-0096. The application for the No-Action Letter was accepted by the Department of Law on June 22, 1994. The Sponsor and its Principal are current with their financial obligations to this Association.

14. DRIVEWAY AGREEMENT

Schedule L-1 to the Declaration "Private Driveway For Lots 121, 122 and 123" has been amended to include Lots 203 and 207. Lots 121, 122, 123 and 201 are unsold as of the date of this Amendment. A copy of the amended Driveway Agreement for Lots 203 and 207 is made a part of this Amendment.

Section 6.02 c. of the Declaration shall be amended to include Lots 120, 201, 203 and 207.

Section 32 of the Purchase Agreement has been amended to include Lots 120, 201, 203 and 207 in reference to the Driveway Maintenance Agreement which is a Schedule to the Purchase Agreement.

15. WALKWAY TO THE DOCKING FACILITY

There is a ten-foot (10') wide access to preserve open space along the easterly property line of property known as Lot 206 which encroaches upon the property owned by Casciani Construction Co., Inc. at 425 Sundance Trail Webster, New York, as shown of Schedule A to the "Encroachment Agreement" made a part of this Amendment. That portion of the path on the premises owned by Casciani Construction Co., Inc. may remain in its present location.

There are no outstanding rescission periods.

The Sponsor is not aware of any investigation currently pending by the Department of Law of the Sponsor, a Principal of the Sponsor or the Association property.

There no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect The Bluffs of Webster, Inc. (A Homeowners' Association) Offering, the Association Property, the Sponsor's ability to perform all of its obligations under the Offering Plan or the operation of the Association.

There are no prior amendments have been submitted to but not yet filed with the Department of Law. Other than as set forth above, there are no material changes in fact or circumstances which require an amendment to the Offering Plan.

SPONSOR:
CASCIANI CONSTRUCTION COMPANY, INC.

By:  Pres.
John A. Casciani, President

Dated: October 10, 2001

SCHEDULE A
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Projected Budget for the Year of
August 1, 2001 thru July 31, 2002
Includes Boat Dock Budget

INCOME: (1)	<u>32 HOMES & 32 BOAT SLIPS</u>	<u>48 HOMES & 48 BOAT SLIPS</u>
Assessments (\$779.28 Per Home per year payable monthly)	\$24,937	\$37,405
EXPENSES:		
Electric (2)	\$ 1,000	\$ 2,000
Water & Sewer (3)	\$ 800	\$ 1,200
Repairs & Maintenance (4)	\$ 2,000	\$ 3,200
Refuse Collection (5)	\$ 6,325	\$ 9,487
Office Expense (6)	\$ 600	\$ 1,200
Insurance (7)	\$ 3,460	\$ 6,000
Management (8)	\$ 2,574	\$ 3,744
Real Estate Taxes (9)	\$ 165	\$ 330
Franchise Taxes (10)	\$ 100	\$ 100
Federal Income Taxes (11)	\$ -0-	\$ -0-
Legal (12)	\$ -0-	\$ -0-
Audit (13)	\$ 900	\$ 1,800
Miscellaneous (14)	\$ 1,000	\$ 2,000
Reserves (15)	\$ 6,013	\$ 6,344
TOTAL EXPENSES:	\$24,937	\$37,405
Per Home Per Year	\$779.28	\$779.28
Per Home Per Month	\$ 64.94	\$ 64.94

The expenses for the boat slips originally set forth as Schedule B, including reserves, has been incorporated into this Schedule A.

**SCHEDULE A
FOOTNOTES**

- (1) \$24,917/37,405 Income: Based on 32/48 Homes.
- (2) \$1,000/2,000 Electricity: There will be no street lighting. Based on actual cost for electricity for the boat dock area for 32 slips and projected allowing for a possible rate increase, for the 48 slips.
- (3) \$800/1,000 Water and Sewer: Each Home will be separately metered and will be billed directly by the Village of Webster for actual usage. Based on actual cost for 32 slips and projected for the 48 slips.
- (4) \$2,000/3,200 Repairs and Maintenance: Based on actual costs for spring and fall cleanup of the common areas and weeding and trimming of the landscaped entry easement area and boat dock area. There is no contract for this work. The Sponsor engages the services of a local grounds maintenance person as such services are required.
- (5) \$6,325/9,497 Refuse Collection: Based on a written quotation from Upstate Disposal, P.O. Box 8007, Webster, New York 14580 who provides once a week, curb side pickup of refuse and recycling at a cost of \$16.47 (including tax) per Home per month. Therefore:
- | | |
|--|------------|
| 32 Homes: \$16.47 x 12 months x 32 Homes | \$6,325.00 |
| 48 Homes: \$16.47 x 12 months x 48 Homes | \$9,487.00 |
- (6) \$600/1,200 Office Expense: The cost of an estimated 6 mailings per year per Home and the cost of bookkeeping supplies, checks and stationary.
- (7) \$3,460/6,000 Insurance for 32/48 Homes and Boat Slips. Based on a written quotation from Ely & Leene Agency/Mead-Maloy Agency, Inc., 212 N. Main Street, P. O. Box 190, Newark, New York 14513-0190 which provides for \$2,000,000 General Liability and Boat Docks. Coverage for the docks if \$40 per slip. Upon transfer of control, Directors Officers Liability coverage will be added at an estimated additional cost of \$750, based on current rates for this coverage.

NOTE: OWNERS WILL BE REQUIRED TO OBTAIN HAZARD INSURANCE FOR THE REPLACEMENT VALUE OF THEIR HOMES AND GENERAL LIABILITY INSURANCE FOR OCCURRENCES WITHIN THE HOME OR ON THE OWNER'S LOT. OWNERS SHOULD ALSO OBTAIN INSURANCE THE CONTENTS OF THEIR HOMES AGAINST LOSS.

**SCHEDULE A
FOOTNOTES**

- (8) \$2,574/3,744 Management for 32/48 Homes: Casciani Construction Co., Inc., P. O. Box 8191, Webster, New York 14580 (the Sponsor), is providing financial management for the Association for a period of two (2) years. Compensation is \$78 per Home per year, not to exceed \$3,744 per year when title to the 48th Home occurs. Financial management responsibilities shall include, but not necessarily be limited to, maintaining a full set of accounting records on a modified accrual basis, bill and receive all Assessments and deposit the proceeds in a designated bank account in the name of the Association, prepare for signatures all checks for payment of invoices/statements received, maintain all bank accounts in the name of the Association, submit monthly and quarterly income and expense statements, maintain all Association and Owners' files and assist the Board in the preparation of the annual budget.
- (9) \$165/330 Real Estate Taxes: Based on actual cost as billed by the Town of Webster Assessor, based on an estimated value of \$5,000 for the common areas. The 2000/01 combined Town, County and School taxes is \$32,29.
- (10) \$100 New York State Franchise Tax: This is the minimum New York State Franchise Tax, which will be the first year's estimated tax.
- (11) - 0 - Federal Income Taxes: It is not anticipated the Association will have any taxable income during the first year of operations.
- (12) - 0 - Legal: It is not anticipated the Association will have any legal fees.
- (13) \$900/1,800 Certified Financial Statements and Preparation of State and Federal Income Tax Returns for 33 Homes and \$1,800 for 48 Homes Audit: Based on actual billing by Michael Boychuk, CPA, Boychuk & Co., 33 West Main Street, Victor, NY 14564, an independent certified public accountant..
- (14) \$1,000/\$2,000 Miscellaneous: For unanticipated expenses.
- (15) \$6,013/\$6,344 Reserves: 32 Boat Slips (2 Docks) and 48 Boat Slips (3 Docks) cost to replace based on estimates by supplier of the docks, Dock Pete, Inc., Odenbach Associates, 1400 Ticonderoga Drive, Fort Collins, CO 80525, as follows:

60 year estimated life; \$38,400 per dock (16 slips) or \$640 per dock

2 docks (32 slips)	\$1,280	3 docks (48 slips)	\$1,920
reserves for improvements to common areas and waterfront areas	<u>\$4,733</u>		<u>\$4,424</u>
TOTAL RESERVES:	\$6,013		\$6,344

DeROO ASSOCIATES, INC.

Consultants

29 NORTHWOOD DRIVE
P.O. BOX 2105
BALLSTON SPA, NY 12020-8105

TELEPHONE (518) 885-6667
FAX (518) 885-1473

October 10, 2001

Department of Law
Real Estate Financing Bureau
120 Broadway - 23rd Floor
New York, New York 10271

Re: The Bluffs of Webster, Inc. (A Homeowners' Association)
Town of Webster, County of Monroe, New York

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

Involvement in the development, conversion, marketing and management of condominium and homeowners' associations since 1973 and prior to that with the development and management of multifamily residential rental properties since 1970; a Past President of the Western New York Chapter and the Capital Region Chapter of the Institute of Real Estate Management (IREM®); founder and President for three years of the Western New York Chapter of the Community Associations Institute (CAI) and a member of the Community Associations Institute since 1976 and founder of the Community Associations of Upstate New York. I service over ten associations in the Capital District.

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 13 NYCRR 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 and community association properties.

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

I certify that the Schedule:

- (i) sets forth in detail the projected income and expenses for the current year of homeowners' association operation;
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the current year of operation as a homeowners' association;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) 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 statement 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 Amendment of the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the current year of operation as a homeowners' association.

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

DeROO ASSOCIATES, INC.

Ruth V. DeRoo
Ruth V. DeRoo, President

Sworn to before me this
10th day of October, 2001

Donna L. Chiarenza
Notary Public

DONNA L. CHIARENZA
Notary Public for New York
No. 010H6015193
Qualified in Saratoga County
Comm. expires 10/80/02

Department of the Treasury Internal Revenue Service

For calendar year 2000 or tax year beginning August 1, 2000, and ending July 31, 2001

Use this label. Otherwise, please print or type.	Name THE BLUFFS OF WEBSTER, INC.	Employer identification number (see page 4) 16-1508920
	Number, street, and room or suite no. (if a P.O. box, see page 4) P.O. BOX 8191	Date association formed 08/28/1995
	City or town, state, and ZIP code WEBSTER, NY 14580	

Check if: (1) Final return (2) Change of address (3) Amended return

A Check type of homeowners association: Condominium management association Residential real estate association Timershare association

B Total exempt function income. Must meet 80% gross income test	B	16445.
C Total expenditures made for purposes described in 80% expenditure test	C	18865.
D Association's total expenditures for the tax year	D	18992.
E Tax-exempt interest received or accrued during the tax year	E	0.

Gross Income (excluding exempt function income)

1 Dividends	1	
2 Taxable interest	2	58.
3 Gross rents	3	
4 Gross royalties	4	
5 Capital gain net income (attach Schedule D (Form 1120))	5	
6 Net gain (or loss) from Form 4797, Part II, line 18 (attach Form 4797)	6	
7 Other income (excluding exempt function income) (attach schedule)	7	
8 Gross income (excluding exempt function income). Add lines 1 through 7	8	58.

Deductions (directly connected to the production of gross income, including exempt function income)

9 Salaries and wages	9	
10 Repairs and maintenance	10	
11 Rents	11	
12 Taxes and licenses	12	
13 Interest	13	
14 Depreciation (attach Form 4562)	14	
15 Other deductions (attach schedule) See Statement 1	15	127.
16 Total deductions. Add lines 9 through 15	16	127.
17 Taxable income before specific deduction of \$100. Subtract line 16 from line 8	17	<69.>
18 Specific deduction of \$100	18	\$100.00

Tax and Payments

19 Taxable income. Subtract line 18 from line 17	19	<169.>
20 Enter 30% of line 19. (Timershare associations, enter 32% of line 19.)	20	0.
21 Tax credits	21	
22 Total tax. Subtract line 21 from line 20. See instructions for recapture of certain credits	22	0.
23 Payments: a 100% overpayment credited to 2000	23a	
b 2000 estimated tax payments	23b	
c Total	23c	0.
d Tax deposited with Form 7004	23d	
e Credit for tax paid on undistributed capital gains (attach Form 2439)	23e	
f Credit for Federal tax on fuels (attach Form 4136)	23f	
g Add lines 23c through 23f	23g	0.
24 Tax due. Subtract line 23g from line 22. See instructions for delinquent method of tax payment	24	
25 Overpayment. Subtract line 22 from line 23g	25	
26 Enter amount of line 25 you want credited to 2001 estimated tax	26	

Please Sign Here

Under penalties of perjury, I declare that I have prepared this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: *[Signature]* Date: *9/10/01* Title: *Treas.*

Preparer's signature	Date	Check if self-employed	Preparer's EIN or PTIN
<i>[Signature]</i>	09/06/01	<input checked="" type="checkbox"/>	P00105271
Firm's name for year if self-employed	Address		Phone no.
BOYCHUK & CO.	PO BOX 56, 33 W MAIN ST VICTOR, NY 14564		16-1369629 (716) 924-8300

2000

Final return
(see procedure in instr.)

**General Business Corporation
Franchise Tax Return Short Form**
Tax Law - Article 9-A

Other filers enter tax period:

beginning **08/01/00**
ending **07/31/01**

Employer identification number 16-1508920		File number AA5	Check box if corporation claimed <input type="checkbox"/>	For office use only
Legal name of corporation THE BLUFFS OF WEBSTER, INC.	Taxable year / DDA		Date received	
	Mailing name (if different from legal name) and address City WEBSTER, NY 14580		State or country of incorporation NY	Date received
	Number and street or PO box P.O. BOX 8191		Date of incorporation 08/28/1995	
	City WEBSTER, NY 14580		State NY	ZIP code 14580	Audit use
Foreign corporation: date began business in NYS		Business telephone number 716-671-9300		
NACE business code number (see instructions) 531310		Principal business activity HOMEOWNERS ASSOCIATION		

Metropolitan transportation business tax (MTA surcharge)
During the tax year did you do business, employ capital, own or lease property, or maintain an office in the Metropolitan Commuter Transportation District? If Yes, you must file Form CT-3M/4M (see instructions) Yes No

A. Payment - pay amount shown on line 45. Make check payable to: **New York State Corporation Tax**
← Attach your payment here. Payment enclosed **8**

Computation of entire net income base (see instructions, Form CT-3/4-1, for assistance)

	Dollars	Cents
1 Filial net taxable income before net operating loss and special deductions	<69>	
2 Interest on federal, state, municipal and other obligations not included on line 1		
3 Interest paid to a corporate stockholder owning more than 50% of issued and outstanding stock		
4 New York State, other state and local taxes deducted on your federal return (see instructions)		
5 ACRS/MACRS deduction used in the computation of line 1 (see instructions)		
6 Add lines 1 through 5	<69>	
7 New York net operating loss deduction (attach federal and NYS computations)		
8 Allowable New York depreciation (see instructions)		
9 Refund or credit of certain taxes (see instructions)		
10 Total subtractions (add lines 7 through 9)		
11 Entire net income base (subtract line 10 from line 6; enter here and on line 21)	<69>	
12 Entire net income base tax (multiply line 11 by the appropriate rate from the Tax rates schedule on page 4 of Form CT-3/4-1)		0

Computation of capital base

	A Beginning of year	B End of year	C Average value
13 Total assets from federal return	8842 00	7009 00	7926 00
14 Real property and marketable securities included on line 13			
15 Subtract line 14 from line 13	8842 00	7009 00	7926 00
16 Real property and marketable securities at fair market value			
17 Adjusted total assets (add lines 15 and 16)	8842 00	7009 00	7926 00
18 Total liabilities	3200 00	3856 00	3528 00
19 Total capital base (subtract line 18, column C, from line 17, column C)			4398
20 Capital base tax (multiply line 19 by .00178; enter here and on line 29)			8

(continued)

Computation of minimum taxable income base

	Dollars	Cents
21 Entire net income from line 11	21	<69>
22 Depreciation of tangible property placed in service after 1980 (see instructions)	22	
23 Net operating loss deduction from line 7	23	
24 Total (add lines 21 through 23)	24	<69>
25 Alternative net operating loss deduction (see instructions)	25	
26 Minimum taxable income base (subtract line 25 from line 24)	26	<69>
27 Tax on minimum taxable income base (multiply line 26 by the appropriate rate from the Tax rates schedule on page 4 of Form CT-3/4-1)	27	0

Computation of tax

28 Tax on entire net income base from line 12	28	0
29 Tax on capital base from line 20 (tax small business: <input type="checkbox"/> First year <input type="checkbox"/> Second year)	29	8
30 Fixed dollar minimum tax (see instructions; an amount must be entered in each of the boxes below)	30	0

31 Gross payroll	0	
32 Total receipts	16445	
33 Gross assets	7926	
34 Tax due (amount from line 27, 28, 29, or 30 whichever is largest)	34	8
First installment of estimated tax for next period:		
35a If you filed a request for extension, enter amount from Form CT-5, line 2	35a	
35b If you did not file Form CT-5 and line 34 is over \$1,000, enter 25% of line 34	35b	0
36 Add line 34 and line 35a or 35b	36	8
37 Total prepayments from line 56	37	0
38 Balance (subtract line 37 from line 36; if line 37 is more than line 36, enter "0")	38	8
39 Penalty for underpayment of estimated tax (check box if Form CT-222 is attached <input type="checkbox"/> ; if none, enter "0")	39	
40 Interest on late payment (see instructions)	40	
41 Late filing and late payment penalties (see instructions)	41	
42 Balance (add lines 38 through 41)	42	8
43 Return a Gift to Wildlife (see instructions)	43	0 00
44 Breast Cancer Research and Education Fund (see instructions)	44	0 00
45 Balance due (if line 37 is less than the total of lines 36, 39, 40, 41, 43, and 44, the difference is amount due; enter payment on line A on page 1)	45	8
46 Overpayment (if line 37 is more than the total of lines 36, 39, 40, 41, 43, and 44, the difference is amount overpaid)	46	
47 Amount of overpayment to be credited to next period	47	
48 Balance of overpayment (subtract line 47 from line 46)	48	
49 Amount of overpayment to be credited to Form CT-3M/4M	49	
50 Refund of overpayment (subtract line 49 from line 48)	50	

Composition of prepayments on line 37

	Date paid	Amount
51 Mandatory first installment	51	
52a Second installment	52a	
52b Third installment	52b	
52c Fourth installment	52c	
53 Payment with extension request from Form CT-5, line 5	53	
54 Credit from prior years	54	
55 Credit from Form CT-3M/4M	55	
56 Total prepayments (add lines 51 through 55; enter here and on line 37)	56	0

Interest paid to shareholders

57 Did this corporation make any payments treated as interest in the computation of entire net income to shareholders owning directly or indirectly, individually or in the aggregate, more than 50% of the corporation's issued and outstanding capital stock? If Yes, complete the following (if more than one, attach separate sheet) 57 Yes No

Shareholder's name	Social security number or EIN
--------------------	-------------------------------

	Dollars	Cents	
58 Interest paid to shareholder			61 <input type="checkbox"/> Yes <input type="checkbox"/> No
59 Total indebtedness to shareholder described above			
60 Total interest paid			
61 Is there written evidence of the indebtedness?			

62 Are you claiming small business taxpayer status for lower entire net income tax rates? 62 Yes No

63 Enter total capital contributions (see worksheet in instructions) 63

64 Federal return filed 1120 1120-A 1120-S Consolidated basis Other: 1120H

Attach a complete copy of your federal return.
 Check box and attach Form CT-60-OSSS to notify the department that a qualified subchapter S subsidiary (OSSS) is included in this return

	Dollars	Cents
65 Total receipts entered on your federal return	65	16445
66 Interest deducted in computing federal taxable income	66	
67 Depreciable assets and land entered on your federal return	67	

68 If the IRS has completed an audit of any of your returns within the last five years, list years 68

69 If a member of an affiliated federal group - primary corporation: EIN

Name	EIN
------	-----

70 If more than 50% owned by another corporation - parent corporation: EIN

Name	EIN
------	-----

Corporations organized outside New York State complete the following for capital stock issued and outstanding.

71 Number of par shares Value \$

72 Number of no-par shares Value \$

If you do not need forms mailed to you next year, check box. We will send you a label for use on next year's return (see instructions)

Certification: I certify that this return and any attachments are to the best of my knowledge and belief true, correct, and complete.

Signature of principal officer or authorized person	Official title <u>Treas.</u>	Date <u>9/10/01</u>
Firm's name (or yours if self-employed) BOYCHUK & CO.	ID number 16-1369629	Date 09/06/01
Address PO BOX 56, 33 W MAIN ST VICTOR, NY 14564		Signature of individual preparing the return

Mail your return to: NYS CORPORATION TAX, PROCESSING UNIT, PO BOX 1009, ALBANY NY 12201-1000

Boychuk & Co., Certified Public Accountants

P.O. Box 56
33 West Main Street
Victor, New York 14564
(716) 924-8300
FAX (716) 924-8302

To the Board of Directors and the Homeowners
The Bluffs of Webster, Inc.

We have audited the accompanying balance sheet of The Bluffs of Webster, Inc. (a Not-For-Profit Corporation) as of July 31, 2001, and the related statements of revenues, expenses and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Bluffs of Webster, Inc. as of July 31, 2001, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles of the United States of America.

Boychuk & Co.

September 6, 2001.

THE BLUFFS OF WEBSTER, INC.

Balance Sheet
July 31, 2001

Assets

Cash \$7,009

Liabilities and Fund Balances

Liabilities:

Accounts payable \$ 128
Due to sponsor (note 4) 3,720
Accrued income taxes (note 3) 8
3,856

Fund balances (note 5) 3,153
\$7,009

See accompanying notes to financial statements.

THE BLUFFS OF WEBSTER, INC.

Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended July 31, 2001

	Operating Fund	Major Maintenance Fund	Total
Revenues:			
Common charges (note 2)	\$16,445	-	16,445
Interest income	-	58	58
	<u>16,445</u>	<u>58</u>	<u>16,503</u>
Expenses:			
Repairs and maintenance	2,334	7,335	9,669
Utilities	622	-	622
Trash removal	3,170	-	3,170
Administrative expenses	80	-	80
Professional fees (note 4)	2,544	-	2,544
Insurance	2,851	-	2,851
Property taxes	48	-	48
Income taxes (note 3)	8	-	8
	<u>11,657</u>	<u>7,335</u>	<u>18,992</u>
Excess of revenues over (under) expenses	4,788	(7,277)	(2,489)
Transfers	(3,962)	3,962	-
Fund balances - beginning of year	<u>4,345</u>	<u>1,297</u>	<u>5,642</u>
Fund balances - end of Year	<u>\$ 5,171</u>	<u>(2,018)</u>	<u>3,153</u>

See accompanying notes to financial statements.

THE BLUFFS OF WEBSTER, INC.

Statement of Cash Flows
For the Year Ended July 31, 2001

Cash flows from (used in) operating
activities:

Excess of revenues over (under) expenses \$(2,489)
Net (increase) decrease in prepaid
expenses, payables and accrued
expenses 2,377

(112)

Net increase (decrease) in cash

(112)

Cash balance - beginning of year

7,121

Cash balance - end of year

\$ 7,009

Supplemental disclosure:

Income taxes paid

\$ 100

See accompanying notes to financial statements.

THE BLUFFS OF WEBSTER, INC.

Notes to Financial Statements
July 31, 2001

1. Summary of Operations and Significant Accounting Policies

The association was incorporated under Section 402 of the New York State Not-For-Profit Corporation Law on August 28, 1995, for the purpose of maintaining the common areas of The Bluffs subdivision, consisting of 48 residential units, of which 23 are sold, one to the sponsor. The sponsor is in control of the association and also manages the association. In connection with these operations, the following significant accounting policies have been adopted:

Fund accounting. The association uses fund accounting, which requires that funds, such as operating funds and funds designated for future major repairs and replacements, be classified separately for accounting and reporting purposes. Disbursements from the operating fund are generally at the discretion of the board of directors. Disbursements from the major maintenance fund generally may be made only for designated purposes, currently dock replacement.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Owners' Assessments

Monthly assessments to owners are \$65, of which a portion is transferred to the major maintenance fund. The annual budget and assessments of owners are determined by the board of directors. The association retains excess operating funds at the end of the operating year, if any, for use in future operating periods.

The association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are significantly in arrears.

(Continued)

THE BLUFFS OF WEBSTER, INC.

Notes to Financial Statements
July 31, 2001

3. Income Taxes

Pursuant to the Tax Reform Act of 1976, homeowner associations are permitted to make an annual election to be treated as a regular corporation or a tax exempt organization. Each year the association will file its tax return under the election which is most beneficial to the organization. Under Section 528 of the Internal Revenue Code, taxes are paid on non-exempt function income (principally interest, net of expenses).

4. Commitments and Related Party Transactions

The association is managed by the sponsor, who will retain control until all the lots are sold or ten years from the sale of the first lot. Per the offering plan, the sponsor receives a management fee of \$78 annually per homeowner. The sponsor is required to fund operating deficits or pay common charges on unsold lots, until the last lot is sold.

5. Future Major Repairs and Replacements

The association has elected to accumulate funds for future major repairs and replacements. Accumulated funds are accounted for separately and generally are not available for expenditures for normal operations.

The offering plan determines amounts to be allocated to the major maintenance fund. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the major maintenance fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

Dock Pete's conducted a study, dated September 21, 1998, to estimate the remaining useful lives and the replacement costs of components of common property. The estimates are based on future estimated replacement costs.

The following unaudited table is based on the study and presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Remaining Useful Lives (Years)</u>	<u>Estimated Future Replacement Costs</u>
Boat docking system, 16 finger slips	60	\$38,400

ENCROACHMENT AGREEMENT

THIS AGREEMENT made this 26 day of September, 2001 between **CASCIANI CONSTRUCTION CO., INC.** with a business address at 850 Lake Road, Webster, New York, 14580, and **THE BLUFFS OF WEBSTER, INC.**, with a business address at 850 Lake Road, Webster, New York, 14580.

WITNESSETH:

WHEREAS, Casciani Construction Co., Inc. is the owner of property known and described as Lot 206 of The Bluffs of Webster Subdivision, Webster, New York and The Bluffs of Webster, Inc. is the owner of property adjacent to property owned by Casciani Construction Co., Inc. on the east being a 10 foot wide access to preserved open space as shown on the attached map as Schedule "A".

IN CONSIDERATION OF THE PREMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. There is a 10 foot wide access to preserved open space along the easterly property line of property known as Lot 206 of The Bluffs of Webster, Webster, New York. That a portion of the path existing on the 10 foot wide access to preserved open space encroaches upon the property owned by Casciani Construction Co., Inc. at 425 Sundance Trail, Webster, New York, all as shown on the attached Schedule "A".
2. That portion of the path on the premises owned by Casciani Construction Co., Inc. may remain in its present location.

3. For so long as the path remains in its present location, each party will permit the other party to use the path for ingress and egress to the preserved open space area. The path will be maintained and repaired at the expense of the Homeowners Association. Such use shall be quiet so as to not disturb the peace.

4. Other than the permission hereby granted, the Homeowners Association known as The Bluffs of Webster, Inc. will make no claim of ownership or other interest in that portion of the path which encroaches onto the property owned by Casciani Construction Co., Inc. In the event that the Homeowners Association removes or relocates the path, such that no portion is situated on the property owned by Casciani Construction Co., Inc. the permission hereby granted will cease and expire.


5. This Agreement shall be forever binding upon the distributees, assigns, executors and successors of the parties hereto.

6. The Bluffs of Webster, Inc., in case any claim is made against Casciani Construction Co., Inc., will hold Casciani Construction Co., Inc. harmless and indemnify Casciani Construction Co., Inc. from and against any loss, costs, damagee or expense, including reasonable attorney's fees or other expenses and/or disbursements, arising out of and in connection with the negligent maintenance of the portion of Casciani Construction Co., Inc.'s property encroached upon by The Bluffs of Webster, Inc., as shown on the attached Schedule "A", or any actual or alleged negligence or other act or action or failure to act by The Bluffs of Webster, Inc.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the date and year first above written.

THE BLUFFS OF WEBSTER, INC.

Date: 9/25/01



John Casciani

CASCIANI CONSTRUCTION CO., INC.


Date: 9/25/01



John Casciani PRES.

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

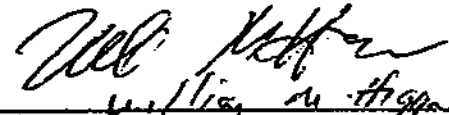
On this 26 day of September, 2001, before me personally John Casciani who, being by me duly sworn, did depose and say that he resides in the Town of Webster, State of New York; that he is the President of **The Bluffs of Webster, Inc.**, the corporation described in and on whose behalf he executed the within instrument; and that he was authorized to and did execute the within instrument pursuant to an order of the Board of Directors of said corporation.



Notary Public
September 21, 2001

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

On this 26 day of September, 2001, before me personally John Casciani who, being by me duly sworn, did depose and say that he resides in the Town of Webster, State of New York; that he is the President of **Casciani Construction Co., Inc.**, the corporation described in and on whose behalf he executed the within instrument; and that he was authorized to and did execute the within instrument pursuant to an order of the Board of Directors of said corporation.



Notary Public
September 21, 2001

15 FT. →

EXISTING 10 FT. WIDE PEDESTRIAN
TO THE PRESERVED OPEN SP.

05

206

208

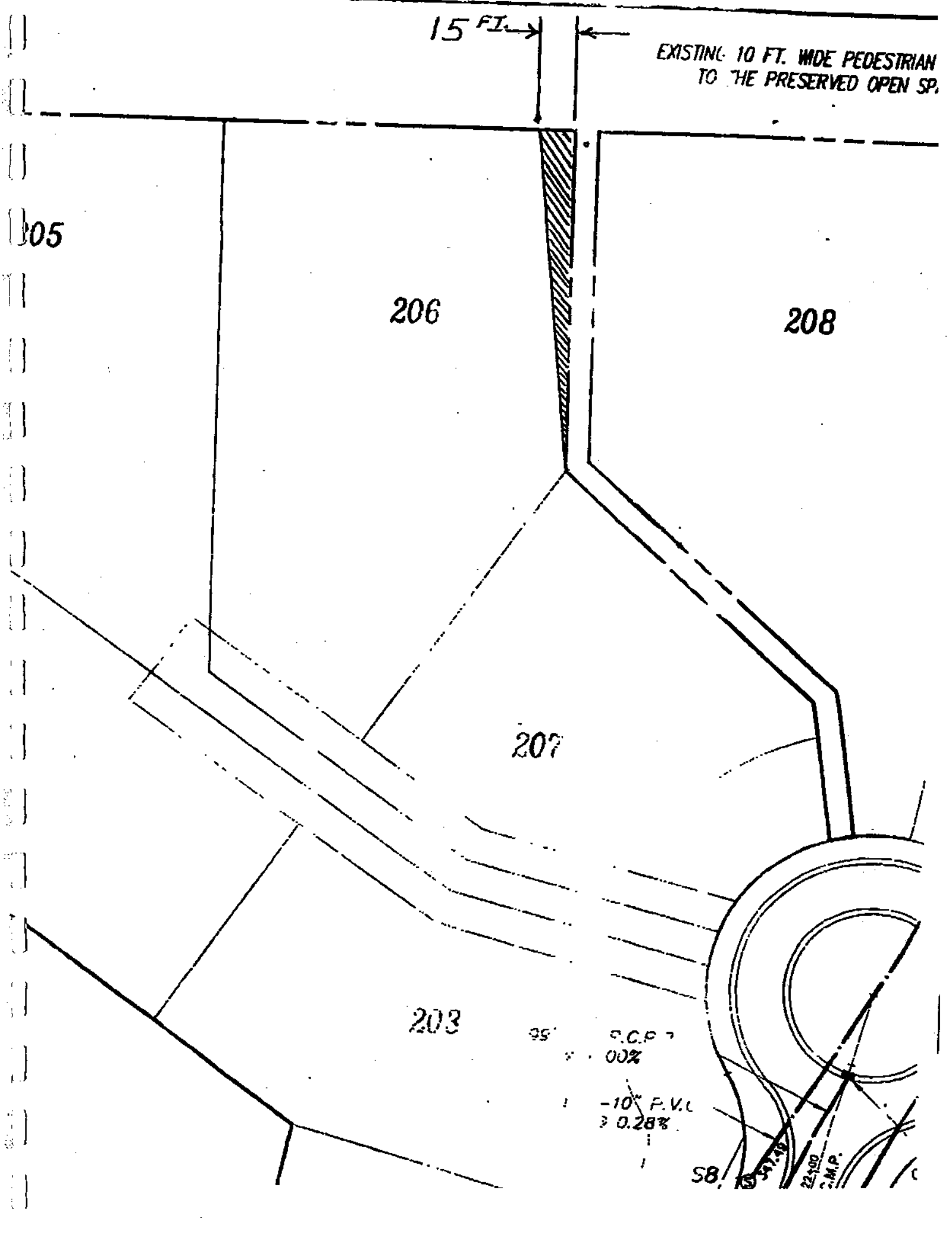
207

203

95' C.C.P. 7
00%

-10' F.V.L
0.28%

S8. 15
22-100
C.M.P.



AMENDED DECLARATION OF EASEMENT AND MAINTENANCE AGREEMENT

THIS DECLARATION, made on September 26, 2001, by CASCIANI CONSTRUCTION CO., INC., Webster, New York, hereinafter referred to as "Developer",

W I T N E S S E T H :

WHEREAS, the Developer is the owner of real property known as THE BLUFFS SUBDIVISION, which is situate in the Town of Webster, County of Monroe, State of New York, and which is particularly described in Schedule "A" as the same is shown on a map of the Subdivision recorded in the Monroe County Clerk's Office under Liber 285 of maps, Page 51, hereinafter referred to as "The Bluffs", and

WHEREAS, the Developer is the owner of Lots 203 and 207 of the Bluff's Subdivision, and

WHEREAS, the Developer intends to modify the Declaration of Easement and Maintenance Agreement which was recorded in the Monroe County Clerk's Office on March 15, 1996 in Liber 8714, Page 536, by adding Lot 203 and 207 to the aforementioned Easement and Maintenance Agreement, and

WHEREAS, the Developer has subdivided the property described in Schedule "A" into 48 lots, five of which, namely Lots number

203, 20~~4~~ 205, 206 and 207 have ingress and egress thereto over a private roadway which extends from Sundance Trail to said lots; hereinafter "Lots", which lots are to be individually owned and used for the construction of single family residences.

NOW, THEREFORE, the Developer hereby declares the above described property, being Lots 203, 204, 205, 206, and 207 of said Subdivision, to be subject to the following easements for ingress and egress, together with the following maintenance covenants, which easements shall run with the land.

1. Easements - The lot owner of Lots 203, 204, ,205, 206, and 207, in The Bluffs subdivision shall have for themselves, their guests, and invitees a non-exclusive easement for ingress and egress over the said private roadway as aforementioned as laid out on the subdivision map recorded in the Monroe County Clerk's Office under Liber 285 at Page 51 on August 17, 1995. The easements shall be used for ingress, egress, and installation of utilities to Lots 203, 204, 205, 206, and 207. No lot owner shall allow the private roadway area to be obstructed, impeded or interfered with. Each lot owner shall cooperate with other lot owners to maintain an orderly flow of traffic and the free movement of pedestrian and vehicular traffic within the private roadway area.

2. Maintenance Cost - The owner or owners of a lot in the above mentioned lots in The Bluffs subdivision shall pay twenty percent (20%) of the cost of maintenance, repair and/or replacement of the private roadway, providing said maintenance, repair and replacement shall have been approved by the owner or owners of at least three of Lots number 203, 204, 205, 206, and 207.

3. Snow Removal - The owner or owners of Lots numbered 203, 204, 205, 206, and 207, shall pay twenty percent (20%) of the cost of snow removal or snow plowing of the private roadway servicing their lot providing that the arrangement or agreement for said snow removal or snow plowing shall have been approved by the owner or owners of at least three of Lots number 203, 204, 205, 206, and 207.

4. Amendments - This Declaration may not be modified, augmented or amended except by an instrument in writing approved by the then owners of Lots 203, 204, 205, 206, and 207 of The Bluffs subdivision and recorded in the Office of the Clerk of the County of Monroe.

5. Distributees, Successors and Assigns - This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective distributees, successors, legal representatives and assigns.

6. Severability - Invalidation of any one of the provisions in this instrument by judgment or court order shall in no way affect the validity of the other provisions, which shall remain in full force and effect.

7. Binding Effect and Term - These covenants, conditions, restrictions, and easements shall run with the land and shall be binding on all the parties, their heirs, executors, administrators, successors and assigns, and all persons claiming thereunder.

8. Remedies - If any owner or owners of a lot in the subdivision, being Lots 203, 204, 205, 206, and 207 shall violate any of the covenants, conditions, restrictions or easements herein contained, it shall be lawful for any other person or persons owning any other lot in said subdivision, being Lots 203, 204, 205, 206, and 207 to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition, restriction or easement, and either to prevent him or them from so doing, and to recover damages for such violations and injunctive relief. Any owner or owners of a lot in The Bluffs subdivision having paid the cost of approved maintenance, or of approved snow removal, as provided in this agreement, shall have full right of recovery of the unpaid share of said expense from the owner or owners having failed to pay when due

said unpaid share of said expense, together with the costs, interest, disbursements and reasonable attorney fees.

IN WITNESS WHEREOF, the undersigned has set his hand and seal this 16 day of September, 2001.

CASCIANI CONSTRUCTION CO., INC.

By: *John Casciani* PRES.
John Casciani, President

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On the 16 day of September, 2001, before me personally came John Casciani, to me known, who, being by me duly sworn, did depose and say that deponent is President of Casciani Construction Co., Inc., the corporation described in and which executed the foregoing instrument; deponent knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that deponent signed his name thereto by like order.

[Signature]
NOTARY PUBLIC

William M. Higgins

Commission Expires *July 31, 2001*



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

DIVISION OF PUBLIC ADVOCACY
REAL ESTATE FINANCING BUREAU

LIOT SPITZER
Attorney General

(212) 416-8144

Casciani Construction Company, Inc.
c/o William M. Higgins, Esq.
Attention: William Higgins
16 East Main Street
Rochester, NY 14614

RE: Bluffs Of Webster, HOA
File Number: H 950072
Date Amendment Filed: 10/30/2000
Receipt Number: 53123
Amendment No: 4
Filing Fee: \$150.00

Dear Sponsor:

The referenced amendment to the offering plan for the subject premises is hereby accepted and filed. Since this amendment is submitted after the post closing amendment has been filed, this filing is effective for twelve months from the date of filing of this amendment. However, any material change of fact or circumstance affecting the property or offering requires an immediate amendment.

Any misstatement or concealment of material fact in the material submitted as part of this amendment renders this filing void ab initio. This office has relied on the truth of the certifications of sponsor, sponsor's principals, and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

Filing this amendment shall not be construed as approval of the contents or terms thereof by the Attorney General of the State of New York, or any waiver of or limitation on the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable law. The issuance of this letter is conditioned upon the collection of all fees imposed by law. This letter is your receipt for the filing fee.

Very truly yours,

Oliver Rosengart
Assistant Attorney General *y.H.*

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Town of Webster, County of Monroe, New York 14612

FILE NO. H 95-0072

FILING DATE: FEBRUARY 14, 1996

AMENDMENT NO. 4

The purposes of this Amendment No. 4 is to extend the Offering Plan for twelve (12) months. The Post Closing Amendment (Amendment No. 1) was accepted for filing March 31, 1997, Amendment No. 2 was accepted for filing December 10, 1997 and Amendment No. 3 was accepted for filing September 25, 1998.

1. STATUS OF CONSTRUCTION:

Seventeen (17) Homes have been completed and title transferred, all prior to September 2, 1999.

There are no pending purchase agreements.

The dock design has been changed from four (4) sections to three (3) sections with sixteen (16) slips in each section. A copy of the new dock layout is made a part of this Amendment. The first of dock section, providing slips for sixteen (16) boats has been completed and the second dock section is under construction which will provide for a total of 32 boat slips.

2. FINANCIAL STATEMENTS:

Financial statements for the fiscal year ending July 31, 1999 are made a part of this Amendment. Financial statements for the fiscal year ending July 31, 2000 are in the process of preparation.

3. FRANCHISE TAXES AND FEDERAL INCOME TAXES:

All New York State Franchise Taxes have been paid for each year since the filing of the Certificate of Incorporation (August 28, 1995) and Federal Tax Returns have been filed.

4. The budget for the fiscal year August 1, 2000 thru July 31, 2001 is made a part of this Amendment, together with a letter of adequacy.

5. **RESERVE FUND:**

As stated on Page 35 of the Offering Plan, there is no special advanced reserve fund. However, \$640, surplus income, has been deposited in an interest-bearing account in the name of the Association and a projected surplus for the fiscal year ending July 31, 2001 will be added to this account, together with the reserves for the boat docks.

6. **WORKING CAPITAL:**

As stated on Page 35 of the Offering Plan, there will be no Working Capital.

7. **SPONSOR'S AGGREGATE MONTHLY ASSOCIATION CHARGES:**

Monthly Association Assessments are currently \$64.94 per month per Home. The Sponsor is providing Association management at it's own expense. \$2,574 has been budgeted for this expense for 32 Homes and \$3,744 for 48 Homes. Any excess operating funds at the end of the operating year, if any, is being retained in the Association interest-bearing reserve account for unanticipated future expenses. The Sponsor is current in its obligations to the Association.

8. **MONTHLY AGGREGATE REAL ESTATE TAXES PAYABLE BY THE SPONSOR ON THE UNDEVELOPED LANDS AND LOTS:**

The Sponsor is current on the payment of all real estate taxes due on the undeveloped lands and Lots. Real estate taxes on the undeveloped lands and Lots are approximately \$729 per month (\$8,748 per year).

9. **OTHER SPONSOR FINANCIAL OBLIGATIONS:**

There are no other financial obligations to the Association due within twelve (12) months from the date of this Amendment No. 4 that will become due.

10. **UNSOLD LOTS SUBJECT TO MORTGAGES OR OTHERWISE REPRESENT SECURITY FOR FINANCING ARRANGEMENTS:**

There are no mortgages or any other financing arrangements for which the Unsold Lots represent security.

The Sponsor has a five-year line of credit with Ontario Savings Bank, Ontario, New York in the amount of \$650,000 and an interest rate of 2-over-Prime.

11. **FUNDING SOURCE FOR SPONSOR'S FINANCIAL OBLIGATIONS TO THE ASSOCIATION:**

The Sponsor will fund its financial obligations to the Association from projected sales. However, in the event such projected sales are not made, the Sponsor will fund its obligations from other sources of the Principal's business ventures.

12. **SPONSOR CONTROL OF THE BOARD OF DIRECTORS:**

The Sponsor shall remain in control of the Board until all Lots and/or Homes are sold to initial Purchasers or ten (10) years from the transfer of title to the first Lot and/or Home, whichever first occurs (see Pages 2 and 24 of the Offering Plan). Transfer of title to the first Home occurred on or about April 3, 1996.

13. **OTHER ASSOCIATIONS IN WHICH THE SPONSOR AND PRINCIPALS OF THE SPONSOR OWN MORE THAN TEN PERCENT (10%) OF THE UNSOLD HOMES:**

The Sponsor and its Principal have previously been involved in the offering of cooperative interest in real estate in New York State, which was a three-lot subdivision, Fern Valley Subdivision, Bay Road, Town of Webster, County of Monroe, New York. The File No. is NA 94-0096. The application for the No-Action Letter was accepted by the Department of Law on June 22, 1994. The Sponsor and its Principal are current with their financial obligations to this Association.

14. **DRIVEWAY AGREEMENT**

Schedule L-1 to the Declaration "Private Driveway For Lots 121, 122 and 123" has been amended to include Lot 120 and Lot 201. Lots 121, 122, 123 and 201 are unsold as of the date of this Amendment. A copy of the amended Driveway Agreement is made a part of this Amendment.

Section 6.02 c. of the Declaration shall be amended to include Lot 120 and Lot 201.

Section 32 of the Purchase Agreement has been amended to include Lot 120 and Lot 201 in reference to the Driveway Maintenance Agreement which is a Schedule to the Purchase Agreement.

15. WALKWAY TO THE DOCKING FACILITY

The walkway between Lots 115 and 116, providing access to the docking facility, encroaches on Lots 115 and 116. There shall be a permanent easement to the Association for the use, maintenance and repair of the walkway. A copy of the easement is made a part of this Amendment.

There are no outstanding rescission periods.

The Sponsor is not aware of any investigation currently pending by the Department of Law of the Sponsor, a Principal of the Sponsor or the Association property.

There no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect The Bluffs of Webster, Inc. (A Homeowners' Association) Offering, the Association Property, the Sponsor's ability to perform all of its obligations under the Offering Plan or the operation of the Association.

There are no prior amendments have been submitted to but not yet filed with the Department of Law. Other than as set forth above, there are no material changes in fact or circumstances which require an amendment to the Offering Plan.

SPONSOR:
CASCIANI CONSTRUCTION COMPANY, INC.

By: 
John A. Casciani, President

Dated: August 29, 2000

SCHEDULE A
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Projected Budget for First Year of Operation
August 1, 2000 thru July 31, 2001
Includes Boat Dock Budget Originally Set Forth as Schedule B

INCOME: (1)	<u>32 HOMES & 32 BOAT SLIPS</u>	<u>48 HOMES & 48 BOAT SLIPS</u>
Assessments (\$779.28 Per Home per year payable monthly)	\$ 24,937	\$ 37,405
EXPENSES:		
Electric (2)	\$ 1,000	\$ 2,000
Water & Sewer (3)	\$ 800	\$ 1,200
Repairs & Maintenance (4)	\$ 2,000	\$ 3,200
Refuse Collection (5)	\$ 6,325	\$ 9,487
Office Expense (6)	\$ 600	\$ 1,200
Insurance (7)	\$ 3,460	\$ 6,000
Management (8) <i>to Cabram's Const.</i>	\$ 2,574	\$ 3,744
Real Estate Taxes (9)	\$ 165	\$ 330
Franchise Taxes (10)	\$ 100	\$ 100
Federal Income Taxes (11)	\$ -0-	\$ -0-
Legal (12)	\$ -0-	\$ -0-
Audit (13)	\$ 900	\$ 1,800
Miscellaneous (14)	\$ 1,000	\$ 2,000
Reserves (15)	\$ 6,013	\$ 6,344
TOTAL EXPENSES:	\$24,937	\$37,405
Per Home Per Year	\$779.28	\$779.28
Per Home Per Month	\$ 64.94	\$ 64.94

The expenses for the boat slips originally set forth as Schedule B, including reserves, has been incorporated into this Schedule A.

**SCHEDULE A
FOOTNOTES**

- (1) \$24,937/\$37,405 Income: Based on 32/48 Homes and Boat Slips.
- (2) \$1,000/2,000 Electricity: There will be no street lighting. Based on actual cost for electricity for the boat dock area for 32 slips and projected, allowing for a possible rate increase, for the 48 slips.
- (3) \$800/1,200 Water and Sewer: Each Home will be separately metered and will be billed directly by the Village of Webster for actual usage. Based on actual cost for the first 16 boat slips and projected for the 32 and 48 slips.
- (4) \$2,000/3,200 Repairs and Maintenance: Based on actual costs for spring and fall cleanup of the common areas and weeding and trimming of the landscaped entry casement area and boat dock area. There is no contract for this work. The Sponsor engages the services of a local grounds maintenance person as such services are required.
- (5) \$6,325/9,487 Refuse Collection: Based on a written quotation from Upstate Disposal, P. O. Box 8007, Webster, New York 14580 who provides once a week, curb side pickup of refuse and recycling at a cost of \$16.47 (including tax) per Home per month. Therefore:

32 Homes: \$16.47 x 12 months x 32 Homes	\$6,325.00
48 Homes: \$16.47 x 12 months x 48 Homes	\$9,487.00

- (6) \$600/1,200 Office Expense: For 32/48 Homes for cost of an estimated 6 mailings per year per Home and the cost of bookkeeping supplies, checks and stationary.
- (7) \$3,460/6,000 Insurance for 32/48 Homes and Boat Slips. Based on a written quotation from Ely & Leene Agency/Mead-Maloy Agency, Inc., 212 N. Main Street, P. O. Box 190, Newark, New York 14513-0190 which provides for \$2,000,000 General Liability and boat docks. Coverage for the docks is \$40 per slip. Upon transfer of control, Directors & Officers Liability coverage will be added at an estimated additional cost of \$750, based on current rates for this coverage.

NOTE: OWNERS ARE REQUIRED TO OBTAIN HAZARD INSURANCE FOR THE REPLACEMENT VALUE OF THEIR HOMES AND GENERAL LIABILITY INSURANCE FOR OCCURRENCES WITHIN THE HOME OR ON THE OWNER'S LOT. OWNERS SHOULD ALSO OBTAIN INSURANCE THE CONTENTS OF THEIR HOMES AGAINST LOSS.

SCHEDULE A

- (8) \$2,574/3,744 Management for 32/48 Homes & \$3,744 for 48 Homes: Casciani Construction Co., Inc., 850 Lake Road, Webster, New York 14580 (the Sponsor), will provide financial management for the Association for a period of two (2) years. Compensation will be \$78 per Home per year, not to exceed \$3,744 per year when title to the 48th Home occurs. Financial management responsibilities shall include, but not necessarily be limited to, maintaining a full set of accounting records on a modified accrual basis, bill and receive all Assessments and deposit the proceeds in a designated bank account in the name of the Association, prepare for signatures all checks for payment of invoices/statements received, maintain all bank accounts in the name of the Association, submit monthly and quarterly income and expense statements, maintain all Association and Owners' files and assist in the preparation of the annual budget.
- (9) \$165/330 Real Estate Taxes: Based on actual cost as billed by the Town of Webster Assessor, based on an estimated value of \$5,000 for the common areas. The 1999/2000 combined Town, County and School tax rate is \$32.20.
- (10) \$100 New York State Franchise Tax: The minimum New York State Franchise Tax.
- (11) - 0 - Federal Income Taxes: It is not anticipated the Association will have any taxable income during the next year of operations.
- (12) - 0 - Legal: It is not anticipated the Association will have any legal fees during the next year of operations.
- (13) \$900/1,800 Certified Financial Statements and Preparation of State and Federal Income Taxes. Based on actual billing by Boychuk & Co., Certified Public Accountants, 33 West Main Street, P. O. Box 56, Victor, New York 14564.
- (14) \$1,000/2,000 Miscellaneous for unanticipated expenses for 32/48 Homes.
- (15) \$6,013/\$6,344 Reserves:

32 Boat Slips (2 Docks) and 48 Boat Slips (3 Docks) cost to replace based on estimates by the supplier of the docks Dock Pete', Inc., Odenback Associates, 1400 Ticonderoga Drive, Fort Collins, CO 80525 as follows:

60 year estimated life \$38,400 per dock (16 slips) or \$640 per dock			
2 docks (32 slips)	\$1,280	3 docks (48 slips)	\$1,920
reserves for improvements to common areas and waterfront areas	<u>\$4,733</u>		<u>\$4,424</u>
Total Reserves	\$6,013		\$6,344

DeROO ASSOCIATES, INC.

Consultants

79 NORTHWOOD DRIVE
P.O. BOX 2105
BALLSTON SPA, NY 12020-8105

TELEPHONE (518) 885-6667
FAX (518) 885-1473

August 25, 2000

Department of Law
Real Estate Financing Bureau
120 Broadway - 23rd Floor
New York, New York 10271

Re: The Bluffs of Webster, Inc. (A Homeowners' Association)
Town of Webster, County of Monroe, New York

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

Involvement in the development, conversion, marketing and management of condominium and homeowners' associations since 1973 and prior to that with the development and management of multifamily residential rental properties since 1970; a Past President of the Western New York Chapter and the Capital Region Chapter of the Institute of Real Estate Management (IREM); founder and President for three years of the Western New York Chapter of the Community Associations Institute (CAI) and a member of the Community Associations Institute since 1976 and founder of the Community Associations of Upstate New York. I service over ten associations in the Capital District.

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 13 NYCRR 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 and community association properties.

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

Department of Law
I certify that the Schedule:

August 25, 2000

- (i) sets forth in detail the projected income and expenses for the current year of the homeowners' association operation;
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the current year of operation as a homeowners' association;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) 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 statement 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 Amendment of the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the current year of operation as a homeowners' association.

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

MICHELE F. LEMONS
Notary Public, State of New York
Qualified in Albany County
No. 4921894
Commission Expires Feb. 29, 2003

DeROO ASSOCIATES, INC.


Ruth V. DeRoo

Sworn to before me this
25th day of August, 2000


Notary Public

P.O. Box 56
33 West Main Street
Victor, New York 14564

(716) 924-8300
FAX (716) 924-8302

To the Board of Directors and the Homeowners
The Bluffs of Webster, Inc.

We have audited the accompanying balance sheet of The Bluffs of Webster, Inc. (a Not-For-Profit Corporation) as of July 31, 1999, and the related statements of revenues, expenses and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Bluffs of Webster, Inc. as of July 31, 1999, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Boychuk & Co.

September 20, 1999

THE BLUFFS OF WEBSTER, INC.

Balance Sheet
July 31, 1999

Assets

Cash	\$ 8,435
Accounts receivable from homeowners (note 2)	1,795
Prepaid expenses	<u>1,116</u>
	<u>\$11,346</u>

Liabilities and Fund Balances

Liabilities:

Accounts payable	\$ 155
Due to Sponsor	1,175
Advance payments from homeowners	3,572
Deferred special assessment	5,600
Accrued income taxes (note 3)	<u>100</u>
	<u>10,602</u>
Fund balances (note 5)	<u>744</u>
	<u>\$11,346</u>

See accompanying notes to financial statements.

THE BLUFFS OF WEBSTER, INC.

Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended July 31, 1999

	Operating Fund	Major Maintenance Fund	Total
Revenues:			
Common charges (note 2)	<u>\$7,335</u>	<u>-</u>	<u>7,335</u>
Expenses:			
Repairs and maintenance	1,221	-	1,221
Utilities	464	-	464
Trash removal	1,482	-	1,482
Administrative expenses	573	-	573
Professional fees	725	-	725
Insurance	1,865	-	1,865
Property taxes	161	-	161
Income taxes (note 3)	<u>100</u>	<u>-</u>	<u>100</u>
	<u>6,591</u>	<u>-</u>	<u>6,591</u>
Excess of revenues over (under) expenses	744	-	744
Transfers	(640)	640	-
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of Year	<u>\$ 104</u>	<u>640</u>	<u>744</u>

See accompanying notes to financial statements.

THE BLUFFS OF WEBSTER, INC.

Statement of Cash Flows
For the Year Ended July 31, 1999

Cash flows from (used in) operating activities:	
Excess of revenues over (under) expenses	\$ 744
Net (increase) decrease in receivables, prepaid expenses, payables, advance payments, deferred income and accrued expenses	<u>5,977</u>
	<u>6,721</u>
Net increase (decrease) in cash	6,721
Cash balance - beginning of year	<u>1,714</u>
Cash balance - end of year	<u>\$8,435</u>
Supplemental disclosure:	
Income taxes paid	\$ 325

See accompanying notes to financial statements.

THE BLUFFS OF WEBSTER, INC.

Notes to Financial Statements
July 31, 1999

1. Summary of Operations and Significant Accounting Policies

The association was incorporated under Section 402 of the New York State Not-For-Profit Corporation Law on August 28, 1995, for the purpose of maintaining the common areas of The Bluffs subdivision, consisting of 48 residential units, of which 14 are sold. The sponsor is in control of the association and also manages the association. In connection with these operations, the following significant accounting policies have been adopted:

Fund accounting. The association uses fund accounting, which requires that funds, such as operating funds and funds designated for future major repairs and replacements, be classified separately for accounting and reporting purposes. Disbursements from the operating fund are generally at the discretion of the board of directors. Disbursements from the major maintenance fund generally may be made only for designated purposes, currently dock replacement.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Owners' Assessments

Monthly assessments to owners are \$64.94, of which a portion is transferred to the major maintenance fund. The annual budget and assessments of owners are determined by the board of directors. The association retains excess operating funds at the end of the operating year, if any, for use in future operating periods.

The association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are significantly in arrears. It is the opinion of management that the association will ultimately prevail against the homeowners whose assessments are delinquent and, accordingly, no allowance for doubtful accounts is deemed necessary.

(Continued)

Notes to Financial Statements
July 31, 1999

3. Income Taxes

Pursuant to the Tax Reform Act of 1976, homeowner associations are permitted to make an annual election to be treated as a regular corporation or a tax exempt organization. Each year the association will file its tax return under the election which is most beneficial to the organization. Under Section 528 of the Internal Revenue Code, taxes are paid on non-exempt function income (principally interest, net of expenses).

4. Commitments and Related Party Transactions

The association is managed by the sponsor, who will retain control until all the lots are sold or ten years from the sale of the first lot. Currently, the sponsor is not taking a management fee, although the offering plan provides for a \$78 annual fee per homeowner. The sponsor is required to fund operating deficits or pay common charges on unsold lots, until the last lot is sold.

5. Future Major Repairs and Replacements

The association has elected to accumulate funds for future major repairs and replacements. Accumulated funds are accounted for separately and generally are not available for expenditures for normal operations.

The offering plan determines amounts to be allocated to the major maintenance fund. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the major maintenance fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

Dock Pete's conducted a study, dated September 21, 1998, to estimate the remaining useful lives and the replacement costs of components of common property. The estimates are based on future estimated replacement costs.

The following unaudited table is based on the study and presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Remaining Useful Lives (Years)</u>	<u>Estimated Future Replacement Costs</u>
Boat docking system, 16 finger slips	60	\$38,400

26. **OTHER AGREEMENTS.** This Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire understanding between them.

27. **AMENDMENT OF AGREEMENT.** This agreement may not be amended except by a written instrument signed by the party sought to be charged therewith or by the duly authorized agent of such party.

28. **BROKER'S COMMISSION.** Purchaser and Sponsor agree that no broker other than Sponsor's sales agent brought about this sale.

29. **CAPTIONS.** The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent to any provision thereof.

30. **SEVERABILITY.** If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the acceptability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

31. **STRICT COMPLIANCE.** Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

32. **SCHEDULES.** The following Schedules are attached hereto and made a part of this Agreement:

- a. Schedule A: Changes to Sponsor's Home Specifications.
- b. Driveway Maintenance Agreement if Purchase Agreement is for Lots 120, 121, 122, 123, Lots 201, 204, 205, 206 and Lots 208 and 209.
- c. Sewer Grinder Pump Maintenance Agreement with a Certified Plumber is Purchase Agreement is for a Lot requiring the installation of a sewer grinder pump.
- d. Other: _____

33. **ACCEPTANCE.** Unless the Sponsor accepts this Purchase Agreement within five (5) days after receipt, this Agreement shall not become effective, and the deposit shall be refunded within ten (10) days thereafter.

ENCROACHMENT AGREEMENT

THIS AGREEMENT made this 31 day of December, 1999 between
CASCIANI CONSTRUCTION CO., INC. with a business address at 850 Lake Road,
Webster, New York, 14580, and THE BLUFFS OF WEBSTER, INC., with a business
address at 850 Lake Road, Webster, New York, 14580.

W I T N E S S E T H:

WHEREAS, Casciani Construction Co., Inc. is the owner of property known and
described as Lot ~~115~~¹¹⁶ of The Bluffs of Webster Subdivision, Webster, New York and The
Bluffs of Webster, Inc. is the owner of property adjacent to property owned by Casciani
Construction Co., Inc. on the south being a 20 foot wide access to shoreline and open space as
shown on the attached map as Schedule "A".

IN CONSIDERATION OF THE PREMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. There is a 20 foot wide access to shoreline and open space along the southerly
property line of property known as Lot 116 of The Bluffs of Webster, Webster, New York.
That a portion of the pavement existing on the 20 foot wide access to shoreline and open space
encroaches upon the property owned by Casciani Construction Co., Inc. at 425 Sundance
Trail, Webster, New York, all as shown on the attached Schedule "A".
2. That portion of the pavement on the premises owned by Casciani Construction
Co., Inc. may remain in its present location.

3. For so long as the pavement remains in its present location, each party will permit the other party to use the pavement for ingress and egress to the shoreline and open space area along Irondequoit Bay, Webster, New York. The pavement will be maintained and repaired at the expense of the Homeowners Association. Such use shall be quiet so as to not disturb the peace.

4. Other than the permission hereby granted, the Homeowners Association known as The Bluffs of Webster, Inc. will make no claim of ownership or other interest in that portion of the pavement which encroaches onto the property owned by Casciani Construction Co., Inc. In the event that the Homeowners Association removes or relocates the pavement, such that no portion is situated on the property owned by Casciani Construction Co., Inc. the permission hereby granted will cease and expire.

5. This Agreement shall be forever binding upon the distributees, assigns, executors and successors of the parties hereto.

6. The Bluffs of Webster, Inc., in case any claim is made against Casciani Construction Co., Inc., will hold Casciani Construction Co., Inc. harmless and indemnify Casciani Construction Co., Inc. from and against any loss, costs, damage or expense, including reasonable attorney's fees or other expenses and/or disbursements, arising out of and in connection with the negligent maintenance of the portion of Casciani Construction Co., Inc.'s property encroached upon by The Bluffs of Webster, Inc., as shown on the attached Schedule "A", or any actual or alleged negligence or other act or action or failure to act by The Bluffs of Webster, Inc.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the date and year first above written.

THE BLUFFS OF WEBSTER, INC.


Date: Dec 31, 1999



John Casciani

CASCIANI CONSTRUCTION CO., INC.

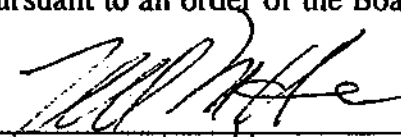
Date: Dec 31, 1999



John Casciani

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


On this 31 day of Dec, 1999, before me personally **John Casciani** who, being by me duly sworn, did depose and say that he resides in the Town of Webster, State of New York; that he is the President of **The Bluffs of Webster, Inc.**, the corporation described in and on whose behalf he executed the within instrument; and that he was authorized to and did execute the within instrument pursuant to an order of the Board of Directors of said corporation.



Notary Public in and for the State of New York
Dec 31, 1999

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

On this 31 day of Dec, 1999, before me personally **John Casciani** who, being by me duly sworn, did depose and say that he resides in the Town of Webster, State of New York; that he is the President of **Casciani Construction Co., Inc.**, the corporation described in and on whose behalf he executed the within instrument; and that he was authorized to and did execute the within instrument pursuant to an order of the Board of Directors of said corporation.



Notary Public in and for the State of New York
Dec 31, 1999

54,786
1,257

WIDE ACCESS TO OVERLOOK SHORELINE &
(ACCESSIBLE BY ALL SUBDIVISION HOMEOWNERS)

INSTALL A WALKWAY
6' WIDE, #1 & #2 CRUSHED
STONE (4" COMPACTED
THICKNESS) EXACT LOCATION
TO BE DETERMINED BY
STAKEOUT.

117
56,801 sq. ft.
1.304 acres

U.E. - 4
EASEMENT TO THE
TOWN OF WEBSTER
FOR STORM SEWER
AND SANITARY
SEWER PURPOSES.

WATER
TABLE

U.E. - 8
15' WIDE EASEMENT
TO THE OWNER OF LOT
117 FOR SANITARY
LATERAL PURPOSES.

38.00
108.28 2274

0.23
509.76 272

SHORELINE
TABLE

116
48,216 sq. ft.
1.107 acres

5' CONCRETE WALK

115
47,955 sq. ft.
1.101 acres

BOTTOM GABION WALL
TOP GABION WALL

PATH TO SHORELINE
TO BE IMPROVED WITH
#1 & #2 CRUSHED STONE
4" COMPACTED THICKNESS
AND 6 FOOT WIDE

APPROXIMATE EDGE WATER

20 FT. WIDE ACCESS TO
SHORELINE AND OPEN SPACE
(ACCESSIBLE BY ALL SUBD.
HOMEOWNERS)

± FT. WIDE STRIP
LONG SHORELINE.
(ACCESSIBLE BY ALL
SUBD. HOMEOWNERS)

114
82,500 sq. ft.
1.907 acres

AMENDED

DECLARATION OF EASEMENT AND MAINTENANCE AGREEMENT

THIS DECLARATION, made on December 31, 1999, by **CASCIANI CONSTRUCTION CO., INC.**, Webster, New York, hereinafter referred to as "Developer", and **DARRIN D. and ZINA J. C. NELSON**, owners of Lot 120 of The Bluffs Subdivision, hereinafter referred to as "Owner".

WITNESSETH:

WHEREAS, the Developer is the owner of certain lots in **THE BLUFFS SUBDIVISION**, which is situate in the Town of Webster, County of Monroe, State of New York, and which is shown on a map of the Subdivision recorded in the Monroe County Clerk's Office under Liber 285 of maps, Page 51, hereinafter referred to as "The Bluffs", and

WHEREAS, the Owner is the owner of Lot 120 of The Bluffs Subdivision, and

WHEREAS, the Developer and Owner intend to modify the Declaration of Easement and Maintenance Agreement which was recorded in the Monroe County Clerk's Office on March 15, 1996 in Liber 8714 of Deeds, page 530, and amended on February 27, 1998 in Liber 8977 of Deeds, page 413, by adding Lot 201 to said aforementioned Easement and Maintenance Agreement.

WHEREAS, the Developer has subdivided the property into 48 lots, four of which, namely Lots number 120, 121, 122 and 123 have ingress and egress thereto over a private roadway which extends from Sundance Trail to said lots; hereinafter "Lots", which lots are to be individually owned and used for the construction of single family residences.

*Arts to: C. 11/15
16 m. #199175
East August 54*

*RECORDED
JAN 1 11 09:58*

NOW, THEREFORE, the Developer hereby declares the above described property, being Lots 120, 121, 122, 123 and 201 in The Bluffs Subdivision, to be subject to the following easements for ingress and egress, together with the following maintenance covenants, which easements shall run with the land.

1. Easements - The lot owner of Lots 120, 121, 122, 123 and 201, in The Bluffs Subdivision shall have for themselves, their guests, and invitees a non-exclusive easement for ingress and egress over the said private roadway as aforementioned as laid out on the subdivision map recorded in the Monroe County Clerk's Office under Liber 285 at Page 51 on August 17, 1995. The easements shall be used for ingress, egress, and installation of utilities to Lots 120, 121, 122, 123, and 201. No lot owner shall allow the private roadway area to be obstructed, impeded or interfered with. Each lot owner shall cooperate with other lot owners to maintain an orderly flow of traffic and the free movement of pedestrian and vehicular traffic within the private roadway area.

2. Maintenance Cost - The owner or owners of a lot in the above mentioned lots in The Bluffs subdivision shall pay Twenty Percent (20%) of the cost of maintenance, repair and/or replacement of the private roadway, providing said maintenance, repair and replacement shall have been approved by the owner or owners of at least three of Lots number 120, 121, 122, 123 and 201.

3. Snow Removal - The owner or owners of Lots numbered 120, 121, 122, 123 and 201, shall pay Twenty Percent (20%) of the cost of snow removal or snow plowing of the private roadway servicing their lot providing that the arrangement or agreement for said snow removal or snow plowing shall have been approved by the owner or owners of at least three of Lots number 120, 121, 122, 123 and 201.

4. Amendments - This Declaration may not be modified, augmented or amended except by an instrument in writing approved by the then owners of Lots 120, 121, 122, 123 and 201 of The Bluffs subdivision and recorded in the Office of the Clerk of the County of Monroe.

5. Distributees, Successors and Assigns - This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective distributees, successors, legal representatives and assigns.

6. Severability - Invalidation of any one of the provisions in this instrument by judgment or court order shall in no way affect the validity of the other provisions, which shall remain in full force and effect.

7. Binding Effect and Term - These covenants, conditions, restrictions, and easements shall run with the land and shall be binding on all the parties, their heirs, executors, administrators, successors and assigns, and all persons claiming thereunder.

8. Remedies - If any owner or owners of a lot in the subdivision, being Lots 120, 121, 122, 123 and 201 shall violate any of the covenants, conditions, restrictions or easements herein contained, it shall be lawful for any other person or persons owning any other lot in said subdivision, being Lots 120, 121, 122, 123 and 201 to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition, restriction or easement, and either to prevent him or them from so doing, and to recover damages for such violations and injunctive relief. Any owner or owners of a lot in The Bluffs subdivision having paid the cost of approved maintenance, or of approved snow removal, as provided in this agreement, shall have full right of recovery of the unpaid share of said expense from the owner or owners having failed to pay

when due said unpaid share of said expense, together with the costs, interest, disbursements and reasonable attorney fees.

IN WITNESS WHEREOF, the undersigned has set his hand and seal this 31 day of

December, 1999.

CASCIANI CONSTRUCTION CO., INC.

By: *John Casciani* PRES.
John Casciani, President

Darrin D. Nelson
Darrin D. Nelson

Zina J. C. Nelson
Zina J. C. Nelson

STATE OF NEW YORK)
COUNTY OF MONROE) ss:

On the 31 day of December, in the year 1999, before me, the undersigned, a Notary Public in and for said State, personally appeared **John Casciani**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public *William M. Higgins*
William M. Higgins
December 31, 1999

STATE OF NEW YORK)
COUNTY OF MONROE) ss:

On the 31 day of December, in the year 1999, before me, the undersigned, a Notary Public in and for said State, personally appeared **Darrin D. Nelson**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public



William A. Haggard

Dec 31, 1999

STATE OF NEW YORK)
COUNTY OF MONROE) ss:

On the 31 day of December, in the year 1999, before me, the undersigned, a Notary Public in and for said State, personally appeared **Zina J. C. Nelson**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public



William A. Haggard

Dec 31, 1999

MONROE COUNTY CLERK'S OFFICE
County Clerk's Recording Page



Turn To:

WILLIAM HIGGINS
16 EAST MAIN ST
ROCHESTER NY 14614

Index DEEDS
Book 09262 Page 0390
No. Pages 0006
Instrument DECL OF EASEMNT
Date : 1/11/2000
Time : 9:58:00
Control # 200001110128

CIANI CONSTRUCTION CO INC

ELSON
RRIN D
SON J C
A

TT# TT 0000 010815
Employee ID MAC

MORTGAGE TAX

E FEE-S	\$	4.75	MORTGAGE AMOUNT	\$	.00
E FEE-C	\$	10.25	BASIC MORTGAGE TAX	\$	.00
C FEE	\$	18.00	SPEC ADDIT MTG TAX	\$	.00
	\$	.00	ADDITIONAL MTG TAX	\$	.00
	\$	.00	Total	\$	.00
	\$	.00			
	\$	.00			
	\$	.00			
	\$	.00			
Total:	\$	33.00			

STATE OF NEW YORK
MONROE COUNTY CLERK'S OFFICE

TRANSFER AMT

WARNING - THIS SHEET CONSTITUTES THE CLERKS ENDORSEMENT, REQUIRED BY SECTION 317-a(5) & SECTION 319 OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK. DO NOT DETACH.	TRANSFER AMT \$	.00
	TRANSFER TAX \$	.00

Maggie Brooks, County Clerk



0092620390

IRONDEQUOIT BAY

WATER ELEV. = 245.6 ±

WALKWAY LUMINATORS
LOW-LIGHT FIXTURES
(TYPICAL)

3' x 25' FLOATING
FINGER DOCKS
(24 PLACES)

6' x 16' FLOATING
END DOCK SECTION
(3 PLACES)

AS-BUILT DOCK

6' x 36' FLOATING
DOCK SECTION
(10 PLACES)

6' x 20' FLOATING
DOCK SECTIONS
(5 PLACES)

4' x 40' LONG RAILS (1/4
MAX SLOPE) WITH ALUMINUM
EXTRUSION PLATES AND
GUSSETS AND WOODEN
DECKING AND STRINGERS
AS MANUFACTURED BY
"TECHNOMARINE" OR APPROVED
EQUAL. (SEE VARIOUS DETAILS)

WALKWAY LUMINATORS
LOW-LIGHT FIXTURES
(TYPICAL)

3" DIA. PLYWELDS
(SOL 40 PIPE)
(TYP)

WALKWAY LUMINATORS
LOW-LIGHT FIXTURES
(TYPICAL)

FLOATING FINGER DOCK SECTIONS
WITH ALUMINUM EXTRUSION PLATES AND
GUSSETS AND WOODEN DECKING AND
STRINGERS AS MANUFACTURED BY
"TECHNOMARINE" OR APPROVED EQUAL
(SEE VARIOUS DETAILS)

MEAN LOW
WATER LINE

BOTTOM GABION WALL

TOP GABION WALL

20 FT. WIDE ACC
SHORELINE AND
(ACCESSIBLE
WHEREVER)

CONCRETE BARRICADE
(5000 P.S.F. 12" THICK) IS
TO BE INSTALLED AT
SECURITY LOCATIONS

8" DIA
HOLE

TERMINATION OF 8" ORDN
THROUGH GABION WALL
ON TO RFP RAP

MEAN LOW
WATER LINE
(+200 FT)



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

DENNIS C. VACCO
Attorney General

PAMELA JONES HARBOUR
Deputy Attorney General

(212) 416-8099

Casciani Construction Co., Inc.
c/o William M. Higgins, Esq.
Attn: William M. Higgins
16 East Main Street
Rochester, NY 14614

RE: The Bluffs of Webster
File Number: H950072
Date Amendment Filed: 09/25/90
Receipt Number: 506419578

Amendment No: 3
Filing Fee: \$ 150.00

Dear Sponsor:

The referenced amendment to the offering plan for the subject premises is hereby accepted and filed. Since this amendment is submitted after the post closing amendment has been filed, this filing is effective for twelve months from the date of filing of this amendment. However, any material change of fact or circumstance affecting the property or offering requires an immediate amendment.

Any misstatement or concealment of material fact in the material submitted as part of this amendment renders this filing void ab initio. This office has relied on the truth of the certifications of sponsor, sponsor's principals, and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

Filing this amendment shall not be construed as approval of the contents or terms thereof by the Attorney General of the State of New York, or any waiver of or limitation on the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable law. The issuance of this letter is conditioned upon the collection of all fees imposed by law. This letter is your receipt for the filing fee.

Very truly yours,
Stephanie Swinton
STEPHANIE SWINTON
ASSISTANT ATTORNEY GENERAL
J.H.

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Town of Webster, County of Monroe, New York 14612

FILE NO. H 95-0072

FILING DATE: FEBRUARY 14, 1996

AMENDMENT NO. 3

REVIEWING ATTORNEY: Stephanie Swinton
Assistant Attorney General

The purposes of this Amendment No. 3 is to extend the Offering Plan for twelve (12) months. The Post Closing Amendment (Amendment No. 1) was accepted for filing March 31, 1997 and Amendment No. 2 was accepted for filing December 10, 1997.

1. STATUS OF CONSTRUCTION:

Four (4) Homes have been completed and title transferred. Three (3) Purchase Agreements are pending.

2. FINANCIAL STATEMENTS:

Payment of Assessments has not commenced. There has been no activity and therefore no financial statements are required as of this date.

3. FRANCHISE TAXES AND FEDERAL INCOME TAXES:

All New York State Franchise Taxes have been paid for each year since the filing of the Certificate of Incorporation (August 28, 1995) and Federal Tax Returns have been filed.

4. RECORDING OF THE DECLARATION:

The Declaration and By-Laws were recorded in the office of the Monroe County Clerk on April 3, 1996 in Liber 8721 of Deeds at Page 538 and Liber 8721 of Deeds at Page 650 respectively.

5. RECORDING OF ASSOCIATION DEED:

The first section of the boat dock facilities providing ten (10) boat slips has been completed. A deed transferring the Association property to The Bluffs of Webster, Inc. (A Homeowners' Association) will be recorded in the office of the Monroe County Clerk upon the assignment of the boat slips.

6. RESERVE FUND:

As stated on Page 35 of the Offering Plan, there is no special advanced reserve fund.

7. WORKING CAPITAL:

As stated on Page 35 of the Offering Plan, there will be no Working Capital.

8. SPONSOR'S AGGREGATE MONTHLY ASSOCIATION CHARGES:

The Sponsor is maintaining the property at its own expense and, until the commencement of Assessment payments by the Home Owners, the Sponsor will meet its obligations to maintain the property at its own expense.

9. MONTHLY AGGREGATE REAL ESTATE TAXES PAYABLE BY THE SPONSOR ON THE UNDEVELOPED LANDS AND LOTS:

The Sponsor is current on the payment of all real estate taxes due on the undeveloped lands and Lots. Real estate taxes on the undeveloped lands and Lots are approximately \$729 per month (\$8,748 per year).

10. OTHER SPONSOR FINANCIAL OBLIGATIONS:

There are no other financial obligations to the Association due within twelve (12) months from the date of this Amendment No. 3 that will become due.

11. UNSOLD LOTS SUBJECT TO MORTGAGES OR OTHERWISE REPRESENT SECURITY FOR FINANCING ARRANGEMENTS:

There are no mortgages or any other financing arrangements for which the Unsold Lots represent security.

The Sponsor has a five-year line of credit with Ontario Savings Bank, Ontario, New York in the amount of \$650,000 and an interest rate of 2-over-Prime.

12. FUNDING SOURCE FOR SPONSOR'S FINANCIAL OBLIGATIONS TO THE ASSOCIATION:

The Sponsor will fund its financial obligations to the Association from projected sales. However, in the event such projected sales are not made, the Sponsor will fund its obligations from other sources of the Principal's business ventures.

13. SPONSOR CONTROL OF THE BOARD OF DIRECTORS:

The Sponsor shall remain in control of the Board until all Lots and/or Homes are sold to initial Purchasers or ten (10) years from the transfer of title to the first Lot and/or Home, whichever first occurs (see Pages 2 and 24 of the Offering Plan). Transfer of title to the first Home occurred on or about April 3, 1996.

14. OTHER ASSOCIATIONS IN WHICH THE SPONSOR AND PRINCIPALS OF THE SPONSOR OWN MORE THAN TEN PERCENT (10%) OF THE UNSOLD HOMES:

The Sponsor and its Principal have previously been involved in the offering of cooperative interest in real estate in New York State, which was a three-lot subdivision, Fern Valley Subdivision, Bay Road, Town of Webster, County of Monroe, New York. The File No. is NA 94-0096. The application for the No-Action Letter was accepted by the Department of Law on June 22, 1994. The Sponsor and its Principal are current with their financial obligations to this Association.

15. DRIVEWAY AGREEMENT

Schedule L-1 to the Declaration "Private Driveway For Lots 121, 122 and 123" has been amended to include Lot 120. Lots 121, 122 and 123 are unsold as of the date of this Amendment. A copy of the amended Driveway Agreement is made a part of this Amendment.

Section 6.02 c. of the Declaration shall be amended to include Lot 120. A copy of Amendment No. 2 to the Declaration is made a part of this Amendment.

Section 32 of the Purchase Agreement has been amended to include Lot 120 in reference to the Driveway Maintenance Agreement which is a Schedule to the Purchase Agreement.

16. WALKWAY TO THE DOCKING FACILITY

The walkway between Lots 115 and 116, providing access to the docking facility, encroaches on Lots 115 and 116. There shall be a permanent easement to the Association for the use, maintenance and repair of the walkway. A copy of the easement is made a part of this Amendment.

There are no outstanding rescission periods.

The Sponsor is not aware of any investigation currently pending by the Department of Law of the Sponsor, a Principal of the Sponsor or the Association property.

There are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect The Bluffs of Webster, Inc. (A Homeowners' Association) Offering, the Association Property, the Sponsor's ability to perform all of its obligations under the Offering Plan or the operation of the Association.

There are no prior amendments have been submitted to but not yet filed with the Department of Law. Other than as set forth above, there are no material changes in fact or circumstances which require an amendment to the Offering Plan.

SPONSOR:
CASCIANI CONSTRUCTION COMPANY, INC.

By: 
John A. Casciani, President

Dated: August 28, 1998

SCHEDULE A
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Projected Budget for First Year of Operation
September 1, 1998 thru August 31, 1999

INCOME: (1)	<u>33 HOMES</u>	<u>48 HOMES</u>
Assessments (\$434.79 Per Home per year payable monthly based on 33 Homes)	\$14,348	
 (\$402.48 Per Home per year payable monthly based on 48 Homes)		\$19,319
 TOTAL INCOME:	\$14,348	\$19,319
 EXPENSES:		
Electric (2)	\$ -0-	\$ -0-
Water & Sewer (3)	\$ -0-	\$ -0-
Repairs & Maintenance (4)	\$ 864	\$ 864
Refuse Collection (5)	\$ 6,523	\$ 9,487
Office Expense (6)	\$ 547	\$ 682
Insurance (7)	\$ 1,438	\$ 1,490
Management (8)	\$ 2,574	\$ 3,744
Real Estate Taxes (9)	\$ 136	\$ 136
Franchise Taxes (10)	\$ 366	\$ 366
Federal Income Taxes (11)	\$ -0-	\$ -0-
Legal (12)	\$ -0-	\$ -0-
Audit (13)	\$ 1,400	\$ 1,800
Miscellaneous (14)	\$ 500	\$ 750
Reserves (15)	\$ -0-	\$ -0-
 TOTAL EXPENSES:	 \$14,348	 \$19,319
 Per Home Per Year	 \$434.79	 \$402.48
Boat Slip Assessment**	<u>\$344.50</u>	<u>\$268.94</u>
Total Per Home Per Year	\$779.29	\$671.42
 Per Home Per Month	 \$ 36.23	 \$ 33.54
Boat Slip Assessment**	<u>\$ 28.71</u>	<u>\$ 22.42</u>
Total Per Home Per Month	\$ 64.94	\$ 55.96

**Schedule B is the Projected Budget for the First Year of Operation for the Boat Docking System.

SCHEDULE A
FOOTNOTES

(1) \$ 7,825 Income: Based on 33 Homes.

\$ 9,932 Income: Based on 48 Homes.

(2) - 0 - Electricity: There will be no street lighting or other common expense electric usage. See Footnotes 2 and 3 of Schedule B for projected cost when the boat docking system is operating.

(3) - 0 - Water and Sewer: Each Home will be separately metered and will be billed directly by the Village of Webster for actual usage. There will be no water commonly used. See Footnote 2 of Schedule B for projected cost when the boat docking system is operating.

(4) \$864 Repairs and Maintenance: Based on written quotation from Thomas Landscape and Design, Inc., 775 Ridge Road, Webster, New York 14580 for spring and fall cleanup of the common areas and weeding and trimming of the landscaped entry easement area as may be required. The cost will be \$400 per season plus 8% tax.

(5) \$6,523 for 33 Homes & \$9,487 for 48 Homes Refuse Collection: Based on a written quotation from D. W. Gutzmer, P. O. Box 8007, Webster, New York 14580 who will provide once a week, curb side pickup of refuse and recycling at a cost of \$15.25 plus tax per Home per month. Therefore:

	<u>33 Homes</u>	<u>48 Homes</u>
\$15.25 x 12 months x 33 Homes	\$6,039.00	
\$15.25 x 12 months x 48 Homes		\$8,784.00
8% Tax	<u>\$ 483.12</u>	<u>\$ 702.72</u>
TOTALS:	\$6,522.12	\$9,486.72

(6) \$439 Office Expense: Estimated as follows, based on experience of Community Association Management, P. O. Box 4126, Clifton Park, New York 12065 in their management of community associations in the Capital Region:

	<u>33 Homes</u>	<u>48 Homes</u>
Mailings based on 6 per year at \$1.50 each:	\$ 297.00	\$ 432.00
Bookkeeping Supplies, Checks, and Stationary:	<u>\$ 250.00</u>	<u>\$ 250.00</u>
TOTAL:	\$ 547.00	\$ 682.00

**SCHEDULE A
FOOTNOTES**

- (7) \$1,438 for 33 Homes & \$1,490 for 48 Homes Insurance: Based on a written quotation from Cool Insuring Agency, Inc., 974 Albany-Shaker Road, Latham, New York 12110-1401, which shall provide for \$1,000,000 General Liability and \$25,000 blanket limit Fidelity Bond, \$1,000,000 Directors' and Officers Liability and minimum Workers' Compensation. The premiums will be as follows:

	<u>33 Homes</u>	<u>48 Homes</u>
\$1,000,000 General Liability	\$ 250	\$ 250
\$1,000,000 Directors' & Officers' Liability	\$ 660	\$ 700
\$25,000 Fidelity Bond	\$ 200	\$ 200
Minimum Workers Compensation	\$ 328	\$ 340
TOTAL PREMIUMS:	\$ 1,438	\$ 1,490

NOTE: OWNERS WILL BE REQUIRED TO OBTAIN HAZARD INSURANCE FOR THE REPLACEMENT VALUE OF THEIR HOMES AND GENERAL LIABILITY INSURANCE FOR OCCURRENCES WITHIN THE HOME OR ON THE OWNER'S LOT. OWNERS SHOULD ALSO OBTAIN INSURANCE THE CONTENTS OF THEIR HOMES AGAINST LOSS.

The above insurance quotation is pursuant to Article X of the Declaration which requires the Board of Directors to obtain and maintain insurance.

- (8) \$2,574 for 33 Homes & \$3,744 for 48 Homes Management: Casciani Construction Co., Inc., 850 Lake Road, Webster, New York 14580 (the Sponsor), will provide financial management for the Association for a period of two (2) years. Compensation will be \$78 per Home per year, not to exceed \$3,744 per year when title to the 48th Home occurs. Financial management responsibilities shall include, but not necessarily be limited to, maintaining a full set of accounting records on a modified accrual basis, bill and receive all Assessments and deposit the proceeds in a designated bank account in the name of the Association, prepare for signatures all checks for payment of invoices/statements received, maintain all bank accounts in the name of the Association, submit monthly and quarterly income and expense statements, maintain all Association and Owners' files and assist the Board in the preparation of the annual budget.
- (9) \$136 Real Estate Taxes: Based on a letter from the Town of Webster Assessor, based on an estimated value of \$5,000 for the common areas. The 1997/98 combined Town, County and School taxes is \$27.02.

SCHEDULE A
FOOTNOTES

- (10) \$366 New York State Franchise Tax: This is the minimum New York State Franchise Tax, which will be the first year's estimated tax.
- (11) - 0 - Federal Income Taxes: It is not anticipated the Association will have any taxable income during the first year of operations.
- (12) - 0 - Legal: It is not anticipated the Association will have any legal fees during the first year of operations.
- (13) \$1,400 for 33 Homes and \$1,800 for 48 Homes Audit: Based on a written quotation from Viele and Solimano CPA, PC, One East Main Street, Rochester, New York 14614, an independent certified public accountant, to prepare an independent audit, annual certified financial statements based on such audit, provide copies of the annual financial statements to the members of the Board of Directors and prepare and file the required federal and New York State tax returns.
- (14) \$500 for 33 Homes and \$750 for 48 Homes Miscellaneous: For unanticipated expenses.
- (15) - 0 - Reserves: There are no common structures, roadways or other facilities that require reserves for replacements.

SCHEDULE B
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Projected Budget for the First Year of Operation
for the Boat Docking System
September 1, 1998 thru August 31, 1999

INCOME: (1)	<u>12 Slips</u>	<u>24 Slips</u>	<u>36 Slips</u>	<u>48 Slips</u>
	\$4,134	\$6,767	\$9,806	\$12,909
(1) Per Home Per Year:	\$344.50	\$281.96	\$272.39	\$268.94
Per Home Per Month:	\$ 28.71	\$ 23.50	\$ 22.70	\$ 22.42

EXPENSES:

Utilities (2)	\$ 200	\$ 400	\$ 600	\$ 800
Electricity (3)	\$ 225	\$ 450	\$ 675	\$ 900
Maintenance (4)	\$ 125	\$ 250	\$ 375	\$ 500
Insurance (5)	\$1,500	\$1,500	\$1,906	\$ 2,375
Reserves (6)	<u>\$2,084</u>	<u>\$4,167</u>	<u>\$6,250</u>	<u>\$ 8,334</u>
TOTAL EXPENSES:	\$4,134	\$6,767	\$9,806	\$12,909

FOOTNOTES

- (1) The docking system will be installed in four sections and project income is as set forth above.

EXPENSES AND RESERVES: As estimated by F-E-S Associates, 18 Glenhill Drive, Rochester, New York 14618, the designers of the Boat Docking Facilities.

- (2) Electricity and water consumed by boat owners.
- (3) Electricity consumed by the operation of the ice-eaters during the winter.
- (4) Maintenance expense.
- (5) Insurance for the physical damage for the docking system, with \$1,000 deductible per occurrence and \$5,000 aggregate deductible, insuring 12 slips in the amount of \$62,500; 24 slips in the amount of \$125,000; 36 slips in the amount of \$187,500; and 48 slips in the amount of \$250,000 and \$1,000,000 umbrella liability policy, which would be in addition to the Association insurance set forth in SCHEDULE A at Page 9 and Footnote A at Page 11 of this Offering Plan based on a written quotation by Cool Insuring Agency, 974 Albany-Shaker Road, Latham, New York 12110.
- (6) Reserves for replacement: The estimated life is 30 years and each of the four sections is valued at \$62,500. Therefore, annual reserves are as follows:
- | | |
|-----------|---------|
| 12 Slips: | \$2,084 |
| 24 Slips: | \$4,167 |
| 36 Slips: | \$6,250 |
| 48 Slips: | \$8,334 |

DeROO ASSOCIATES, INC.

Consultants

29 NORTHWOOD DRIVE
P.O. BOX 2105
BALLSTON SPA, NY 12020-8105

TELEPHONE (518) 885-6667
FAX (518) 885-1473

August 24, 1998

Department of Law
Real Estate Financing Bureau
120 Broadway - 23rd Floor
New York, New York 10271

Re: The Bluffs of Webster, Inc. (A Homeowners' Association)
Town of Webster, County of Monroe, New York

The Sponsor of the homeowners' association offering plan for the captioned property retained me to review Schedules A and B containing projections of income and expenses for the current year of operation as a homeowners' association. My experience in this field includes:

Involvement in the development, conversion, marketing and management of condominium and homeowners' associations since 1973 and prior to that with the development and management of multifamily residential rental properties since 1970; a Past President of the Western New York Chapter and the Capital Region Chapter of the Institute of Real Estate Management (IREM®); founder and President for three years of the Western New York Chapter of the Community Associations Institute (CAI) and a member of the Community Associations Institute since 1976 and founder of the Community Associations of Upstate New York. I service over ten associations in the Capital District.

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 13 NYCRR Part 22 insofar as they are applicable to Schedules A and B.

I have reviewed the Schedules and investigated the facts set forth in the Schedules 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 and community association properties.

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

I certify that the Schedule:

- (i) sets forth in detail the projected income and expenses for the first year of homeowners' association operation;
- (ii) 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;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) 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 statement 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 statement is not intended as a guarantee or warranty of the income and expenses for the first year of operation as a homeowners' association.

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

DeROO ASSOCIATES, INC.


Ruth V. DeRoo

Sworn to before me this
8 day of August, 1998


Notary Public

JANET CHIRCHIRILLO
NOTARY PUBLIC, State of New York
Qualified in Saratoga County
Commission Expires July 29, 2000

26. **OTHER AGREEMENTS.** This Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire understanding between them.

27. **AMENDMENT OF AGREEMENT.** This agreement may not be amended except by a written instrument signed by the party sought to be charged therewith or by the duly authorized agent of such party.

28. **BROKER'S COMMISSION.** Purchaser and Sponsor agree that no broker other than Sponsor's sales agent brought about this sale.

29. **CAPTIONS.** The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent to any provision thereof.

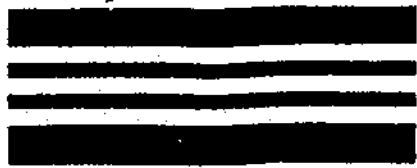
30. **SEVERABILITY.** If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the acceptability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

31. **STRICT COMPLIANCE.** Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

32. **SCHEDULES.** The following Schedules are attached hereto and made a part of this Agreement:

- a. Schedule A: Changes to Sponsor's Home Specifications
- b. Driveway Maintenance Agreement if Purchase Agreement is for Lots 120, 121, 122, 123, Lots 204, 205, 206 and Lots 208 and 209.
- c. Sewer Grinder Pump Maintenance Agreement with a Certified Plumber is Purchase Agreement is for a Lot requiring the installation of a sewer grinder pump.
- d. Other: _____

33. **ACCEPTANCE.** Unless the Sponsor accepts this Purchase Agreement within five (5) days after receipt, this Agreement shall not become effective, and the deposit shall be refunded within ten (10) days thereafter.



Return To:

WILLIAM M HIGGINS
10 EAST MAIN STREET
ROCHESTER NY 14614

CIANI CONSTRUCTION CO INC
CIANI CONSTRUCTION CO INC

Index DEEDS ✓

Book 08977 Page 0413

No. Pages 0007

Instrument AMEND TO DECLAR

Date : 2/27/1998

Time : 3:27:00

Control # 199802270860

TT#

TT# TT 0000 012381

Employee ID RMC

MORTGAGE TAX

REGISTRATION FEE S	\$	4.75	AMOUNT	\$	.00
REGISTRATION FEE C	\$	10.25	BASIC MTG TAX	\$	.00
REGISTRATION FEE	\$	21.00	SPEC ADDIT MTG TAX	\$	.00
	\$	.00	ADDITIONAL MTG TAX	\$	.00
	\$	.00	Total	\$	.00
	\$	.00			
	\$	.00			
	\$	.00			
	\$	.00			
Total:	\$	36.00			

TRANSFER TAX

AMOUNT	\$	.00
Transfer Tax	\$	.00

STATE OF NEW YORK
ROCHESTER COUNTY CLERK'S OFFICE

NOTICE - THIS SHEET CONSTITUTES THE CLERK'S
CERTIFICATE OF RECORDATION, REQUIRED BY SECTION 316-a(5) &
SECTION 319 OF THE REAL PROPERTY LAW OF THE
STATE OF NEW YORK. DO NOT DETACH

Maggie Brooks, County Clerk



0089770413

105

AMENDED DECLARATION OF EASEMENT AND MAINTENANCE AGREEMENT

THIS DECLARATION, made on February 11, 1998, by CASCIANI CONSTRUCTION CO., INC., Webster, New York, hereinafter referred to as "Developer",

W I T N E S S E T H :

WHEREAS, the Developer is the owner of real property known as THE BLUFFS SUBDIVISION, which is situate in the Town of Webster, County of Monroe, State of New York, and which is particularly described in Schedule "A" as the same is shown on a map of the Subdivision recorded in the Monroe County Clerk's Office under Liber 285 of maps, Page 51, hereinafter referred to as "The Bluffs", and

As per to William A. Higgins
110 East Main Street

WHEREAS, the Developer intends to modify the Declaration of Easement and Maintenance Agreement which was recorded in the Monroe County Clerk's Office on March 15, 1996 in Liber 8714 of Deeds, page 530, by adding Lot 120 to said aforementioned Easement and Maintenance Agreement.

WHEREAS, the Developer has subdivided the property described in Schedule "A" into 48 lots, ^{four} ~~three~~ of which, namely Lots number 120, 121, 122 and 123 have ingress and egress thereto over a private roadway which extends from Sundance Trail to said lots;

RECORDED
MAR 27 1998
MONROE COUNTY CLERK'S OFFICE

hereinafter "Lots", which lots are to be individually owned and used for the construction of single family residences.

NOW, THEREFORE, the Developer hereby declares the above described property, being Lots 120, 121, 122 and 123 in The Bluffs Subdivision, to be subject to the following easements for ingress and egress, together with the following maintenance covenants, which easements shall run with the land.

1. Easements - The lot owner of Lots 120, 121, 122 and 123, in The Bluffs subdivision shall have for themselves, their guests, and invitees a non-exclusive easement for ingress and egress over the said private roadway as aforementioned as laid out on the subdivision map recorded in the Monroe County Clerk's Office under Liber 285 at Page 51 on August 17, 1995. The easements shall be used for ingress, egress, and installation of utilities to Lots 120, 121, 122 and 123. No lot owner shall allow the private roadway area to be obstructed, impeded or interfered with. Each lot owner shall cooperate with other lot owners to maintain an orderly flow of traffic and the free movement of pedestrian and vehicular traffic within the private roadway area.

2. Maintenance Cost - The owner or owners of a lot in the above mentioned lots in The Bluffs subdivision shall pay twenty-five percent (25%) of the cost of maintenance, repair and/or

replacement of the private roadway, providing said maintenance, repair and replacement shall have been approved by the owner or owners of at least three of Lots number 120, 121, 122 and 123.

3. Snow Removal - The owner or owners of Lots numbered 120, 121, 122, and 123, shall pay twenty-five percent (25%) of the cost of snow removal or snow plowing of the private roadway servicing their lot providing that the arrangement or agreement for said snow removal or snow plowing shall have been approved by the owner or owners of at least three of Lots number 120, 121, 122 and 123.

4. Amendments - This Declaration may not be modified, augmented or amended except by an instrument in writing approved by the then owners of Lots 120, 121, 122 and 123 of The Bluffs subdivision and recorded in the Office of the Clerk of the County of Monroe.

5. Distributees, Successors and Assigns - This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective distributees, successors, legal representatives and assigns.

6. Severability - Invalidation of any one of the provisions in this instrument by judgment or court order shall in no way affect the validity of the other provisions, which shall remain in full force and effect.

7. Binding Effect and Term - These covenants, conditions, restrictions, and easements shall run with the land and shall be binding on all the parties, their heirs, executors, administrators, successors and assigns, and all persons claiming thereunder.

8. Remedies - If any owner or owners of a lot in the subdivision, being Lots 120, 121, 122 and 123 shall violate any of the covenants, conditions, restrictions or easements herein contained, it shall be lawful for any other person or persons owning any other lot in said subdivision, being Lots 120, 121, 122 and 123 to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition, restriction or easement, and either to prevent him or them from so doing, and to recover damages for such violations and injunctive relief. Any owner or owners of a lot in The Bluffs subdivision having paid the cost of approved maintenance, or of approved snow removal, as provided in this agreement, shall have full right of recovery of the unpaid share of said expense from the owner or owners having failed to pay when due said unpaid share of said expense, together with the costs, interest, disbursements and reasonable attorney fees.

IN WITNESS WHEREOF, the undersigned has set his hand and seal
this 11 day of February, 1998.

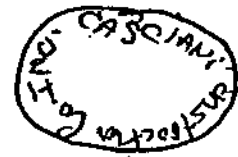
CASCIANI CONSTRUCTION CO., INC.

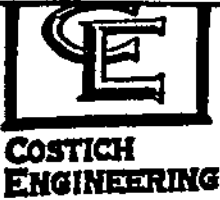
By: John Casciani
John Casciani, President

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On the 11 day of February, 1998, before me personally came John Casciani, to me known, who, being by me duly sworn, did depose and say that deponent is President of Casciani Construction Co., Inc., the corporation described in and which executed the foregoing instrument; deponent knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that deponent signed his name thereto by like order.

William M. Haggard
NOTARY PUBLIC
William M. Haggard
Commission Expires 12/31/99
Commission No. Delm 31/989





THE BLUFFS SUBDIVISION

DESCRIPTION OF THE SUBDIVISION

All that tract or parcel of land containing 47.4+- acres, more or less, situate in part of Great Town Lot 72, Township 14, Range 7, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision", prepared by Charles J. Costich, P.E., L.S., P.C., dated 10/12/95, having drawing number 726-32 and being more particularly bounded and described as follows:

Beginning at a point on the westerly right-of-way line of Dewitt Road, said point being the common easterly property corner of Lot No. 1 to the north and Tax Parcel I.D. No. 063.140-01-001 to the south; thence

- 1) S 86°-50'-20" W, a distance of 399.59 feet to a point; thence
- 2) S 86°-20'-24" W, a distance of 1571+- feet to a point, said point being the high water mark of the easterly shoreline of Irondequoit Bay; thence
- 3) Northeasterly, then northerly, along the easterly shoreline of Irondequoit Bay, a distance of 2,200 feet, more or less, to a point; thence
- 4) S 90°-00'-00" E, a distance of 450+- feet to a point; thence
- 5) S 49°-58'-26" E, a distance of 524.75 feet to a point; thence
- 6) S 80°-12'-11" W, a distance of 86.78 feet to a point; thence
- 7) S 50°-31'-51" W, a distance of 207.02 feet to a point; thence
- 8) S 49°-58'-26" E, a distance of 155.54 feet to a point; thence
- 9) S 09°-14'-04" W, a distance of 817.11 feet to a point; thence
- 10) N 87°-03'-16" E, a distance of 282.83 feet to a point; thence
- 11) S 03°-07'-25" E, a distance of 208.96 feet to a point; thence
- 12) N 86°-50'-48" E, a distance of 340.68 feet to a point, said point being on the westerly right-of-way line of Dewitt Road; thence
- 13) S 19°-19'-03" W, along the aforesaid right-of-way line, a distance of 22.31 feet to a point; thence
- 14) S 19°-05'-39" W, continuing along the aforesaid right-of-way line, a distance of 244.27 feet to the point of beginning.

ENCROACHMENT AGREEMENT

THIS AGREEMENT made this 12TH day of May, 1998 between MAUREEN GOLLEL residing at 423 Sundance Trail, Webster, New York 14580 and THE BLUFFS OF WEBSTER, INC., a homeowners association, with a business address at 850 Lake Road, Webster, New York 14580.

WITNESSETH:

WHEREAS, Maureen Gollel is the owner of property known and described as 423 Sundance Trail, Webster, New York and The Bluffs of Webster, Inc. is the owner of property adjacent to property owned by Gollel on the north being a 20 foot wide access to shoreline and open space as shown on the attached map as Schedule A.

In consideration of the premises contained herein, the parties agree as follows:

1. There is a 20 foot wide access to shoreline and open space along the northerly property line of property known as 423 Sundance Trail, Webster, New York. That a portion of the pavement existing on the 20 foot wide access to shoreline and open space encroaches upon the property owned by Maureen Gollel at 423 Sundance Trail, Webster, New York, all as shown on the attached Schedule A.
2. That portion of the pavement on the premises owned by Gollel may remain in its present location.
3. For so long as the pavement remains in its present location, each party will permit the other party to use the pavement for ingress and egress to the shoreline and open space area along Irondequoit Bay, Webster, New York. The pavement will be maintained and repaired at the expense of the Homeowners Association. Such use shall be quiet so as to not disturb the peace.
4. Other than the permission hereby granted, the Homeowners Association known as The Bluffs of Webster, Inc. will not make any claim of ownership or other interest in that portion of the pavement which encroaches onto the property owned by Gollel. In the event that the Homeowners Association removes or relocates the pavement, such that no portion is situated on the property owned by Gollel, the permission hereby granted will cease and expire.
5. This Agreement shall be forever binding upon the distributees, assigns, executors and successors of the parties hereto.

- 6. The Bluffs of Webster, Inc., in case any claim is made against Maureen Gollel, will hold Maureen Gollel harmless and indemnify Maureen Gollel from and against any loss, costs, damage or expense, including reasonable attorney's fees or other expenses and/or disbursements, arising out of and in connection with the negligent maintenance of the portion of Maureen Gollel's property encroached upon by the Bluffs of Webster, Inc., as shown on the attached Schedule "A", or any actual or alleged negligence or other act or action or failure to act by the Bluffs of Webster, Inc., and in connection therewith the Bluffs of Webster, Inc., shall maintain liability insurance covering its property and the encroached upon property owned by Maureen Gollel in an amount of at least \$1 million and name Maureen Gollel as an additional insured party.**

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the date and year first above written.

THE BLUFFS OF WEBSTER, INC.

Date: 5/12/98

By: [Signature]

Date: 5/12/98

By: Maureen Gollel
Maureen Gollel

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

On this _____ day of _____, 1998, before me personally came _____ who, being by me duly sworn, did depose and say that (s)he resides in the _____ of _____, State of New York; that (s)he is the _____ of The Bluffs of Webster, Inc., the corporation described in and on whose behalf (s)he executed the within instrument; and that (s)he was authorized to and did execute the within instrument pursuant to an order of the Board of Directors of said corporation.

Notary Public

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

On this 12th day of May, 1998, before me personally came Maureen Gollel, to me personally known and known to me to be the same person described in and who executed the within instrument, and she acknowledged to me that she executed the same.

KAREN ARCHER
Notary Public, State of New York
No. 01AR9077104
Qualified in Monroe County
Commission Expires May 6, 1997

[Signature]
Notary Public

118
54,766 sq. ft.
1.257 acres

WIDE ACCESS TO OVERLOOK SHORELINE & OPEN SPACE
(ACCESSIBLE BY ALL SUBMISSION HOMEOWNERS)

117
56,801 sq. ft.
1.304 acres

INSTALL A WALKWAY
6' WIDE, #1 & #2 CRUSHED
STONE (4" COMPACTED
THICKNESS) EXACT LOCATION
TO BE DETERMINED BY
STAKEOUT.

U.E.-4
EASEMENT TO THE
TOWN OF WEBSTER
FOR STORM SEWER
AND SANITARY
SEWER PURPOSES.

U.E.-8
15' WIDE EASEMENT
TO THE OWNER OF LOT
117 FOR SANITARY
LATERAL PURPOSES

116
49,216 sq. ft.
1.107 acres

EXISTING
SHORELINE

115
47,355 sq. ft.
1.101 acres

PATH TO SHORELINE
TO BE IMPROVED WITH
#1 & #2 CRUSHED STONE
4" COMPACTED THICKNESS
AND 6 FOOT WIDE

BOTTOM GABION WALL
TOP GABION WALL

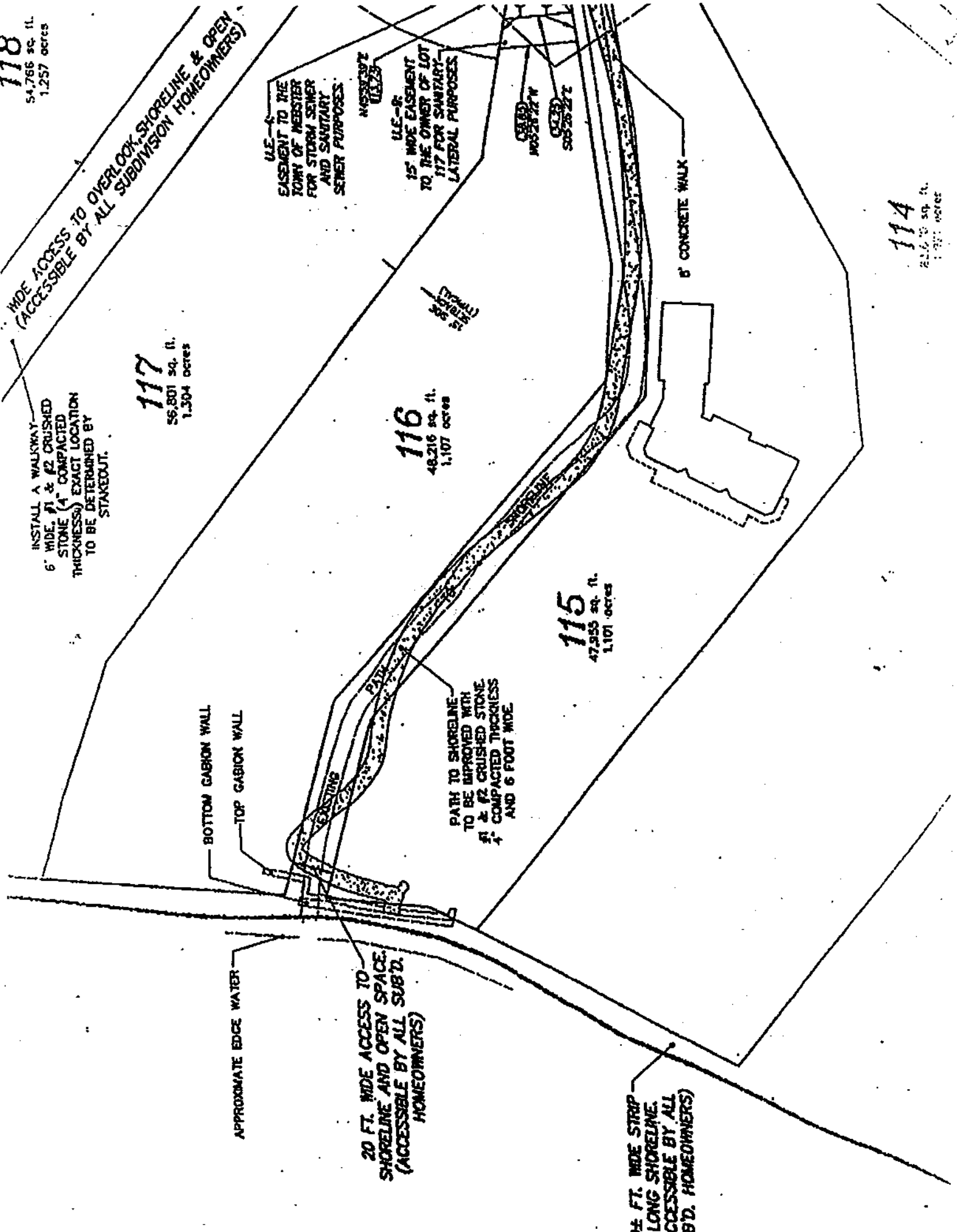
6' CONCRETE WALK

114
23,670 sq. ft.
1.201 acres

APPROXIMATE EDGE WATER

20 FT. WIDE ACCESS TO
SHORELINE AND OPEN SPACE.
(ACCESSIBLE BY ALL SUB'D.
HOMEOWNERS)

1/2 FT. WIDE STRIP
LONG SHORELINE.
ACCESSIBLE BY ALL
SUB'D. HOMEOWNERS)



1	NORTHLY	7202.2
2	S87°07'00"W	4304.8
3	S47°54'21"W	524.78
4	S87°17'11"W	86.78
5	S37°34'24"W	207.82
6	S77°16'30"W	76.98
7	S87°07'00"W	201.03
8	S87°07'00"W	141.80
9	S47°34'24"W	141.80
10	S47°34'24"W	64.82
11	N36°54'18"E	18.03
12	S87°07'00"W	41.11
13	N47°54'24"W	141.86
14	N07°07'00"E	117.34
15	S87°07'00"W	329.56
16	S37°07'00"W	64.89
17	S47°46'20"W	106.78
18	S47°13'15"W	93.11
19	S47°04'00"W	130.97
20	S47°04'00"W	98.38
21	S37°14'24"W	208.88
22	S37°21'30"W	367.44
23	S47°13'15"W	38.08
24	S57°28'00"W	358.81
25	S71°30'00"W	88.46
26	S87°27'00"W	111.88
27	S87°27'00"W	54.59
28	S37°16'30"W	131.72
29	S73°17'11"E	99.88
30	S47°13'15"W	716.70
31	S87°27'00"W	54.71
32	N87°17'00"E	152.16
33	SOUTHLY	70.67
34	S37°16'30"W	154.77
35	N87°07'00"E	87.00
36	N47°37'12"W	212.93
37	N73°17'11"E	81.07
38	S87°27'00"W	64.59
39	S37°16'30"W	73.80
40	S37°16'30"W	116.84
41	S37°16'30"W	345.30
42	N86°20'24"E	160.29
43	N37°34'24"W	257.93
44	SOUTHLY	70.64

WE, CHARLES J. COSTICH, P.E., L.S., P.C., HONESTLY CERTIFY THAT THIS MAP WAS MADE FROM THE NOTES OF AN INSTRUMENT SURVEY COMPLETED ON 12-22-92 AND FROM INFORMATION FOUND IN THE REFERENCES LISTED HEREON. NO SEARCH WAS MADE FOR EASEMENTS OR ENCUMBRANCES OTHER THAN THOSE FOUND IN THE REFERENCES.

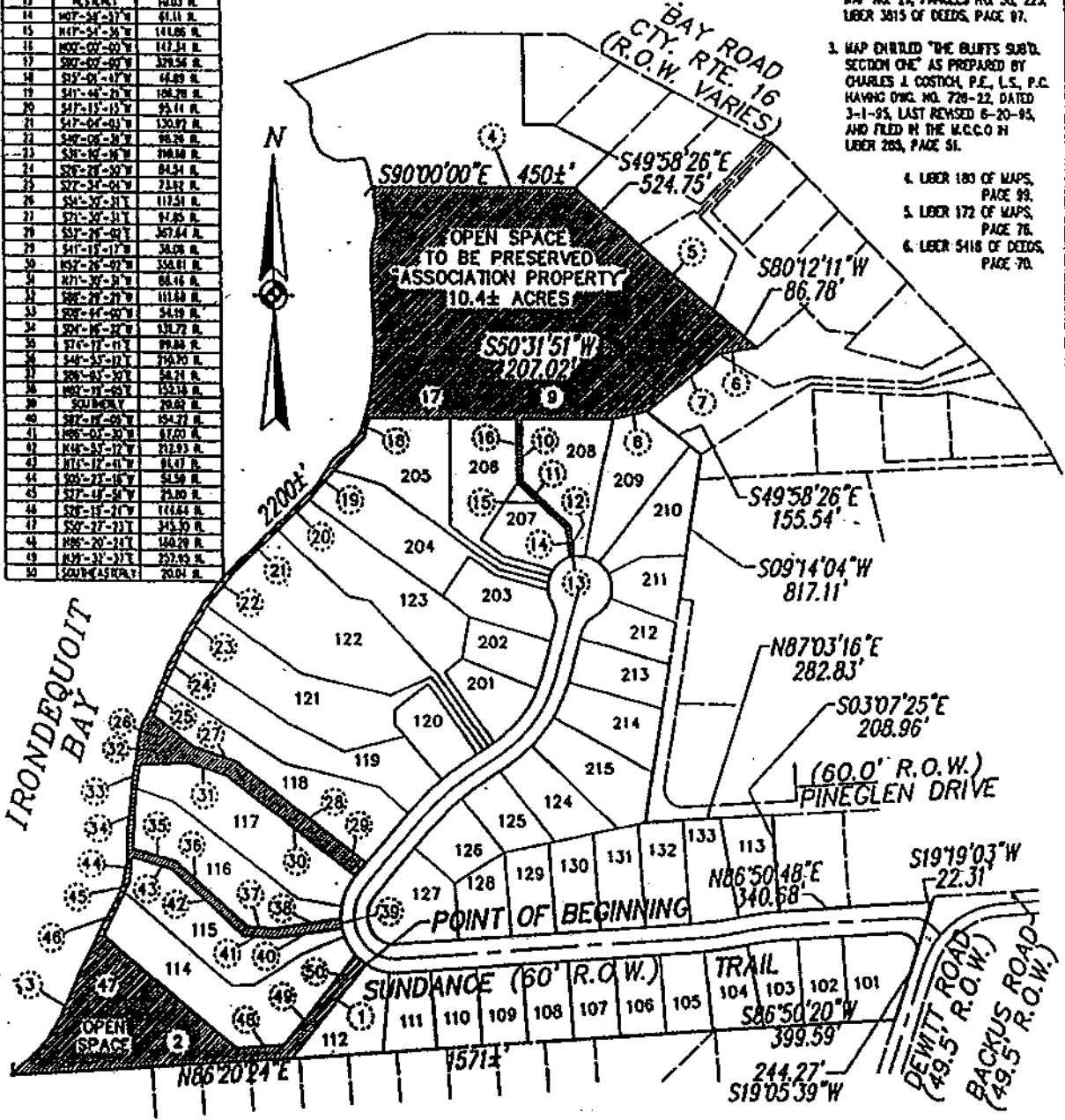
Charles J. Costich
 BY: CHARLES J. COSTICH, P.E., L.S., P.C. DATE: 10-24-95

1. MAP ENTITLED "TERRACE VALLEY-THREE LOT SUBDIVISION, PLAT MAP" AS PREPARED BY CHARLES J. COSTICH, P.E., L.S., P.C., HAVING DRAWING NUMBER 726-13, DATED 11-29-93, LAST REVISED 3-16-94, AND FILED IN THE MONROE COUNTY CLERK'S OFFICE IN LIBER 274, PG. 41.

2. BAY ROAD IRONDEQUOIT-WAYNE COUNTY LINE CITE. TO LAKE ROAD, MAP NO. 28, PARCELS NO. 50, 223, LIBER 3815 OF DEEDS, PAGE 97.

3. MAP ENTITLED "THE BLUFFS SUBD. SECTION ONE" AS PREPARED BY CHARLES J. COSTICH, P.E., L.S., P.C. HAVING D.W.G. NO. 726-22, DATED 3-1-95, LAST REVISED 6-20-95, AND FILED IN THE M.C.C.O. IN LIBER 283, PAGE 51.

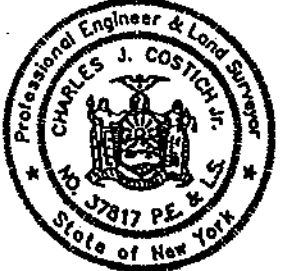
4. LIBER 180 OF MAPS, PAGE 99.
 5. LIBER 172 OF MAPS, PAGE 76.
 6. LIBER 5418 OF DEEDS, PAGE 70.



COPYRIGHT © 1995
 CHARLES J. COSTICH, P.E., L.S., P.C.

IT IS A VIOLATION OF LAW FOR ANY PERSON, UNLESS ACTING UNDER THE DIRECTION OF A LICENSED PROFESSIONAL ENGINEER, LAND SURVEYOR, ARCHITECT OR LANDSCAPE ARCHITECT, TO ALTER ANY ITEM ON THIS DOCUMENT IN ANY WAY. ANY LICENSEE WHO ALTERS THIS DOCUMENT IS REQUIRED BY LAW TO AFFIX HIS/HER SEAL AND THE NOTARION ALTERED BY, FOLLOWED BY HIS/HER SIGNATURE AND SPECIFIC DESCRIPTION OF THE ALTERATION TO THE DOCUMENT.

16 \JOB\726\726ASSOC 10-18-95



MAP SHOWING

THE ASSOCIATION PROPERTY FOR THE BLUFFS SUBDIVISION

SITUATE IN

TOWN OF WEBSTER
 COUNTY OF MONROE
 STATE OF NEW YORK.

PREPARED BY

CHARLES J. COSTICH, P.E., L.S., P.C.
 217 LAKE AVENUE
 ROCHESTER, N.Y. 14608

DATE: 10-12-95	SCALE: 1"=300'	DWG. NO.: 726-31
----------------	----------------	------------------



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

ENNIS C. VACCO
Attorney General

PAMELA JONES HARBOUR
Deputy Attorney General

(212) 416-8174

Casciani Construction Co., Inc.
c/o William M. Higgins, Esq.
Attn: William M. Higgins
16 East Main Street
Rochester, NY 14614

RE: The Bluffs of Webster
File Number: H950072
Date Amendment Filed: 12/10/97
Receipt Number: 291722447

Amendment No: 2
Filing Fee: \$ 150.00

Dear Sponsor:

The referenced amendment to the offering plan for the subject premises is hereby accepted and filed. This filing is effective for the greater of six months from the date of filing this amendment or twelve months from the acceptance of the original offering literature. However, any material change of fact or circumstance affecting the property or offering requires an immediate amendment, including amending the plan to disclose the most recent certified financial statement and budget, which should be done as soon as either of these documents is available.

Any misstatement or concealment of material fact in the material submitted as part of this amendment renders this filing void ab initio. This office has relied on the truth of the certifications of sponsor, sponsor's principals, and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

Filing this amendment shall not be construed as approval of the contents or terms thereof by the Attorney General of the State of New York, or any waiver of or limitation on the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable law. The issuance of this letter is conditioned upon the collection of all fees imposed by law. This letter is your receipt for the filing fee.

Very truly yours,

DAVID PARKER
ASSISTANT ATTORNEY GENERAL

y.H.

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Town of Webster, County of Monroe, New York 14612

FILE NO. H 95-0072

FILING DATE: FEBRUARY 14, 1996

AMENDMENT NO. 2

REVIEWING ATTORNEY: David Parker
Assistant Attorney General

The purposes of this Amendment No. 2 is to extend the Offering Plan for twelve (12) months. The Post Closing Amendment was accepted for filing March 31, 1997.

1. STATUS OF CONSTRUCTION:

Three Lots sold and title transferred.
One Home has been completed and title transferred.
One Purchase Agreement is pending.

2. FINANCIAL STATEMENTS:

Payment of Assessments has not commenced and will not commence until the docking facilities have been installed. There has been no activity and therefore no financial statements are required as of this date.

3. FRANCHISE TAXES AND FEDERAL INCOME TAXES:

All New York State Franchise Taxes have been paid for each year since the filing of the Certificate of Incorporation (August 28, 1995) and Federal Tax Returns have been filed.

4. RECORDING OF THE DECLARATION:

The Declaration and By-Laws were recorded in the office of the Monroe County Clerk on April 3, 1996 in Liber 8721 of Deeds at Page 538 and Liber 8721 of Deeds at Page 650 respectively.

5. RECORDING OF ASSOCIATION DEED:

A deed transferring the Association property to The Bluffs of Webster, Inc. (A Homeowners' Association) will be recorded in the office of the Monroe County Clerk upon the installation of the boat dock facilities.

6. BOAT DOCK FACILITIES:

A Permit has been issued for the installation of the boat dock facilities. A copy of the Permit is made a part of this Amendment. Construction will commence upon the sale of ten (10) Lots and/or Homes (see Page 4 of the Offering Plan).

7. RESERVE FUND:

As stated on Page 35 of the Offering Plan, there is no special advanced reserve fund.

8. WORKING CAPITAL:

As stated on Page 35 of the Offering Plan, there will be no Working Capital.

9. SPONSOR'S AGGREGATE MONTHLY ASSOCIATION CHARGES:

The Sponsor is maintaining the property at its own expense and, until the commencement of Assessment payments by the Home Owners, the Sponsor will meet its obligations to maintain the property at its own expense.

10. MONTHLY AGGREGATE REAL ESTATE TAXES PAYABLE BY THE SPONSOR ON THE UNDEVELOPED LANDS AND LOTS:

The Sponsor is current on the payment of all real estate taxes due on the undeveloped lands and Lots. Real estate taxes on the undeveloped lands and Lots are approximately \$729 per month (\$8,748 per year).

11. OTHER SPONSOR FINANCIAL OBLIGATIONS:

There are no other financial obligations to the Association due within six (6) months from the date of this Amendment No. 1 that will become due.

12. UNSOLD LOTS SUBJECT TO MORTGAGES OR OTHERWISE REPRESENT SECURITY FOR FINANCING ARRANGEMENTS:

There are no mortgages or any other financing arrangements for which the Unsold Lots represent security.

The Sponsor has a five-year line of credit with Ontario Savings Bank, Ontario, New York in the amount of \$650,000 and an interest rate of 2-over-Prime.

13. FUNDING SOURCE FOR SPONSOR'S FINANCIAL OBLIGATIONS TO THE ASSOCIATION:

The Sponsor will fund its financial obligations to the Association from projected sales. However, in the event such projected sales are not made, the Sponsor will fund its obligations from other sources of the Principal's business ventures.

14. SPONSOR CONTROL OF THE BOARD OF DIRECTORS:

The Sponsor shall remain in control of the Board until all Lots and/or Homes are sold to initial Purchasers or ten (10) years from the transfer of title to the first Lot and/or Home, whichever first occurs (see Pages 2 and 24 of the Offering Plan). Transfer of title to the first Home occurred on or about April 3, 1996.

15. OTHER ASSOCIATIONS IN WHICH THE SPONSOR AND PRINCIPALS OF THE SPONSOR OWN MORE THAN TEN PERCENT (10%) OF THE UNSOLD HOMES:

The Sponsor and its Principal have previously been involved in the offering of cooperative interest in real estate in New York State, which was a three-lot subdivision, Fern Valley Subdivision, Bay Road, Town of Webster, County of Monroe, New York. The File No. is NA 94-0096. The application for the No-Action Letter was accepted by the Department of Law on June 22, 1994. The Sponsor and its Principal are current with their financial obligations to this Association.

16. AMENDMENT TO THE DECLARATION:

ARTICLE VIII - BOAT DOCKS is hereby amended to include the following additional Section 8.08:

Section 8.08. Right to Sell or Lease Boat Dock. No Owner, nor any lessee of an Owner, shall have a right to sell or lease the Boat Dock assigned to such Owner.

This Amendment to the Declaration shall be filed in the office of the Monroe County Clerk.

There are no outstanding rescission periods.

The Sponsor is not aware of any investigation currently pending by the Department of Law of the Sponsor, a Principal of the Sponsor or the Association property.

There are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect The Bluffs of Webster, Inc. (A Homeowners' Association) Offering, the Association Property, the Sponsor's ability to perform all of its obligations under the Offering Plan or the operation of the Association.

There are no prior amendments have been submitted to but not yet filed with the Department of Law. Other than as set forth above, there are no material changes in fact or circumstances which require an amendment to the Offering Plan.

SPONSOR:
CASCIANI CONSTRUCTION COMPANY, INC.

By:  John A. Casciani, President

Dated: October 27, 1997

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

PERMIT NUMBER
8-2654-00178/00004

SILITY/PROGRAM NUMBER(S)



PERMIT
 Under the Environmental
 Conservation Law

EFFECTIVE DATE
3-5-97

EXPIRATION DATE(S)
10/31/98

TYPE OF PERMIT: New Renewal Modification Permit to Construct Permit to Operate

- | | | |
|--|--|--|
| <p>Article 15, Title 5: Protection of Waters</p> <p>Article 15, Title 16: Water Supply</p> <p>Article 15, Title 15: Water Transport</p> <p>Article 15, Title 15: Long Island Wells</p> <p>Article 15, Title 27: Wild, Scenic and Recreational Rivers</p> | <p><input checked="" type="checkbox"/> 6NYCRR 608: Water Quality Certification</p> <p><input type="checkbox"/> Article 17, Titles 7, 8: SPDES</p> <p><input type="checkbox"/> Article 19: Air Pollution Control</p> <p><input type="checkbox"/> Article 23, Title 27: Mined Land Reclamation</p> <p><input checked="" type="checkbox"/> Article 24: Freshwater Wetlands</p> <p><input type="checkbox"/> Article 25: Tidal Wetlands</p> | <p><input type="checkbox"/> Article 27, Title 7; 6NYCRR 360: Solid Waste Management</p> <p><input type="checkbox"/> Article 27, Title 9; 6NYCRR 373: Hazardous Waste Management</p> <p><input checked="" type="checkbox"/> Article 34: Coastal Erosion Management</p> <p><input type="checkbox"/> Article 38: Floodplain Management</p> <p><input type="checkbox"/> Articles 1, 3, 17, 19, 27, 37; 6NYCRR 380: Radiation Control</p> |
|--|--|--|

PERMIT ISSUED TO
Casciani Construction, Inc. and/or designated contractor

TELEPHONE NUMBER

ADDRESS OF PERMITTEE
850 Lake Road, Webster, NY 14580

CONTACT PERSON FOR PERMITTED WORK

TELEPHONE NUMBER

NAME AND ADDRESS OF PROJECT/FACILITY
DeWitt Road at Backus Road

LOCATION OF PROJECT/FACILITY
Wetland #: RE-1

COUNTY	VILLAGE	WATERCOURSE/WATER BODY	NYTM COORDINATES
Monroe	Webster		

DESCRIPTION OF AUTHORIZED ACTIVITY
Construct a floating dock system, a foot trail access, and water and electric utilities in and adjacent to a regulated wetland as part of the Bluffs residential subdivision.

By acceptance of this permit, the permittee agrees that the project will be carried out in full compliance with the ECL, all applicable regulations, the General Conditions of this permit (see page 2) and any special conditions included as part of this permit.

PERMIT ADMINISTRATOR
Robert I. Shearer

ADDRESS
**6274 East Avon-Lima Road
 Avon, New York 14414**

AUTHORIZED SIGNATURE

DATE
3-5-97

Page 1 of 4



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

DENNIS C. VACCO
Attorney General

PAMELA JONES HARBOUR
Deputy Attorney General

(212) 416-8174

Casciani Construction Co., Inc.
c/o William M. Higgins, Esq.
Attn: William M. Higgins
16 East Main Street
Rochester, NY 14614

RE: The Bluffs of Webster

File Number: H950072

Amendment No: 1

Date Amendment Filed: 03/31/97

Filing Fee: \$ 150.00

Receipt Number: 994314297

Dear Sponsor:

The referenced amendment to the offering plan for the subject premises is hereby accepted and filed. This filing is effective for the greater of six months from the date of filing this amendment or twelve months from the acceptance of the original offering literature. However, any material change of fact or circumstance affecting the property or offering requires an immediate amendment, including amending the plan to disclose the most recent certified financial statement and budget, which should be done as soon as either of these documents is available.

Any misstatement or concealment of material fact in the material submitted as part of this amendment renders this filing void ab initio. This office has relied on the truth of the certifications of sponsor, sponsor's principals, and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

Filing this amendment shall not be construed as approval of the contents or terms thereof by the Attorney General of the State of New York, or any waiver of or limitation on the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable law. The issuance of this letter is conditioned upon the collection of all fees imposed by law. This letter is your receipt for the filing fee.

Very truly yours,

DAVID PARKER

ASSISTANT ATTORNEY GENERAL

y.H.

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Town of Webster, County of Monroe, New York 14612

FILE NO. H 95-0072

FILING DATE: FEBRUARY 14, 1996

AMENDMENT NO. 1

REVIEWING ATTORNEY: David Parker
Assistant Attorney General

THIS IS A POST-CLOSING AMENDMENT

The purposes of this Amendment No. 1 is to disclose the recording of the Declaration and the first closing and extend the Offering Plan for a period of six (6) months.

1. STATUS OF CONSTRUCTION:

Two Homes completed and title transferred.
One Home under contract.

2. SCHEDULE A (THE BUDGET):

The updated budget for the fiscal year September 1, 1997 thru August 31, 1998 is made a part of this Amendment, together with a Letter of Adequacy.

3. FINANCIAL STATEMENTS:

Payment of Assessments has not commenced and will not commence until the docking facilities have been installed. There has been no activity and therefore no financial statements are required as of this date.

4. FIRST CLOSING:

Transfer of title to the first Home occurred on or about April 3, 1996.

5. RECORDING OF THE DECLARATION:

The Declaration and By-Laws were recorded in the office of the Monroe County Clerk on April 3, 1996 in Liber 8721 of Deeds at Page 538 and Liber 8721 of Deeds at Page 650 respectively.

6. RECORDING OF ASSOCIATION DEED:

A deed transferring the Association property to The Bluffs of Webster, Inc. (A Homeowners' Association) will be recorded in the office of the Monroe County Clerk upon the installation of the boat dock facilities.

7. RESERVE FUND:

As stated on Page 35 of the Offering Plan, there is no special advanced reserve fund.

8. WORKING CAPITAL:

As stated on Page 35 of the Offering Plan, there will be no Working Capital.

9. FRANCHISE TAXES:

All New York State Franchise Taxes have been paid for each year since the filing of the Certificate of Incorporation (August 28, 1995).

10. ASSOCIATION INSURANCE:

The Sponsor has provided general liability insurance for the Association as provided in Footnote (7) of Schedule A on Page 11 of the Offering Plan and premium has been paid. Upon the installation of the docking system and transfer by deed of the Association property to the Association, the Sponsor will provide the additional insurance as provided in Footnote (5) of Schedule B at Page 13 of the Offering Plan.

11. SPONSOR'S AGGREGATE MONTHLY ASSOCIATION CHARGES:

The Sponsor is maintaining the property at its own expense and, until the commencement of Assessment payments by the Home Owners, the Sponsor will meet its obligations to maintain the property at its own expense.

12. MONTHLY AGGREGATE REAL ESTATE TAXES PAYABLE BY THE SPONSOR ON THE UNDEVELOPED LANDS AND LOTS:

The Sponsor is current on the payment of all real estate taxes due on the undeveloped lands and Lots.

13. OTHER SPONSOR FINANCIAL OBLIGATIONS:

There are no other financial obligations to the Association due within six (6) months from the date of this Amendment No. 1 that will become due.

14. UNSOLD LOTS SUBJECT TO MORTGAGES OR OTHERWISE REPRESENT SECURITY FOR FINANCING ARRANGEMENTS:

There are no mortgages or any other financing arrangements for which the Unsold Lots represent security.

15. FUNDING SOURCE FOR SPONSOR'S FINANCIAL OBLIGATIONS TO THE ASSOCIATION:

The Sponsor will fund its financial obligations to the Association from projected sales. However, in the event such projected sales are not made, the Sponsor will fund its obligations from other sources of the Principal's business ventures.

16. THE BOARD OF DIRECTORS:

The Sponsor-appointed Board of Directors are:

John A. Casciani	850 Lake Road Webster, NY 14580	President
------------------	------------------------------------	-----------

William Green	50 Winfield Lane Webster, NY 14580	Treasurer
---------------	---------------------------------------	-----------

William M. Higgins	16 East Main Street Rochester, NY 14614	Secretary
--------------------	--	-----------

17. SPONSOR CONTROL OF THE BOARD OF DIRECTORS:

The Sponsor shall remain in control of the Board until all Lots and/or Homes are sold to initial Purchasers or five (5) years from the transfer of title to the first Lot and/or Home, whichever first occurs. Transfer of title to the first Home occurred on or about April 3, 1996.

18. OTHER ASSOCIATIONS IN WHICH THE SPONSOR AND PRINCIPALS OF THE SPONSOR OWN MORE THAN TEN PERCENT (10%) OF THE UNSOLD HOMES:

The Sponsor and its Principal have previously been involved in the offering of cooperative interest in real estate in New York State, which was a three-lot subdivision, Fern Valley Subdivision, Bay Road, Town of Webster, County of Monroe, New York. The File No. is NA 94-0096. The application for the No-Action Letter was accepted by the Department of Law on June 22, 1994. The Sponsor and its Principal are current with their financial obligations to this Association.

There are no outstanding rescission periods.

The Sponsor is not aware of any investigation currently pending by the Department of Law of the Sponsor, a Principal of the Sponsor or the Association property.

There are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect The Bluffs of Webster, Inc. (A Homeowners' Association) Offering, the Association Property, the Sponsor's ability to perform all of its obligations under the Offering Plan or the operation of the Association.

There are no prior amendments have been submitted to but not yet filed with the Department of Law. Other than as set forth above, there are no material changes in fact or circumstances which require an amendment to the Offering Plan.

SPONSOR:
CASCIANI CONSTRUCTION COMPANY, INC.

By: 
John A. Casciani, President

Dated: February 16, 1997

SCHEDULE A
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Projected Budget for First Year of Operation
September 1, 1997 thru August 31, 1998

INCOME: (1)	<u>33 HOMES</u>	<u>48 HOMES</u>
Assessments	\$14,348	
(\$434.79 Per Home per year payable monthly based on 33 Homes)		
(\$402.48 Per Home per year payable monthly based on 48 Homes)		\$19,319
TOTAL INCOME:	\$14,348	\$19,319
EXPENSES:		
Electric (2)	\$ -0-	\$ -0-
Water & Sewer (3)	\$ -0-	\$ -0-
Repairs & Maintenance (4)	\$ 864	\$ 864
Refuse Collection (5)	\$ 6,523	\$ 9,487
Office Expense (6)	\$ 547	\$ 682
Insurance (7)	\$ 1,438	\$ 1,490
Management (8)	\$ 2,574	\$ 3,744
Real Estate Taxes (9)	\$ 136	\$ 136
Franchise Taxes (10)	\$ 366	\$ 366
Federal Income Taxes (11)	\$ -0-	\$ -0-
Legal (12)	\$ -0-	\$ -0-
Audit (13)	\$ 1,400	\$ 1,800
Miscellaneous (14)	\$ 500	\$ 750
Reserves (15)	\$ -0-	\$ -0-
TOTAL EXPENSES:	\$14,348	\$19,319
Per Home Per Year	\$434.79	\$402.48
Per Home Per Month	\$ 36.23	\$ 33.54

NOTE: At such time as the docks are installed, each Owner will be additionally assessed for the additional insurance and repair, maintenance and replacement of the docking system as set forth in SCHEDULE B at Page 13 of this Offering Plan.

**SCHEDULE A
FOOTNOTES**

(1) \$ 7,825 Income: Based on 33 Homes.

\$ 9,932 Income: Based on 48 Homes.

(2) - 0 - Electricity: There will be no street lighting or other common expense electric usage. See Footnotes 2 and 3 of Schedule B for projected cost when the boat docking system is operating.

(3) - 0 - Water and Sewer: Each Home will be separately metered and will be billed directly by the Village of Webster for actual usage. There will be no water commonly used. See Footnote 2 of Schedule B for projected cost when the boat docking system is operating.

(4) \$864 Repairs and Maintenance: Based on written quotation from Thomas Landscape and Design, Inc., 775 Ridge Road, Webster, New York 14580 for spring and fall cleanup of the common areas and weeding and trimming of the landscaped entry easement area as may be required. The cost will be \$400 per season plus 8% tax.

(5) \$6,523 for 33 Homes & \$9,487 for 48 Homes Refuse Collection: Based on a written quotation from D. W. Gutzmer, P. O. Box 8007, Webster, New York 14580 who will provide once a week, curb side pickup of refuse and recycling at a cost of \$15.25 plus tax per Home per month. Therefore:

	<u>33 Homes</u>	<u>48 Homes</u>
\$15.25 x 12 months x 33 Homes	\$6,039.00	
\$15.25 x 12 months x 48 Homes		\$8,784.00
8% Tax	\$ 483.12	\$ 702.72
TOTALS:	\$6,522.12	\$9,486.72

(6) \$439 Office Expense: Estimated as follows, based on experience of Community Association Management, P. O. Box 4126, Clifton Park, New York 12065 in their management of community associations in the Capital Region:

	<u>33 Homes</u>	<u>48 Homes</u>
Mailings based on 6 per year at \$1.50 each:	\$ 297.00	\$ 432.00
Bookkeeping Supplies, Checks, and Stationary:	\$ 250.00	\$ 250.00
TOTAL:	\$ 547.00	\$ 682.00

**SCHEDULE A
FOOTNOTES**

- (7) \$1,438 for 33 Homes & \$1,490 for 48 Homes Insurance: Based on a written quotation from Cool Insuring Agency, Inc., 974 Albany-Shaker Road, Latham, New York 12110-1401, which shall provide for \$1,000,000 General Liability and \$25,000 blanket limit Fidelity Bond, \$1,000,000 Directors' and Officers Liability and minimum Workers' Compensation. The premiums will be as follows:

	<u>33 Homes</u>	<u>48 Homes</u>
\$1,000,000 General Liability	\$ 250	\$ 250
\$1,000,000 Directors' & Officers' Liability	\$ 660	\$ 700
\$25,000 Fidelity Bond	\$ 200	\$ 200
Minimum Workers Compensation	\$ 328	\$ 340
TOTAL PREMIUMS:	\$ 1,438	\$ 1,490

NOTE: OWNERS WILL BE REQUIRED TO OBTAIN HAZARD INSURANCE FOR THE REPLACEMENT VALUE OF THEIR HOMES AND GENERAL LIABILITY INSURANCE FOR OCCURRENCES WITHIN THE HOME OR ON THE OWNER'S LOT. OWNERS SHOULD ALSO OBTAIN INSURANCE THE CONTENTS OF THEIR HOMES AGAINST LOSS.

The above insurance quotation is pursuant to Article X of the Declaration which requires the Board of Directors to obtain and maintain insurance.

- (8) \$2,574 for 33 Homes & \$3,744 for 48 Homes Management: Casciani Construction Co., Inc., 850 Lake Road, Webster, New York 14580 (the Sponsor), will provide financial management for the Association for a period of two (2) years. Compensation will be \$78 per Home per year, not to exceed \$3,744 per year when title to the 48th Home occurs. Financial management responsibilities shall include, but not necessarily be limited to, maintaining a full set of accounting records on a modified accrual basis, bill and receive all Assessments and deposit the proceeds in a designated bank account in the name of the Association, prepare for signatures all checks for payment of invoices/statements received, maintain all bank accounts in the name of the Association, submit monthly and quarterly income and expense statements, maintain all Association and Owners' files and assist the Board in the preparation of the annual budget.
- (9) \$136 Real Estate Taxes: Based on a letter from the Town of Webster Assessor, based on an estimated value of \$5,000 for the common areas. The 1996/97 combined Town, County and School taxes is \$27.02.

**SCHEDULE A
FOOTNOTES**

- (10) \$366 New York State Franchise Tax: This is the minimum New York State Franchise Tax, which will be the first year's estimated tax.
- (11) - 0 - Federal Income Taxes: It is not anticipated the Association will have any taxable income during the first year of operations.
- (12) - 0 - Legal: It is not anticipated the Association will have any legal fees during the first year of operations.
- (13) \$1,400 for 33 Homes and \$1,800 for 48 Homes Audit: Based on a written quotation from Viele and Solimano CPA, PC, One East Main Street, Rochester, New York 14614, an independent certified public accountant, to prepare an independent audit, annual certified financial statements based on such audit, provide copies of the annual financial statements to the members of the Board of Directors and prepare and file the required federal and New York State tax returns.
- (14) \$500 for 33 Homes and \$750 for 48 Homes Miscellaneous: For unanticipated expenses.
- (15) - 0 - Reserves: There are no common structures, roadways or other facilities that require reserves for replacements.

SCHEDULE B
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Projected Budget for the First Year of Operation
for the Boat Docking System
September 1, 1997 thru August 31, 1998

INCOME: (1)	<u>12 Slips</u>	<u>24 Slips</u>	<u>36 Slips</u>	<u>48 Slips</u>
	\$4,134	\$6,767	\$9,806	\$12,909
(1) Per Home Per Year:	\$344.50	\$281.96	\$272.39	\$268.94
Per Home Per Month:	\$ 28.71	\$ 23.50	\$ 22.70	\$ 22.42
EXPENSES:				
Utilities (2)	\$ 200	\$ 400	\$ 600	\$ 800
Electricity (3)	\$ 225	\$ 450	\$ 675	\$ 900
Maintenance (4)	\$ 125	\$ 250	\$ 375	\$ 500
Insurance (5)	\$1,500	\$1,500	\$1,906	\$ 2,375
Reserves (6)	<u>\$2,084</u>	<u>\$4,167</u>	<u>\$6,250</u>	<u>\$ 8,334</u>
TOTAL EXPENSES:	\$4,134	\$6,767	\$9,806	\$12,909

FOOTNOTES

- (1) The docking system will be installed in four sections and project income is as set forth above.

EXPENSES AND RESERVES: As estimated by F-E-S Associates, 18 Glenhill Drive, Rochester, New York 14618, the designers of the Boat Docking Facilities.

- (2) Electricity and water consumed by boat owners.
- (3) Electricity consumed by the operation of the ice-eaters during the winter.
- (4) Maintenance expense.
- (5) Insurance for the physical damage for the docking system, with \$1,000 deductible per occurrence and \$5,000 aggregate deductible, insuring 12 slips in the amount of \$62,500; 24 slips in the amount of \$125,000; 36 slips in the amount of \$187,500; and 48 slips in the amount of \$250,000 and \$1,000,000 umbrella liability policy, which would be in addition to the Association insurance set forth in SCHEDULE A at Page 9 and Footnote A at Page 11 of this Offering Plan based on a written quotation by Cool Insuring Agency, 974 Albany-Shaker Road, Latham, New York 12110.
- (6) Reserves for replacement: The estimated life is 30 years and each of the four sections is valued at \$62,500. Therefore, annual reserves are as follows:
- | | |
|-----------|---------|
| 12 Slips: | \$2,084 |
| 24 Slips: | \$4,167 |
| 36 Slips: | \$6,250 |
| 48 Slips: | \$8,334 |

DeROO ASSOCIATES, INC.

Consultants

P.O. BOX 1317
CLIFTON PARK, NY 12065-0805

TELEPHONE (518) 373-0623
FAX (518) 373-0512

February 16, 1997

Department of Law
Real Estate Financing Bureau
120 Broadway - 23rd Floor
New York, New York 10271

Re: The Bluffs of Webster, Inc. (A Homeowners' Association)
Town of Webster, County of Monroe, New York

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

Involvement in the development, conversion, marketing and management of condominium and homeowners' associations since 1973 and prior to that with the development and management of multifamily residential rental properties since 1970; being a Certified Property Manager (CPM®) since 1977, a Past President of the Western New York Chapter and the Capital Region Chapter of the Institute of Real Estate Management (IREM®); founder and President for three years of the Western New York Chapter of the Community Associations Institute (CAI) and a member of the Community Associations Institute since 1976 and founder of the Community Associations of Upstate New York. I service over ten associations in the Capital District.

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 13 NYCRR Part 22 insofar as they are applicable to Schedules A and B.

I have reviewed the Schedules and investigated the facts set forth in the Schedules 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 and community association properties.

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

I certify that the Schedule:

- (i) sets forth in detail the projected income and expenses for the first year of homeowners' association operation;
- (ii) 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;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) 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 statement 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 statement is not intended as a guarantee or warranty of the income and expenses for the first year of operation as a homeowners' association.

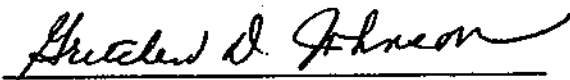
This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

DeROO ASSOCIATES, INC.



Ruth V. DeRoo

Sworn to before me this
21 day of February, 1997.



Notary Public

GRETCHEN D. JOHNSON
Notary Public for New York
Qualified in Saratoga County
Comm. expires Sep 13, 1997



STATE OF NEW YORK
DEPARTMENT OF LAW

DENNIS C. VACCO
Attorney General

JOHN H. CARLEY
Deputy Attorney General

(212) 416-8174

Casciani Construction Co., Inc.
c/o William M. Higgins, Esq.
Attn: William M. Higgins
16 East Main Street
Rochester, NY 14614

RE: The Bluffs of Webster
File Number: H950072
Filing Fee: \$ 0.00
Acceptance Date: 02/14/96

Amount offering: \$ 255,000.00
Receipt Number: 683912416

Dear Sponsor:

The offering literature submitted for the subject premises is hereby accepted and filed. Unless extended by duly filed amendment, the effectiveness of the filing shall expire twelve months from this date. All advertising and solicitation material must be consistent with the contents of the filed offering literature. Any material change of facts or circumstances affecting the property or the offering requires an immediate amendment.

Any misstatement or concealment of material fact in the literature filed renders this filing void ab initio. This office has relied on the truth of the certification of sponsor, sponsor's principals and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

The issuance of this letter is conditioned upon the faithful performance of all of the obligations of the sponsor, its agents and instrumentalities, which are required by law or set forth in the offering literature. If there is a failure or neglect to perform any such obligations when required, the effectiveness of this letter shall be suspended, and all offering and sales shall cease, pending further action by this office. Issuance of this letter is further conditioned on the collection of all fees imposed by law. This letter is your receipt for the above filing fee.

The filing of the offering literature shall not in any way be construed as approval of the contents or terms thereof by the Attorney General of the State of New York. Nor does it waive or limit the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable provisions of law.

Very truly yours,

David Parker

DAVID PARKER
ASSISTANT ATTORNEY GENERAL

THIS OFFERING PLAN CONTAINS THE TERMS OF THE OFFER OF SALE AND THE OBLIGATIONS OF THE SPONSOR.

PLEASE READ IT CAREFULLY.

THE PROPERTY YOU ARE PURCHASING IS PART OF A PRIVATE SELF-GOVERNING SUBDIVISION WHICH MAY INITIALLY BE CONTROLLED BY THE SPONSOR.

YOUR OBLIGATIONS AS A HOME OWNER ARE INCLUDED IN THIS PLAN. THIS PLAN IS PREPARED AND ISSUED BY THE SPONSOR OF THIS SUBDIVISION. IT HAS BEEN FILED WITH THE ATTORNEY GENERAL OF THE STATE OF NEW YORK, DEPARTMENT OF LAW, REAL ESTATE FINANCING BUREAU, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions.

2. The second part of the document discusses the importance of maintaining accurate records of all transactions.

3. The third part of the document discusses the importance of maintaining accurate records of all transactions.

4. The fourth part of the document discusses the importance of maintaining accurate records of all transactions.

THE BLUFFS OF WEBSTER, INC.
(A HOMEOWNERS' ASSOCIATION)

TABLE OF CONTENTS

PAGE

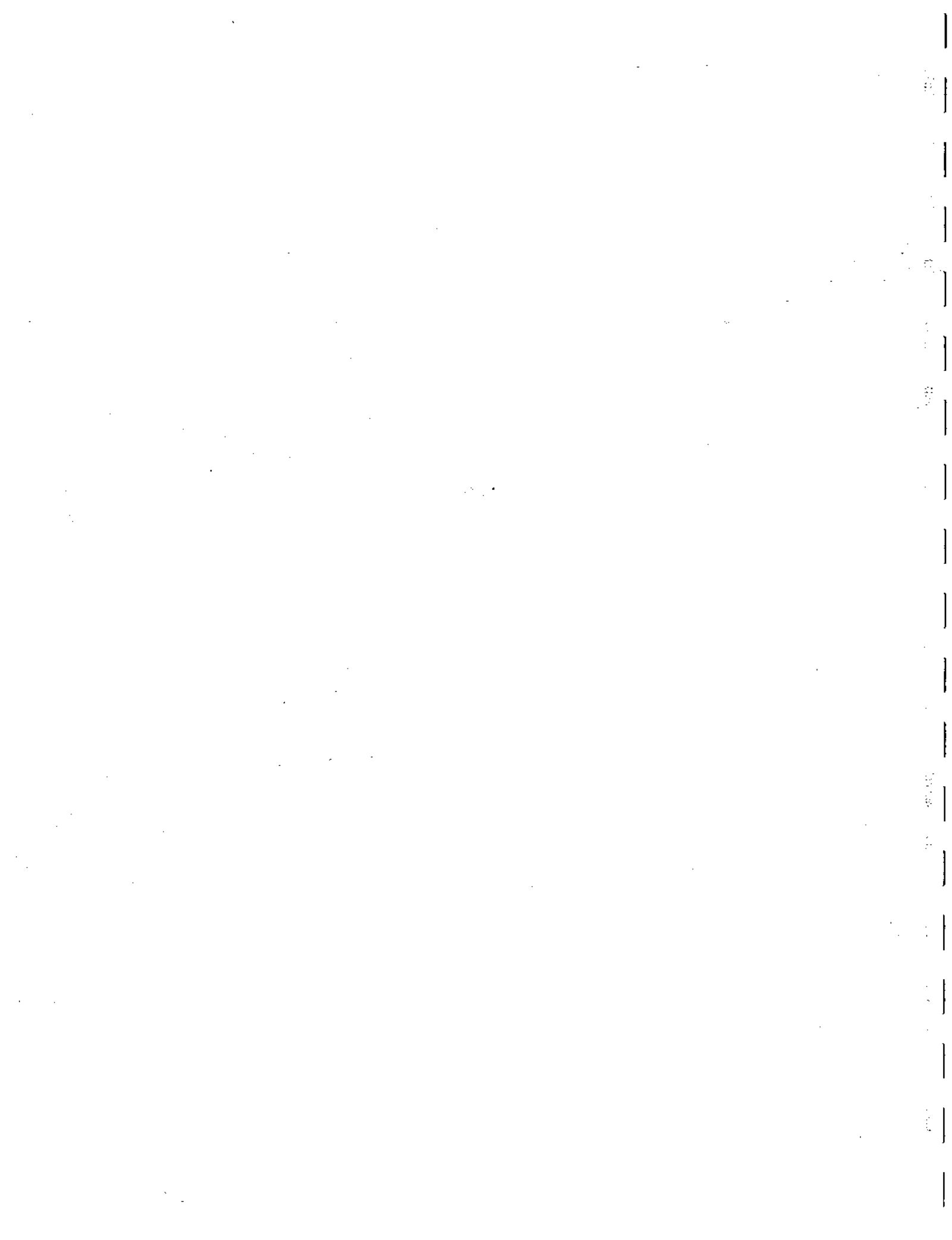
PART I

SPECIAL RISKS.....	1
INTRODUCTION.....	4
LOCATION AND AREA INFORMATION.....	4
DESCRIPTION OF COMMON AREAS AND FACILITIES TO BE OWNED OR MAINTAINED BY THE HOMEOWNERS' ASSOCIATION.....	7
SCHEDULE A: OPERATING BUDGET FOR CURRENT FISCAL YEAR.....	9
SCHEDULE A: FOOTNOTES.....	10
SCHEDULE B: OPERATING BUDGET FOR THE BOAT DOCKING SYSTEM....	13
SCHEDULE B: FOOTNOTES.....	13
INTERIM LEASES.....	14
PROCEDURE TO PURCHASE.....	14
ESCROW, TRUST FUND PROVISIONS.....	14
FINANCING FOR QUALIFIED PURCHASERS.....	20
TERMS OF SALE.....	20
RIGHTS AND OBLIGATIONS OF SPONSOR.....	20
CONTROL BY THE SPONSOR.....	24
THE BLUFFS OF WEBSTER, INC.....	24
MANAGEMENT, OPERATION AND MEMBERSHIP OF THE BLUFFS OF WEBSTER, INC.....	26
INITIAL BOARD OF DIRECTORS.....	27
OPINION OF COUNSEL.....	30
LOCAL GOVERNMENT APPROVAL.....	35
RESERVE FUND.....	35
WORKING CAPITAL.....	35
MANAGEMENT AGREEMENT, CONTRACTS AND LEASES.....	35
IDENTITY OF PARTIES.....	35
REPORTS TO MEMBERS.....	36
DOCUMENTS ON FILE.....	37
GENERAL.....	37

TABLE OF CONTENTS

	PAGE
PART II	
PURCHASE AGREEMENT.....	39
PRIVATE DRIVEWAY AGREEMENTS.....	50
SPONSOR'S LIMITED WARRANTY.....	58
FORM OF DEED TO ASSOCIATION PROPERTY.....	82
DESCRIPTION OF ASSOCIATION PROPERTY.....	88
SITE PLAN.....	100
AREA LOCATION MAP.....	101
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, CHARGES AND LIENS.....	102
CERTIFICATE OF INCORPORATION.....	184
BY-LAWS.....	189
ESCROW AGREEMENT.....	211
APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWN PAYMENTS.....	217
PROPOSED MANAGEMENT AGREEMENT.....	221
HOUSING MERCHANT IMPLIED WARRANTY (ARTICLE 36-B OF THE GENERAL BUSINESS LAW).....	230
CERTIFICATIONS:	
SPONSOR AND SPONSOR'S PRINCIPALS.....	238
SPONSOR'S ENGINEER.....	240
SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET.....	242

PART I.



THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

SPECIAL RISKS

Purchasers of lots/ and or homes for residential purposes only at The Bluffs of Webster, Inc. (A Homeowners' Association) should be aware of the following factors which are more fully described in this Offering Plan:

1. The Sponsor has filed applications with the Department of Environmental Conservation (DEC), the Army Corp of Engineers and with the New York State Office of Government Services (OGS) for use of land underwater pursuant to the Public Lands Law for permits to install the boat dock facilities. When the permits are received, the Sponsor will construct the first section consisting of twelve (12) boat slips upon the sale of ten (10) Lots and/or Homes (see Page 4 of this Plan).
2. It is not anticipated the Association will incur legal fees during the first year of operations. Therefore, there are no provisions in the budget (see Schedule A at Page 9 and Footnote 12 of Schedule A at Page 12 of this Plan).
3. Each Owner will be responsible for the removal of snow from the driveway and/or sidewalk servicing such Owner's Lot and/or Home (see Page 6 of this Plan).
4. All deposits, down payments or advances made by Purchasers prior to closing of each individual transaction will be placed, within five (5) business days after the signing of the Purchase Agreement by all necessary parties, in a segregated interest-bearing account with First National Bank of Rochester, 35 State Street, Rochester, New York 14614. This bank is covered by federal bank deposit insurance to a maximum of \$100,000 per individual depositor. Deposits in excess of \$100,000 will not be federally insured (see Page 14 and Paragraph 12 of the Purchase Agreement at Page 44 of this Plan).
5. There is no street lighting planned for Sundance Trail, other than individual post lights on each Lot (see Page 7 of this Plan).
6. There is no construction financing (see Page 21 of this Plan).

7. The Sponsor, or its successor, may retain veto power over certain aspects of the budget until title has transferred to all forty eight (48) Lots and/or Homes, but in no event more than ten (10) years from the transfer of title to the first Lot and/or Home, whichever first occurs (see Page 24 of this Plan).
8. The Sponsor, or its successor, may retain control of the Board of Directors until title has transferred to all forty eight (48) Lots and/or Homes, but in no event more than ten (10) years from the transfer of title to the first Lot and/or Home, whichever first occurs (see Page 24 of this Plan).
9. While it does not intend to do so, the Sponsor may dissolve or liquidate at any time. Such dissolution or liquidation would adversely affect the Sponsor's ability to perform. However, the Sponsor will comply with its obligations under Section 352-e of the General Business Law and will be held responsible for such obligations and its obligations under this Plan (see Page 22 of this Plan).
10. Closing costs will include, but not necessarily be limited to: (i) New York State Transfer Tax (\$2 for each \$500 of purchase price); (ii) real estate taxes prorated on a yearly basis to date of closing; (iii) Homeowners' Association Assessments prorated to date of closing for month in which closing occurs plus the full following month's Assessments; (iv) all fees incurred in obtaining a mortgage; (v) any title insurance premiums for title insurance required by Purchaser's Mortgagee or desired by Purchaser; (vi) fees for the recording of the deed (\$3.00 per page plus \$10.00 for the instrument to be recorded) and for New York State Mortgage Tax (the amount of the mortgage rounded to the nearest \$100 multiplied by .0075); (vii) \$25 for the filing of the Equalization and Assessment form; (viii) \$6.00 for the filing of the Gains Tax Affidavit; (ix) \$450 for a survey and certification of the survey; (x) \$85 for the Home's water meter; (xi) \$450 Town of Webster recreation fee; and (xi) if the Home is constructed by the Sponsor, \$800 for the sewer entrance fee (see Paragraphs 8 and 9 of the Purchase Agreement at Page 43 of this Plan).
11. Sponsor's Warranty is extended to the original Purchaser named on a Purchase Agreement as is set forth in Part II of this Offering Plan and does not extend to subsequent owners of the Home or other persons (see Page 59 of this Plan).

12. Specific building restrictions are set forth on the final plat map filed, or to be filed, in the office of the Monroe County Clerk (see Article VII of the Declaration in Part II of this Plan at Page 125 of this Plan).
13. There are additional building restrictions on Lot 114 (see Article VII (i) of the Declaration in Part II of this Plan at Page 127 of this Plan).
14. Providing access from Sundance Trail, Lots 121, 122 and 123 shall share a private driveway, Lots 204, 205 and 206 shall share a private driveway and Lots 208 and 209 shall share a private driveway. The Purchasers of these Lots shall be obligated under an "Easement & Maintenance Agreement" that will be signed by the respective Owners at time of closing, to share the costs and have the obligation for repairs and maintenance, including snow plowing, as set forth in Schedules L-1 and L-2 of the Declaration in Part II of this Offering Plan (see Pages 8, 94 and 125 of this Plan).
15. Lots 115, 116, 121, 122, 123, 204, 205, 206 and 208 will require sewer grinder pumps which will be owned and maintained by the respective Owners of such Lots. Each such Lot Owner will be required to enter into a maintenance agreement with a certified plumber, at such Owner's sole expense to properly maintain the pump (see Article VII (w) of the Declaration set forth in Part II of this Plan and Page 6 of this Plan).

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that proper record-keeping is essential for ensuring transparency and accountability in financial operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent data collection procedures and the use of advanced analytical techniques to derive meaningful insights from the data.

3. The third part of the document focuses on the challenges associated with data management and analysis. It discusses issues such as data quality, data security, and the integration of data from different sources, and provides strategies to address these challenges.

4. The fourth part of the document describes the role of technology in modern data management and analysis. It explores the use of cloud computing, big data, and artificial intelligence to enhance data processing capabilities and improve decision-making.

5. The fifth part of the document discusses the importance of data governance and compliance. It emphasizes the need for clear policies and procedures to ensure that data is used ethically and in accordance with applicable laws and regulations.

6. The sixth part of the document provides a summary of the key findings and conclusions of the study. It reiterates the importance of data-driven decision-making and the need for continuous improvement in data management practices.

INTRODUCTION

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

The purpose of this Offering Plan is to set forth all the material terms of the offer. This Offering Plan may be amended from time to time when an amendment is filed with the New York State Department of Law. All amendments will be served on all Owners and Purchasers.

Casciani Construction Company, Inc. (the "Sponsor"), a New York corporation, with offices at 850 Lake Road, Webster, New York 14580, acquired three parcels of land totalling approximately 47.4 acres in May of 1991, September of 1991 and July of 1992, within the Town of Webster, County of Monroe, New York.

The property is bounded on the north by Bay Road and single family homes, on the east by Pine Glen Drive and Dewitt Road and by single family homes, on the south by single family homes and on the west by Irondequoit Bay. Access to the Property is by way of Sundance Trail leading in from Dewitt Road and Backus Road. Dewitt Road and Backus Road are public roadways owned and maintained by the Town of Webster. Sundance Trail will be deeded to the Town of Webster upon completion and will be then owned and maintained by the Town of Webster. The Town of Webster has accepted temporary dedication to the first section of Sundance Trail and will be responsible for the repairs and maintenance, including snow plowing, of that section of the roadway. The Sponsor has posted a \$10,000 bond with the Town of Webster for the installation of the driving surface on the roadway, at which time the Town will accept final dedication.

The site will be subdivided into forty eight (48) Lots (the "Lots") for the construction of single-family Homes (the "Homes") for residential use only. Section I will contain thirty three (33) such Lots and Section II will contain fifteen (15) such Lots.

Recreational facilities will be forty eight (48) boat docks, one for each Home, and shoreline access pathways and open green areas as shown on the Site Plan at Page 100 of this Offering Plan. The docking system has received conceptual and preliminary approval from the Town of Webster and applications for permits have been filed with the Department of Environmental Conservation (DEC) and the Army Corps of Engineers and application has been made to the New York State Office of General Services (OGS) for the use of the land underwater pursuant to the Public Lands Law. Upon the acceptance of these applications, construction of the first section (twelve (12) boat slips) will commence upon the sale of ten (10) Lots and/or Homes. The boat dock facilities will be owned and maintained by the Homeowners' Association and each Owner will be granted the right-to-use a boat dock, as set forth in the Purchase Agreement.

The Bluffs of Webster, Inc. (A Homeowners' Association) is a New York Not-for-Profit Corporation (the "Association"). The Certificate of Incorporation was filed August 28, 1995 with the New York State Secretary of State and a copy of the Certificate may be found in Part II of this Offering Plan.

The Association shall own and be responsible for the maintenance, repair and replacement of the pathways leading to the shoreline, the two "open spaces" as shown on the Site Plan at Page 100 of this Offering Plan and the boat docking facilities (the "Association Property"). The Association shall also be responsible for obtaining and keeping in force hazard insurance for the boat docking facilities, general liability insurance, directors' and officers' liability insurance, a fidelity bond and workers' compensation in accordance with Article X of the Declaration, contracting for refuse collection and the management of the affairs of the Association by an elected Board of Directors.

Each Owner is responsible for obtaining, at such Owner's sole expense, fire and casualty insurance to cover full replacement cost of such Owner's Home and losses of the contents of the Home, hazard and liability insurance for such Owner's boat, if applicable, and liability insurance for occurrences within the Home and upon the Owner's Lot (see Footnote (7) of Schedule A at Page 11 of this Offering Plan).

When an Owner sells his or her Lot and/or Home, the purchaser of such Lot and/or Home automatically becomes a member of the Association.

The prices of the Homes include the cost of membership in the Association. The prices have been set by the Sponsor alone and are not subject to review or approval by the New York State Department of Law or any other government agency.

Gas and electric will be provided by Rochester Gas and Electric Corp, a regulated public utility company.

Telephone service will be provided by Frontier Corporation, a regulated public utility company.

Cable television will be available from Time Warner Communications, the area franchisee.

Water will be provided by the Village of Webster Water Department.

Sanitary sewer service will be provided by the Town of Webster Sewer Department.

Fire protection will be provided by the Webster Fire Department.

Police protection will be provided by the Webster Police Department and the Monroe County Sheriff's Department.

Lots 115, 116, 121, 122, 123, 204, 205, 206 and 208 will require sewer grinder pumps. Owners of such Lots will be required to enter into a maintenance agreement with a certified plumber to properly maintain the pumps at the respective Lot Owner's sole expense.

The adjoining areas are zone residential.

The Principal of the Sponsor owns a parcel of land, containing approximately 3.7 acres to the north of the this subdivision, contiguous to the 10.4± acre Association Property, which is not a part of this subdivision. The Principal of the Sponsor does not have an option or right to acquire, in whole or in part, any other adjoining areas.

This Offering Plan contains all of the detailed terms of the transaction as they relate to The Bluffs of Webster, Inc. (a Homeowners' Association). Parts A, B and C of the Exhibits, delivered to the New York State Department of Law, contain all the documents referred to in this Offering Plan. Copies of this Plan and Parts A, B and C of the Exhibits will be available for inspection, without charge, to prospective purchasers and their attorneys, at the office of the Sponsor, located at 850 Lake Road, Webster, New York 14580, at the office of the selling agent and at the office of the Sponsor's attorney.

There is no restriction upon the sale or ownership of a Home other than an Owner must be eighteen (18) years of age or older.

Investor-purchasers purchasing one or more Lots and/or Homes for resale rather than for personal use are required to register with the Department of Law pursuant to General Business Law 352-e and to provide prospective purchasers with a copy of this Offering Plan and all amendments hereto.

THE PURCHASE OF A HOME ASSOCIATED WITH MANDATORY MEMBERSHIP IN A HOMEOWNERS'S ASSOCIATION HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A CONTRACT OF SALE.

The Sponsor may commence conveying title upon the sale of the first Lot and/or Home in Section I, upon the acceptance for filing of this Offering Plan by the Department of Law. Prior to the first closing the Sponsor must record the Declaration of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens (the "Declaration") bringing Section I under the scope of the Declaration and the deed conveying to the Association the Association Property, in the office of the Monroe County Clerk. Upon completion of the boat docking facilities the Sponsor will convey such facilities to the Association.

The Sponsor and/or the Sales Agent may use one or more Homes as model Homes in conjunction with the marketing program until all forty eight (48) Lots and/or Homes are sold to initial purchasers.

**DESCRIPTION OF PROPERTY
OWNED AND/OR MAINTAINED BY THE ASSOCIATION**

The Association Property consists of landscaped and/or wooded areas within the boundaries of the site identified on the Site Plan as "Open Spaces", footpaths leading to the shoreline and the boat docking facilities and an easement at the entry to the site where signage and landscaping will be installed by the Sponsor. The roadway, Sundance Trail, providing access to the Lots and/or Homes, will be owned and maintained by the Town of Webster. A site plan, prepared by Charles J. Costich, P.E., L.S., P.C., 217 Lake Avenue, Rochester, New York 14608 is set forth in Part II of this Offering Plan. No bond or other security has been posted by the Sponsor to secure the performance of its construction.

The property will be improved and the Homes and boat docking facilities will be constructed in accordance with all applicable zoning and building laws of the Town of Webster and the State of New York.

The Sponsor projects the completion of the first Home will occur by late spring or early summer of 1996. The first section of the boat docking facility, consisting of twelve (12) boat slips, will be constructed in early spring, if the applications to the Department of Environmental Conservation (DEC), Army Corp of Engineers and New York State Office of General Services (OGS) have been accepted by that time, or as soon thereafter as the applications are accepted and ten (10) Lots and/or Homes have been sold. The remaining three (3) sections will be installed as Lots and/or Homes are sold. Based on the present market conditions, the Sponsor estimates the completion of the forty eighth Home in approximately ten (10) years.

Access to the property and all Lots will be by way of Sundance Trail, which will be owned and maintained by the Town of Webster.

There is no street lighting planned for Sundance Trail, other than individual post lights on each Lot.

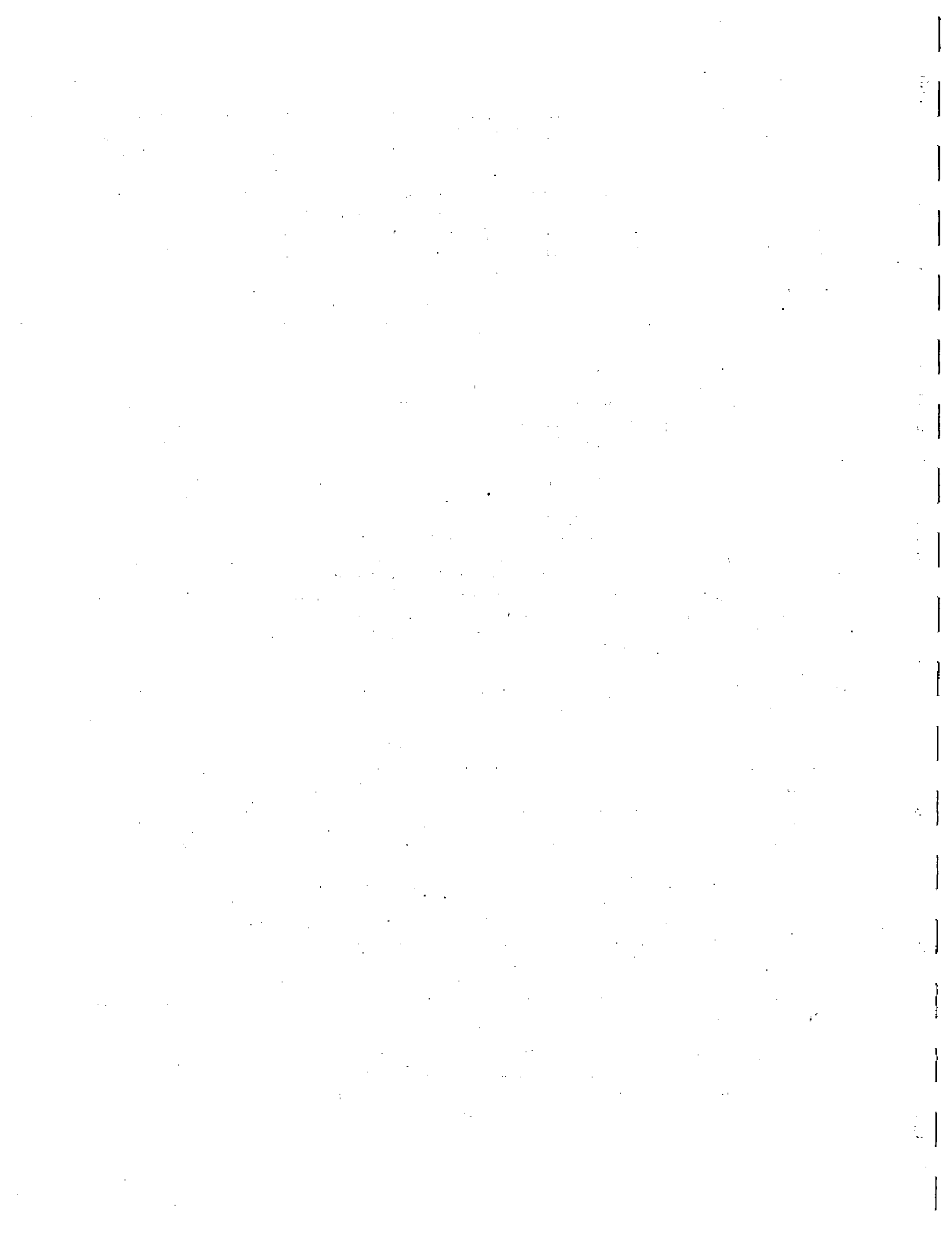
Providing access from Sundance Trail a private driveway to Lots 121, 122 and 123 shared by the Owners of those respective Lots, to Lots 204, 205 and 206 shared by the Owners of those respective Lots and to Lots 208 and 209 shared by the Owners of those respective Lots. The Purchasers of these Lots shall be obligated, under a "Private Driveway Easement and Maintenance Agreement", which will become a part of their respective deeds, to share the costs equally and have the obligation for repairs and maintenance, including snow plowing, of the private driveway providing access to such Purchaser's respective Lot. Copies of such Agreements are set forth as Schedules L-1, L-2 and L-3 to the Declaration in Part II of this Offering Plan.

Schedule A (the Budget), at Page 9 of this Offering Plan, sets forth the income and expenses for the first year of operation of the Association for Section I (thirty three (33) Homes) and for the completed development of forty eight (48) Homes. Schedule B, at Page 13 of this Offering Plan, sets forth the income and expenses for the first year of operation of the boat docking facilities, which shall become an additional Assessment as such time as the first section containing twelve (12) boat slips is completed. It is projected that Assessments will commence on or about April 1, 1996. A Letter of Adequacy with respect to both Schedule A and B is set forth in Part II of this Plan. If the projected commencement date of the Schedule A budget year differs by six (6) months or more from the anticipated date of transfer of title to the first Lot and/or Home, this Plan shall be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty five percent (25%) or more, the Sponsor shall allow Purchasers the right, for a period of ten (10) days, to rescind their offer to Purchase and to have their deposits returned.

Based on thirty three (33) Lots and/or Homes, with each Owner paying one-thirty third ($1/33$ rd) of the total estimated Association expenses, the cost per Owner is estimated to be \$432.94 per year. Based on forty eight (48) Lots and/or Homes, with each Owner paying one-forty eighth ($1/48$ th) of the total estimated Association expenses, the cost per Owner is estimated to be \$400.65 per year.

The total estimated Association expenses for the boat docking facilities for each Owner is estimated to be \$344.50 per year for the first section of twelve (12) boat slips, \$281.96 per year for the first two sections of twenty four (24) boat slips, \$272.39 per year for the first three section of thirty six (36) boat slips and \$268.94 per year when the facility is completed with forty eight (48) boat slips, with each Owner paying equally on the aggregate as each section is completed.

These budgets were developed based on 1995 costs and there is no guarantee that within the ten (10) years of development, or at such time as title transferred to the last Lot and/or Home, that this monthly cost will not increase.



SCHEDULE A
 THE BLUFFS OF WEBSTER, INC.
 (A Homeowners' Association)
 Projected Budget for First Year of Operation
 April 1, 1996 thru March 31, 1997

INCOME: (1)	<u>33 HOMES</u>	<u>48 HOMES</u>
Assessments	\$14,348	
(\$434.79 Per Home per year payable monthly based on 33 Homes)		
(\$402.48 Per Home per year payable monthly based on 48 Homes)		\$19,319
TOTAL INCOME:	\$14,348	\$19,319
EXPENSES:		
Electric (2)	\$ -0-	\$ -0-
Water & Sewer (3)	\$ -0-	\$ -0-
Repairs & Maintenance (4)	\$ 864	\$ 864
Refuse Collection (5)	\$ 6,523	\$ 9,487
Office Expense (6)	\$ 547	\$ 682
Insurance (7)	\$ 1,438	\$ 1,490
Management (8)	\$ 2,574	\$ 3,744
Real Estate Taxes (9)	\$ 136	\$ 136
Franchise Taxes (10)	\$ 366	\$ 366
Federal Income Taxes (11)	\$ -0-	\$ -0-
Legal (12)	\$ -0-	\$ -0-
Audit (13)	\$ 1,400	\$ 1,800
Miscellaneous (14)	\$ 500	\$ 750
Reserves (15)	\$ -0-	\$ -0-
TOTAL EXPENSES:	\$14,348	\$19,319
Per Home Per Year	\$434.79	\$402.48
Per Home Per Month	\$ 36.23	\$ 33.54

NOTE: At such time as the docks are installed, each Owner will be additionally assessed for the additional insurance and repair, maintenance and replacement of the docking system as set forth in SCHEDULE B at Page 13 of this Offering Plan.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

SCHEDULE A
FOOTNOTES

(1) \$ 7,825 Income: Based on 33 Homes.

\$ 9,932 Income: Based on 48 Homes.

(2) - 0 - Electricity: There will be no street lighting or other common expense electric usage. See Footnotes 2 and 3 of Schedule B for projected cost when the boat docking system is operating.

(3) - 0 - Water and Sewer: Each Home will be separately metered and will be billed directly by the Village of Webster for actual usage. There will be no water commonly used. See Footnote 2 of Schedule B for projected cost when the boat docking system is operating.

(4) \$864 Repairs and Maintenance: Based on written quotation from Thomas Landscape and Design, Inc., 775 Ridge Road, Webster, New York 14580 for spring and fall cleanup of the common areas and weeding and trimming of the landscaped entry easement area as may be required. The cost will be \$400 per season plus 8% tax.

(5) \$6,523 for 33 Homes & \$9,487 for 48 Homes Refuse Collection: Based on a written quotation from D. W. Gutzmer, P. O. Box 8007, Webster, New York 14580 who will provide once a week, curb side pickup of refuse and recycling at a cost of \$15.25 plus tax per Home per month. Therefore:

	<u>33 Homes</u>	<u>48 Homes</u>
\$15.25 x 12 months x 33 Homes	\$6,039.00	
\$15.25 x 12 months x 48 Homes		\$8,784.00
8% Tax	\$ 483.12	\$ 702.72
TOTALS:	\$6,522.12	\$9,486.72

(6) \$439 Office Expense: Estimated as follows, based on experience of Community Association Management, P. O. Box 4126, Clifton Park, New York 12065 in their management of community associations in the Capital Region:

	<u>33 Homes</u>	<u>48 Homes</u>
Mailings based on 6 per year at \$1.50 each:	\$ 297.00	\$ 432.00
Bookkeeping Supplies, Checks, and Stationary:	\$ 250.00	\$ 250.00
TOTAL:	\$ 547.00	\$ 682.00

**SCHEDULE A
FOOTNOTES**

- (7) \$1,438 for 33 Homes & \$1,490 for 48 Homes Insurance: Based on a written quotation from Cool Insuring Agency, Inc., 974 Albany-Shaker Road, Latham, New York 12110-1401, which shall provide for \$1,000,000 General Liability and \$25,000 blanket limit Fidelity Bond, \$1,000,000 Directors' and Officers Liability and minimum Workers' Compensation. The premiums will be as follows:

	<u>33 Homes</u>	<u>48 Homes</u>
\$1,000,000 General Liability	\$ 250	\$ 250
\$1,000,000 Directors' & Officers' Liability	\$ 660	\$ 700
\$25,000 Fidelity Bond	\$ 200	\$ 200
Minimum Workers Compensation	\$ <u>328</u>	\$ <u>340</u>
TOTAL PREMIUMS:	\$ 1,438	\$ 1,490

NOTE: OWNERS WILL BE REQUIRED TO OBTAIN HAZARD INSURANCE FOR THE REPLACEMENT VALUE OF THEIR HOMES AND GENERAL LIABILITY INSURANCE FOR OCCURRENCES WITHIN THE HOME OR ON THE OWNER'S LOT. OWNERS SHOULD ALSO OBTAIN INSURANCE THE CONTENTS OF THEIR HOMES AGAINST LOSS.

The above insurance quotation is pursuant to Article X of the Declaration which requires the Board of Directors to obtain and maintain insurance.

- (8) \$2,574 for 33 Homes & \$3,744 for 48 Homes Management: Casciani Construction Co., Inc., 850 Lake Road, Webster, New York 14580 (the Sponsor), will provide financial management for the Association for a period of two (2) years. Compensation will be \$78 per Home per year, not to exceed \$3,744 per year when title to the 48th Home occurs. Financial management responsibilities shall include, but not necessarily be limited to, maintaining a full set of accounting records on a modified accrual basis, bill and receive all Assessments and deposit the proceeds in a designated bank account in the name of the Association, prepare for signatures all checks for payment of invoices/statements received, maintain all bank accounts in the name of the Association, submit monthly and quarterly income and expense statements, maintain all Association and Owners' files and assist the Board in the preparation of the annual budget.
- (9) \$136 Real Estate Taxes: Based on a letter from the Town of Webster Assessor, based on an estimated value of \$5,000 for the common areas. The 1995/96 combined Town, County and School taxes is \$27.02.

SCHEDULE A
FOOTNOTES

- (10) \$366 New York State Franchise Tax: This is the minimum New York State Franchise Tax, which will be the first year's estimated tax.
- (11) - 0 - Federal Income Taxes: It is not anticipated the Association will have any taxable income during the first year of operations.
- (12) - 0 - Legal: It is not anticipated the Association will have any legal fees during the first year of operations.
- (13) \$1,400 for 33 Homes and \$1,800 for 48 Homes Audit: Based on a written quotation from Viele and Solimano CPA, PC, One East Main Street, Rochester, New York 14614, an independent certified public accountant, to prepare an independent audit, annual certified financial statements based on such audit, provide copies of the annual financial statements to the members of the Board of Directors and prepare and file the required federal and New York State tax returns.
- (14) \$500 for 33 Homes and \$750 for 48 Homes Miscellaneous: For unanticipated expenses.
- (15) - 0 - Reserves: There are no common structures, roadways or other facilities that require reserves for replacements.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the company's financial health and for providing reliable information to stakeholders. The document also highlights the need for transparency and accountability in all financial reporting.

The second part of the document outlines the specific procedures for recording and reconciling transactions. It details the steps involved in the accounting cycle, from identifying transactions to preparing financial statements. The document also discusses the importance of regular reconciliations to ensure the accuracy of the company's books and to detect any errors or discrepancies.

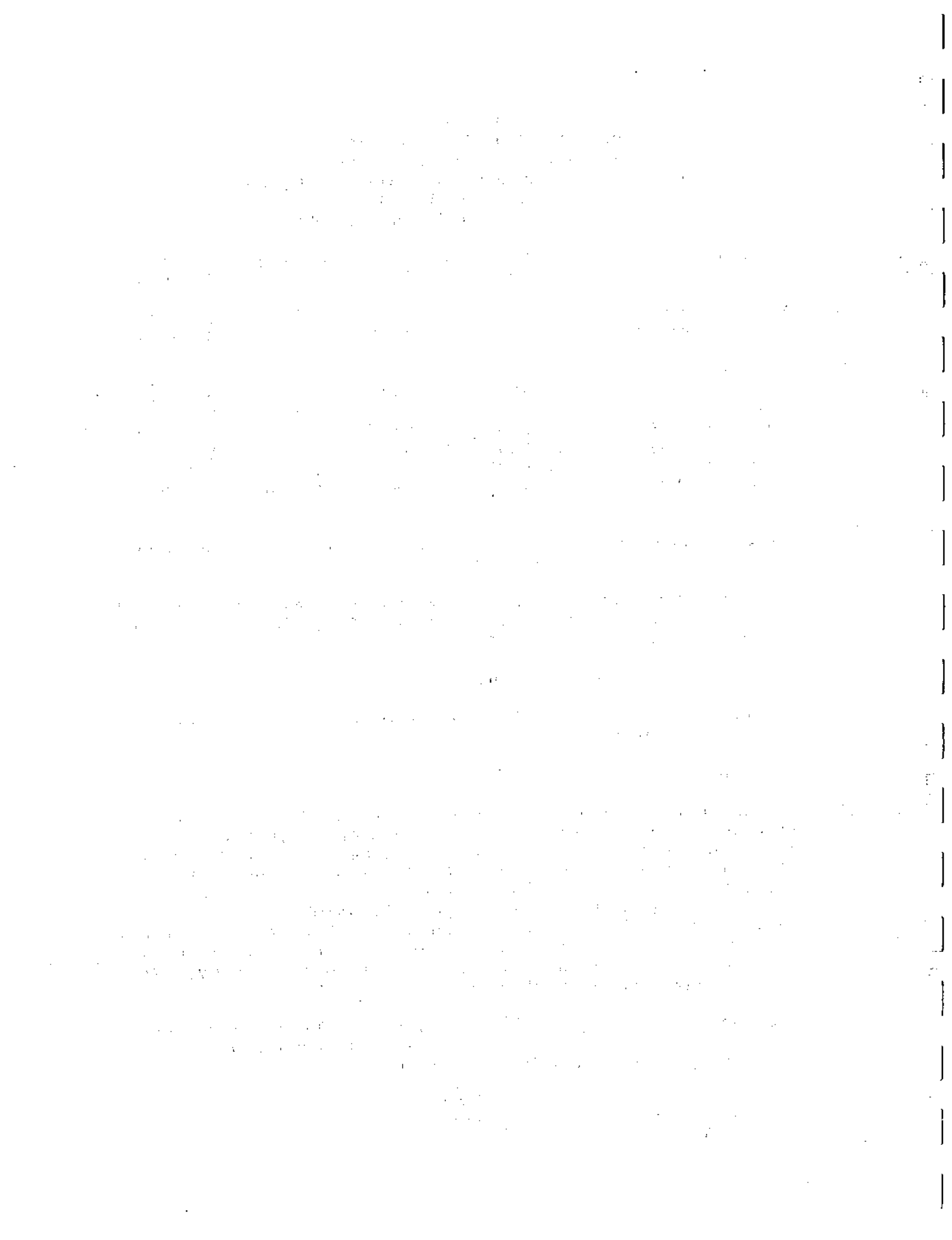
The final part of the document provides a summary of the key points discussed and offers recommendations for improving the company's financial reporting process. It suggests implementing stronger internal controls and investing in training for the accounting staff to ensure the highest quality of financial information.

SCHEDULE B
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
Projected Budget for the First Year of Operation
for the Boat Docking System
April 1, 1996 thru March 31, 1997

INCOME: (1)	<u>12 Slips</u>	<u>24 Slips</u>	<u>36 Slips</u>	<u>48 Slips</u>
	\$4,134	\$6,767	\$9,806	\$12,909
(1) Per Home Per Year:	\$344.50	\$281.96	\$272.39	\$268.94
Per Home Per Month:	\$ 28.71	\$ 23.50	\$ 22.70	\$ 22.42
EXPENSES:				
Utilities (2)	\$ 200	\$ 400	\$ 600	\$ 800
Electricity (3)	\$ 225	\$ 450	\$ 675	\$ 900
Maintenance (4)	\$ 125	\$ 250	\$ 375	\$ 500
Insurance (5)	\$1,500	\$1,500	\$1,906	\$ 2,375
Reserves (6)	<u>\$2,084</u>	<u>\$4,167</u>	<u>\$6,250</u>	<u>\$ 8,334</u>
TOTAL EXPENSES:	\$4,134	\$6,767	\$9,806	\$12,909

FOOTNOTES

- (1) The docking system will be installed in four sections and project income is as set forth above.
- EXPENSES AND RESERVES:** As estimated by F-E-S Associates, 18 Glenhill Drive, Rochester, New York 14618, the designers of the Boat Docking Facilities.
- (2) Electricity and water consumed by boat owners.
- (3) Electricity consumed by the operation of the ice-eaters during the winter.
- (4) Maintenance expense.
- (5) Insurance for the physical damage for the docking system, with \$1,000 deductible per occurrence and \$5,000 aggregate deductible, insuring 12 slips in the amount of \$62,500; 24 slips in the amount of \$125,000; 36 slips in the amount of \$187,500; and 48 slips in the amount of \$250,000 and \$1,000,000 umbrella liability policy, which would be in addition to the Association insurance set forth in SCHEDULE A at Page 9 and Footnote A at Page 11 of this Offering Plan based on a written quotation by Cool Insuring Agency, 974 Albany-Shaker Road, Latham, New York 12110.
- (6) Reserves for replacement: The estimated life is 30 years and each of the four sections is valued at \$62,500. Therefore, annual reserves are as follows:
- | | |
|-----------|---------|
| 12 Slips: | \$2,084 |
| 24 Slips: | \$4,167 |
| 36 Slips: | \$6,250 |
| 48 Slips: | \$8,334 |



INTERIM LEASES

There are no interim leases.

PROCEDURE TO PURCHASE

A person desiring to purchase a Lot and/or Home will be required to execute three (3) copies of a Purchase Agreement in the form set forth in Part II of this Offering Plan and return them to the office of the Sponsor, together with a check for a down payment in the amount of ten percent (10%) of the purchase price drawn to the order of "The Bluffs of Webster Escrow Account".

The Sponsor will have ten (10) days after receipt of the executed Purchase Agreement and down payment to accept the Purchase Agreement by executing it and returning two (2) fully executed copies to the Purchaser, or reject the Agreement and refund the deposit tendered by the Purchaser within ten (10) days thereafter. When accepted by the Sponsor such Purchase Agreement shall be binding upon the Sponsor and the Purchaser.

Statutory Requirement: The Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2)b and 352-h and the Attorney General's regulations promulgated pursuant thereto, and all funds paid by Purchasers shall be handled in accordance with these statutes and regulations.

ESCROW, TRUST FUND PROVISIONS

1. The Account: All deposits, down payments or advances made by Purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of this Offering Plan, will be placed, within five (5) business days after the signing of the Purchase Agreement by all necessary parties, in an segregated special interest-bearing escrow account in First National Bank of Rochester, 35 State Street, Rochester, New York 14714 (the "Escrow Depository"). This bank is covered by federal bank deposit insurance to a maximum of \$100,000 per individual depositor. Deposits in excess of \$100,000 will not be federally insured.

The name of the account will be "The Bluffs of Webster Escrow Account".

This account will be opened and maintained by attorney William M. Higgins, 16 East Main Street, Rochester, New York 14614, the Escrow Agent, separate from such attorney's personal accounts or from any accounts in which assets belonging to the attorney's law firm are deposited, and separate from any accounts maintained by the attorney in the capacity of executor, guardian, trustee or receiver.

Funds from this account may be released only by signature of attorney William M. Higgins, the Escrow Agent. Neither the Sponsor nor any Principal of the Sponsor may be a signatory on the account. Funds will be placed in an interest-bearing escrow account. The Sponsor shall bear any administrative cost for the maintenance of the account.

2. Payments: All funds received from Purchasers, whether in the form of checks, drafts, money orders, wire transfers or other instruments which identify the payor, shall be made payable to or endorsed by the Purchaser to the order of William M. Higgins/The Bluffs of Webster Escrow Account.

3. The Escrow Agent: The Escrow Agent will be attorney William M. Higgins, 16 East Main Street, Rochester, New York 14614 and whose telephone number is (716) 454-3310. The sole signatory will be William M. Higgins, an attorney admitted to practice in the State of New York and independent of the Sponsor. He must comply with the Appellate Division rules for the preservation of client funds of the Judicial Department having jurisdiction over this attorney.

The signatory on this account authorized to withdraw funds is William M. Higgins, whose office is located at 16 East Main Street, Rochester, New York 14614.

Only the signatory, acting as the Escrow Agent, shall be authorized to release funds.

4. Escrow Agreement: A copy of the full Escrow Agreement may be found in Part II of this Plan.

The Escrow Agreement shall remain in effect unless and until it is canceled by either: (i) written notice given by the Sponsor to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or (ii) the resignation of Escrow Agent upon giving notice to the Sponsor of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or (iii) all Lots offered pursuant to this Offering Plan have been sold and all sales transactions have been consummated. The Sponsor will not object to the release of the escrowed funds to: (i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan; and (ii) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

Any compensation due the Escrow Agent from the Sponsor shall not be paid from the escrowed principal accruing thereon and compensation due the Escrow Agent, if any, shall not be deducted from escrowed funds by any financial institution under any circumstances. Purchasers shall not be obligated to pay any legal or other expense of the Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. The Escrow Agent may represent the Sponsor in any lawsuit, other than as such action arising out of the Escrow Agreement.

The Sponsor and Escrow Agent respectively agree jointly to defend (by attorneys selected by the Escrow Agent), indemnify and hold harmless the Escrow Agent against and from any claim, judgment, loss, liability, cost or expense resulting from any dispute or litigation arising out of or concerning the Escrow Agent's duties or services under the Escrow Agreement. Upon payment of the Escrow Fund pursuant to the Agreement, the Escrow Agent shall be fully released from all liability and obligations with respect to the Escrow Fund.

5. Notification to Purchaser: Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, the Escrow Agent will notify the Purchaser that such funds have been deposited into the escrow account and shall provide the account number and the initial interest rate. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, the Purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief.

Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited and requisite notice was timely mailed to the Purchaser in accordance with the Attorney General's regulations.

6. Escrow Revisions. Before funds are transferred to a new Escrow Account, or if the Escrow Agent is replaced, the Offering Plan must be amended to provide the same full disclosure with respect to the new account, the Escrow Agent and the Escrow Agreement as was originally provided.

A bond, letter of credit or other security may be substituted for the Escrow Account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to the provisions of 13 NYCRR Section 22.3(k)(4).

7. Release of Funds.

- a. Under no circumstances shall the Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan. Consummation of the Offering Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h.
- b. The Escrow Agent shall hold the funds in escrow until closing when such funds shall be released to the Sponsor, or until the Escrow Agent is otherwise directed: (i) in a writing signed by both Sponsor and Purchaser; or (ii) by a determination of the Attorney General pursuant to the dispute resolution procedures contained Subsection 8 below; or (iii) by a judgment or order of a court of competent jurisdiction or until released pursuant to Subsection d hereinafter.
- c. The Sponsor shall not object to the release of the escrowed funds to: (i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan; or (ii) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.
- d. If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to the Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and has so notified the Escrow Agent in accordance with such provisions.

8. Disputes:

- a. In the event of a dispute, the Sponsor shall apply, and the Purchaser or the Escrow Agent may apply to the Attorney General for a determination on the disposition of the down payment and any interest earned thereon. A form for this purpose may be obtained from the Department of Law. A copy of such form is set forth in Part II of this Offering Plan. The party applying shall contemporaneously send to all other parties a copy of such application.

- b. Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General.
 - c. If the application permitting release of funds is granted, the deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.
 - d. The Attorney shall act upon the application within thirty (30) days after its submission to the Department of Law by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.
 - e. If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the deposit and any interest earned thereon, if any, until: (i) both the Sponsor and Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and Purchaser, or (ii) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent, or (iii) the Escrow Agent deposits the disputed amount into court.
 - f. In no event shall the Escrow Agent release funds in dispute, other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General or by order or judgment of a court of competent jurisdiction or by written agreement of the Sponsor and the Purchaser.
9. Records on File: The Escrow Agent shall maintain all records concerning the Escrow Account for seven (7) years after release of the funds. Upon the dissolution of any law firm which was the Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of them or by the successor firm and shall notify the Department of Law of such transfer.
10. Review and Audit: The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

11. Waiver Void: Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of Section 22.3(k) of the Regulations shall prevail over any conflicting or inconsistent provision in this Offering Plan or in the Purchase Agreement.
12. Trust Obligation of the Sponsor: Nothing contained herein shall diminish or impair the Sponsor's statutory obligation to each Purchaser pursuant to GBL § 352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transaction with such Purchaser. Consummation of the Offering Plan does not relieve Sponsor of their obligations pursuant to GBL § 352-h. Funds from the Escrow Account remain the property of the Purchaser until employed in connection with the consummation of the transaction. Such funds shall not be a part of the estate of either of the Sponsor or the Escrow Agent upon any bankruptcy, incapacity or death.

The Sponsor must make a written demand for payment after default at least thirty (30) days before forfeiture of the deposit may be declared.

The Purchaser, at the Sponsor's option, will be afforded:

1. not fewer than seven (7) days after delivering an executed Purchase Agreement, together with a down payment in the amount of ten percent (10%) of the purchase price, to rescind the Purchase Agreement and have the full deposit refunded promptly. The Purchaser must either personally deliver a written notice of rescission to the Sponsor within the seven (7) day period or mail the notice of rescission to the Sponsor, certified mail, return receipt, and have the mailing post-marked within the seven (7) day period; or
2. not fewer than three (3) business days to review the Offering Plan and all filed amendments prior to executing the Purchase Agreement.

The risk of loss from fire or other casualty remains with the Sponsor for Homes constructed unless and until a Purchaser takes actual possession of a Home pursuant to an interim lease (or written agreement with the Sponsor) or legal title to the Home has been conveyed to the Purchaser.

A complete copy of the Purchase Agreement is set forth in Part II of this Offering Plan.

Any conflict between the terms, provisions and conditions of the Offering Plan and the Purchase Agreement will be resolved in favor of the Offering Plan.

Within ten (10) days after a Purchaser delivers an executed contract of sale, together with the required deposit, the Sponsor must either accept the Purchase Agreement and return a fully executed counterpart to the Purchaser or reject the Purchase Agreement and refund the full deposit previously tendered.

The Purchaser may not record or assign the Purchase Agreement or any rights under the Purchase Agreement without the prior written consent of the Sponsor. The existence of such election should not be construed as a requirement that the Sponsor must consent to any assignment and the Sponsor reserves the right to refuse to permit an assignment of the Purchase Agreement.

No financing has been arranged for Purchasers.

TERMS OF SALE

The Association property will be conveyed by warranty deed to the Association, free and clear of all liens, encumbrances and title exceptions other than those described in Declaration. Prior to the first closing the Declaration bringing Section I under the scope of the Declaration and the deed to the Association Property will be filed in the office of the Monroe County Clerk. A copy of the form of the Association property deed is set forth in Part II of this Offering Plan.

The Sponsor shall be obligated to repair any damage from a casualty or other cause to the Association property facilities occurring prior to the transfer of title of the Association Property to the Association.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

The rights and obligations of the Sponsor under this Offering Plan and applicable law with respect to this Offering Plan for The Bluffs of Webster, Inc. (a Homeowners' Association) include, but are not necessarily limited to, the following:

1. The Sponsor shall have the obligation to defend any suits or proceedings arising out of the Sponsor's acts or omissions and to indemnify the Board of Directors and the Home Owners against any claims or losses arising therefrom.
2. All representations under this Offering Plan, all obligations pursuant to the General Business Law and such additional obligations under the Offering Plan which are to be performed subsequent to the closing date will survive the delivery of the deed.

3. There is no construction financing.
4. The Sponsor will complete the Association Property in accordance with the building plans and specifications set forth in this Offering Plan and on file with the Town of Webster.
5. The Sponsor will pay for the authorized and proper work involved in the construction, establishment and sale of all Association Property that the Sponsor is obligated to complete under this Offering Plan and will cause all mechanics' liens with respect to such construction to promptly discharged or bonded.
6. Prior to the first conveyance of title to a Lot and/or Home in Section I, in accordance with this Offering Plan, the Sponsor will convey by deed the Association Property to the Association, and record such deed and the Declaration bringing Section I under the scope of the Declaration and such other documents as may be required by law in the office of the Monroe County Clerk. Upon completion of the boat docking facilities, the Sponsor will convey the facilities to the Association and file, with the Department of Law, an amendment to this Offering Plan.
7. The Sponsor, upon completion of the development, shall deliver to the Board of Directors a complete set of "As Built" plans and specifications for the Association Property and shall represent that the "As Built" plans and specifications are in substantial compliance with those contained in this Offering Plan. If the Sponsor cannot reasonably make such a representation, this Offering Plan will be amended and rescission will be offered to all Owners and Purchasers.
8. The Sponsor has posted a \$10,000 bond with the Town of Webster for the installation of the driving surface on the first section of the roadway servicing Section I (see Page 4 of this Offering Plan). The Sponsor has posted no other bond or letter of credit to secure the performance of its construction, warranty and Assessment obligations set forth in this Offering Plan.
9. The Sponsor will obtain, in the name of the Association, general liability insurance, directors' and officers' liability and workers' compensation, as set forth in Schedule A of this Offering Plan, at the time of transfer of title to the first Lot and/or Home. Upon the completion of the first section of the docking facilities the Sponsor will obtain hazard insurance and additional liability insurance as set forth in Schedule B of this Offering Plan. The cost of the premiums of such insurance will be the expense of the Sponsor.

10. In the event of dissolution or liquidation of the Sponsor or the transfer of three (3) or more Lots to a purchaser who is not purchasing for occupancy by the Purchaser or one or more members of his or her immediate family, the Principals of the Sponsor will provide financially responsible entities or individuals, who at the time of engaging in sales activity, will assume the status and all of the obligations of the Sponsor for those transferred Lots under the Offering Plan, applicable laws or regulations. If the original Sponsor is dissolved or liquidated, the Principals of the original Sponsor will guarantee the obligations of the new Sponsor.
11. As long as the Sponsor has Unsold Lots and/or Homes which are offered for sale pursuant to this Offering Plan, the Sponsor shall amend this Plan when the Owner-controlled Board of Directors adopts the budget for the next fiscal year and submit such financial statements as the Owner-controlled Board of Directors has contracted with a certified public accountant to prepare.
12. At the time of transfer of the Association Property and the boat docking facilities to the Association, the Sponsor will assign any warranties, if any, with respect to the installation of the Association Property and/or the boat docking facilities to the Board of Directors.
13. Title to the Association Property will be insured at time of transfer of title by a title company authorized to do business in the State of New York. The Property in will be insured for the total amount of \$255,000.
14. Any mortgages or liens which remain on the property after the transfer of title to the first Home shall be subordinate to the Declaration.
15. While the Sponsor is in control of the Board of Directors, the Sponsor will be obligated for the difference between the actual Association expenses applicable to completed improvements and operating expenses as provided for in Schedules A and B (the Budgets) and the Association charges levied on Owners who have closed title to their Lots and/or Homes. Additionally, the Sponsor shall be responsible for insurance and reserves, in the amount of 1/33rd of the amounts set forth in Schedule A for Section I and 1/48th for the completed development for each Unsold Lot and/or Home, which shall be paid to the Association on a monthly basis in the same manner as all other Owners will be obligated to pay their Assessments.

16. The Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Lots and/or Homes and will fund its financial obligations to the Association from sales. In the event projected sales are not made, the Principal of the Sponsor will meet such obligations from other sources of personal income.
17. With respect to the Association Property, the Sponsor shall have the right, until completion of construction and marketing and sales of all forty eight (48) Lots and/or Homes, to:
 - (a) grant and reserve easements and rights-of-way for the installation, maintenance, repair, replacement and inspection of utility lines, wires, pipes and conduits;
 - (b) use the Association Property for ingress and egress;
 - (c) operate, or grant a right to a Sales Agent to operate, a sales center and have prospective purchasers and others visit such sales center and use certain portions of the Association Property, and operate a construction office; and
 - (d) grant to itself, or to others, easements and rights-of-way as may be reasonably needed for the orderly development of the Property.

The easements, rights-of-way and other rights reserved, shall be permanent, shall run with the land and shall be binding upon, and for the benefit of, the Association, the Sponsor and its successors and assigns.

With respect to the exercise of its rights set forth in Section 4.08 of the Declaration, the Sponsor agrees: (i) to repair any damages resulting from construction within a reasonable time after completion of development or when such rights are no longer needed, whichever first occurs; and (ii) until development has been completed, to hold the Association harmless from all liabilities which are a direct result of the Sponsor's exercise of its rights under the Declaration. The Sponsor's exercise of those easements, rights-of-way and other rights set forth above, shall be done in such a manner as to not unreasonably interfere with the rights of the Owners.

CONTROL BY THE SPONSOR

1. The Sponsor shall exercise voting control of the Board of Directors until all forty eight (48) Lots and/or Homes are sold to initial Purchasers or ten (10) years from the transfer of title to the first Lot and/or Home, whichever first occurs ("Transfer of Control"). Within thirty (30) days thereafter, a meeting will be held of all Owners to elect a Board of Directors by such Owners, other than the Sponsor.
2. Until Transfer of Control, the Sponsor may exercise veto control over expenses described in Schedules A and B of this Offering Plan, except for such expenses required to comply with applicable laws or regulations, to remedy any notice of violation, or to remedy any work ordered by an insurer.
3. The Sponsor may exercise veto control over expenses other than as set forth in Section "2" above, until all forty eight (48) Lots and/or Homes are sold to initial Purchasers or ten (10) years from the transfer of title to the first Lot and/or Home, whichever first occurs.
4. While the Sponsor is in control of the Board of Directors no mortgage liens will be placed on the Association Property without the consent of at least fifty-one percent (51%) of the Authorized Voting Owners, excluding the Sponsor or the Sponsor's nominees.
5. While the Sponsor is in control of the Board of Directors, certified financial statements, prepared by an independent public accountant, will be provided each year to all Owners.

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

The Declaration provides the following:

1. The Sponsor must record the Declaration bringing Section I under the scope of the Declaration prior to the transfer of title to the first Lot and/or Home and file a deed to the Association Property in the office of the Monroe County Clerk.

2. The purpose of the Association is to: (i) repair, maintain and replace the Association Property; (ii) enforce the provisions of the Declaration and By-Laws; obtain and keep in force hazard insurance for the docking facilities and general liability insurance, directors' and officers' liability insurance, fidelity bond and workers' compensation; and (iii) to have such other specific rights, obligations, duties and functions as are set forth in the Declaration, the Certificate of Incorporation and the By-Laws, as the same may be amended from time to time.
3. The Declaration shall continue in perpetuity until: (i) terminated by casualty loss, condemnation or eminent domain; or (ii) such time as withdrawal of the Property from the provisions of the Declaration is authorized by an affirmative vote of owners by a least eighty percent (80%) of Authorized Votes.

With respect to the legal enforceability of the provisions of the Declaration, see Opinion of Counsel in Part I of this Plan.

4. Membership in The Bluffs of Webster, Inc. (a Homeowners' Association) is mandatory for all Owners of Lots and/or Homes within the lands described in Schedules to the Declaration set forth in Part II of this Offering plan. All Owners, upon becoming such, shall be deemed automatically to have become Members and there shall be no other qualification for membership. Membership shall be appurtenant to, and shall not be separated from the ownership of any Lot and/or Home.

Investor-purchaser purchasing one or more Lots and/or Homes, the grantee, lessee or other person accepting such interest covenants to observe, perform and be bound by the provisions of the Declaration, including the personal responsibility for payment of all charges and Assessments which may become liens on such Home.

The Association shall consist of a minimum of thirty three (33) Lots and/or Homes and a maximum of forty eight (48) Lots and/or Homes.

There is no restriction upon the sale or ownership of a Lot and/or Home other than an Owner must be eighteen (18) years of age or older.

5. Any land or construction loan mortgage on any part of the development will be subordinated to the Declaration, or include a covenant which insures the Association's and/or Owners' undisturbed use of the premises for the purposes described in this Offering Plan, even in the event of foreclosure.

6. Each Owner shall obtain insurance at their own cost to cover such risks as fire and casualty losses for full replacement value of their Home and contents of the Home and liability coverage for occurrences within the Home and upon the Owner's Lot.
7. Other than the provisions to bring the maximum of forty eight (48) single-family Homes under the scope of the Declaration, the Declaration does not allow for the Sponsor to annex other real estate.
8. In any conveyance of a Lot and/or Home, either by voluntary instrument, by operation of law or judicial proceedings, the Grantee of the Lot and/or Home shall be jointly and severally liable with the Grantor for any unpaid Assessments against the latter, assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to receive from the Grantor the amounts paid by the Grantee therefore. However, any such Grantee shall be entitled to a statement from the Board of Directors setting forth the unpaid Assessments against the Grantor and the Grantee shall not be liable for, nor shall the Lot and/or Home conveyed be subject to, a lien for any unpaid Assessments against the Grantor in excess of the amount therein set forth. "Grantee" as used herein shall not include either the First Mortgagee of record, its successors and assigns, or a purchaser of a Lot and/or Home at a foreclosure sale of a First Mortgagee or holder of title, its successors, heirs and assigns, obtained by conveyance in lieu of foreclosure.

**MANAGEMENT, OPERATION AND MEMBERSHIP
OF
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)**

The Bluffs of Webster, Inc. (A Homeowners' Association) was formed under the Not-for-Profit Corporation Law of the State of New York. It is a Type A corporation under the aforementioned law. A copy of the Certificate of Incorporation is contained in Part II of this Offering Plan.

The business affairs of the Association will be managed by the Board of Directors which, upon Transfer of Control, may consist of five (5) members elected by Owners other than the Sponsor.

Initially the Board of Directors shall consist of three (3) persons designated by the Sponsor. The first meeting of this initial Board of Directors will be held within thirty days of the date of transfer of title to the first Lot and/or Home, officers will be elected and the By-Laws adopted.

INITIAL BOARD OF DIRECTORS

The initial three (3) members of the Board of Directors designated by the Sponsor are:

<u>Name</u>	<u>Address</u>	<u>Relationship to Sponsor</u>
John A. Casciani	850 Lake Road Webster, NY 14580	Principal
William Green	50 Winfield Lane Webster, NY 14580	Business Associate
William M. Higgins	4278 East Avenue Rochester, NY 14618	Attorney to Sponsor

At any meeting of Owners, duly called, the Owners may, by affirmative vote of a majority of Authorized Votes, remove a director or directors (other than those appointed by the Sponsor), and may elect the successor or successors to fill any resulting vacancies for the unexpired term or terms of the removed director or directors.

Except as otherwise provided by statute, the Certificate of Incorporation, the Declaration or the By-Laws, a vote of a majority of a quorum of the entire Board of Directors at a duly constituted meeting shall be sufficient to pass any measure required Board approval.

In accordance with Section 611(e) of the New York State Not-for-Profit Corporation Law, each Owner, including the Sponsor, shall have not more than, nor less than, one (1) vote, regardless of the number of Homes owned.

The Declaration and By-Laws may be modified, altered or amended at any duly called meeting of Members, provided that written notice of the meeting, containing a full statement of the proposed modification, alteration or amendment has been sent to all Owners no less than ten (10) days nor more than fifty (50) days prior to the date of the meeting and not less than sixty seven percent (67%) of the Authorized Voting Members approved the change. An instrument evidencing the change, containing a certification by the Board of Directors that the consents required for such change were received and filed with the Board of Directors, shall be duly recorded in the office of the Monroe County Clerk.

Any Special Assessment for the purpose of defraying, in whole or in part, the cost of any capital improvements amounting to more than twenty five percent (25%) of the then current amount of annual Maintenance Assessments, shall require the affirmative vote of sixty seven percent (67%) of the Authorized Votes. Any Special Assessment for the purpose of defraying, in whole or in part, the cost of repairs or replacement of Association Property or budget deficit resulting from an emergency, such as an ice storm or extraordinary wind, snow and/or rain storms, not otherwise covered by insurance, may be established by the Board of Directors and shall not require the consent of the Owners.

As set forth in Article V of the Declaration, the Board of Directors will fix and determine the budget from time to time, but at least annually, for the continued operation of the Association and shall send a copy of the budget and any supplement to the budget to each Owner at least thirty (30) days prior to assessing the Owner. The Assessments shall be paid when due. All sums assessed by the Board of Directors, but unpaid, together with any accelerated installments, late charges and fees for violations of Rules and Regulations and interest thereon, shall be the personal obligation of an Owner and shall constitute a lien upon the Owner's Lot and/or Home.

The Board of Directors may set late charges and interest on all unpaid Assessments which shall not exceed the highest rate permitted by law and may accelerate Assessments to the end of the fiscal year.

The Board of Directors, when giving notice to an Owner of a default in paying Assessments, may at its option, or shall, at the request of a Mortgagee, send a copy of such notice to such Mortgagee at the address appearing on the Association's Book of Mortgagees. The Mortgagee shall have the right to cure the Owner's default with respect to the payment of said Assessments.

Voting rights for any Owner delinquent in the payment of his or her Assessments may not be suspended.

While the Sponsor is in control of the Board of Directors, the Sponsor will be obligated for the difference between the actual Association expenses applicable to completed improvements and operating expenses as provided for in Schedules A and B (the Budgets) and the Association charges levied on Owners who have closed title to their Lots and/or Homes. Additionally, the Sponsor shall be responsible for insurance and reserves, in the amount of 1/33rd of the amounts set forth in Schedule A for Section I and 1/48th for the completed development for each Unsold Lot and/or Home, which shall be paid to the Association on a monthly basis in the same manner as all other Owners will be obligated to pay their Assessments.

Upon Transfer of Control, the Sponsor shall be obligated for Association charges, including supplemental charges on all Unsold Lots and/or Homes being offered for sale subject to this Offering Plan in the same amount as assessed all other Owners.

LAW OFFICE OF

WILLIAM M. HIGGINS

16 EAST MAIN STREET

ROCHESTER, NEW YORK 14614

TELEPHONE (716) 454-3310

FAX (716) 325-4559

JOANNE SCHWALLIE
PARALEGAL

October 11, 1995

John A. Casciani, President
Casciani Construction Co., Inc.
850 Lake Road
Webster, New York 14580

Re: The Bluffs of Webster, Inc.
(A Homeowners' Association)
Town of Webster, County of Monroe, New York

We have acted as your counsel in connection with the preparation of the Offering Plan and related materials for the above captioned Association for which you are the Sponsor, which shall consist of not more than forty eight (48) Homes developed in two (2) Phases. The capitalized terms in this letter, unless otherwise noted, have the same meaning as set forth in the Offering Plan.

Based upon our examination of applicable provisions of the Internal Revenue Code of 1986 as amended (the "Code"), the New York Tax Law, Article 23-A of the General Business Law, the Offering Plan, the Declaration of Protective Covenants, Conditions, Easements, Restrictions, Charges and Liens (the "Declaration") and By-Laws of the Association and other applicable laws and rules, it is our opinion, under present law, that:

1. The Declaration relating to the Association when recorded in the office of the Monroe County Clerk, will be legal and valid. We cannot, however, assure that the Declaration can be enforced in strict accordance with its terms. The enforceability of provisions of the Declaration (whether in a proceeding in equity or at law) may depend on the discretion of a court, equitable principles, public policy, procedural requirements, or requirements as to reasonableness, timeliness or uniformity of enforcement of rules, regulations or standards by the Association.

2. Each Home will be taxed separately for real estate purposes.
3. Each Owner of a Home which is the Owner's principal residence or second residence constituting a "qualified residence" within the meaning of Code §163(h)(4)(A), who elects to itemize deductions for federal income tax purposes, will be entitled to deduct from such Owner's federal adjusted gross income:
 - (a) the amount of state and local real property taxes paid by the Owner with respect to a qualified residence; and
 - (b) the amount of "qualified residence interest" which is paid or accrued during the taxable year on:
 - (1) acquisition indebtedness with respect to any qualified residence of the Owner; or
 - (2) home equity indebtedness with respect to any qualified residence of the Owner.

Within the meaning of Code §163(h)(3)(B) "acquisition indebtedness" means any indebtedness which:

- (a) is incurred in acquiring, constructing or substantially improving any qualified residence of the taxpayer; and
- (b) is secured by such residence.

Such term also includes any indebtedness secured by such residence resulting from the refinancing of indebtedness, but only to the extent the amount of the indebtedness resulting from such refinancing does not exceed the amount of the refinanced indebtedness.

The aggregate amount treated as acquisition indebtedness for any period shall not exceed \$1,000,000.

Within the meaning of Code §163(h)(3)(C) the term "home equity indebtedness" means any indebtedness (other than acquisition indebtedness) secured by a qualified residence to the extent the aggregate amount of such indebtedness does not exceed the fair market value of such qualified residence, reduced by the amount of acquisition indebtedness with respect to such residence.

The aggregate amount treated as home equity indebtedness for any period shall not exceed \$100,000.

4. Each Owner of a Home, which is the Owner's principal residence or a second residence constituting a "qualified residence" within the meaning of Code §163(h)(4)(A), who elects to itemize deductions for federal income tax purposes will be entitled to itemize deductions for New York State personal income tax purposes, including:
 - (a) the amount of state and local real estate taxes that are paid by him with respect to his Home; and
 - (b) the amount of interest paid by him on the indebtedness incurred to purchase his Home and deductible by him on his federal income tax return.
5. Owners will not be entitled to deduct any portion of their Assessments from federal and state income taxes.
6. This opinion does not purport to state any opinion with respect to the income tax consequences of ownership of a Home when such Home is not a "qualified residence" as defined in Code §163(h)(4)(A), and as such this opinion does not cover the tax effects of use of the Home for production of income, nor does it extend to rendering any opinion as to whether a Home will in fact be a "qualified residence" for any particular Owner. Each Owner should consult his or her own tax advisor on these topics.
7. Code §528 affords certain Associations, substantially all of whose Homes are used by individuals for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify:
 - (a) the Association must be organized and operated to provide for the acquisition, construction, management, maintenance and care of Association property;
 - (b) sixty percent (60%) or more of the Association's gross income consists solely of amounts received as membership dues, fees or assessments from Owners of the Homes;
 - (c) ninety percent (90%) or more of the expenditures of the organization for the taxable year are expenditures for the acquisition, construction, management, maintenance and care of Association property;

- (d) no part of the net earnings of such organization inures to the benefit of any private shareholder or individual; and
- (e) the Association must elect to have Code §528 apply by filing the required form with the Internal Revenue Service each taxable year, such form being Form 1120-H as of the date hereof. Once made, an election is binding on the Association for the taxable year in which it is filed.

The Association taxable income for any taxable year is an amount equal to the excess, if any, of the gross income for the taxable year (excluding any exempt function income), such as interest earned on reserve funds, income from concessions and dues or fees received from persons other than Owners, over the deductions allowed which are directly connected with the production of the gross income (excluding exempt function income). Exempt function income means any amount received as membership dues, fees or assessments from the Owners of the Homes.

To be considered residential as referenced above, at least eighty five percent (85%) of the Homes must be zoned for residential use. The use of a Home will not be considered to be used for residential purposes if, for more than one half of the days in the Association's taxable year, a Home is occupied by a person, or series of persons, each of whom so occupies such Home for less than thirty (30) days.

Based on our examination of the Offering Plan, and subject to the use of substantially all (at least eighty five percent) of the Homes being used by individuals for residential purposes (as defined above), it is our opinion that the Association will be eligible to be treated as a tax exempt organization under Code §528. However, the Association, which has been formed under the New York Not-for-Profit Corporation Law, pursuant to the current position of the New York State Department of Taxation and Finance, may be liable for New York State Sales Tax, and is liable for corporate franchise taxes to the State of New York.

The opinions expressed herein are based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which Counsel bases this Opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Association, counsel to the Association, the Selling Agent or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law or Internal Revenue Service Rulings, the tax status and treatment of the Association above referred to should cease to be as described herein.

You are authorized to use this Opinion, or a copy thereof, in your Offering Plan for the sale of the Homes and membership interest in The Bluffs of Webster, Inc. (A Homeowners' Association).

WILLIAM M. HIGGINS, ESQ.



William M. Higgins
Counsel to Sponsor

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud. The document also notes that records should be kept for a sufficient period of time to allow for a thorough audit.

The second part of the document outlines the specific requirements for record-keeping. It states that all transactions must be recorded in a clear and concise manner, and that the records must be accessible to all authorized personnel. The document also specifies that records should be stored in a secure and protected environment.

The third part of the document discusses the role of the auditor in the record-keeping process. It notes that the auditor is responsible for verifying the accuracy and completeness of the records, and for reporting any discrepancies to the appropriate authorities. The document also emphasizes the importance of the auditor's independence and objectivity.

LOCAL GOVERNMENT APPROVAL

On May 2, 1995 the Webster Town Planning Board granted final approval for Section I of The Bluffs of Webster, Inc.

RESERVE FUND

There is no special advanced reserve fund. Reserves, as set forth in Schedule B of this Offering Plan, will be accumulated in an interest-bearing account, separate from the operating account, in the name of the Association.

WORKING CAPITAL

There will be no advance working capital.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The affairs of the Association will be managed by the Board of Directors. The Association will enter into an agreement with Casciani Construction Company, Inc. (the Sponsor) for financial management. A copy of proposed management agreement is set forth in Part II of this Offering Plan.

There are no agreements, contracts or leases binding on the Association.

IDENTITY OF PARTIES**SPONSOR**

The Sponsor, Casciani Construction Company, Inc., is a New York corporation formed in 1965, with offices at 850 Lake Road, Webster, New York 14580.

The Principal is John A. Casciani, 850 Lake Road, Webster, New York.

The Sponsor and its Principal have previously been involved in the offering of cooperative interests in real estate in New York State, which was a three-lot subdivision, Fern Valley Subdivision, Bay Road, Town of Webster, County of Monroe New York. The File No. is NA 94-0096. The application for the No-Action Letter was accepted by the Department of Law on June 22, 1994.

John A. Casciani has been a developer and builder of homes since January 1981.

ATTORNEY

Attorney William M. Higgins, 16 East Main Street, Rochester, New York 14614, is representing the Sponsor in connection with all legal matters incidental to this Offering Plan, will represent the Sponsor at the closings and is the Escrow Agent.

ENGINEER

Costich Engineering, 217 Lake Avenue, Rochester, New York 14608 has been retained by the Sponsor to prepare the easements, surveys and other related survey and engineering matters.

F-E-S Associates, 18 Glenhill Drive, Rochester, New York 14618 has been retained by the Sponsor to design the boat docking facilities.

Neither Costich Engineering nor F-E-S Associates is owned or controlled by and has no beneficial interest in the Sponsor.

SALES AGENT

Mayda Mihevc Realtors, One Lockwood Drive, Pittsford, New York 14534 will act as sales agent. Mayda Mihevc Realtors is an independent realtor and is not owned or controlled by and has no beneficial interest in the Sponsor.

CONSULTANT

The Sponsor retained DeRoo Associates, Inc., 1691 Route 9, Suite 214, P. O. Box 4490, Clifton Park, New York 12065-0854, to assist in the preparation of this Offering Plan and to advise and review the budgets for adequacy in relation to the Property to be developed. Ruth V. DeRoo, CPM, President of DeRoo Associates, Inc., is a consultant and Certified Property Manager (CPM) and has specialized in the development, marketing, management and conversions of condominiums and homeowners' associations since 1973. Miss DeRoo is an independent consultant and is not owned or controlled by and has no beneficial interest in the Sponsor.

REPORT TO MEMBERS

All Members of the Association are entitled to receive annually from the Board of Directors, at the expense of the Association, copies of the following:

- a. Annual financial statements to be rendered within three (3) months from the end of each fiscal year by an independent public accountant; and
- b. Notice of the date of the annual meeting, given not less than ten (10) or more than fifty (50) days before the date of such meeting.
- c. A copy of the proposed annual budget of the Association thirty (30) days prior to it becoming effective.

While the Sponsor is in control of the Board of Directors, the annual financial statements will be certified statements and the budgets will be certified for adequacy in the same manner as the budgets initially contained in this Offering Plan.

DOCUMENTS ON FILE

Copies of this Offering Plan and all Exhibits or documents referred to herein shall be available for inspection by prospective purchasers and by any person having purchased a Lot and/or Home offered by this Plan, or who shall have participated in the offering of such Lots and/or Homes, at the office of the Sponsor, 850 Lake Road, Webster, New York 14580 and shall remain available for inspection and copying for a period of six (6) years from the date of the first closing. Copies of this Offering Plan will also be available at the sales office, if there be one, and at the office of the Sponsor's attorney, William M. Higgins, 16 East Main Street, Rochester, New York 14614.

The Sponsor shall deliver to the Board of Directors a copy of all documents filed in the office of the Monroe County Clerk at the time of transfer of title to the first Lot and/or Home.

GENERAL

There are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect this Offering, the Association Property, the Sponsor's ability to perform all of its obligations under this Offering Plan or the operation of the Association.

This property has not been the subject of any prior cooperative, condominium or homeowners' association offering. There are no preliminary binding agreements entered into and no money has been collected from prospective purchasers.

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that neither the Sponsor, Principals of the Sponsor or its agents, will discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

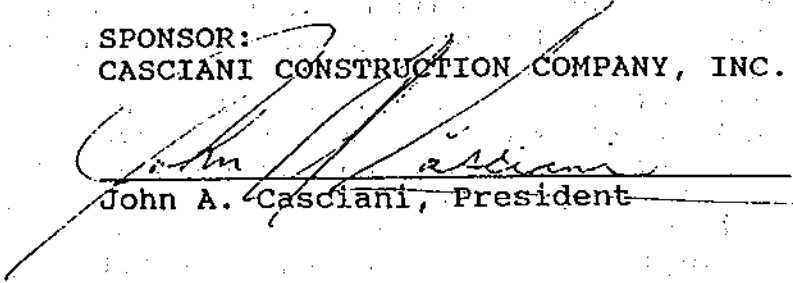
This Offering Plan contains a fair summary of the pertinent provisions of the various documents referred to herein and does not knowingly omit any material fact relating to the Offering. Any information or representation which is not contained in this Offering Plan must not be relied upon. This Offering Plan may not be modified orally. No person has been authorized to make any representations which are not expressly contained herein.

If there is a material amendment to this Offering Plan that adversely affects the Purchasers, the Sponsor must grant Purchasers a right of rescission and a reasonable period of time that will be not less than fifteen (15) days after the date of presentation of such amendment, to exercise such a right to rescind. The Sponsor must return any deposit or down payment, including interest if any, to the Purchasers who rescind as a result of such amendment.

There are no known circumstances which may affect the use or enjoyment of the property and appurtenances or any usage restriction by statute, ordinance or zoning resolution other than those set forth in the Declaration and this Offering Plan.

SPONSOR:
CASCIANI CONSTRUCTION COMPANY, INC.

Dated: December 15, 1995


~~John A. Casciani, President~~

PURCHASE AGREEMENT
for
THE BLUFFS OF WEBSTER, INC.

HOME NUMBER: _____ HOME MODEL _____
DATE OF PURCHASE AGREEMENT: _____

I. NAMES and ADDRESSES:

SPONSOR: Casciani Construction Co., Inc.
MAILING ADDRESS: PO BOX 2191
Webster, New York 14580
TELEPHONE: (716) 671-9300

PURCHASER(S) NAME(S): (1) _____
(2) _____

ADDRESS: _____

TELEPHONE: (1) (home) _____ (office) _____
(2) (home) _____ (office) _____

SOCIAL SECURITY NO. (1) _____ (2) _____

PURCHASER'S ATTORNEY: _____
ADDRESS: _____
TELEPHONE: _____

II. PRICE AND TERMS:

BASE PURCHASE PRICE: \$ _____
PLUS CHANGES: \$ _____
NET PRICE: \$ _____
LESS DEPOSITS: \$ _____
BALANCE DUE AT CLOSING: \$ _____
(Prior to Adjustments)

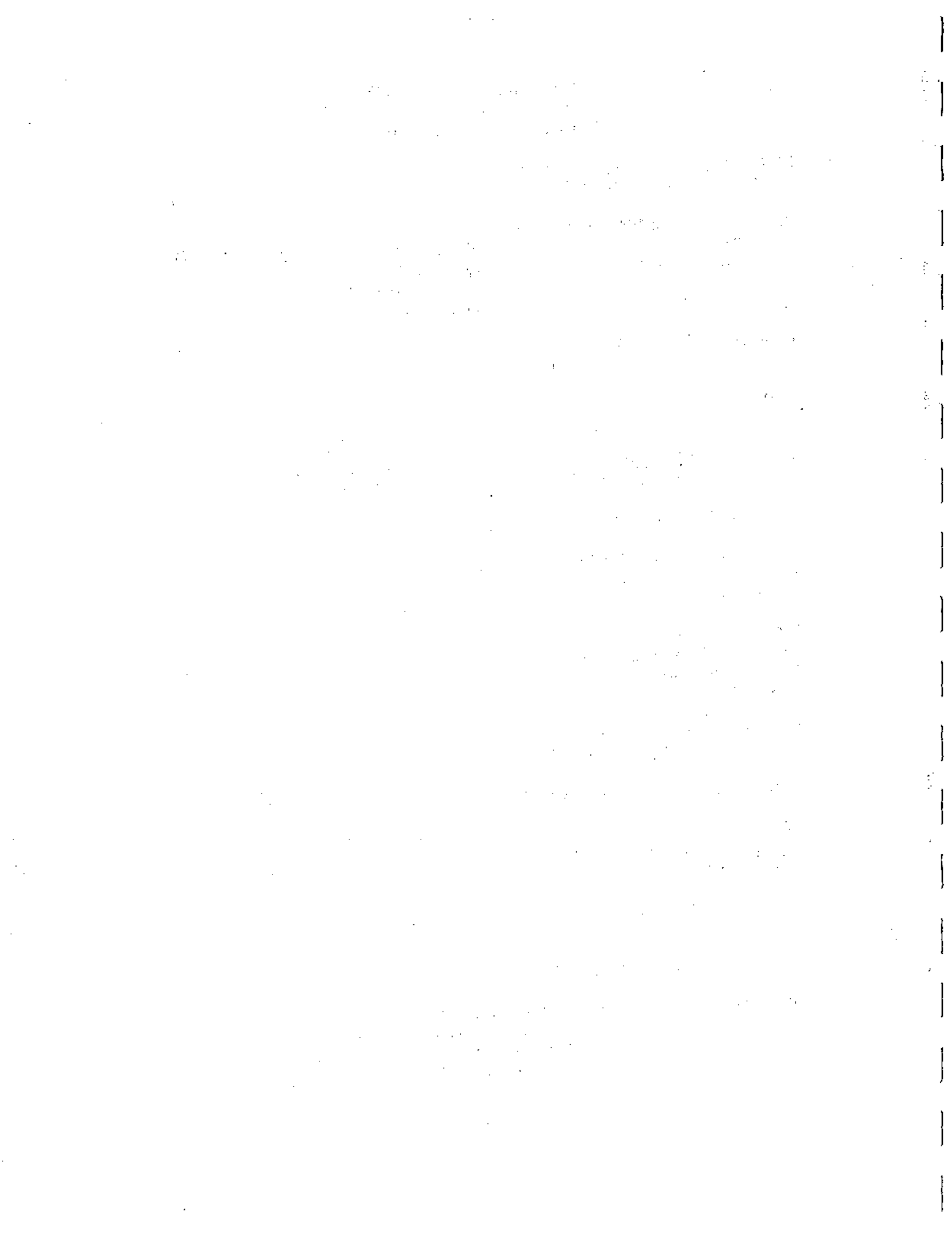
MORTGAGE AMOUNT COMMITTED: \$ _____

III. BANK: _____
CONTACT PERSON AT BANK: _____
TELEPHONE: _____

BANK'S ATTORNEY: _____
TELEPHONE: _____

IV. PROJECTED CLOSING DATE: _____

SPONSOR'S ATTORNEY: William M. Higgins
16 East Main Street
Rochester, New York 14614
(716) 454-3310



PURCHASE AGREEMENT

THIS AGREEMENT made the _____ day of _____, _____, by and between CASCIANI CONSTRUCTION CO., INC., a New York corporation, having an office at _____ Webster, New York 14580, hereinafter called "SPONSOR", and _____, hereinafter called "PURCHASER".

WITNESSETH

In consideration of the mutual promises herein made, Sponsor agrees to sell to Purchaser(s) and Purchaser(s) agree(s) to purchase from Sponsor a Home (the "Home") in The Bluffs of Webster, Inc. (A Homeowners' Association), hereinafter described for the price and upon the terms and conditions herein after set forth.

1. DESCRIPTION OF PREMISES: Those certain premises locally known as No. _____, located in the Town of Webster, County of Monroe, State of New York, known and designated as Home No. _____ on map filed, or to be filed, in the Monroe County Clerk's Office, together with the right to use a boat slip.

The premises, designated as _____, Model Home with _____ without _____ a basement, are, or will be, improved with a Home in accordance with the plans and specifications which are on file in the office of the Sponsor, and are incorporated into this Agreement by reference, except for those "CHANGES", if any, set forth on SCHEDULE A to this AGREEMENT;

Together with all rights of SPONSOR in and to any and all roads, driveways, easements and rights-of-way appurtenant thereto; and

2. SUBJECT, HOWEVER, TO THE FOLLOWING:

a. PURCHASER agrees to accept title to the premises subject to (i) to Covenants, Conditions and Restrictions of record, provided the same have not been violated unless the enforcement of said Covenants, Conditions and Restrictions has been barred by Section 2001 of the New York State Real Property Actions and Proceedings Law; (ii) roadway, water, sanitary sewer, drainage, electric, gas, telephone and cable television easements of record, provided said easements are, or may be, used to service the premises; and (iii) provided the improvements do not encroach upon the easements.

b. The Certificate of Incorporation, the Declaration of Covenants, Conditions and Restrictions (the "Declaration"), the By-Laws and Rules and Regulations of The Bluffs of Webster, Inc. (A Homeowners' Association) 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 herein.

c. Purchaser hereby agrees to be bound by the Certificate of Incorporation, the Declaration, By-Laws and Rules and Regulations of the Association as the same may be amended from time to time. Purchaser acknowledges that Purchaser is purchasing an interest in such Association, and that except as stated in this AGREEMENT and, further, as set forth in the Offering Plan, Purchaser has not relied upon any representation or other statements of any kind or nature by the Sponsor or otherwise.

3. HOME. Sponsor agrees to construct and complete the Home identified in Section 1 above, including the "CHANGES" requested by Purchaser as set forth in Schedule A attached hereto. SPONSOR RESERVES THE RIGHT TO MAKE SUCH CHANGES AND/OR SUBSTITUTIONS IN THE CONSTRUCTION AS MAY BE NECESSARY BECAUSE OF THE PRACTICAL UNAVAILABILITY OF MATERIAL THROUGH SPONSOR'S ORDINARY AND USUAL SOURCES OF SUPPLY OR AS MAY BE REQUIRED BY LAW, PROVIDED THE CHANGES ARE OF EQUAL OR BETTER QUALITY. Sponsor shall also have the right to determine the grading, elevation and design (including reversal of the Building layout and number of floors) of the plot and Home to fit into the general pattern of the development.

It is further agreed that wherever the Purchaser is given the right by the Sponsor to make a selection of colors, fixtures and/or materials, Purchaser shall do so within three (3) days after written demand therefor. In the event the Purchaser fails to make such selection within such period, the Sponsor shall have the right to use its own judgment in the selection of colors, fixtures and materials and the Purchaser shall accept the same. Such written demand shall be by ordinary mail addressed to the Purchaser at the address herein set forth.

4. PRICE. Purchaser shall pay to Sponsor for said premises the sum of _____ (\$ _____), which price includes the cost of any "CHANGES" set forth hereafter on Schedule A, payable as follows:

- a. Offering Plan deposit: \$ _____
- b. Upon the signing of this Agreement, as a deposit, by check in the amount of 10% of the purchase price, payable to the order of "The Bluffs of Webster Escrow Account", the receipt whereof subject to collection, is hereby acknowledged: \$ _____
- c. Upon delivery of deed, as hereinafter provided, in cash, bank draft or certified check, the balance, in the sum of: \$ _____

Any CHANGES selected and/or ordered subsequent to the date of this Agreement must be paid in full at the time of selection and order of the CHANGES.

5. MORTGAGE. This Agreement is contingent upon Purchaser, within thirty (30) days from the date of Sponsor's acceptance of this Agreement, obtaining an unconditional commitment for a mortgage loan in the amount of _____ (\$ _____) at the prevailing rate of interest in effect at the time Purchaser makes his loan application. In the event that Purchaser's mortgage has not been acted upon by the proposed Mortgagee within said thirty (30) day period, Sponsor may, at his option, terminate this Agreement and the Sponsor, upon electing to terminate, shall promptly return the down payment to Purchaser, with interest, if any, within ten (10) days thereafter. Thereafter this Agreement shall be without effect and the parties shall have no further rights or obligations with respect to each other.

The Purchaser will make application for such loan within five (5) days of the date of Sponsor's acceptance of this Agreement, or such longer period of time as the Sponsor may agree to in writing, and will promptly notify the Sponsor, in writing, when the mortgage application, if any, is made and, in due course, when it is accepted or rejected. If Purchaser's mortgage application is rejected and written notice of such fact is received by the Sponsor within five (5) days after the expiration of the thirty (30) day period, or if such mortgage commitment, once obtained, is thereafter rescinded or expires without fault of Purchaser, and is not reinstated at the same or a lower interest rate, this Agreement shall terminate automatically and the Sponsor shall cause the down payment to be returned to the Purchaser within ten (10) days thereafter, with interest, if any.

If the Purchaser's mortgage application is accepted, the Purchaser shall promptly send a fully executed copy of the commitment letter to the Sponsor.

The Purchaser may, at his option, pay the Purchase Price by "all cash" without obtaining a mortgage, provided Purchaser gives written notice to Sponsor of his intent to do so within thirty (30) days from the date of Sponsor's acceptance of this Agreement. In the event Purchaser exercises this option, the provisions of this Agreement which refer to the obtaining of a mortgage (including provisions for mortgage costs) shall be deemed deleted.

6. **SEARCH AND SURVEY.** Sponsor shall, at Purchaser's expense, furnish and deliver to the Purchaser or Purchaser's attorney, at least fifteen (15) days prior to closing, a fully guaranteed tax and title search dated subsequent to the date of this Agreement and shall include a local tax certificate where not covered by the search. Sponsor shall also furnish, upon Purchaser's request and at Purchaser's expense, an Instrument Survey made by a Land Surveyor duly licensed by the State of New York, showing the premises and the location of all Buildings, improvements and other structures affecting the premises.

7. **INSURABLE TITLE.** The Sponsor shall give, and the Purchaser shall accept, such title as any title company authorized to do business in New York State, will approve and insure subject only to: (i) those liens and encumbrances set forth in Schedule A of the Declaration; (ii) the conditions of the standard title insurance policies written by such companies; (iii) mortgage loan, if any, obtained by the Purchaser; (iv) the conditions set forth in this Agreement; and (v) the provisions of the Declaration, Certificate of Incorporation and the By-Laws. Such insurance shall insure that the Association has been validly created.

If on the "Closing Date" (see Section 19 of this Agreement), there are violation(s) or matters relating to title or lien(s) of record with respect to the premises, such that the Sponsor's title does not conform to this Agreement, the Sponsor shall remove same prior to closing, and the Sponsor shall be entitled to an adjournment of the Closing Date for up to sixty (60) days. However, and notwithstanding the foregoing, if the curing of such matter(s) will, in Sponsor's reasonable judgment, require: (i) litigation; or (ii) an aggregate expenditure of more than \$5,000; or (iii) a period exceeding sixty (60) days, the Sponsor may elect to cancel this Agreement and return the Purchaser's down payment within ten (10) days thereafter, with interest, if any, in which event the Sponsor shall incur no further liability whatsoever to the Purchaser.

Nothing herein contained shall require the Sponsor to bring any action or proceeding or incur any expense in order to remove such title matters and any attempt by the Sponsor to cure the same shall not be construed as an admission by the Sponsor that any such objection is such that would give the Purchaser the right to refuse delivery of the deed.

8. **ADJUSTMENTS AT CLOSING.** There shall be prorated and adjusted as of date of delivery of the deed:

- (i) Real Estate taxes computed on a yearly basis (including, as applicable, all items in the current Town, School and County tax bills);
- (ii) The Association Assessments for the month in which the closing occurs and for the month following closing occurs;
- (iii) Purchaser shall also pay the sum of \$450 for a survey and certification of the survey; and
- (iv) Purchaser shall also reimburse Sponsor the sum of \$85.00 for Purchaser's water meter. 2.
- (v) Purchaser shall also pay the sum of \$750 for the Town of Webster recreation fee.
- (vi) If the Home is constructed by Sponsor, the Purchaser shall also pay the sum of \$800 for the sewer entrance fee.

If for any reason the Home has not been separately assessed on the closing date for the then current tax fiscal year, the apportionment of real estate taxes shall be based upon the total assessment for the land and the Building comprising the Home. The Sponsor will be required to escrow with the Sponsor's attorney, an amount sufficient to pay all taxes in a timely manner. If the Sponsor has paid any taxes, the Purchaser will reimburse the Sponsor for apportioned prepaid taxes. The Purchaser will accept title subject to, and will pay, all assessments and installments of assessments for local improvements, if any, which are not payable as of date of delivery of deed and which appear on the current tax rolls.

9. **CLOSING COSTS.** Purchaser shall pay:

- (i) \$2.00 per \$500 of the Purchase Price for the New York State transfer tax payable to the Monroe County Clerk at the time of recording the deed; *MORTG. TAX?*
- (ii) \$6.00 for the filing fee for the Capital Gains Tax Affidavit; *\$ 1740*
- (iii) \$25.00 for the filing fee for the Equalization and Assessment Affidavit.
- (iv) \$3.00 per page, plus \$10 for the instrument, for the recording of the deed.

Purchaser shall be responsible for the payment of the premium of any title insurance desired or required by Purchaser or required by Purchaser's Mortgagee. Purchaser shall pay all fees incurred in obtaining a mortgage, recording of the deed and for the New York State Mortgage Tax, the cost of the survey and the certification of the survey.

10. **FORM OF DEED.** The closing deed shall be in proper statutory form for recording; shall be a Warranty Deed with Lien Covenant; shall be duly executed and acknowledged and shall be accepted and/or approved by any title insurer of the Home so as to validly convey, under New York State Law, the Home in fee simple, free and clear of any encumbrances, except as otherwise provided in Schedule A to the Declaration.

11. **BINDING EFFECT OF THE CERTIFICATE OF INCORPORATION, DECLARATION, BY-LAWS AND RULES AND REGULATIONS.** The Purchaser hereby agrees to be bound by the Certificate of Incorporation, Declaration, By-Laws and Rules and Regulations of the Association, as the same may be amended from time to time. This provision shall survive delivery of the deed and shall be enforceable in the same manner and by the same parties as set forth in said Declaration and By-Laws.

12. **MONIES TO BE HELD IN TRUST.** In accordance with Sections 352-e(2)b and 352-h of the General Business Law and the Attorney General's regulations promulgated pursuant thereto, all deposits for Homes sold in conjunction with the Association will be deposited in, and held in trust in a segregated interest bearing account entitled "The Bluffs of Webster Escrow Account", in First National Bank of Rochester, at its main office, 35 State Street, Rochester, New York 14614 (the "Escrow Depository") until actually employed in connection with the consummation of the Offering Plan and will only be released by signature of attorney William H. Higgins, 16 East Main Street, Rochester, New York 14614 (the "Escrow Agent"), subject to the terms and conditions of the Escrow Agreement set forth in Part II of the Offering Plan.

A bond, letter of credit or other security may be substituted for the Escrow Account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to the provisions of 13 NYCRR Section 22.3(k)(4).

13. **THIS AGREEMENT SUBJECT TO BUILDING LOAN MORTGAGE.** The Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage obtained by the Sponsor to construct the Home and other improvements on the Property. Such subordination shall be to the full extent of any advances or expenses made or incurred pursuant to such mortgages, whether or not such advances or expenses are voluntarily made by the lender. Additionally, such subordination shall be automatic, without the need for the execution by the Purchaser of any further subordination agreement. Nonetheless, if the Sponsor requests such documentation, the Purchaser shall execute, acknowledge and deliver the same. Because of this subordination, a Purchaser's right to purchase could be "cut-off" by a foreclosing mortgage lender, who has a construction mortgage loan on the Home which is in default. Before transferring title of the Home to the Purchaser, the Sponsor shall pay off or discharge all mortgages on the Home or obtain a release of the Home from the lien of such mortgages.

14. **INSPECTION.** Sponsor shall, at reasonable times, on an appointment basis, provide proper facilities and opportunities to enable Purchaser to inspect the construction and progress. Neither the Purchaser, nor any friend, relative or agent, shall enter the contracted premises without being accompanied by Sponsor or Sponsor's agent. Purchaser will be responsible for his or her own personal safety. Prior to the scheduled Closing Date, the Sponsor shall notify the Purchaser of the scheduled Closing Date and the date on which the Purchaser may inspect the Home, which date shall be not less than two (2) days prior to the scheduled Closing Date. Such inspection shall be made in the presence of the Sponsor or an agent of the Sponsor.

15. **CONDITIONS OF HOMES AND BUILDINGS.** The Purchaser acknowledges that the Purchaser has not relied on any representations or other statements of any kind or nature, written or oral, made by the Sponsor or by any agent of the Sponsor, except those set forth in this Agreement, the Declaration, the By-Laws and the Offering Plan. No person has been authorized to make any representation on behalf of the Sponsor except as herein or in the Declaration, the By-Laws or the Offering Plan are specifically set forth. Any claim based upon the Sponsor's representations of the construction of the Homes, Buildings and the materials, fixtures, equipment and appliances thereof, as set forth in the Offering Plan, shall be made and enforced only by the Purchaser. The Purchaser agrees to purchase the Home so long as the layouts and dimensions of the Home conform substantially to the floor plans, even if such layouts and dimensions may not be exactly as set forth in the floor plans. All room dimensions are recognized to be approximate.

16. **ESCROW FOR COMPLETION.** In the event that the Home or its environs shall not be substantially completed at the time set by the Sponsor for the closing of title, the same shall not constitute an objection to such closing provided that the lending institution granting the Purchaser's mortgage shall issue an inspection report and an escrow fund shall be deposited by the Sponsor with the lending institution, if required, under said report and further provided that the Purchaser shall have the right to delay the closing of title until a Certificate of Occupancy, or Temporary Certificate of Occupancy, has been issued. The escrow fund or portions thereof shall be paid by the lending institution directly to the Sponsor when the lending institution, in its sole discretion, deems specific items for which the escrow is held to be substantially completed. If the Purchaser is not obtaining a mortgage loan, such completion escrow shall be in a reasonable amount and shall be held by the Sponsor's attorney, with the escrow fund to be released upon written notification by the Sponsor's architects or contractors that all work has been completed. Said escrow agents shall incur no liability to the Sponsor or the Purchaser in connection with the foregoing, except for willful misconduct.

17. **SPONSOR'S FAILURE TO CLOSE.** If title to the Home does not transfer because of default of the Sponsor or the Sponsor's inability to convey title to the Home in accordance with the terms of this Agreement (except if such failure is due to the Purchaser's default), unless the Closing Date is otherwise provided for herein, or mutually adjourned in writing, the Purchaser may cancel this Agreement upon written notice of cancellation to the Sponsor, and upon such cancellation, the Sponsor shall refund the Purchaser all monies paid by the Purchaser hereunder, with interest if any, and neither party shall have any claim against the other and both shall be released from all obligations hereunder.

18. **PURCHASER'S FAILURE TO TAKE TITLE.** If Purchaser fails to close within fifteen (15) days after receiving written notice to close from the Sponsor (except for Sponsor's default or the Purchaser's failure to obtain a commitment for a mortgage loan as contemplated herein), unless Closing Date is otherwise provided for herein, or mutually adjourned in writing, or if Purchaser fails to make prompt and proper application for the aforesaid mortgage loan, or does not furnish Sponsor within thirty (30) days after being required to apply for such mortgage loan pursuant to Section 5 of this Agreement with notice of whether such mortgage loan was granted or rejected, or if Purchaser fails to perform any of Purchaser's other obligations hereunder, the Sponsor, at its option, may cancel this Agreement, provided, however, that prior to any cancellation for Purchaser's failure to close, Sponsor shall send written notice to Purchaser affording Purchaser at least fifteen (15) days to cure Purchaser's failure. If Purchaser does not cure such failure within said fifteen (15) days, Sponsor may cancel this Agreement and recover for damages as follows:

The Sponsor and the Purchaser agree that the Sponsor would suffer damage by Purchaser's failure to take title and that such damages, other than the actual costs incurred by the Sponsor for any "CHANGES" to the Home which were contracted for by the Purchaser, would be difficult to prove or to arrive at accurately. For that reason, the Sponsor and the Purchaser agree that if the Purchaser fails to take title as hereinbefore stated, the Sponsor shall be entitled to liquidated damages in an amount equal to ten percent (10%) of the Purchase Price, excluding from the Purchase Price, solely for the purpose of computing liquidated damages, the actual costs incurred by the Sponsor for any "CHANGES" to the Home which were contracted for by the Purchaser both as a part of this Agreement and contracted for subsequent to signing of this Agreement. The Sponsor shall also be entitled to retain towards payment of the liquidated damages the Purchaser's deposits, provided that in no event shall the Sponsor be entitled to retain any amount in excess of the liquidated damages.

If this Agreement is so canceled, Sponsor may sell the Home to any third party as though this Agreement had never been made and without any obligation to account to Purchaser for any part of the proceeds of such sale.

The remedies provided herein to the Sponsor shall be cumulative and not exclusive of any other remedy. Such remedies shall be subject to the terms and conditions of the Escrow Agreement set forth in Part II of this Offering Plan.

19. **CLOSING DATE.** The transfer of title shall be held at the Office of the Monroe County Clerk on _____ (the "Closing Date"). However, the parties hereby agree that title to the Home will not transfer unless and until a Certificate of Occupancy or Temporary Certificate of Occupancy has been issued relating the Home and/or the Building in which the Home is located, except as may otherwise be agreed to by the Purchaser. The Closing Date may be adjourned to such later date as the parties may agree upon, in writing and such adjourned date shall be deemed the Closing Date. Sponsor shall not be responsible for any delay in completing the Home if such delay is caused by the unavailability of materials, labor or transportation, acts of God, fire, strikes, weather conditions, delays caused by municipalities or utilities, or by other causes beyond the control of Sponsor, and the refund to Purchaser of the down payment, or portion thereof, in accordance with this Agreement, shall discharge and release Sponsor from any liability arising out of, or resulting from such delay.

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

20. **DAMAGE TO THE HOME.** If between the date of this Agreement and the Closing Date, the Home is damaged by fire or other casualty, the risk of loss to the Home by fire or other casualty is assumed by the Sponsor and the Sponsor may declare this Agreement null and void and any deposits paid herein by the Purchaser shall be returned and both parties shall be released from any further liability hereunder.

21. **ASSIGNMENT OF AGREEMENT.** The parties agree that the stipulations and agreements herein contained shall be binding upon them, their successors, respective heirs, executors, administrators and/or assigns. The Purchaser agrees that he will not record or assign this Purchase Agreement or any of his rights hereunder without the prior written consent of the Sponsor. In no way should the existence of this election be construed as a requirement that Sponsor must consent to any assignment and the Sponsor reserves the right to refuse to permit an assignment of this Purchase Agreement.

22. **ARBITRATION OF DOWN PAYMENT DISPUTE:** In the event of a dispute relative to the disposition of the down payment and any interest accrued thereon, the Sponsor shall apply, and the Purchaser or the Escrow Agent may apply to the Attorney General for a determination on the disposition of the down payment and any interest earned thereon, if any. A copy of the form for this purpose is set forth in Part II of the Offering Plan and is available from the New York State Department of Law. The party apply shall contemporaneously send to all other parties a copy of such application.

23. **NOTICES.** Any notice to be given hereunder shall be in writing and sent by certified mail, return receipt requested, to the Purchaser at his address given herein, and to the Sponsor at 850 Lake Road, Webster, New York 14580 or such other address as either party may hereafter designate in writing to the other, with a copy to Sponsor's attorney, William M. Higgins, 16 East Main Street, Rochester, New York 14614. The date of mailing shall be deemed to be the date of the giving, except for the notice of change of address which shall be deemed given when received by the party to whom it was sent.

24. **DEFINITIONS.** The term "Purchaser" shall be read as "Purchasers" if more than one (1) person be named herein as the Purchaser, in which case their obligations shall be deemed joint and several.

25. **GENDER.** The use of the masculine gender in this Agreement shall be deemed to refer to the feminine and/or neuter gender whenever the context so requires.

26. **OTHER AGREEMENTS.** This Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire understanding between them.

27. **AMENDMENT OF AGREEMENT.** This agreement may not be amended except by a written instrument signed by the party sought to be charged therewith or by the duly authorized agent of such party.

28. **BROKER'S COMMISSION.** Purchaser and Sponsor agree that no broker other than Sponsor's sales agent brought about this sale.

29. **CAPTIONS.** The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent to any provision thereof.

30. **SEVERABILITY.** If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the acceptability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

31. **STRICT COMPLIANCE.** Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

32. **SCHEDULES.** The following Schedules are attached hereto and made a part of this Agreement:

- a. Schedule A: Changes to Sponsor's Home Specifications
- b. Driveway Maintenance Agreement if Purchase Agreement is for Lots 121, 122, 123, Lots 204, 205, 206 and Lots 208 and 209.
- c. Sewer Grinder Pump Maintenance Agreement with a Certified Plumber if Purchase Agreement is for a Lot requiring the installation of a sewer grinder pump.
- d. Other: _____

33. **ACCEPTANCE.** Unless the Sponsor accepts this Purchase Agreement within five (5) days after receipt, this Agreement shall not become effective, and the deposit shall be refunded within ten (10) days thereafter.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent and reliable data collection processes to support effective decision-making and strategic planning.

3. The third part of the document focuses on the role of technology in data management and analysis. It discusses how modern software solutions can streamline data collection, storage, and reporting, thereby improving efficiency and accuracy.

4. The fourth part of the document addresses the challenges associated with data management, such as data quality, security, and privacy. It provides strategies to mitigate these risks and ensure that data is used responsibly and ethically.

5. The fifth part of the document concludes by summarizing the key findings and recommendations. It stresses the importance of ongoing monitoring and evaluation to ensure that data management practices remain effective and aligned with the organization's goals.

6. The sixth part of the document provides a detailed overview of the data collection process, including the identification of data sources, the design of data collection instruments, and the implementation of data collection procedures.

7. The seventh part of the document discusses the various methods used for data analysis, such as descriptive statistics, inferential statistics, and qualitative analysis. It explains how these methods are used to interpret the data and draw meaningful conclusions.

8. The eighth part of the document focuses on the presentation of data, including the use of tables, charts, and graphs. It provides guidelines for creating clear and concise reports that effectively communicate the results of the data analysis.

9. The ninth part of the document discusses the importance of data security and privacy. It outlines the measures that should be taken to protect sensitive data from unauthorized access, loss, or disclosure.

10. The tenth part of the document provides a final summary and concludes the report. It reiterates the key findings and offers final recommendations for improving data management practices in the future.

34. OFFERING PLAN CONTROLS. Any conflict between the terms, provisions and conditions of the Offering Plan and those of this Purchase Agreement will be resolved in favor of the Offering Plan.

35. LIMITED WARRANTY. The limited warranty, as set forth in Part II of the Offering Plan sets forth the limited warranty provided by Sponsor to Purchaser, except that in the event of any destruction within the meaning of the provisions of Section 5-1311 of the General Obligations of the State of New York entitled, "Uniform Vendor and Purchaser Risk Act," said Section shall apply.

36. RIGHT TO RECEIVE AND REVIEW OFFERING PLAN. Purchaser shall be given a copy of the Offering Plan at least three (3) business days prior to the execution of this agreement. If Purchaser did not receive a copy of the Offering Plan at such time, Purchaser may rescind this agreement within seven (7) days after execution and have their deposit(s) promptly returned.

Purchaser hereby acknowledges that he has received a copy of the Offering Plan relating to The Bluffs of Webster, Inc. (A Homeowners' Association) at least three (3) business days prior to the execution of this Agreement.

IN WITNESS WHEREOF, the Purchaser hereto caused this instrument to be duly executed the day, month and year first herein written.

Dated: _____

Social Security No. Purchaser

Social Security No. Purchaser

ACCEPTANCE

We hereby accept this offer and agree to sell on the Terms and Conditions set forth herein.

SPONSOR: CASCIANI CONSTRUCTION CO., INC.

Dated: _____ By: _____
John A. Casciani, President

**SCHEDULE A
CHANGES TO SPONSOR'S HOME SPECIFICATIONS**

The undersigned party to this Purchase Agreement agrees that Home No. _____ Model Home _____, which is the subject of this Agreement shall contain the following "CHANGES", all of which are included in the purchase price as set forth in this Agreement:

ITEM	AMOUNT
1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____
4. _____	\$ _____
5. _____	\$ _____
TOTAL:	\$ _____
DEPOSIT:	\$ _____
BALANCE DUE:	\$ _____
COMMENTS: _____	

The Purchaser acknowledges that in accordance with Section 18 of the Agreement is terminated for reasons other than Sponsor's default, any costs incurred by the Sponsor for the acquisition, installation or removal of materials for such "CHANGES", prior to such termination, shall be added to the amount of damages to which the Sponsor is otherwise entitled.

Purchaser also acknowledges that if completion of the Home is delayed due to the unavailability of materials required to complete the installation of such "CHANGES", Purchaser will not delay closing and will close solely on Sponsor's written assurance that the completion of such installation will be completed by Sponsor promptly after receipt of such materials.

Dated: _____

Purchaser

Dated: _____

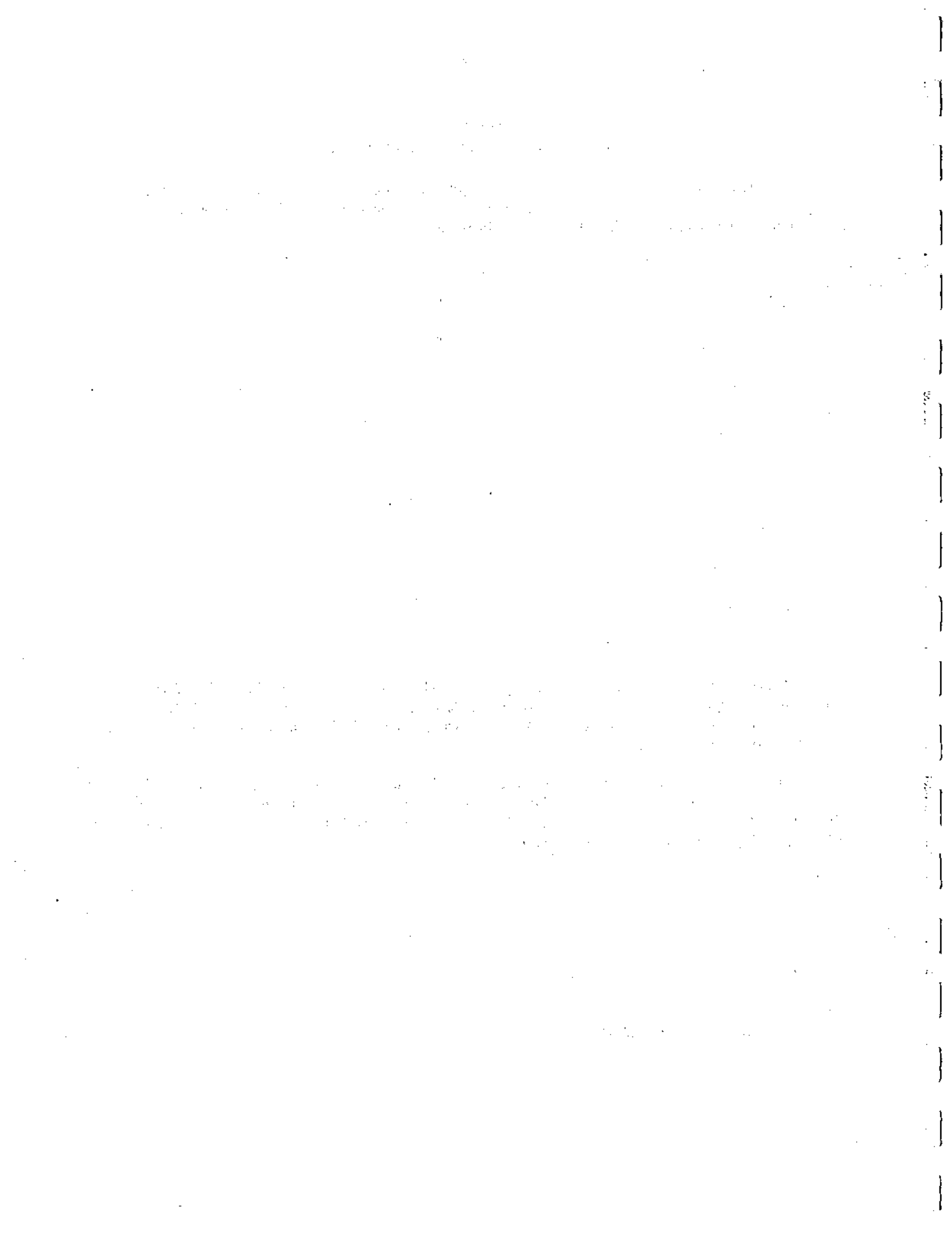
Purchaser

ACCEPTED BY:

SPONSOR: CASCIANI CONSTRUCTION CO., INC.

BY: _____ Dated: _____, 199_____

John A. Casciani, President



PART II



PRIVATE DRIVEWAY FOR LOTS 121, 122 and 123
DECLARATION OF EASEMENT & MAINTENANCE AGREEMENT

THIS DECLARATION, made on November 9/13, 1995, by CASCIANI CONSTRUCTION CO., INC., Webster, New York, hereinafter referred to as "Developer".

W I T N E S S E T H :

WHEREAS, the Developer is the owner of real property known as THE BLUFFS SUBDIVISION which is situate in the Town of Webster, County of Monroe, State of New York, and which is particularly described in Schedule "A" as the same is shown on a map of the Subdivision recorded in the Monroe County Clerk's office under Liber 285 of Maps at Page 51 hereinafter referred to as "The Bluffs", and

WHEREAS, the Developer has subdivided the property described in Schedule "A" into 48 lots, three of which, namely Lots number 121, 122, and 123 have ingress and egress thereto over a private roadway which extends from Sundance Trail to said lots; hereinafter "Lots", which lots are to be individually owned and used for the construction of single family residences.

NOW, THEREFORE, the Developer hereby declares the above described property, being Lots 121, 122, and 123 of said Subdivision, to be subject to the following easements for ingress and egress, together with the following maintenance covenants, which easements shall run with the land.

1. Easements: The lot owner of Lots 121, 122, and 123 in The Bluffs Subdivision shall have for themselves, their guests, and

invitees a non-exclusive easement for ingress and egress over the said private roadway as aforementioned as laid out on the subdivision map recorded in the Monroe County Clerk's Office under Liber 285 at Page 51 on August 17, 1995. The easements shall be used for ingress, egress, and installation of utilities to Lots 121, 122, and 123. No lot owner shall allow the private roadway area to be obstructed, impeded or interfered with. East lot owner shall cooperate with other lot owners to maintain an orderly flow of traffic and the free movement of pedestrian and vehicular traffic within the private roadway area.

2. Maintenance Cost - The owner or owners of the above mentioned lots in The Bluffs Subdivision shall pay thirty-three and one-third percent (33 1/3%) of the cost of maintenance, repair and/or replacement of the private roadway, providing said maintenance, repair and replacement shall have been approved by the owner or owners of at least two of Lots number 121, 122, and 123.

3. Snow Removal - The owner or owners of Lots numbered 121, 122, and 123, shall pay thirty-three and one-third percent (33 1/3%) of the cost of snow removal or snow plowing of the private roadway servicing their lot providing that the arrangement or agreement for said snow removal or snow plowing shall have been approved by the owner or owners of at least two of Lots number 121, 122, 123.

4. Amendments - This Declaration may not be modified, augmented or amended except by an instrument in writing approved by the then owners of Lots 121, 122, and 123 of The Bluffs Subdivision and recorded in the Office of the Clerk of the County of Monroe.

5. Distributees, Successors and Assigns - This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective distributees, successors, legal representatives and assigns.

6. Severability - Invalidation of any one of the provisions in this instrument by judgment or court order shall in no way affect the validity of the other provisions, which shall remain in full force and effect.

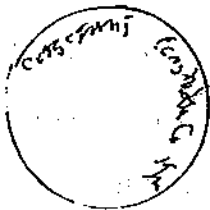
7. Binding Effect and Term - These covenants, conditions, restrictions, and easements shall run with the land and shall be binding on all the parties, their heirs, executors, administrators, successors and assigns, and all persons claiming thereunder.

8. Remedies - If any owner or owners of a lot in the subdivision, being Lots 121, 122, and 123 shall violate any of the covenants, conditions, restrictions or easements herein contained, it shall be lawful for any other person or persons owning any other lot in said subdivision, being Lots 121, 122, and 123 to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition, restriction or easement, and either to prevent him or them from so doing, and to recover damages for such violations and injunctive relief. Any owner or owners of a lot in The Bluffs Subdivision having paid the cost of approved maintenance, or of approved snow removal, as provided in this agreement, shall have full right of recovery of the unpaid share of said expense from the owner or owners having failed to pay when due said unpaid share of said expense, together with the costs, interest, disbursements and

reasonable attorney fees.

IN WITNESS WHEREOF, the undersigned has set his hand and seal
this 9th day of November, 1995.

CASCIANI CONSTRUCTION CO., INC.



BY: John Casciani
JOHN CASCIANI, President

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 9th day of November, 1995, before me personally came John Casciani, to me known, who, being by me duly sworn, did depose and say that deponent is President of Casciani construction Co., Inc., the corporation described in and which executed, the foregoing instrument; deponent knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; deponent signed deponent's name thereto by like order.

[Signature]
NOTARY PUBLIC

Notary Public in the State of New York
MONROE COUNTY
Commission Expires October 31, 1995

PRIVATE DRIVEWAY FOR LOTS 204, 205 and 206
DECLARATION OF EASEMENT & MAINTENANCE AGREEMENT

THIS DECLARATION, made on November 9th, 1995, by CASCIANI CONSTRUCTION CO., INC., Webster, New York, hereinafter referred to as "Developer".

W I T N E S S E T H :

WHEREAS, the Developer is the owner of real property known as THE BLUFFS SUBDIVISION which is situate in the Town of Webster, County of Monroe, State of New York, and which is particularly described in Schedule "A" as the same is shown on a map of the Subdivision recorded in the Monroe County Clerk's office under Liber 285 of Maps at Page 51 hereinafter referred to as "The Bluffs", and

WHEREAS, the Developer has subdivided the property described in Schedule "A" into 48 lots, three of which, namely Lots number 204, 205, and 206 have ingress and egress thereto over a private roadway which extends from Sundance Trail to said lots; hereinafter "Lots", which lots are to be individually owned and used for the construction of single family residences.

NOW, THEREFORE, the Developer hereby declares the above described property, being Lots 204, 205 and 206 of said Subdivision, to be subject to the following easements for ingress and egress, together with the following maintenance covenants, which easements shall run with the land.

1. Easements: The lot owner of Lots 204, 205, and 206 in The Bluffs Subdivision shall have for themselves, their guests, and

invitees a non-exclusive easement for ingress and egress over the said private roadway as aforementioned as laid out on the subdivision map recorded in the Monroe County Clerk's Office under Liber 285 at Page 51 on August 17, 1995. The easements shall be used for ingress, egress, and installation of utilities to Lots 204, 205, and 206. No lot owner shall allow the private roadway area to be obstructed, impeded or interfered with. East lot owner shall cooperate with other lot owners to maintain an orderly flow of traffic and the free movement of pedestrian and vehicular traffic within the private roadway area.

2. Maintenance Cost - The owner or owners of the above mentioned lots in The Bluffs Subdivision shall pay thirty-three and one-third percent (33 1/3%) of the cost of maintenance, repair and/or replacement of the private roadway, providing said maintenance, repair and replacement shall have been approved by the owner or owners of at least two of Lots number 204, 205, and 206.

3. Snow Removal - The owner or owners of Lots numbered 204, 205, and 206, shall pay thirty-three and one-third percent (33 1/3%) of the cost of snow removal or snow plowing of the private roadway servicing their lot providing that the arrangement or agreement for said snow removal or snow plowing shall have been approved by the owner or owners of at least two of Lots number 204, 205, and 206.

4. Amendments - This Declaration may not be modified, augmented or amended except by an instrument in writing approved by the then owners of Lots 204, 205, and 206 of The Bluffs Subdivision and recorded in the Office of the Clerk of the County of Monroe.

5. Distributees, Successors and Assigns - This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective distributees, successors, legal representatives and assigns.

6. Severability - Invalidation of any one of the provisions in this instrument by judgment or court order shall in no way affect the validity of the other provisions, which shall remain in full force and effect.

7. Binding Effect and Term - These covenants, conditions, restrictions, and easements shall run with the land and shall be binding on all the parties, their heirs, executors, administrators, successors and assigns, and all persons claiming thereunder.

8. Remedies - If any owner or owners of a lot in the subdivision, being Lots 204, 205, and 206 shall violate any of the covenants, conditions, restrictions or easements herein contained, it shall be lawful for any other person or persons owning any other lot in said subdivision, being Lots 204, 205, and 206 to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition, restriction or easement, and either to prevent him or them from so doing, and to recover damages for such violations and injunctive relief. Any owner or owners of a lot in The Bluffs Subdivision having paid the cost of approved maintenance, or of approved snow removal, as provided in this agreement, shall have full right of recovery of the unpaid share of said expense from the owner or owners having failed to pay when due said unpaid share of said expense, together with the costs, interest, disbursements and

reasonable attorney fees.

IN WITNESS WHEREOF, the undersigned has set his hand and seal
this 9th day of November, 1995.



CASCIANI CONSTRUCTION CO., INC.

John Casciani
BY: JOHN CASCIANI, President

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 9th day of November, 1995, before me personally came John Casciani, to me known, who, being by me duly sworn, did depose and say that deponent is President of Casciani construction Co., Inc., the corporation described in and which executed, the foregoing instrument; deponent knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; deponent signed deponent's name thereto by like order.

William W. Higgins
NOTARY PUBLIC

William W. Higgins
Notary Public, State of New York
MONROE COUNTY
Commission Expires December 31, 1995

PRIVATE DRIVEWAY FOR LOTS 208 AND 209
DECLARATION OF EASEMENT & MAINTENANCE AGREEMENT

THIS DECLARATION, made on November 9th, 1995, by CASCIANI CONSTRUCTION CO., INC., Webster, New York, hereinafter referred to as "Developer".

W I T N E S S E T H :

WHEREAS, the Developer is the owner of real property known as THE BLUFFS SUBDIVISION which is situate in the Town of Webster, County of Monroe, State of New York, and which is particularly described in Schedule "A: as the same is shown on a map of the Subdivision recorded in the Monroe County Clerk's office under Liber 205 of Maps at Page 51 hereinafter referred to as "The Bluffs", and

WHEREAS, the Developer has subdivided the property described in Schedule "A" into 48 lots, two of which, namely Lots number 208 and 209 have ingress and egress thereto over a private roadway which extends from Sundance Trail to said lots; hereinafter "Lots", which lots are to be individually owned and used for the construction of single family residences.

NOW, THEREFORE, the Developer hereby declares the above described property, being Lots 208 and 209 of said Subdivision, to be subject to the following easements for ingress and egress, together with the following maintenance covenants, which easements shall run with the land.

1. Easements: The lot owner of Lots 208 and 209 in The Bluffs Subdivision shall have for themselves, their guests, and

invitees a non-exclusive easement for ingress and egress over the said private roadway as aforementioned as laid out on the subdivision map recorded in the Monroe County Clerk's Office under Liber 285 at Page 51 on August 17, 1995. The easements shall be used for ingress, egress, and installation of utilities to Lots 208 and 209. No lot owner shall allow the private roadway area to be obstructed, impeded or interfered with. East lot owner shall cooperate with other lot owners to maintain an orderly flow of traffic and the free movement of pedestrian and vehicular traffic within the private roadway area.

2. Maintenance Cost - The owner or owners of the above mentioned lots in The Bluffs Subdivision shall pay fifty percent (50%) of the cost of maintenance, repair and/or replacement of the private roadway, providing said maintenance, repair and replacement shall have been approved by the owner or owners of both Lots number 208 and 209.

3. Snow Removal - The owner or owners of Lots numbered 208 and 209, shall pay fifty percent (50%) of the cost of snow removal or snow plowing of the private roadway servicing their lot providing that the arrangement or agreement for said snow removal or snow plowing shall have been approved by the owner or owners of both Lots number 208 and 209.

4. Amendments - This Declaration may not be modified, augmented or amended except by an instrument in writing approved by the then owners of Lots 208 and 209 of The Bluffs Subdivision and recorded in the Office of the Clerk of the County of Monroe.

5. Distributees, Successors and Assigns - This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective distributees, successors, legal representatives and assigns.

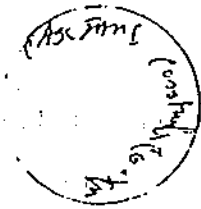
6. Severability - Invalidation of any one of the provisions in this instrument by judgment or court order shall in no way affect the validity of the other provisions, which shall remain in full force and effect.

7. Binding Effect and Term - These covenants, conditions, restrictions, and easements shall run with the land and shall be binding on all the parties, their heirs, executors, administrators, successors and assigns, and all persons claiming thereunder.

8. Remedies - If any owner or owners of a lot in the subdivision, being Lots 208 and 209 shall violate any of the covenants, conditions, restrictions or easements herein contained, it shall be lawful for any other person or persons owning any other lot in said subdivision, being Lots 208 and 209 to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition, restriction or easement, and either to prevent him or them from so doing, and to recover damages for such violations and injunctive relief. Any owner or owners of a lot in The Bluffs Subdivision having paid the cost of approved maintenance, or of approved snow removal, as provided in this agreement, shall have full right of recovery of the unpaid share of said expense from the owner or owners having failed to pay when due said unpaid share of said expense, together with the costs, interest, disbursements and

reasonable attorney fees.

IN WITNESS WHEREOF, the undersigned has set his hand and seal
this 9th day of November, 1995.



CASCIANI CONSTRUCTION CO., INC.

John Casciani
BY: JOHN CASCIANI, President

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 9th day of November, 1995, before me personally came John Casciani, to me known, who, being by me duly sworn, did depose and say that deponent is President of Casciani construction Co., Inc., the corporation described in and which executed, the foregoing instrument; deponent knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; deponent signed deponent's name thereto by like order.

NOTARY PUBLIC

John H. [Signature]

Notary Public in the State of New York
MONROE COUNTY
Commission Expires October 31, 1995

NEW HOME LIMITED WARRANTY
Including Six-Year Major Structural Defect Coverage
CASCIANI CONSTRUCTION CO., INC.

The following pages set forth the warranties which CASCIANI CONSTRUCTION CO., INC. provide at no extra cost to you in connection with the purchase of your new home. Please read the warranty and comply with the procedures set forth in the event the need to make a claim should arise.

NAME OF PURCHASER(S):

ADDRESS OF PURCHASER(S):

ADDRESS OF HOME WARRANTED:

NAME OF SPONSOR PROVIDING THIS WARRANTY:

CASCIANI CONSTRUCTION CO., INC.

ADDRESS OF SPONSOR:

850 Lake Road
Webster, New York 14580

WARRANTY DATE:

(THE DATE THE PURCHASER OCCUPIES THE HOME OR RECEIVES THE DEED FROM THE SPONSOR, WHICHEVER IS FIRST.)

SPONSOR'S LIMIT OF TOTAL LIABILITY:

\$ _____
(PURCHASE PRICE OF HOME AS SHOWN IN THE PURCHASE AGREEMENT BETWEEN PURCHASER AND CASCIANI CONSTRUCTION CO., INC.)

DEDUCTIBLE PROVISION
ON SIX YEAR MAJOR
STRUCTURAL COVERAGE:

Year 1: No Deductible
Year 2-6: \$250 Deductible
for each claim submitted

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

CASCIANI CONSTRUCTION CO., INC.

LIMITED WARRANTY

1. To Whom Given. This Limited Warranty is extended to the Original Purchaser named on Page 1, while the Purchaser owns the Home and is limited to the amount of the Purchase Price of the Home. It does not extend to subsequent owners of the Home, other persons, mortgagees in possession or any other third party.
2. By Whom Made. This Limited Warranty is made exclusively by the Sponsor whose name and address appear on Page 1.
3. Final Inspection of the Home. Before the Purchaser moves into the Home or accepts the deed, the Sponsor will set up an appointment for a Homeowners' orientation and final inspection of the Home with the Purchaser. The purpose of this final inspection is to discover any defects or flaws of a visible or obvious nature, such as nicks, chips, dents, cracks, or scratches that may have occurred during the final stages of finishing the home, or any unfinished work caused by back-orders beyond the Sponsor's control. The Sponsor may also point out other defects known to have occurred during the construction process and that remain uncorrected at the time of the inspection.

All defects or flaws found on final inspection of the Home will be itemized on the Homeowner Orientation sheet and will be corrected within a reasonable time by the Sponsor. The Home Orientation Sheet will be signed by the Purchaser and the Sponsor before occupancy of the Home or transfer of the deed.

When the Purchaser moves into the Home or accepts the Deed, the Sponsor's responsibilities are limited to:

- (a) completion of items shown on the Home Owner Orientation Sheet, as provided in the Home Owner Orientation sheet; and
- (b) performance of warranty obligations under the provisions of this Limited Warranty as listed below. The purpose of the Limited Warranty is to identify the Sponsor's responsibilities for construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Home.

4. Limited Warranty. This Limited Warranty excludes all other warranties on the construction and sale of the Home and its components, both express and implied. There are not warranties which extend beyond the face hereof.

5. Warranty Coverages and Periods. The Warranty Period for all coverages begins on the Warranty Date shown on Page 1. (This Warranty Date is the date that the Purchaser, or member of the Purchaser's family, takes title to the Home or any person begins residential occupancy of the Home, whichever date is earlier.) It ends at the expiration of the coverages shown below:

FIRST YEAR BASIC COVERAGE: for one year from the warranty date, the Home will be free from latent defects that constitute:

- (a) defective workmanship performed by the Sponsor, an agent of the Sponsor, or subcontractor of the Sponsor;
- (b) defective materials provided by the Sponsor, an agent of the Sponsor or subcontractor; or
- (c) defective design, provided by an architect, landscape architect, engineer, surveyor or other design professional engaged solely by the Sponsor.

Workmanship, materials and designs will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for homes in New York City, the Building Code of the City of New York) or if they fail to meet the Accepted Standards which are attached to this Limited Warranty.

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

Installation will be considered to be defective if the Sponsor's workmanship upon the installation fails to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for homes in New York City, the Building Code of the City of New York) and the Accepted Standards which are attached to this Limited Warranty.

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

The Electrical System Means: all wiring electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation System Means: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

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

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six years from the Warranty Date, the Home will be free from latent defects that are Major Structural Defects, as defined below, and that constitute:

- (a) defective workmanship performed by the Sponsor, an agent of the Sponsor, or subcontractor of the Sponsor;
- (b) defective materials provided by the Sponsor, an agent of the Sponsor's subcontractor; or
- (c) defective design, provided by an architect, landscape architect, engineer, surveyor or other design professional engaged solely by the Sponsor.

Workmanship, materials and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for homes in New York City, the Building Code of the City of New York) or if they fail to meet the Accepted Standards which are attached to this Limited Warranty.

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

Damage to the following non-load bearing portions of the Home do not constitute a Material Defect for the Material Defect coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of the Home; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware; insulation.

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

- (a) Loss or damage caused by workmanship performed by any person other than (i) the Sponsor, (ii) an agent of the Sponsor, or (iii) a subcontractor of the Sponsor.
- (b) Loss or damage caused by defective materials supplied by any person other than (i) the Sponsor, (ii) an agent of the Sponsor, or (iii) a subcontractor of the Sponsor.
- (c) Loss or damage caused by defective design provided by any person other than a design professional retained exclusively by the Sponsor.
- (d) Patent defects including defects shown on the Homeowners' Orientation Sheet and defects which an examination of the Home prior to acceptance of the Deed or occupancy of the Home ought to have revealed.
- (e) Defects in outbuildings including, but not limited to, detached garages and detached carports (except outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Home); site located swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls; retaining walls; bulkheads, fences; landscaping (including sodding, seeding, shrubs, trees and plantings); off-site improvements or any other improvements not a part of the Home itself.
- (f) After the first year Basic Coverage, concrete floors of basements and concrete floor of attached garages that are built separately from foundation walls or other structural elements of the Home.
- (g) Damage to real property which is not part of the Home covered by this Limited Warranty and which is not included in the purchase price of the Home.
- (h) Any damage to the extent that it is caused or made worse by:
 - (i) negligence, improper maintenance or improper operation by anyone other than the Sponsor, its employees, agents or subcontractors; or
 - (ii) failure by the Purchaser or any one other than the Sponsor, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or
 - (iii) failure of the Purchaser to give notice to the Sponsor of any defects or damage within a reasonable time; or
 - (iv) changes in the grading of the ground by anyone other than the Sponsor, its employees, agents or subcontractors; or

- (v) changes, alterations or additions made to the Home by anyone after the Warranty Date shown on Page 1; or
- (vi) dampness or condensation due to failure of the Purchaser or occupant to maintain adequate ventilation.
- (i) Any condition which does not result in actual physical damage to the Home.
- (j) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable changes in the underground water table.
- (k) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect.
- (l) Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.
- (m) Any damage which the Home Owner has not taken timely action to minimize.
- (n) Normal wear, tear and normal deterioration.
- (o) Insect damage.
- (p) Bodily injury or damage to personal property.
- (q) Failure of the Sponsor to complete construction of the Home.
- (r) Loss or damage which arises while the Home is being used primarily for nonresidential purposes.
- (s) Loss or damage due to abnormal loading on floors by the Home Owner which exceeds design loads as mandated by the Building Code.
- (t) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repair.
- (u) Consequential damages (except where required by State law).
- (v) Any claim not filed in a manner set forth below in Paragraph 8, "Step-by-Step Claims Procedures."
- (w) Claims relating to the presence of radon, if any, or any other contaminant or pollutant in the environment within or around the Home.
- (x) Damage due to improper winterization of the Home, including, without limitation, failure to shut off and drain exterior water faucets, failure to seal cracks in blacktop, allowing for proper drainage of snow melt away from the foundation and similar improper winterization techniques employed by the Purchaser.

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

In no event will the Sponsor's total liability for deficiencies under this Limited Warranty exceed the Sponsor's Limit of Total Liability, shown on Page 1. There is also a \$250.00 deductible under the six year Major Structural Coverage during years two through six inclusive. The Purchaser is responsible for the first \$250.00 on major structural repairs after the first year of the Warranty.

Repair, replacement or payment of reasonable cost for any major Structural Defect is further limited to (1) the repair of damage to the load-bearing portions of the Home themselves which is necessary to restore their load-bearing function; and (2) the repair of those items of the Home damaged by the Major Structural Defect which made the Home unsafe, unsanitary or otherwise unlivable.

When the Sponsor finishes repairing or replacing the defect or pays the reasonable cost of doing so, the Sponsor shall be deemed fully released of all legal obligations with respect to the defect. The Purchaser must sign a release to such effect if requested by the Sponsor.

8. Step-by-Step Claims Procedures. (a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Sponsor, identified on Page 1, no later than the first business day after warranty coverage on that item expires. If this Notice of Warranty Claim Form is not properly completed and received by the Sponsor by that deadline, the Sponsor will have no duty to respond to any complaint or demand, and any or all claims may be rejected. WRITTEN NOTICE OF WARRANTY CLAIM IS NECESSARY TO PRESERVE PURCHASERS' RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY.

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

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

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

9. Legal Actions.

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

(b) No suit, action or proceeding against the Sponsor under this Limited Warranty may be commenced in any Court or forum after the later of: (i) the date of expiration of the applicable warranty coverages under Paragraph 5 of this Limited Warranty, or (ii) sixty (60) calendar days after the Sponsor has given written notice of rejection of claim or completion of corrective action in response to a timely filed Notice of Claim Form as provided in Clause 8 (d) above.

10. General Provisions.

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

(b) This Limited Warranty is to be binding upon the Sponsor and the Purchaser, their heirs, executors, administrators, successors and assigns.

(c) Should any provision of the Limited warranty be deemed unenforceable by a court of competent jurisdiction, the determination will not affect the enforceability of the remaining provisions.

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

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

CASCIANI CONSTRUCTION CO., INC.

NOTICE OF WARRANTY CLAIM FORM

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

The information you will need to fill out the form will be on Page 1 of the Limited Warranty. However, if you do not know the answers to any questions write "Don't know." Please do not leave any item blank.

Your name: _____

Mailing address: _____

Phone: _____

Warranty Date: _____

(The Warranty Date is the date the Home was first occupied or the date the deed was delivered to you, whichever is earlier.)

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

 (signature)

 (date)

 (signature)

 (date)

ACCEPTED STANDARDSTOPIC INDEX

The Performance Standards list specific items (defects) within each separate area of coverage. The first section covers Workmanship and Materials; the second section covers Systems. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

1. Possible Deficiency - a brief statement, in simple terms, of problems that may be encountered.
2. Performance Standard - a performance standard relating to a specific deficiency.
3. Responsibility - a statement of the corrective action required of the Sponsor to repair the deficiency or a statement of the Home Owner's maintenance responsibilities.

Workmanship and Material, First Year Only

1.	Site Work	p.ix
2.	Concrete	p.x
3.	Masonry	p.xi
4.	Wood and Plastic	p.xi
5.	Thermal and Moisture Protection	p.xii
6.	Doors and Windows	p.xiv
7.	Finishes	p.xvi
8.	Specialties	p.xix
9.	Equipment	p.xx
10.	Plumbing	p.xxii
11.	Heating and Cooling	p.xxi
12.	Ventilation	p.xxiii
13.	Electrical	p.xxii

Systems, First and Second Year

14.	Plumbing System	p.xxiii
15.	Ventilation System	p.xxv
16.	Electrical System	p.xxv

PERFORMANCE STANDARDS1. SITE WORK: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALSSite Drainage

Possible Deficiency: Improper drainage of the site.

Performance Standard: The necessary grades and swales shall have been established by the Sponsor to insure proper drainage away from the Home. Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except that in swales which drain other areas, or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated.

Responsibility: The Sponsor is responsible only for initially establishing the proper grades and swales. The Home Owner is responsible for maintaining such grades and swales once they have been properly established.

2. **CONCRETE: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS**

A. Expansion and Contraction Joints

Possible Deficiency: Separation or movement of concrete slabs within the structure at expansion and contraction joints.

Performance Standard: Concrete slabs within the structure are designed to move at expansion and contraction joints.

Responsibility: None.

B. Cast-in-Place Concrete

(1) **Possible Deficiency:** Basement or foundation wall cracks.

Performance Standard: Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Sponsor will repair cracks in excess of 1/8 inch wide.

(2) **Possible Deficiency:** Cracking of basement floor.

Performance Standard: Minor cracks in basement floors are normal. Cracks exceeding 1/8 inch in width and 1/4 inch in vertical displacement shall be repaired.

Responsibility: Sponsor will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

(3) **Possible Deficiency:** Cracking of slab in attached garage.

Performance Standard: Cracks in garage slabs in excess of 1/4 inch in width and 1/4 inch in vertical displacement shall be repaired.

Responsibility: Sponsor will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

(4) **Possible Deficiency:** Cracks in concrete slab-on-grade floors with finish flooring.

Performance Standard: Cracks which rupture the finish flooring material shall be repaired.

Responsibility: Sponsor will repair cracks, as necessary, so as not to be readily apparent when the finish flooring material is in place. (See also Performance Standard 7, "Finishes".)

(5) **Possible Deficiency:** Pitting, scaling or spalling of concrete work covered by this Limited Warranty.

Performance Standard: Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.

Responsibility: Sponsor will take whatever corrective action necessary to repair or replace defective concrete surfaces. Sponsor is not responsible for deterioration caused by sale, chemicals, mechanical implements and other factors beyond its controls.

(6) **Possible Deficiency:** Settling, heaving or separating of stoops, steps or garage floors.

Performance Standard: Stoops, steps or garage floor shall not settle, heave or separate in excess of 1 inch from the house structures.

Responsibility: Sponsor will take whatever corrective action is required to meet the Performance Standard.

(7) **Possible Deficiency:** Standing water on stoops.

Performance Standard: Water should drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after rain can be anticipated.

Responsibility: Sponsor shall take corrective action to assure drainage of steps and stoops.

3. **MASONRY: COVERAGE: 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS**

Unit Masonry

(1) **Possible Deficiency:** Basement or foundation wall cracks.

Performance Standard: Small cracks not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Sponsor will repair cracks in excess of 1/8 inch by pointing or patching. These deficiencies shall be reported and repairs made during the first year of the Limited warranty period.

(2) **Possible Deficiency:** Cracks in masonry wall or veneer.

Performance Standard: Small hairline cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 3/8 inch in width are considered excessive.

Responsibility: Sponsor will repair cracks in excess of Performance Standards by pointing or patching. These repairs shall be made during the first year of the Limited Warranty period. Sponsor will not be responsible for color variation between old and new mortar.

4. **WOOD AND PLASTIC: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS**

A. Rough Carpentry

(1) **Possible Deficiency:** Floors squeak or subfloor appears loose.

Performance Standard: Floor squeaks and loose subfloor are often temporary conditions common to new construction, and a squeak-proof floor cannot be guaranteed.

Responsibility: Sponsor will correct the problem if there appears to be a problem with glue adhesion or improper nailing.

(2) Possible Deficiency: Uneven wood floors.

Performance Standard: Floors shall not have more than 1/4 inch ridge or depression within any 32 inch measurement when measured parallel to the joists. Allowable floor and ceiling joist deflections are governed by the applicable Building Code.

Responsibility: Sponsor will correct or repair to meet Performance Standard.

(3) Possible Deficiency: Out-of-plumb walls.

Performance Standard: Walls should not be more than 1/4 inch out of plumb for any 32 inch vertical measurement.

Responsibility: Sponsor will repair to meet the Performance Standard.

B. Finish Carpentry (Interior)

Possible Deficiency: Poor quality of interior trim workmanship.

Performance Standard. Joints in moldings or joint between moldings and adjacent surface shall not result in open joints exceeding 3/8 inch in width.

Responsibility: Sponsor will repair defective joints, as defined. Caulking is acceptable.

C. Finish Carpentry (Exterior)

Possible Deficiency: Poor quality of exterior trim workmanship.

Performance Standard: Joints between exterior trim elements, including siding and masonry, shall not result in open joints in excess of 3/8 inch. In all cases the exterior trim, masonry and siding shall be capable of performing its function to exclude the elements.

Responsibility: Sponsor will repair open joints, as defined. Caulking is accepted.

5. THERMAL AND MOISTURE: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS.

A. Waterproofing

Possible Deficiency: Leaks in basement.

Performance Standard: Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness of the walls or floors may occur in new construction and is not considered a deficiency.

Responsibility: Sponsor will take such action as necessary to correct basement leaks except where the cause is determined to result from Home Owner action or negligence.

B. Insulation

Possible Deficiency: Insufficient insulation.

Performance Standard: Insulation shall be installed in accordance with applicable energy and building code requirements.

Responsibility: Sponsor will install insulation in sufficient amounts to meet Performance Standard.

C. Louvers and Vents

Possible Deficiency: Leaks due to snow or rain driven into the attic through louvers or vents.

Performance Standard: Attic vents and/or louvers must be provided for proper ventilation of the attic space of the structure.

Responsibility: None.

D. Roofing and Siding

(1) Possible Deficiency: Ice build-up on roof.

Performance Standard: During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.

Responsibility: Prevention of ice build-up on the roof is a Home Owner maintenance item.

(2) Possible Deficiency: Roof or flashing leaks.

Performance Standard: Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up or Home Owner action or negligence or driving rain.

Responsibility: Sponsor will repair any verified roof or flashing leaks not caused by ice build-up or Home Owner action or negligence.

(3) Possible Deficiency: Delamination of veneer siding or joint separation.

Performance Standard: All siding shall be installed according to the manufacturer's and industry's accepted standards.

Responsibility: Sponsor will repair or replace siding as needed unless caused by Home Owner's neglect to maintain siding properly. Repaired area may not match in color and/or texture. For surfaces requiring paint, Sponsor will paint only the new materials. The Home Owner can expect that the newly painted surface may not match original surface in color.

E. Sheet Metal

(1) Possible Deficiency: Gutters and/or downspouts leak.

Performance Standard: Gutters and downspouts shall not leak but gutters may overflow during heavy rain.

Responsibility: Sponsor will repair leaks. It is a Home Owner responsibility to keep gutters and downspouts free of leaves and debris which could cause overflow.

(2) Possible Deficiency: Water standing in gutters.

Performance Standard: When gutter is unobstructed by debris, the water level shall not exceed one (1) inch in depth. Industry practice is to install gutters approximately level. Consequently, it is entirely possible that small amounts of water will stand in certain sections of gutter immediately after a rain.

Responsibility: Sponsor will correct to meet Performance Standard.

F. Sealants

Possible Deficiency: Leaks in exterior wall due to inadequate caulking.

Performance Standard: Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.

Responsibility: Sponsor will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies once, during the first year of the Limited Warranty period. Even properly installed caulking will shrink and must be maintained during the life of the Home.

6. DOORS AND WINDOWS: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS.

A. Wood and Plastic Doors

(1) Possible Deficiency: Warpage of exterior doors.

Performance Standard: Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed national Woodwork Manufacturers Association Standards (1/4 inch, measured diagonally from corner to corner).

Responsibility: Sponsor will correct or replace and refinish defective doors, during the first year of the Limited Warranty period.

(2) Possible Deficiency: Warpage of interior passage and closet doors.

Performance Standard: Interior doors (full openings) shall not warp in excess of National Woodwork Manufacturers Association Standards (1/4 inch measured diagonally from corner to corner).

Responsibility: Sponsor will correct or replace and refinish defective doors to match existing doors as nearly as possible, during the first year of the Limited Warranty period.

(3) Possible Deficiency: Shrinkage of insert panels show raw wood edges.

Performance Standard: Panels will shrink and expand and may expose unpainted surface.

Responsibility: None.

(4) Possible Deficiency: Split in door panel.

Performance Standard: Split panels shall not allow light to be visible through the door.

Responsibility: Sponsor will, if light is visible, fill split and match paint or stain as closely as possible, one time in first year of the Limited Warranty period.

B. Glass

Possible Deficiency: Broken glass.

Performance Standard: None.

Responsibility: Broken glass not reported to Sponsor prior to closing is the Home Owner's responsibility.

C. Garage Doors on Attached Garages

(1) Possible Deficiency: Garage doors fail to operate properly, under normal use.

Performance Standard: Garage doors shall operate properly.

Responsibility: Sponsor will correct or adjust garage doors as required, except where the cause is determined to result from Home Owner action or negligence.

(2) Possible Deficiency: Garage doors allow entrance of snow or water.

Performance Standard: Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected during heavy rain or snow, or under high wind conditions.

Responsibility: Sponsor will adjust or correct garage doors to meet manufacturer's recommendations.

D. Wood, Plastic and Metal Windows

(1) Possible Deficiency: Malfunction of windows.

Performance Standard: Windows shall operate with reasonable ease, as designed.

Responsibility: Sponsor will correct or repair as required.

(2) Possible Deficiency: Condensation and/or frost on windows.

Performance Standard: Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions, created by the Home Owner.

Responsibility: Window condensation can be result of conditions beyond the Sponsor's control. No corrective action required.

E. Weatherstripping and Seals

Possible Deficiency: Air infiltration around doors and windows.

Performance Standard: Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weatherstripping shall be adjusted or replaced. It may be necessary for the Home Owner to have storm doors and windows installed to provide satisfactory solutions in high wind areas.

Responsibility: Sponsor will adjust or correct poorly fitted doors, windows and poorly fitted weatherstripping, but will not provide or install storm doors and windows.

7. FINISHES: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS.

A. Lath and Plaster

Possible Deficiency: Cracks in interior wall and ceiling surfaces.

Performance Standard: Hairline cracks are not unusual in interior wall and ceiling surfaces. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Sponsor will repair cracks exceed 1/8 inch ion width as required one time only, during the first year of the Limited Warranty period. (See also Performance Standard 7.P. "Painting.")

B. Gypsum Wallboard

Possible Deficiency: Defects which appear during first year of the Limited Warranty such as nail pops, blisters in tape, or other blemishes.

Performance Standard: Slight "imperfections" such as nail pops, seam lines and cracks not exceeding 1/16 inch in width are common in gypsum wallboard installations and are considered acceptable.

Responsibility: Sponsor will repair only cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period. (See also Performance Standard 7.P. "Painting").

C. Ceramic Tile

(1) Possible Deficiency: Ceramic tile cracks or becomes loose.

Performance Standard: Ceramic tile shall not crack or become loose.

Responsibility: Sponsor will replace cracked tiles and re-secure loose tiles unless the defects were caused by the Home Owner action or negligence. Sponsor will not be responsible for discontinued patterns or color variations in ceramic tile.

(2) Possible Deficiency: Cracks appear in grouting of ceramic tile joints or at junctions with other materials such as a bathtub.

Performance Standard: Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions.

Responsibility: Sponsor will repair grouting if necessary one time only, during the first year of the Limited Warranty period. Sponsor will not be responsible for color variations or discontinued colored grout. Regrouting of these cracks is a maintenance responsibility of the Home Owner within the life of the Home.

D. Finished Wood Flooring

Possible Deficiency: Cracks developing between floor boards.

Performance Standard: Cracks in excess of 3/16 inch in width shall be corrected.

Responsibility: Sponsor will repairs cracks in excess of 3/16 inch within the first year of the Limited Warranty period, by filling or replacing, at Sponsor's option.

E. Resilient Flooring

(1) Possible Deficiency: Nail pops appear on the surface of resilient flooring.

Performance Standard: Readily apparent nail pops shall be repaired.

Responsibility: Sponsor will correct nail pops which have broken the surface. Sponsor will repair or replace, at Sponsor's sole option, resilient floor covering the affected area with similar material. Sponsor will not be responsible for discontinued patterns or color variations in the floor covering.

(2) Possible Deficiency: Depressions or ridges appear in the resilient flooring due to subfloor irregularities.

Performance Standard: Readily apparent depressions or ridges exceeding 1/8 inch shall be repaired. The ridge or depression measurement is taken as the gap created at one end of a six-inch straightedge placed over the depression or ridge with three inches of the straightedge on one side of the defect, held tightly to the floor.

Responsibility: Sponsor will take corrective action as necessary, to bring the defect within acceptable tolerance so that the affected area is not readily visible. Sponsor will not be responsible for discontinued patterns or variations in floor covering.

(3) Possible Deficiency: Resilient flooring loses adhesion.

Performance Standard: Resilient flooring shall not lift, bubble or become unglued.

Responsibility: Sponsor will repair or replace, at Sponsor's sole option, the affected resilient flooring as required. Sponsor will not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Home Owner neglect or abuse.

(4) Possible Deficiency: Seams or shrinkage gaps show at resilient flooring joints.

Performance Standard: Gaps shall not exceed 1/16 inch in width in resilient floor covering joints. Where dissimilar materials abut, a gap not to exceed 1/8 inch is permissible.

Responsibility: Sponsor will repair or replace, at Sponsor's sole option, the affected resilient flooring as required. Sponsor will not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Home Owner neglect or abuse.

F. Painting

(1) Possible Deficiency: Exterior paint or stain peels, deteriorates or fades.

Performance Standard: Exterior paints or stains should not peel during the first year of the Limited Warranty period. However, fading is normal and the degree is dependent on climatic conditions.

Responsibility: If paint or stain is defective, Sponsor will properly prepare and refinish affected areas, matching color as close as possible. Where finish deterioration affects the majority of the wall area, the whole area will be refinished.

(2) Possible Deficiency: Deterioration of varnish or lacquer.

Performance Standard: Natural finishes on interior woodwork shall not deteriorate during the first year of the Limited Warranty period. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the Limited Warranty.

Responsibility: Sponsor will retouch affected areas of natural finish interior woodwork, matching the color as closely as possible.

(3) Possible Deficiency: Mildew or fungus on painted surfaces.

Performance Standard: Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposures (i.e., rainfall, ocean, lake or river front.)

Responsibility: Mildew or fungus formation is a condition the Sponsor cannot control and is a Home Owner maintenance item unless it is a result of noncompliance with other sections of the Performance Standard.

G. Wall Covering

Wall covering applications will not be warranted.

H. Carpeting

(1) Possible Deficiency: Open carpet seams.

Performance Standard: Carpet seams will show. However, no visible gap is acceptable.

Responsibility: Sponsor will correct.

(2) Possible Deficiency: Carpeting becomes loose, seams separate or stretching occurs.

Performance Standard: Wall-to-wall carpeting, installed as the primary floor covering, when stretched and secured properly shall not come up, become loose, or separate from its point of attachment.

Responsibility: Sponsor will re-stretch or re-secure carpeting as needed, if original installation was performed by Sponsor.

(3) Possible Deficiency: Spots on carpet, minor fading.

Performance Standard: Exposure to light may cause spots on carpet and/or minor fading.

Responsibility: None.

I. Special Coatings

Possible Deficiency: Cracks in exterior stucco wall surfaces.

Performance Standard: Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Sponsor will repair cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period.

8. SPECIALTIES: COVERAGE 1ST YEAR ONLY, WORKMANSHIP & MATERIALS.

A. Louvers and Vents

Possible Deficiency: Inadequate ventilation of attics and crawl spaces.

Performance Standard: Attic and crawl spaces shall be ventilated as required by the approved building code.

Responsibility: The Sponsor shall provide for adequate ventilation. Sponsor will not be responsible for alterations to the original system.

B. Fireplaces

(1) Possible Deficiency: Fireplace or chimney does not draw properly.

Performance Standard: A properly designed and constructed fireplace and chimney shall function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some Homes may need to have a window opened slightly to create an effective draft, if they have been insulated and weatherproofed to meet high energy conservation criteria.

Responsibility: Sponsor will determine the cause of malfunction and correct, if the problem is one of design or construction of the fireplace.

(2) Possible Deficiency: Chimney separation from structure to which it is attached.

Performance Standard: Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed 1/2 inch from the main structure in any 10 feet vertical measurement.

Responsibility: Sponsor will determine the cause of separation and correct if standard is not met. Caulking is acceptable.

(3) Possible Deficiency: Firebox paint changed by fire.

Performance Standard: None.

Responsibility: None. Heat from fires will alter finish.

(4) Possible Deficiency: Cracked firebrick and mortar joints.

Performance Standard: None.

Responsibility: None. Heat and flames from "roaring" or extremely hot fires will cause cracking.

(5) Possible Deficiency: Fireplace drafts.

Performance Standard: The code requires that all prefabricated fireplace boxes have directly fresh air vents, a source of draft. Even when this vent is closed, outside air is still conducted through the metal, creating a cold feeling around the fireplace box.

Responsibility: Sponsor cannot warrant against fireplace drafts.

9. EQUIPMENT: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS.

A. Residents Equipment

(1) Possible Deficiency: Surface Cracks, point delaminations and chips in high pressure laminates on vanity and kitchen cabinets countertops.

Performance Standard: Countertops fabricated with high pressure laminate coverings shall not delaminate.

Responsibility: Sponsor will replace delaminated coverings to meet specified criteria. Sponsor will not be responsible for chips and cracks noted following first occupancy.

(2) Possible Deficiency: Kitchen cabinet malfunctions.

Performance Standard: Warpage not to exceed 1/4 inch as measured from face frame to point of furthest warpage with door or drawer front closed position.

Responsibility: Sponsor will correct or replace doors or drawer fronts.

(3) Possible Deficiency: Gaps between cabinets, ceiling or walls.

Performance Standard: Acceptable tolerance 1/4 inch in width.

Responsibility: Sponsor will correct to meet Performance.

10. PLUMBING: COVERAGE: 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS.

A. Water Supply System

Possible Deficiency: Plumbing pipes freeze and burst.

Performance Standard: Drain, waste and vent, and water pipes shall be adequately protected, as required by applicable code, during normally anticipated cold weather, and as defined in accordance with ASHREA design temperatures, to prevent freezing.

Responsibility: Sponsor will correct situations not meeting the code. It is the Home Owner's responsibility to drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.

B. Plumbing System

(1) Possible deficiency: Faucet or valve leak.

Performance Standard: No valve or faucet shall leak due to defects in workmanship and materials.

Responsibilities: Sponsor will repair or replace the leading faucet or valve.

(2) Possible Deficiency: Faucet or valve leak.

Performance Standard: No valve or faucet shall leak due to defects in workmanship and materials.

Responsibility: Sponsor will replace any defective fixture or fitting which does not meet acceptable standards, as defined by manufacturer.

(3) Possible Deficiency: Noisy water pipes.

Performance Standard: There will be some noise emitting from the water pipe system, due to the flow of water. However, water hammer shall be eliminated.

Responsibility: Sponsor cannot remove all noises due to water flow and pipe expansion. Sponsor will correct to eliminate "water hammer."

(4) Possible Deficiency: Cracking or chipping of porcelain or fiberglass surfaces.

Performance Standard: Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.

Responsibility: Sponsor will not be responsible for repairs unless damage has been reported to Sponsor prior to first occupancy.

11. HEATING AND COOLING: COVERAGE 1ST YEAR ONLY, WORKMANSHIP & MATERIALS.

A. Heating

Possible Deficiency: Inadequate heating.

Performance Standard: Heating systems shall be capable of producing an inside temperature of 70°F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHREA handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

Responsibility: Sponsor will correct heating system to provide the required temperatures. However, the Home Owner shall be responsible for balancing dampers, registers and other minor adjustments.

B. Refrigeration

Possible Deficiency: Inadequate cooling.

Performance Standard: Where air-conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78°F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor summer design conditions as specified in ASHREA handbook. In the case of outside temperatures exceeding 95°F, a differential of 15°F from the outside temperature will be maintained. Federal, state, or local energy codes shall supersede this standard where such codes have been locally adopted.

Responsibility: Sponsor will correct cooling system to meet temperature conditions, in accordance with specifications.

C. Condensation Lines.

Possible Deficiency: Condensation lines clog up.

Performance Standard: None.

Responsibility: Condensation lines will clog eventually under normal use. This is a Home Owner maintenance item. Sponsor shall provide unobstructed condensation lines at time of first occupancy.

D. Evaporative Cooling

Possible Deficiency: Improper mechanical operation.

Performance Standard: Equipment shall function properly at temperature standard set.

Responsibility: Sponsor will correct and adjust so that blower and water system operate as designed.

12. VENTILATION: COVERAGE 1ST YEAR, WORKMANSHIP AND MATERIALS.

Air Distribution

Possible Deficiency: Noisy ductwork.

Performance Standard: When metal is heated it expands and when cooled it contracts. The result is "ticking" or "cracking" which is generally to be expected.

Responsibility: None.

13. ELECTRICAL: COVERAGE 1ST YEAR, WORKMANSHIP AND MATERIALS.

A. Electrical Conductors, Fuses, and Circuit Breakers

Possible Deficiency: Fuses blow or circuit breakers (excluding ground fault interrupters) "kick out."

Performance Standard: Fuses and circuit breakers shall not activate under normal usage.

Responsibility: Sponsor will check wiring circuits for conformity with local, state, or approved national electrical code requirements. Sponsor will correct circuitry not conforming to code specifications.

B. Outlets, Switches and Fixtures

(1) Possible Deficiency: Drafts from electrical outlets.

Performance Standard: Electrical junction boxes on exterior wall may produce air flow whereby the code air can be drawn through the outlet into a room. The problem is normal in new home construction.

Responsibility: None.

(2) Possible Deficiency: Malfunction of electrical outlets, switches or fixtures.

Performance Standard: All switches, fixtures and outlets shall operate as intended.

Responsibility: Sponsor will repair or replace defective switches, fixtures and outlets.

C. Service and Distribution

Possible Deficiency: Ground fault interrupter trips frequently.

Performance Standard: Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.

Responsibility: Sponsor shall install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to a construction defect.

SYSTEMS: FIRST AND SECOND YEARS

14. PLUMBING SYSTEM: COVERAGE 1ST AND 2ND YEARS, SYSTEMS.

A. Water Supply

(1) Possible Deficiency: Water supply system fails to deliver water.

Performance Standard: All on-site service connections to municipal water and main and private water supply shall be the Sponsor's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.

Responsibility: Sponsor will repair if failure is the result of defective workmanship or materials. If conditions beyond Sponsor's control disrupt or eliminate the sources of the supply, the Sponsor has no responsibility.

B. Piping

(1) Possible Deficiency: Leakage from any pipe.

Performance Standard: No leaks of any kind shall exist in any soil, waste, vent, or water pipe. Condensation on piping does not constitute leakage, and is not covered.

Responsibility: Sponsor will make repairs to eliminate leakage.

(2) Possible Deficiency: Stopped up sewers, fixtures and drains.

Performance Standard: Sewers, fixtures and drains shall operate properly.

Responsibility: Sponsor will not be responsible for sewers, fixtures and drains which are clogged through the Home Owner negligence. If a problem occurs, the Home Owner should consult Sponsor for a proper course of action. Where defective construction is shown to be the cause, Sponsor will assume the cost of the repair; where the Home Owner negligence is shown to be the cause, the Home Owner shall assume all repair costs.

(3) Possible Deficiency: Refrigerant lines leak.

Performance Standard: Refrigerant lines shall not develop leaks during normal operation.

Responsibility: Sponsor will repair leaking refrigerant lines and re-charge unit, unless damage was caused by the Home Owner.

15. VENTILATION SYSTEM: COVERAGE 1ST AND 2ND YEAR, SYSTEMS.

A. Air Distribution

(1) Possible Deficiency: Ductwork separates or becomes unattached.

Performance Standard: Ductwork shall remain intact and securely fastened.

Responsibility: Sponsor will re-attach and re-secure all separated or unattached ductwork.

16. ELECTRICAL SYSTEM: COVERAGE 1ST AND 2ND YEAR, SYSTEMS.

A. Wiring

(1) Possible Deficiency: Failure of wiring to carry its designed load.

Performance Standard: Wiring should be capable of carrying the designed load for normal residential use.

Responsibility: Sponsor will check wiring for conformity with local, state, or approved national electrical code requirements. Sponsor will repair wiring not conforming to code specifications.

THIS INDENTURE, made the ____ day of _____, 199____,
between CASCIANI CONSTRUCTION CO., INC., a New York corporation,

GRANTOR

and

THE BLUFFS OF WEBSTER, INC. (A HOMEOWNERS' ASSOCIATION),
located in Town of Webster, County of Monroe, New York,

GRANTEE

WITNESSETH, that the Grantor, in consideration of One and 00/100 Dollars, paid by the Grantee, hereby grants and releases unto the Grantee, the heirs or successors and assigns of the Grantee forever,

ALL THAT TRACT OR PARCELS OF LAND, situate in the Town of Webster, County of Monroe, State of New York, more particularly described in Schedule A attached hereto and made a part hereof.

TOGETHER with the benefits and subject to the burdens of restrictions, easements, agreements and rights-of-way of record, including The Bluffs of Webster, Inc. (A Homeowners' Association) DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, CHARGES AND LIENS RECORDED IN THE MONROE COUNTY CLERK'S OFFICE IN LIBER _____ OF DEEDS, PAGE ____ ON _____, 199____.

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

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

FIRST: The Grantee shall quietly enjoy the said premises.

SECOND: The Grantors will forever warrant the title to said premises.

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



**COSTICH
ENGINEERING**

84

Project No. 726
October 23, 1995
Page 1 of 3

SCHEDULE A

THE BLUFFS SUBDIVISION - SECTIONS ONE & TWO

DESCRIPTION OF ASSOCIATION PROPERTY

All that tract or parcel of land containing 10.4+/- acres, more or less, situate in part of Great Town Lot 72, Township 14, Range 7, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "Map Showing the Association Property", prepared by Charles J. Costich, P.E., L.S., P.C., dated 10/12/95, having drawing number 726-31 and being more particularly bounded and described as follows:

Beginning at a point on the southerly right-of-way line of Sundance Trail, said point being the northwest property corner of Lot No. 112, said point also being on a curve; thence

- 1) S 39°-32'-37" W, along the westerly property line of Lot No. 112, a distance of 267.44 feet to a point; thence
- 2) S 86°-20'-24" W, a distance of 626 feet, more or less, to a point, said point being on the high water mark of the easterly shore line of Irondequoit Bay; thence
- 3) Northeasterly, then northerly, along the easterly shore line of Irondequoit Bay, a distance of 2200 feet, more or less, to a point; thence
- 4) S 90°-00'-00" E, a distance of 450 feet, more or less, to a point; thence
- 5) S 49°-58'-26" E, a distance of 524.75 feet to a point; thence
- 6) S 80°-12'-11" W, a distance of 86.78 feet to a point; thence
- 7) S 50°-31'-51" W, a distance of 207.02 feet to a point; thence
- 8) S 77°-14'-30" W, a distance of 76.98 feet to a point; thence
- 9) S 90°-00'-00" W, a distance of 203.03 feet to a point; thence
- 10) S 00°-00'-00" W, a distance of 142.90 feet to a point; thence
- 11) S 47°-54'-36" E, a distance of 144.05 feet to a point; thence
- 12) S 07°-59'-57" E, a distance of 64.02 feet to a point on the cul-de-sac right-of-way line of Sundance Trail, said point being on a curve; thence
- 13) Westerly, along the aforesaid cul-de-sac right-of-way line, on a curve to the left, an arc distance of 10.03 feet to a point; thence
- 14) N 07°-59'-57" W, a distance of 61.11 feet to a point; thence
- 15) N 47°-54'-36" W, a distance of 144.86 feet to a point; thence



**COSTICH
ENGINEERING**

- 16) N 00°-00'-00" W, a distance of 147.34 feet to a point; thence
- 17) S 90°-00'-00" W, a distance of 329.56 feet to a point; thence
- 18) S 15°-01'-47" W, a distance of 46.89 feet to a point; thence
- 19) S 41°-46'-21" W, a distance of 186.28 feet to a point; thence
- 20) S 47°-15'-15" W, a distance of 95.44 feet to a point; thence
- 21) S 47°-04'-03" W, a distance of 130.92 feet to a point; thence
- 22) S 40°-08'-31" W, a distance of 98.26 feet to a point; thence
- 23) S 31°-10'-16" W, a distance of 110.18 feet to a point; thence
- 24) S 26°-28'-50" W, a distance of 84.54 feet to a point; thence
- 25) S 22°-34'-04" W, a distance of 73.62 feet to a point; thence
- 26) S 51°-30'-31" E, a distance of 117.51 feet to a point; thence
- 27) S 71°-30'-31" E, a distance of 94.85 feet to a point; thence
- 28) S 52°-26'-02" E, a distance of 367.64 feet to a point on the westerly right-of-way line of Sundance Trail; thence
- 29) S 41°-15'-17" W, along the aforesaid right-of-way line, a distance of 38.08 feet to a point; thence
- 30) N 52°-26'-02" W, a distance of 358.81 feet to a point; thence
- 31) N 71°-30'-31" W, a distance of 88.46 feet to a point; thence
- 32) S 88°-29'-29" W, a distance of 111.68 feet to a point; thence
- 33) S 08°-44'-00" W, a distance of 54.19 feet to a point; thence
- 34) S 04°-16'-32" W, a distance of 131.72 feet to a point; thence
- 35) S 74°-12'-41" E, a distance of 99.88 feet to a point; thence
- 36) S 48°-53'-12" E, a distance of 210.70 feet to a point; thence
- 37) S 86°-03'-30" E, a distance of 58.24 feet to a point; thence

**COSTICH
ENGINEERING**

- 38) N 82°-19'-05" E, a distance of 152.18 feet to a point on the westerly right-of-way line of Sundance Trail, said point being on a curve; thence
- 39) Southerly, along the aforesaid right-of-way line, on a curve to the left, having a radius of 120.00 feet, an arc distance of 20.02 feet to a point; thence
- 40) S 82°-19'-05" W, a distance of 154.22 feet to a point; thence
- 41) N 86°-03'-30" W, a distance 67.00 feet to a point; thence
- 42) N 48°-53'-12" W, a distance of 212.93 feet to a point; thence
- 43) N 74°-12'-41" W, a distance of 91.47 feet to a point; thence
- 44) S 05°-23'-16" W, a distance of 51.59 feet to a point; thence
- 45) S 27°-48'-51" W, a distance of 25.80 feet to a point; thence
- 46) S 28°-15'-24" W, a distance of 144.64 feet to a point; thence
- 47) S 50°-27'-23" E, a distance of 345.30 feet to a point; thence
- 48) N 86°-20'-24" E, a distance of 160.29 feet to a point; thence
- 49) N 39°-32'-37" E, a distance of 257.95 feet to a point on the southerly right-of-way line of Sundance Trail, said point being on a curve; thence
- 50) Southeasterly, along the aforesaid right-of-way line, on a curve to the left, having a radius of 120.00 feet, an arc distance of 20.04 feet to the point of beginning.

NO.	DESCRIPTION	DISTANCE
1	S89°37'32"W	263.44 R.
2	S88°29'21"W	878.1 R.
3	NORTH	2700.0 R.
4	S89°07'00"W	459.4 R.
5	S49°58'26"E	524.75 R.
6	S89°17'11"W	86.78 R.
7	S89°31'31"W	207.02 R.
8	S77°11'30"W	78.86 R.
9	S89°07'00"W	203.03 R.
10	S89°07'00"W	114.90 R.
11	S47°54'36"E	114.05 R.
12	S87°51'31"E	84.02 R.
13	NORTH	10.03 R.
14	N87°58'57"W	61.11 R.
15	N47°54'54"W	114.86 R.
16	N07°07'00"W	117.34 R.
17	S89°07'00"W	122.56 R.
18	S15°01'47"W	48.89 R.
19	S41°44'21"W	108.28 R.
20	S47°15'13"W	93.44 R.
21	S47°04'03"W	130.97 R.
22	S47°08'31"W	82.28 R.
23	S37°49'48"W	110.18 R.
24	S26°16'50"W	84.54 R.
25	S27°34'04"W	73.87 R.
26	S21°30'31"E	112.51 R.
27	S71°30'31"E	84.65 R.
28	S37°24'02"E	307.64 R.
29	S41°19'17"W	34.08 R.
30	N57°26'02"W	358.81 R.
31	N75°30'31"W	84.18 R.
32	S88°18'29"W	111.48 R.
33	S28°41'03"W	54.19 R.
34	S04°16'37"W	131.72 R.
35	S17°17'41"E	99.88 R.
36	S48°53'17"E	210.70 R.
37	S28°05'30"E	54.24 R.
38	N87°11'05"E	152.18 R.
39	SOUTH	20.02 R.
40	S87°18'05"W	154.27 R.
41	N86°01'30"W	67.00 R.
42	N44°53'12"W	212.93 R.
43	N71°07'01"W	91.47 R.
44	S25°37'16"W	31.59 R.
45	S17°18'51"W	73.80 R.
46	S28°15'21"W	114.84 R.
47	S27°17'13"E	345.30 R.
48	S86°20'24"E	160.28 R.
49	N39°32'13"E	237.93 R.
50	SOUTH	70.04 R.

WE, CHARLES J. COSTICH, P.E., L.S., P.C., HEREBY CERTIFY THAT THIS MAP WAS MADE FROM THE NOTES OF AN INSTRUMENT SURVEY COMPLETED ON 12-22-92 AND FROM INFORMATION FOUND IN THE REFERENCES LISTED HEREON. NO SEARCH WAS MADE FOR EASEMENTS OR ENCUMBRANCES OTHER THAN THOSE FOUND IN THE REFERENCES.

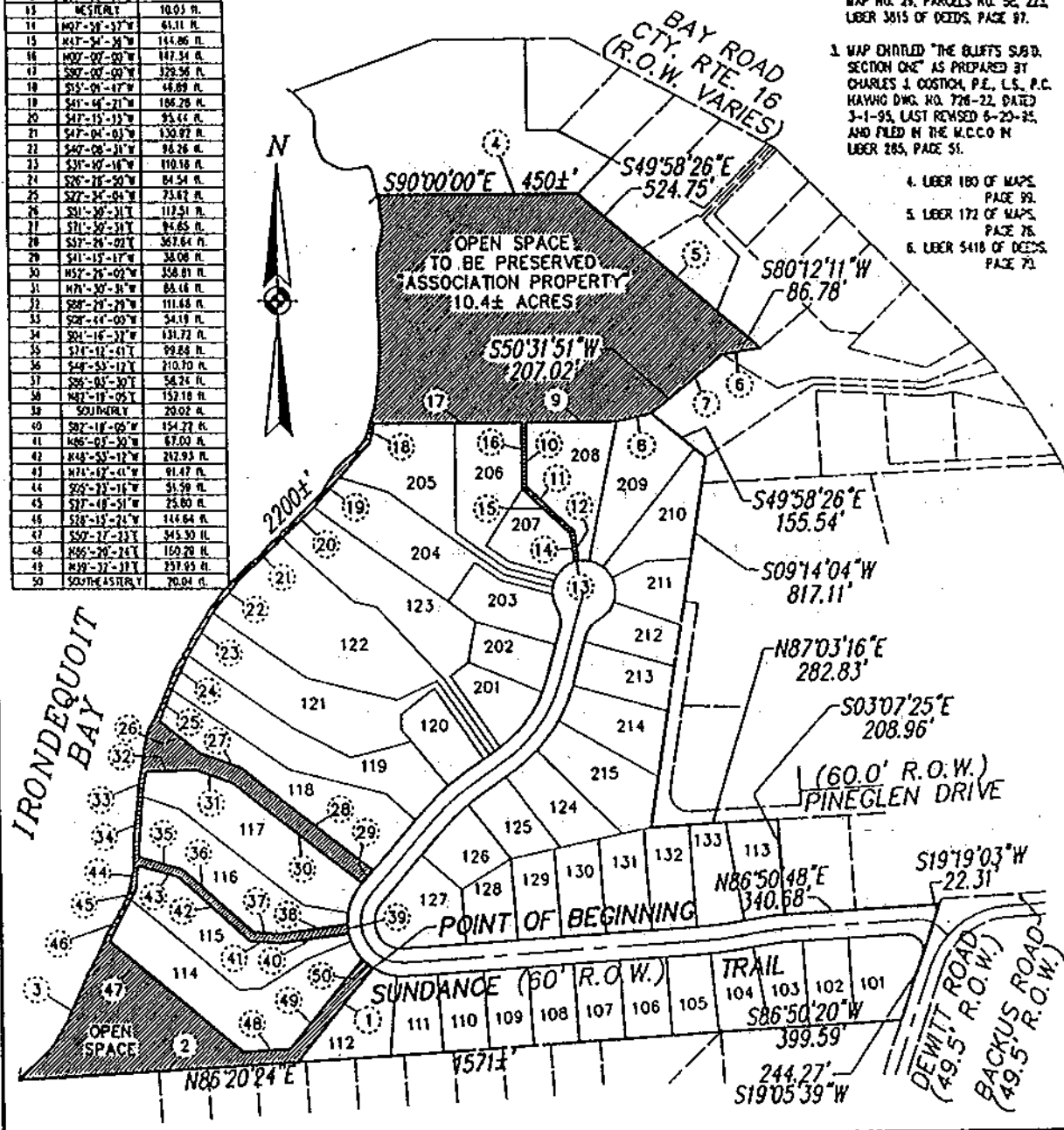
Charles J. Costich 10-24-95
 BY: CHARLES J. COSTICH, N.Y.C. P.E., L.S., P.C. (13787) DATE:

1. MAP ENTITLED "FERN VALLEY-THREE LOT SUBDIVISION, PLAT MAP" AS PREPARED BY CHARLES J. COSTICH, P.E., L.S., P.C., HAVING DRAWING NUMBER 726-13, DATED 11-29-93, LAST REVISED 3-18-94, AND FILED IN THE MONROE COUNTY CLERK'S OFFICE IN LIBER 279, PG. 11.

2. BAY ROAD IRONDEQUIT-WAYNE COUNTY LINE EXT. TO LAKE ROAD, MAP NO. 29, PARCELS NO. 52, 221, LIBER 3615 OF DEEDS, PAGE 97.

1. MAP ENTITLED "THE BLUFFS SUBD. SECTION ONE" AS PREPARED BY CHARLES J. COSTICH, P.E., L.S., P.C. HAVING DWG. NO. 726-22, DATED 3-1-95, LAST REVISED 6-20-95, AND FILED IN THE M.C.C.O. IN LIBER 285, PAGE 51.

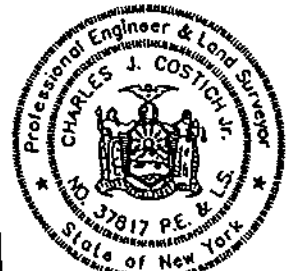
4. LIBER 180 OF MAPS, PAGE 99.
 5. LIBER 172 OF MAPS, PAGE 76.
 6. LIBER 5410 OF DEEDS, PAGE 73.



COPYRIGHT © 1995
 CHARLES J. COSTICH, P.E., L.S., P.C.

IT IS A VIOLATION OF LAW FOR ANY PERSON, UNLESS ACTING UNDER THE DIRECTION OF A LICENSED PROFESSIONAL ENGINEER, LAND SURVEYOR, ARCHITECT OR LANDSCAPE ARCHITECT, TO ALTER ANY ITEM ON THIS DOCUMENT IN ANY WAY. ANY LICENSEE WHO ALTERS THIS DOCUMENT IS REQUIRED BY LAW TO AFFIX HIS/HER SEAL AND THE NOTATION "ALTERED BY" FOLLOWED BY HIS/HER SIGNATURE AND SPECIFIC DESCRIPTION OF THE ALTERATION, TO THE DOCUMENT.

H:\JOB\726\726ASSOC 10-18-95



MAP SHOWING
THE ASSOCIATION PROPERTY FOR THE BLUFFS SUBDIVISION

SITUATE IN
 TOWN OF WEBSTER
 COUNTY OF MONROE
 STATE OF NEW YORK.

PREPARED BY
 CHARLES J. COSTICH, P.E., L.S., P.C.
 217 LAKE AVENUE
 ROCHESTER, N.Y. 14608

DESCRIPTION OF ASSOCIATION PROPERTY

THE BLUFFS OF WEBSTER, INC.

(A HOMEOWNERS' ASSOCIATION)

TOWN OF WEBSTER, COUNTY OF MONROE, NEW YORK

PREPARED BY:



**COSTICH
ENGINEERING**

217 LAKE AVENUE
ROCHESTER, NEW YORK 14608

MARK R. COSTICH, P.E.
NEW YORK STATE LICENSED
PROFESSIONAL ENGINEER
LICENSE NO. 065971



PROJECT NO. 726-1

NOVEMBER 8, 1995

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent data collection procedures and the use of advanced analytical techniques to derive meaningful insights from the data.

3. The third part of the document focuses on the role of technology in data management and analysis. It discusses how modern software solutions can streamline data collection, storage, and processing, thereby improving efficiency and accuracy.

4. The fourth part of the document addresses the challenges associated with data management, such as data quality, security, and privacy. It provides strategies to mitigate these risks and ensure that the data remains reliable and secure throughout its lifecycle.

5. The fifth part of the document discusses the importance of data governance and the role of various stakeholders in ensuring that data is used ethically and in compliance with relevant regulations and standards.

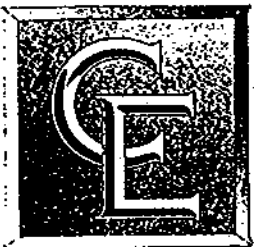
6. The sixth part of the document explores the future of data management and analysis, highlighting emerging trends such as artificial intelligence, machine learning, and big data analytics, and their potential impact on the organization's performance.

7. The seventh part of the document provides a summary of the key findings and recommendations from the study. It emphasizes the need for a holistic approach to data management that integrates all aspects of the organization's operations.

8. The eighth part of the document discusses the implications of the findings for the organization's strategic planning and decision-making processes. It suggests that data-driven insights can be used to identify new opportunities and optimize existing processes.

9. The ninth part of the document provides a conclusion and a call to action for the organization's leadership. It encourages them to embrace a data-driven culture and invest in the necessary resources to support the organization's long-term success.

10. The final part of the document includes a list of references and a list of appendices. The references cite the various sources used in the study, and the appendices provide additional information and data related to the study.



COSTICH
ENGINEERING

DESCRIPTION OF ASSOCIATION PROPERTY

THE BLUFFS OF WEBSTER, INC. (A Homeowner's Association)

Town of Webster, County of Monroe, New York 14580

A. LOCATION

The property to be known as "The Bluffs" is located at the northeast corner of Irondequoit Bay, in the Town of Webster, Monroe County, State of New York 14580. The site is located on the west side of Dewitt Road and on the south and west sides of Pineglen Drive, both public roadways owned and maintained by the Town of Webster.

B. SITE

1. **SIZE:** Approximately 47.4 acres, of which the Association Property will consist of approximately 10.4 acres.
2. **NUMBER OF BUILDINGS AND USE:** There will be a total of forty eight (48) Lots each improved with a single-family home. Section I will contain thirty three (33) Lots, as shown on a map filed in the Monroe County Clerk's Office in Liber 285, Page 51. Section II will contain fifteen (15) Lots, each to be improved with a single-family home. The homes will be for residential use only.
3. **STREETS OWNED OR MAINTAINED BY THE ASSOCIATION:** The street providing access to the Lots, Sundance Trail, will be owned and maintained by the Town of Webster as a part of the Town of Webster's highway system.
 - a) **Paving:** The street shall be twenty feet (20') in width in a sixty foot (60') wide right-of-way. It shall be fully paved with three inches (3") of asphalt over twelve inches (12") of crusher run stone base, of all new construction.
 - b) **Curbing:** The street shall be bordered by a thirty inch (30") wide by six inch (6") thick concrete gutter of new construction.

CIVIL ENGINEERING • LAND PLANNING • SURVEYING



**COSTICH
ENGINEERING**

- c) Catch Basins and Drainage: Catch basins are planned for drainage control and are to be located at Lots 101, 126, 127, 129 and 132 and within the cul-de-sac area of the street in Section II of the site. An additional catch basin will be located in the common rear lot line of Lots 105 and 106. Additional drainage control devices can be described as a "stormwater detention area" with inlet pipe, riser and outlet located between Lots 113 and 133. The Town of Webster shall maintain the catch basins and drainage control devices.
 - d) Street and Sidewalk Lighting: There will be no street lighting. Each Lot Owner will install a post lamp with timer of an approved design.
 - e) Construction Standards: Sundance Trail shall be constructed in accordance with the current standards and specifications of the Town of Webster and will be dedicated to the Town.
4. DRIVES, SIDEWALKS AND RAMPS: There will be no drives, sidewalks or ramps owned or maintained by the Association. Each Lot Owner will contract for the installation of a driveway and sidewalks and/or ramps, if desired, to services the Lot and Home of such Owner. The repairs, maintenance and replacement, including snow plowing and/or shoveling shall be the Lot Owner's responsibility and at the sole expense of such Owner.

C. SUB-SOIL CONDITIONS

- 1. LOAD-BEARING CAPACITY AND POROSITY: The subsoil conditions were explored by Foundation Design, P.C., a geotechnical engineer. The existing soils can be generally described as sandy and dry. The load-bearing capacity and porosity is sufficient to support the residential Homes as proposed.
- 2. MOISTURE AND SEEPAGE: No moisture or seepage is evident that would warrant special corrective action. However, if groundwater conditions and/or basement floor elevations dictate the need for sump pumps, they should be installed.

CIVIL ENGINEERING • LAND PLANNING • SURVEYING



**COSTICH
ENGINEERING**

3. DANGER FROM FLOODING: There is not danger from flooding. There is no potential of mudslides. During construction preventative action against erosion should be taken by the establishment of vegetative growth on all exposed soils.

D. LANDSCAPING AND ENCLOSURES

There are no Association Property areas that require landscaping other than a thirty foot (30') wide landscape easement area located on Lot 101, which will be maintained by the Association. This area will consist of various planted deciduous and evergreen materials. The landscape plan for this area is Exhibit A of this Report. Each Lot will be landscaped by the Owner of the Lot to the approved specifications of the improvements at the time of construction of the Home.

E. UTILITIES

Gas and electric will be provided by Rochester Gas & Electric Corp., a regulated public utility company.

Telephone service will be provided by Rochester Telephone Company, a regulated public utility company.

Cable television will be available from, Time Warner Communications, the area franchisee.

Water will be provided by the Village of Webster Water Department

Sanitary Sewer service will be provided by the Town of Webster Sewer Department.

Fire protection will be provided by the Webster Fire Department.

Police protection will be provided by the Webster Police Department and the Monroe County Sheriff's Department.

CIVIL ENGINEERING • LAND PLANNING • SURVEYING



**COSTICH
ENGINEERING**

F. SEWERS

The newly constructed sanitary sewer collection system will service all Lots within the site and will be owned and maintained by the Town of Webster Sewer Department. Each Homeowner will be responsible for the maintenance and repair of the laterals connecting his or her respective Home with the Town of Webster's sewer collection system.

1. SANITARY SEWAGE SYSTEM:

- a) Piping: Twelve inch (12") diameter P.V.C. sewer main and four inch (4") diameter P.V.C. laterals to each Home.
- b) Sewage Pumps: Individual grinder pumps will be required for Lots 115, 116, 121, 122, 123, 204, 205, 206 and 208, which will be owned and maintained by the respective Owner of the Lot. Such Lot Owners shall be required to enter into a maintenance agreement with a certified plumber.
- c) Sewage Disposal: Sewage disposal empties into the Town of Webster Sewer system via twelve inch (12") diameter P.V.C. gravity sewer.

2. PERMITS: Other than the standard building permits to be obtained from the Town of Webster, no other permits are required. Permits and approvals for sewer, water and road improvements were granted to the Sponsor on June 26, 1995 by the Town of Webster Sewer Department and on July 20, 1995 from the Monroe County Department of Health.

3. STORM DRAINAGE SYSTEM: The storm drainage system will be a separate collection system. The storm pipes generally parallel to the street with connection manholes at Lots 104, 105, 108, 110, 112, 116, 118, 202, 207, 209 and 215. The street gutters will be connected to the storm sewer via the catch basins described in B.3.c. above.

- a) Catch Basins: See B.3.c. above.

CIVIL ENGINEERING • LAND PLANNING • SURVEYING



**COSTICH
ENGINEERING**

- b) Yard and Roof Drains: Roof leaders will discharge to subsurface drywells which will be owned and maintained by the individual Lot Owner. Yard areas of the Lots are designed to drain to the storm drainage system via overland flow to the street drains.
- c) Piping: The piping material is twelve inch (12") diameter perforated corrugated polyethylene tubing which meets the Town of Webster minimum standards. The system's discharge is through exfiltration to the subsoils along the main. An emergency outlet for the exfiltration system is located at the common north property corner of Lots 113 and 133 and utilized an existing eighteen inch (18") culvert under Pineglen Drive. A water purification pond (sedimentation pond) is located ahead of the emergency outlet and occupies a portion of Lots 113 and 133. An easement to the Town of Webster for maintenance purposes encompasses the pond area.
- d) Eject or Sump Pumps: If groundwater conditions and/or basement floor elevations dictate the need for sump pumps, they should be installed. Sump pumps for basement drainage will discharge to surface splash blocks and will be maintained by the Lot Owner.

G. REFUSE DISPOSAL

The Association will contract with a licensed hauler for scheduled refuse collection. The cost of this service will be a common expense.

H. GARAGES AND PARKING AREAS

Other than garages and driveways appurtenant to each Home, there will be no other garages and/or driveways. Driveways shall be constructed with landing areas, crowns and culverts to prevent water, ice and snow from discharging on to the roadway or into contiguous Lots. Each driveway shall be paved and provide for the parking of two (2) standard size automobiles outside the garage area. Gravel driveways shall not be permitted.

CIVIL ENGINEERING • LAND PLANNING • SURVEYING


**COSTICH
ENGINEERING**

Providing access from Sundance Trail, Lots 121, 122, and 123 shall share a private driveway, Lots 203, 205 and 206 shall share a private driveway, and Lots 208 and 209 shall share a private driveway. The maintenance, repair and replacement, including snow plowing, shall be the responsibility of the respective Lots sharing the respective private driveway providing access to such lots.

Parking on Sundance Trail shall be in accordance with the Town of Webster's regulations.

There will be no additional parking areas within the Association Property.

I. - M. BUILDINGS

There will be no buildings owned or maintained by the Association.

N. PLUMBING AND DRAINAGE

1. **Water Supply:** Water will be provided by the Village of Webster public water supply system through watermain extensions for both domestic use and fire fighting purposes. The watermain for The Bluffs is located within the street right-of-way, along the north and/or east side of Sundance Trail. The eight inch (8") diameter ductile iron watermain is owned and maintained by the Village of Webster Water Department.
2. **Fire Protection System:** Fire protection is provided by the Webster Fire Department and there will be six (6) hydrants located along the main at Lots 113, 124, 127, 129, 217 and 222.
3. **Water Pressure and How Maintained:** Water pressure within the water supply system is monitored by the Village of Webster and pressure is maintained by the Village through cross-connects and flow-valve adjustments.

O. - Q. HEATING, AIR CONDITIONING & ELECTRICAL SYSTEMS

The installation of heating, air conditioning and electrical systems for each Home will be the responsibility of each Lot Owner.

CIVIL ENGINEERING • LAND PLANNING • SURVEYING



**COSTICH
ENGINEERING**

R. TELEVISION RECEPTION FACILITIES

Cable television will be available through Time Warner Communications, the area franchisee. No master antenna, satellite dish or other television reception device is proposed for common use.

S. RECREATIONAL FACILITIES

The recreational facilities for residents at The Bluffs can be generally described as boat docking facilities, shoreline access via pathways and a scenic overlook, all located within Association Property. A detailed Report of the boat docking facilities is set forth as Exhibit b to this Report prepared by Frank Sciremammano of F-E-S Associated, 18 Glenhill Drive, Rochester, New York 14618, who designed the facilities.

COSTICH ENGINEERING

Mark R. Costich

Dated: 11:10.95

Mark R. Costich, P.E.

N.Y.S. Licensed Professional Engineer, License No. 065971

F:\JOBS\1726\HOAREP.DOC



CIVIL ENGINEERING • LAND PLANNING • SURVEYING

Charles J. Costich, P.E., L.S., P.C. • 217 Lake Avenue • Rochester, New York 14608 • 716-458-3020 • 716-458-2731 (Fax)

Thomas

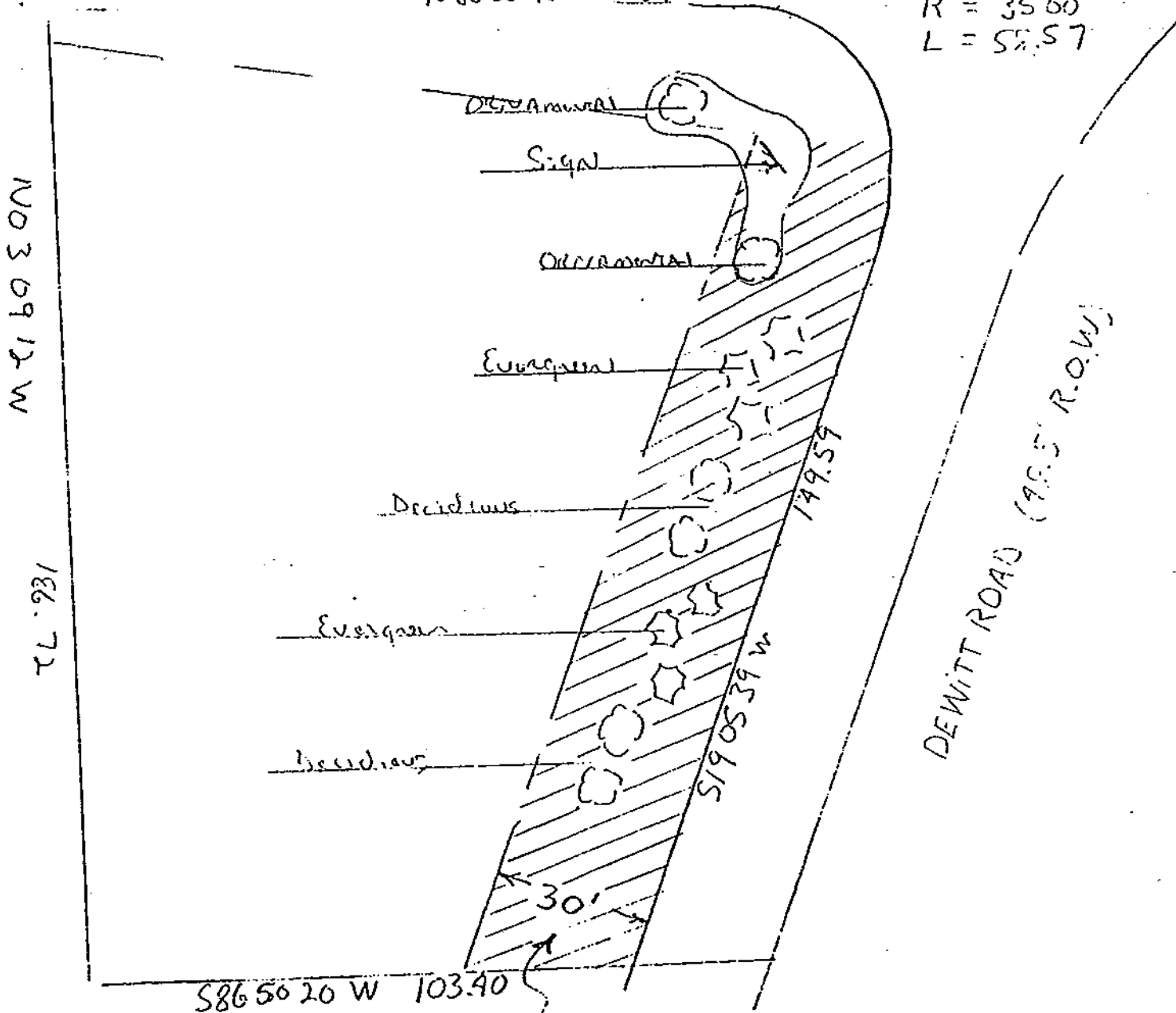
Landscape and Design, Inc.

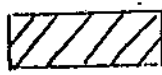


Planting • Maintenance • Lawn Care
 775 RIDGE ROAD • WEBSTER, NEW YORK 14580-2450
 671-8476

N 86° 50' 48" E 127.64'

$\Delta = 11214.51$
 $R = 35.00$
 $L = 57.57$



LANDSCAPE
 EASEMENT 

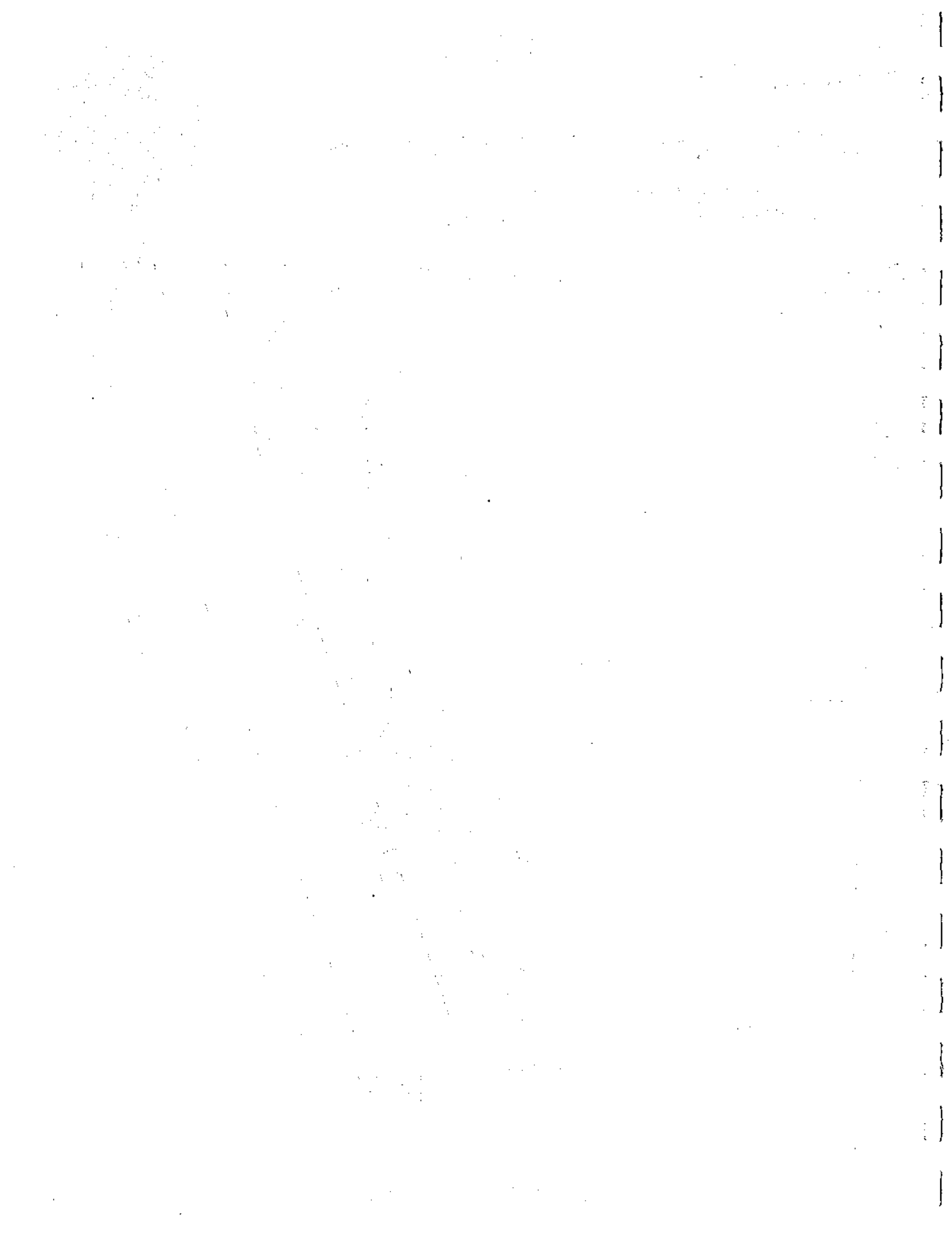


Exhibit B

to

**Description of Association Recreational Property
Boat Docking Facilities**

by

**Frank Sciremammano, Jr., Ph.D., P.E.
F-E-S Associates
18 Glenhill Drive
Rochester, New York 14618**

**New York State Licensed Professional Engineer
New York State License Number 60456**

1911

1912

1913

1914

1915

1916

1917

1918

1919

1920

1921

1922

1923

1924

1925

1926

1927

1928

1929

1930

1931

1932

1933

The Bluffs of Webster, Inc.
 (A Homeowners' Association)
 Town of Webster, County of Monroe, New York 14580

Boat Docking Facilities

The Boat Docking Facilities will consist of forty eight (48) boat slips in four dock sections. A detailed layout is set forth at Page 3 of this Report.

Docks and walkways will be of the floating type, constructed with an aluminum frame and aluminum decking. The dock floats will be foam filled, molded polyethylene and the docks will be secured in place with six inch diameter piles or equivalent as recommended by the dock manufacturer.

The docking system components will consist of main walkways equivalent to the Technomarine model PC180 or TA Dock Systems model TA300 and finger docks equivalent to the Technomarine model PRA600 or the TA Dock Systems model TA3013.

It is planned that the docks will remain in the water over the winter season. Bubblers or "ice-eaters" will be installed to allow the docks to remain in the water over the winter. It is anticipated that eight (8) to ten (10) devices spread over the docking area will be required and that each will be an IceEater model P500 or equivalent equipped with a thermostatic control.

Water front utilities will consist of electric service and fresh water spigots. It is planned that one electric box and one water spigot will be installed along the docks for each four boat slips along with low level dock lighting and lighting for the path to the docks.

There are no annual permits known to be required as of the date of the Report. However, there is a possibility of a lease renewal fee for an OGS (New York State Office of General Services) Permit which, if required, would be expected to be either on a five (5) or ten (10) year basis.

Based upon the above, it is anticipated that Association expenses would be as follows:

Boating Season:	Electricity and Water	\$800.
Winter:	Electricity for IceEaters	\$900.
Annual Maintenance:		\$500.
Reserves for Replacement:	30-year life	\$250,000.

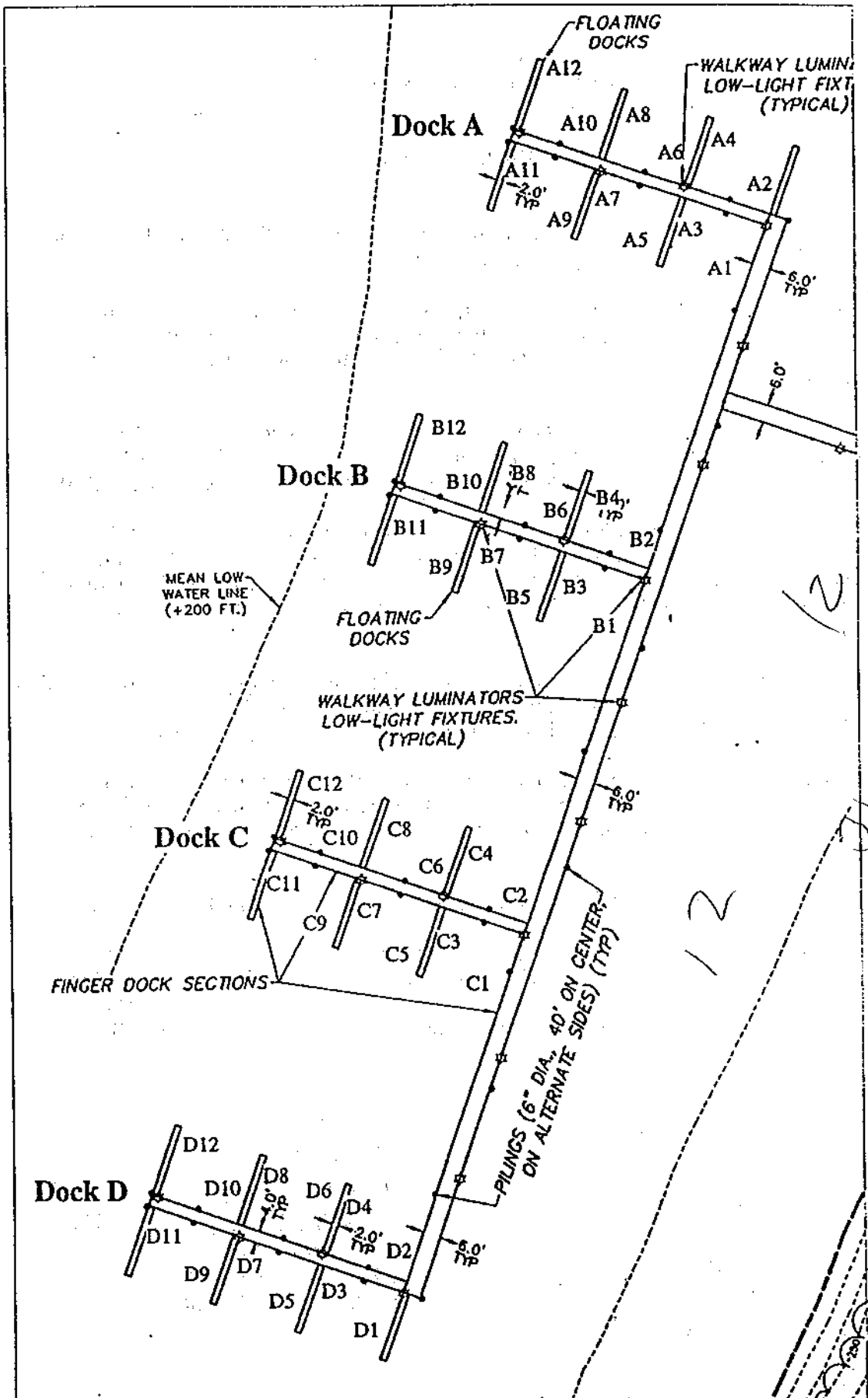
Dated: 4 November 1995



F-E-S Associates

Frank Sciremammano, Jr.
 Frank Sciremammano, Jr., PhD, PE
 New York State Licensed
 Professional Engineer
 NYS PE License #60456

Boat Docking Facilities



CERTIFICATION

SITE PLAN

REFERENCES

WE, CHARLES J. COSTICH, P.E., L.S., P.C., HEREBY CERTIFY THAT THIS MAP WAS MADE FROM THE NOTES OF AN INSTRUMENT SURVEY COMPLETED ON 12-22-92 AND FROM INFORMATION FOUND IN THE REFERENCES LISTED HEREON. NO SEARCH WAS MADE FOR EASEMENTS OR ENCUMBRANCES OTHER THAN THOSE FOUND IN THE REFERENCES.

BY: *Charles J. Costich* DATE: 10-24-95
CHARLES J. COSTICH, N.Y.E., P.E., L.S., P.C. (11787)

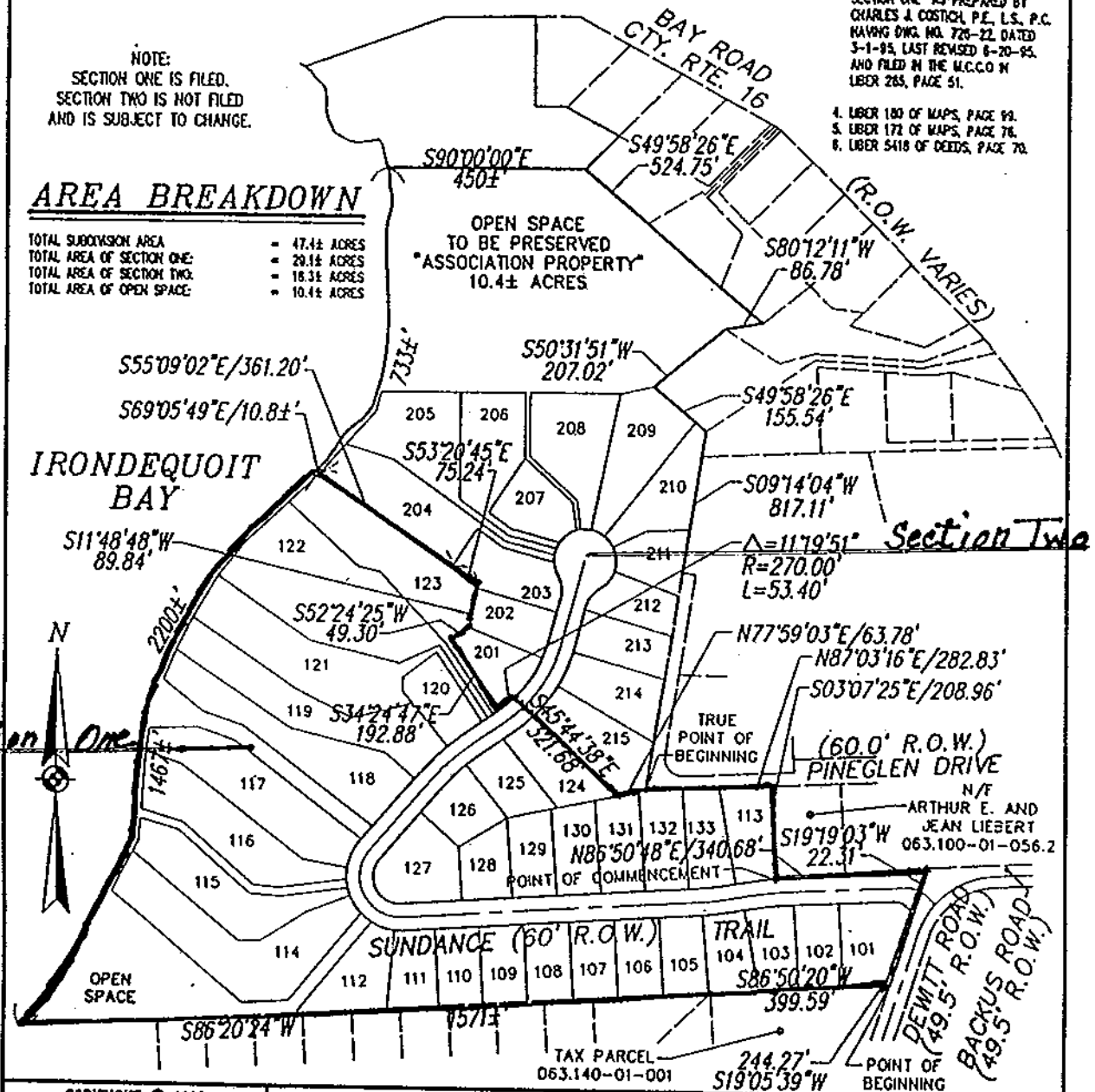
1. MAP ENTITLED "TERRACE VALLEY-THREE LOT SUBDIVISION, PLAT MAP" AS PREPARED BY CHARLES J. COSTICH, P.E., L.S., P.C., HAVING DRAWING NUMBER 726-13, DATED 11-29-93, LAST REVISED 3-16-94, AND FILED IN THE MONROE COUNTY CLERK'S OFFICE IN LIBER 278, PG. 41.
2. BAY ROAD IRONDEQUOIT-WAYNE COUNTY LINE EXT. TO LAKE ROAD, MAP NO. 29, PARCELS NO. 50, 223, LIBER 3815 OF DEEDS, PAGE 97.
3. MAP ENTITLED "THE BLUFFS SUB'D. SECTION ONE" AS PREPARED BY CHARLES J. COSTICH, P.E., L.S., P.C. HAVING DNG. NO. 726-22, DATED 3-1-95, LAST REVISED 6-20-95, AND FILED IN THE M.C.C.O. IN LIBER 285, PAGE 51.
4. LIBER 180 OF MAPS, PAGE 99.
5. LIBER 172 OF MAPS, PAGE 76.
6. LIBER 5418 OF DEEDS, PAGE 70.

NOTE:
SECTION ONE IS FILED.
SECTION TWO IS NOT FILED
AND IS SUBJECT TO CHANGE.

AREA BREAKDOWN

TOTAL SUBDIVISION AREA	= 47.4± ACRES
TOTAL AREA OF SECTION ONE	= 29.1± ACRES
TOTAL AREA OF SECTION TWO	= 18.3± ACRES
TOTAL AREA OF OPEN SPACE	= 10.4± ACRES

OPEN SPACE
TO BE PRESERVED
"ASSOCIATION PROPERTY"
10.4± ACRES



COPYRIGHT © 1995
CHARLES J. COSTICH, P.E., L.S., P.C.

IT IS A VIOLATION OF LAW FOR ANY PERSON, UNLESS ACTING UNDER THE DIRECTION OF A LICENSED PROFESSIONAL ENGINEER, LAND SURVEYOR, ARCHITECT OR LANDSCAPE ARCHITECT, TO ALTER ANY ITEM ON THIS DOCUMENT IN ANY WAY. ANY LICENSEE WHO ALTERS THIS DOCUMENT IS REQUIRED BY LAW TO AFFIX HIS/HER SEAL AND THE NOTATION "ALTERED BY," FOLLOWED BY HIS/HER SIGNATURE AND SPECIFIC DESCRIPTION OF THE ALTERATION, TO THE DOCUMENT.

H:\JOB\726\726ASSOC 10-18-95



MAP SHOWING

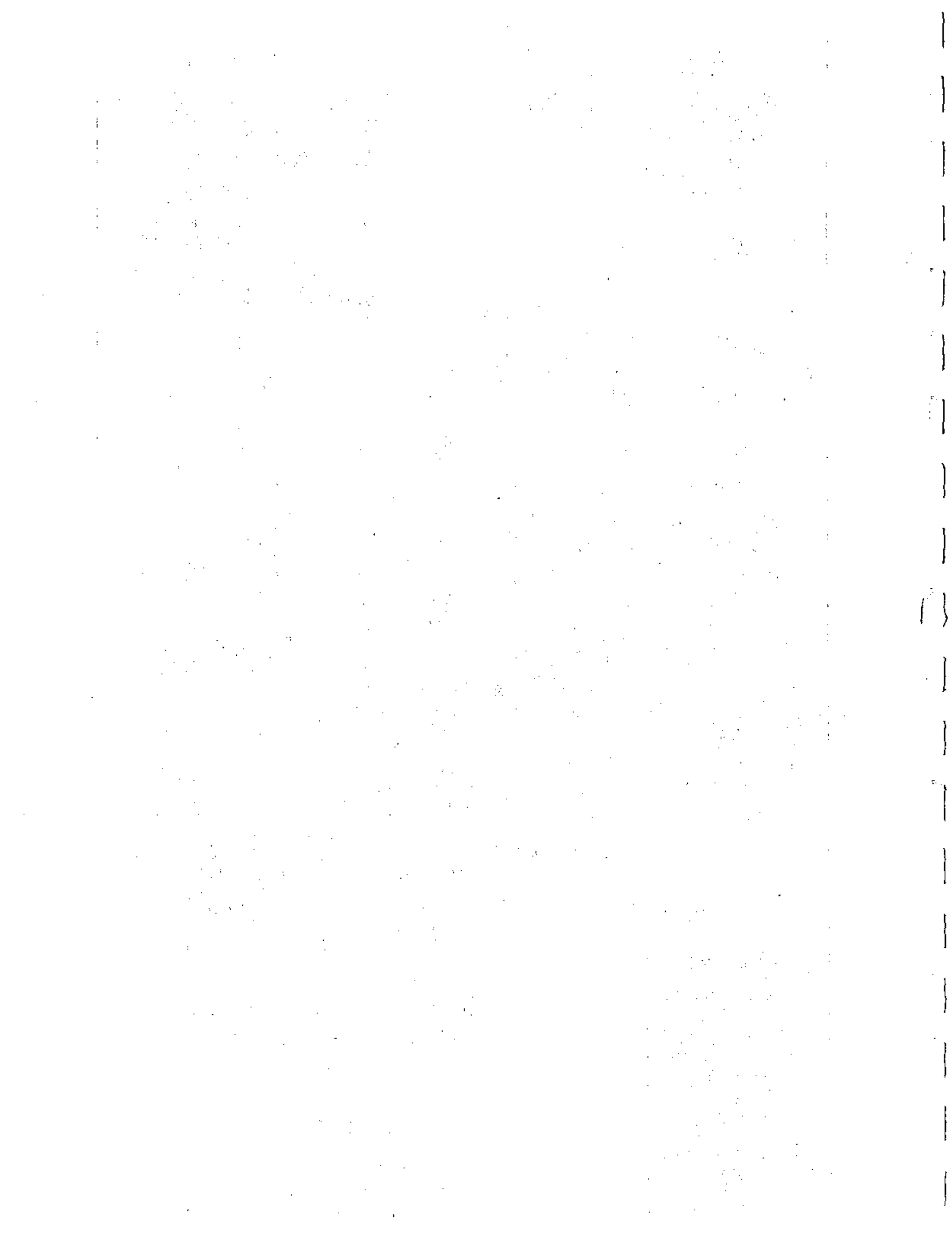
**THE BLUFFS SUBDIVISION
SECTIONS ONE & TWO**

SITUATE IN

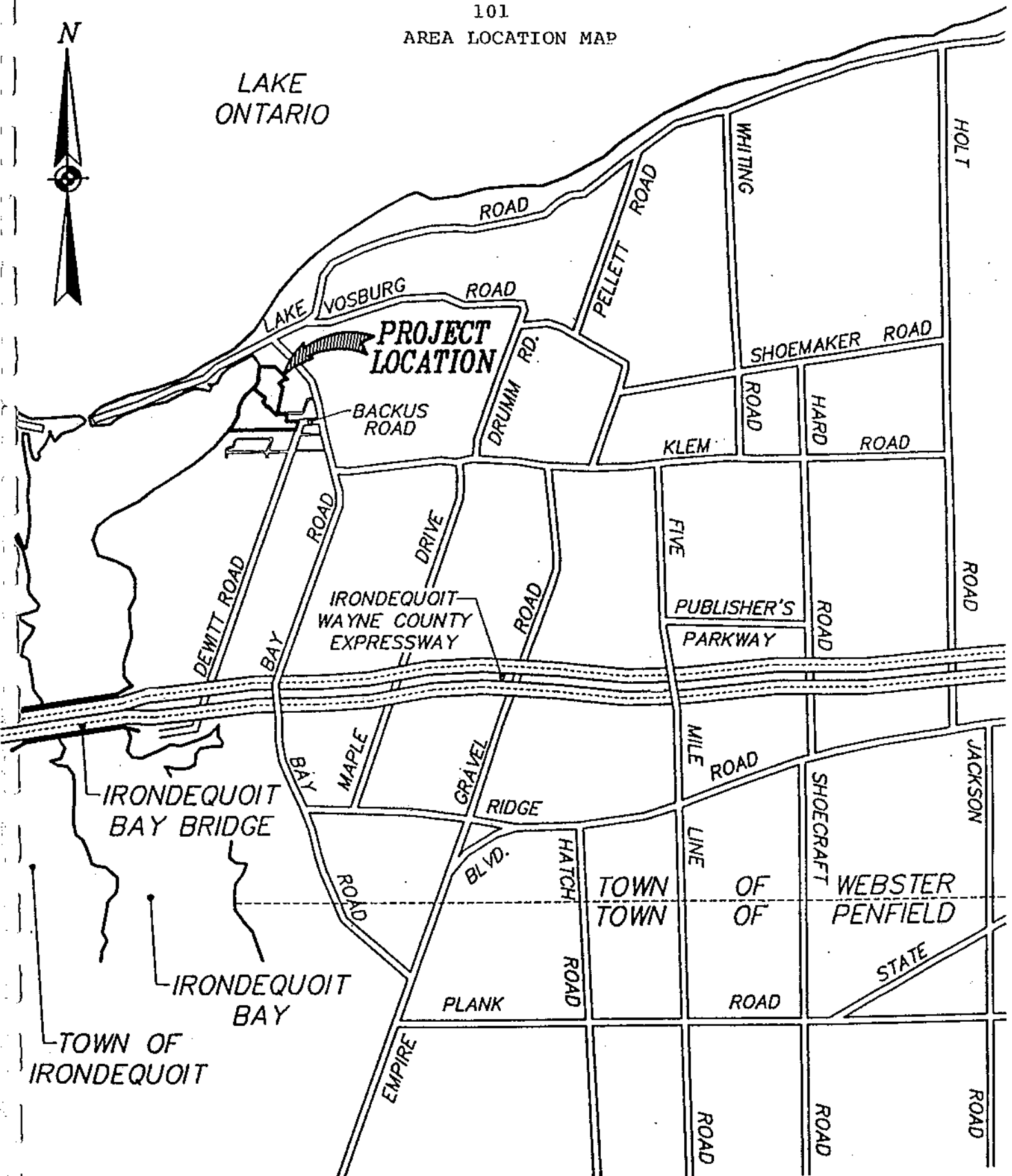
TOWN OF WEBSTER
COUNTY OF MONROE
STATE OF NEW YORK.

PREPARED BY

CHARLES J. COSTICH P.E., L.S., P.C.
217 LAKE AVENUE
ROCHESTER, N.Y. 14608

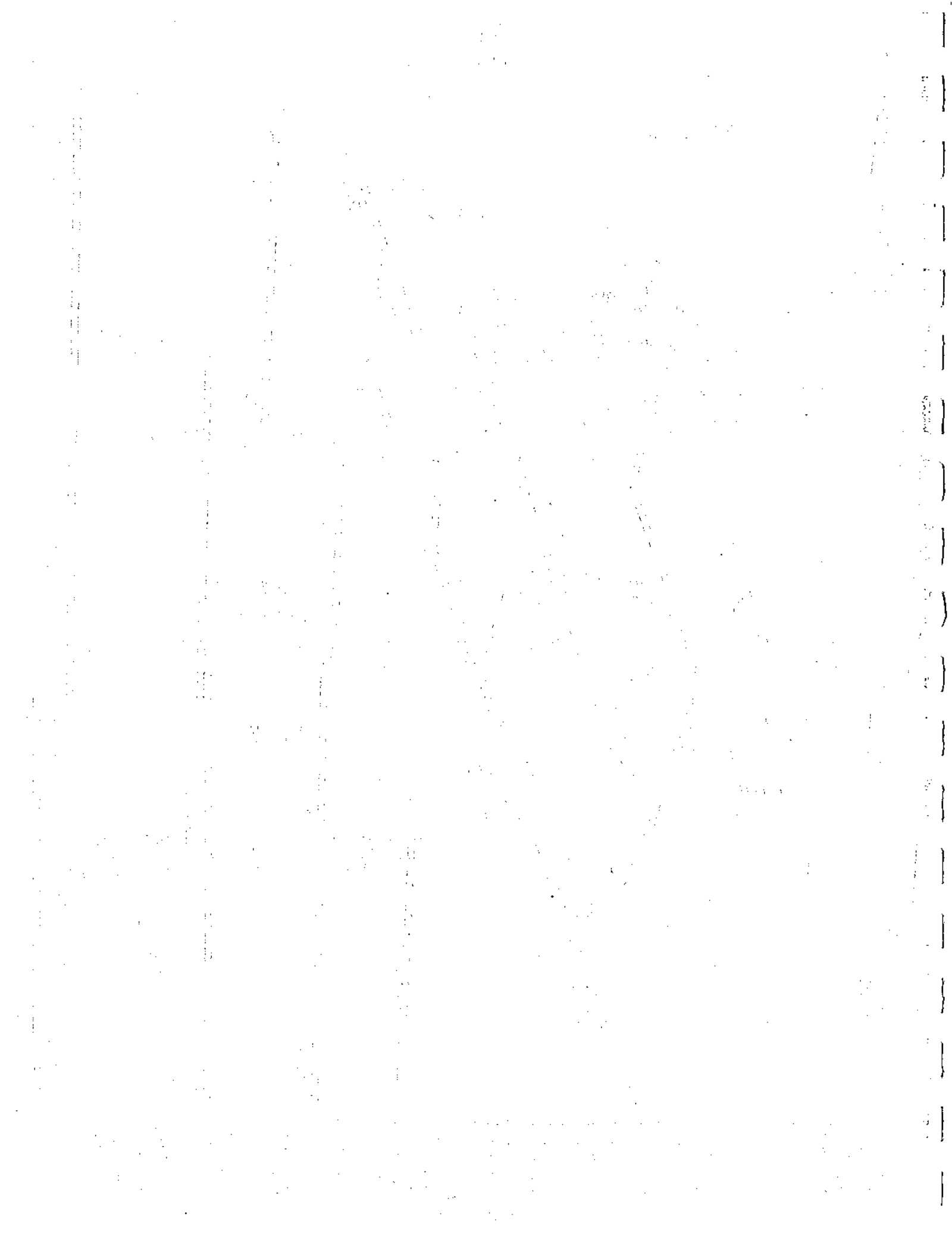


LAKE
ONTARIO



LOCATION SKETCH FOR THE BLUFFS SUBDIVISION - SECTIONS ONE & TWO

NOT TO SCALE



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

of

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

SPONSOR: CASCIANI CONSTRUCTION CO., INC.
850 Lake Road
Webster, New York 14580

DATE OF DECLARATION: _____, 199__

William M. Higgins, Esq.
16 East Main Street
Rochester, New York 14614

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud.

2. The second part of the document outlines the specific requirements for record-keeping, including the need to maintain original documents and to keep copies of all transactions. It also discusses the importance of regular audits and the role of internal controls in ensuring the accuracy of the records.

3. The third part of the document discusses the consequences of failing to maintain accurate records, including the potential for financial loss and the risk of legal action. It also discusses the importance of training staff in proper record-keeping practices and the need for ongoing monitoring and evaluation of the record-keeping process.

4. The fourth part of the document discusses the importance of transparency and accountability in the financial system. It emphasizes that accurate records are essential for the public to have confidence in the system and for the system to be able to provide the services it is intended to provide.

5. The fifth part of the document discusses the importance of the role of the auditor in ensuring the accuracy of the records. It emphasizes that the auditor is responsible for providing an independent and objective assessment of the financial statements and for reporting any irregularities to the appropriate authorities.

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

DECLARATION

TABLE OF CONTENTS

	PAGE
ARTICLE I	DEFINITIONS..... 2
Section 1.01	Definitions..... 2
ARTICLE II	PROPERTY SUBJECT TO THIS DECLARATION..... 5
Section 2.01	Property..... 5
Section 2.02	Additional Property..... 5
Section 2.03	Merger..... 5
ARTICLE III	THE ASSOCIATION STRUCTURE, MEMBERSHIP, VOTING RIGHTS AND DIRECTORS..... 6
Section 3.01	Formation of the Association..... 6
Section 3.02	Membership..... 6
Section 3.03	Holder of Security Interest..... 6
Section 3.04	Sponsor's Written Consent Required..... 7
ARTICLE IV	PROPERTY RIGHTS AND EASEMENTS..... 7
Section 4.01	Dedication of Association Property..... 7
Section 4.02	Association Property Restrictions..... 8
Section 4.03	Right and Easement of Enjoyment in and to Association Property..... 8
Section 4.04	Rights of Association..... 9
Section 4.05	Maintenance of Association Facilities.... 10
Section 4.06	Common Utility and Conduit Easements.... 10
Section 4.07	Environmental Considerations..... 10
Section 4.08	Rights of Sponsor with Respect to Association Property..... 10
Section 4.09	Rights and Easements to Owners..... 11
Section 4.10	Easement Reserved to Sponsor for Benefit of Additional Property..... 12
Section 4.11	Distribution of Condemnation Awards..... 12
ARTICLE V	ASSESSMENTS AND RIGHT OF ASSOCIATION TO BORROW..... 12
Section 5.01	Creation of the Lien..... 12
Section 5.02	Basis for Assessment..... 13
Section 5.03	Purpose of Assessment..... 13
Section 5.04	Date of Commencement and Notice of Assessments..... 14
Section 5.05	Change in the Basis of Assessments..... 14
Section 5.06	Special Assessments for Capital Improvements..... 15
Section 5.07	Special Assessments for Loss Due to Casualty..... 15
Section 5.08	Assessments: Personal Obligation of the Owner and Lien on Home..... 15

TABLE OF CONTENTS

	PAGE
Section 5.09	Foreclosure of Lien for Assessments..... 16
Section 5.10	Notice of Default..... 16
Section 5.11	No Exemption or Waiver of Assessments.... 17
Section 5.12	Grantee to be Liable with Grantor for Unpaid Assessments..... 17
Section 5.13	Exempt Property..... 17
Section 5.14	Right to Maintain Surplus..... 17
Section 5.15	Assessment Certificates..... 18
ARTICLE VI	MAINTENANCE BY THE ASSOCIATION..... 18
Section 6.01	Repairs and Maintenance by the Association..... 18
Section 6.02	Repairs and Maintenance Which Are Not The Responsibility of the Association.... 18
Section 6.03	Quality and Frequency of Maintenance and Repairs..... 19
ARTICLE VII	BUILDING RESTRICTIONS AND GENERAL COVENANTS AND RESTRICTIONS..... 19
Section 7.01	Building Restrictions..... 19
Section 7.02	General Covenants and Restrictions..... 25
ARTICLE VIII	BOAT DOCKS..... 28
Section 8.01	Transfer to the Association..... 28
Section 8.02	Rights of Association..... 28
Section 8.03	Right to the Assigned Dock or Mooring.... 28
Section 8.04	Registration..... 29
Section 8.05	Insurance..... 29
Section 8.06	Lessees' Rights..... 29
Section 8.07	Storage..... 29
ARTICLE IX	ARCHITECTURAL CONTROL..... 29
Section 9.01	Control by Association..... 29
Section 9.02	Submission of Plans..... 29
Section 9.03	Basis for Recommendation of Disapproval of Plans..... 30
Section 9.04	Written Notification of Disapproval..... 30
Section 9.05	Failure of Board of Directors to Act.... 31
Section 9.06	Liability..... 31
Section 9.07	Architectural Compliance Certificate.... 31
Section 9.08	Completion of Work by the Board of Directors..... 31

TABLE OF CONTENTS

	PAGE
ARTICLE X INSURANCE AND RECONSTRUCTION.....	32
Section 10.01 Insurance to be Carried by the Association.....	32
Section 10.02 Restoration or Reconstruction After Fire or Other Casualty.....	35
Section 10.03 Insurance To Be Carried By Owners.....	35
Section 10.04 Actions Which May Increase Insurance Rates Prohibited.....	35
ARTICLE XI DURATION, ENFORCEMENT AND AMENDMENT OF DECLARATION.....	35
Section 11.01 Duration.....	35
Section 11.02 Declaration Runs with the Land; Enforceability.....	36
Section 11.03 No Waiver by Failure to Enforce.....	36
Section 11.04 Obligation and Lien for Cost of Enforcement by Association.....	37
Section 11.05 Default Notices to be Sent to Mortgagees.....	37
Section 11.06 Amending.....	37
Section 11.07 Conflict with Municipal Laws.....	38
Section 11.08 Attorneys' Fees.....	38
Section 11.09 Change of Conditions.....	38
Section 11.10 Inspection and Entry Rights.....	38
Section 11.11 Owner Responsible for Lessee.....	39
ARTICLE XII COMPLIANCE AND ARBITRATION.....	39
Section 12.01 Compliance with Rules of the Association Pursuant to This Declaration and The By-Laws.....	39
ARTICLE XIII GENERAL.....	41
Section 13.01 Headings and Captions.....	41
Section 13.02 Invalidity of Declaration.....	41
Section 13.03 Gender.....	41
Section 13.04 Right Reserved to Impose Additional Protective Covenants.....	41
Section 13.05 Notice.....	42
Section 13.06 Right of Association to Transfer Interest	42
Section 13.07 Right of Association to Transfer Functions.....	42
Section 13.08 Right of a First Mortgagee to Make Payment of Charges.....	43

TABLE OF CONTENTS

	PAGE
SCHEDULE A	LIENS, ENCUMBRANCES AND OTHER TITLE EXCEPTIONS 44
SCHEDULE B	DESCRIPTION OF ENTIRE SITE..... 46
SCHEDULE C	DESCRIPTION OF SECTION I PROPERTY..... 47
SCHEDULE D	DESCRIPTION OF SECTION II PROPERTY..... 48
SCHEDULE E	DESCRIPTION OF ASSOCIATION PROPERTY..... 50
SCHEDULE F	DESCRIPTION OF SECTION I ROADWAY TO BE CONVEYED TO THE TOWN OF WEBSTER..... 53
SCHEDULE G	DESCRIPTION OF SECTION II ROADWAY TO BE CONVEYED TO THE TOWN OF WEBSTER..... 55
SCHEDULE H-1	DESCRIPTION OF EASEMENT TO THE TOWN OF WEBSTER FOR TEMPORARY TURNAROUND PURPOSES..... 56
SCHEDULE H-2	DESCRIPTION OF EASEMENT TO THE TOWN OF WEBSTER FOR SANITARY SEWER PURPOSES..... 57
SCHEDULE H-3	DESCRIPTION OF EASEMENTS TO THE TOWN OF WEBSTER FOR SANITARY SEWER PURPOSES..... 58
SCHEDULE H-4	DESCRIPTION OF EASEMENTS TO THE TOWN OF WEBSTER FOR WATERMAIN PURPOSES..... 60
SCHEDULE H-5	DESCRIPTION OF EASEMENTS TO THE TOWN OF WEBSTER FOR WATERMAIN PURPOSES-SECTION ONE..... 61
SCHEDULE I	DESCRIPTIONS OF COMMON ACCESS AND UTILITY EASEMENTS..... 62
SCHEDULE J	DESCRIPTION OF 15-FOOT WIDE EASEMENT TO OWNER OF LOT NO. 117 FOR SANITARY LATERAL PURPOSES.. 64
SCHEDULE K	NEIGHBORING PROPERTY OWNERS' AGREEMENT..... 65
SCHEDULE L-1	EASEMENT AND MAINTENANCE AGREEMENT FOR SHARED DRIVEWAY FOR LOTS 121, 122 AND 123..... 70
SCHEDULE L-2	EASEMENT AND MAINTENANCE AGREEMENT FOR SHARED DRIVEWAY FOR LOTS 204, 205 AND 206..... 74
SCHEDULE L-3	EASEMENT AND MAINTENANCE AGREEMENT FOR SHARED DRIVEWAY FOR LOTS 208 AND 209..... 78

DECLARATION
of
PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS
of
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

THIS DECLARATION, made this ____ day of _____, 199____, by Casciani Construction Co., Inc., a New York corporation, having an office at 850 Lake Road, Webster, New York 14580, being referred to hereinafter as the "Sponsor".

WITNESSETH

WHEREAS, the Sponsor is the owner of the property located in the Town of Webster, County of Monroe, New York described in Article II of this Declaration which the Sponsor intends to develop into a residential community known as The Bluffs of Webster, Inc. (A Homeowners' Association), consisting of approximately 47.4± acres of land upon which will be developed not more than forty eight (48) single-family Homes and other common facilities, including boat docks if approved, for the benefit of said community; and

WHEREAS, Section I, as described in Article II of this Declaration, will consist of thirty three (33) single family Homes on approximately 29.1± acres of land and common areas totalling approximately 10.4± acres will be Association Property; and

WHEREAS, the Sponsor desires that the amenities of the lands described be available for use by the residents of The Bluffs of Webster; and

WHEREAS, the Sponsor desires to provide for the maintenance, repair and replacement of the Association facilities and Property, and to this end desires to subject the Property described in Schedule B to this Declaration of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens ("Declaration") hereinafter set forth, each and all of which is and are for the benefit of said Property and each Owner or occupants of Homes thereof, and to provide for the future subjection of such other areas as may not be initially developed, to such Declaration; and

WHEREAS, the Sponsor has deemed it desirable, for the maintenance, repair and replacement of the facilities, amenities and Property of such Association, to create an agency to which should be delegated and assigned the powers of: (i) maintaining and administering the Property and facilities, including the boat docks, if approved; (ii) administering and enforcing this Declaration and (iii) collecting and disbursing the Assessments and charges hereinafter created; and

WHEREAS, on August 28, 1995 The Bluffs of Webster, Inc. (A Homeowners' Association) was formed under the Not-for-Profit Corporation Law of the State of New York for the purpose of exercising the aforesaid functions.

NOW, THEREFORE, the Sponsor, for itself, its successors and assigns, declares that the real property described in Article II hereof is and shall be held, transferred, sold, conveyed and occupied, subject to this Declaration.

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. The following words, when capitalized and used in this Declaration, the By-Laws, the Rules and Regulations, the Offering Plan or in any instrument supplemental to this Declaration, the By-Laws, the Rules and Regulations, or the Offering Plan, shall, unless the context otherwise prohibits, have the following meanings:

- a. **Assessments:** Charges for the maintenance and operation of Association Property and the boat docks if approved, including Maintenance Assessments, Special Assessments for capital improvements, Special Assessments for Loss Due to Casualty and any other charges deemed to be Assessments pursuant to this Declaration and the By-Laws.
- b. **Association:** The Bluffs of Webster, Inc. (A Homeowners' Association).
- c. **Association Property:** All land and improvements up to the Lot lines and/or dedicated road boundaries, the boat docks if approved, improvements and other facilities and properties, personal or mixed, heretofore and hereafter owned by The Bluffs of Webster, Inc. (A Homeowners' Association) and sometimes referred to as "the Property".
- d. **Authorized Votes:** There shall be only one vote for each Voting Owner regardless of the number of Homes and/or Lots owned by such Owner, including the Sponsor.

- e. **Authorized Voting Owner or Member:** The Owner of a Home. In the event a Home is owned by more than one person, the Authorized Voting Owner shall be the person named in a certificate signed by all Owners of such Home and filed with the Secretary of the Board of Directors. If such certificate is not on file, the person or entity first named on the deed by which title is obtained shall be the person considered the Authorized Voting Owner.
- f. **Board of Directors or the Board:** The Board of Directors elected by the Members and/or appointed by the Sponsor (subject to initial control by the Sponsor) to administer the affairs of the Association.
- g. **Book of Mortgagees:** ^{owners} Record of Mortgagees as reported by the Sponsor or the Sponsor's closing attorney to the Board of Directors at the time of each closing, or upon a resale of a Home by an Owner, as may be reported by the Purchaser of such Home at time of taking title. The Secretary of the Board of Directors shall be responsible for maintaining the Book of Mortgagees. Every First Mortgagee shall have the right, upon written notification to the Secretary, to have its name and address, as set forth in such notification, entered into the Book of Mortgagees.
- h. **By-Laws:** The By-Laws of the Association set forth in Part II of the Offering Plan, as the same may be supplemented, extended or amended from time to time.
- i. **Declaration:** This document of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens of The Bluffs of Webster, Inc. (A Homeowners' Association) as it may, from time to time, be supplemented, extended or amended in the manner provided for herein.
- j. **First Mortgage:** The first mortgage granted by an Owner of a Home to a bank, federal savings and loan association, life insurance company, pension fund, trust company or other institutional lender, licensed mortgage banker or broker, an individual or the Sponsor.
- k. **First Mortgagee:** The original first mortgagee, its representatives, assigns or other holder of a First Mortgage on a Home.
- l. **Grantee.** The Purchaser of a Home.
- m. **Grantor.** The Seller of a Home.

- n. **Home:** Each completed Home situated upon the Lot (as evidenced by issuance of a Certificate of Occupancy issued by the Town of Webster) including the garage appurtenant to such Home, if there be one. Unless the context clearly indicates otherwise, the term "Home" shall be deemed to include the term "Lot".
- o. **Lot:** Any portion of the Property (with the exception of the Association Property) under the scope of this Declaration, as shown on the "as built" subdivision map filed, or to be filed, with the Monroe County Clerk and identified as a separate parcel on the tax records of the Town of Webster. Unless the context clearly indicates otherwise, the term "Lot" is included in the term "Home".
- p. **Member:** Each holder of a membership interest in the Association, as such interests are set forth in Article III of this Declaration.
- q. **Mortgagee:** Any mortgagee, its representatives, assigns, servicing agent or other holder of a mortgage on a Home.
- r. **Offering Plan:** The Offering Plan filed with the New York State Department of Law relating to The Bluffs of Webster, Inc. (A Homeowners' Association).
- s. **Owner:** The holder of record title, whether one (1) or more persons or entities, of fee simple title to any Home subject to this Declaration, whether or not such a holder actually resides in such Home and shall include the Sponsor with respect to any Unsold Lot and/or Home.
- t. **Property:** All properties as are subject to this Declaration which may be supplemented, extended or amended.
- u. **Purchaser:** A person who has executed a Purchase Agreement, which has also been executed by the Sponsor.
- v. **Rules and Regulations:** The Rules and Regulations of the Association governing the use and care of the Property as may be set forth in this Declaration, the By-Laws or promulgated from time to time by the Board of Directors.
- w. **Sponsor:** Casciani Construction Co., Inc., a New York corporation, its successors and assigns.
- x. **Subdivision Map:** The Subdivision Map as filed in the office of the Monroe County Clerk.

- y. **Transfer of Control Date:** The date on which: (i) the Sponsor has transferred title to all forty eight (48) Homes; or (ii) ten (10) years from transfer of title to the first Home, whichever first occurs.
- z. **Unsold Home:** Any Home to which title has not transferred from the Sponsor or its designee, to a Purchaser, other than a Home purchased by and for the use of any affiliate of the Sponsor or held by the Sponsor for personal use or investment.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Section 2.01. Property. The real property to be held, transferred, sold, conveyed by deed and occupied subject to this Declaration is located in the Town of Webster, County of Monroe and State of New York, is more particularly described as Section I in Schedule C hereto and shall include thirty three (33) Homes, boat docks if approved and the open spaces within Section I.

Section 2.02. Additional Property. The Sponsor may extend this Declaration to all or any portion of the land approved for development or subject to approval for development as described in Schedule B of this Declaration, up to a maximum of forty eight (48) Homes, including the boat docks if approved, open spaces and other facilities without obtaining the approval of the Owners, by filing an amendment to this Declaration with the New York State Department of Law and recording a Supplemental Declaration in the office of the Monroe County Clerk bringing such land under the scope of this Declaration. A copy of such amendment shall also be served on all Owners and Purchasers by prepaid first class mail.

The provisions of this Section 2.02 may not be amended without the prior written consent of the Sponsor until the Sponsor has brought Section II under the scope of the Declaration and transfer of control has occurred.

2.03. Merger. Upon a merger or consolidation of the Association with another association as provided in the Association's Certificate of Incorporation, this Declaration, By-Laws, or New York State Law, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association, may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving or consolidated association and may administer the Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens established by this Declaration within

the Property, together with the Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens established upon any other properties. No such merger or consolidation, however, shall effect any revocation, change or addition to the Restrictive Covenants, Conditions, Restrictions, Easements, Charges and Liens established by this Declaration with the Property, except as hereinafter provided.

ARTICLE III

THE ASSOCIATION

STRUCTURE, MEMBERSHIP, VOTING RIGHTS AND DIRECTORS

Section 3.01. Formation of the Association. Pursuant to the Not-for-Profit Corporation Law of the State of New York, the Sponsor, on August 28, 1995, formed The Bluffs of Webster, Inc. (A Homeowners' Association) to own, operate and maintain the Association facilities and Property and the boat docks if approved, manage the affairs of the Association, enforce this Declaration and to have such other specific rights, obligations, duties and functions as are set forth in this Declaration, the Certificate of Incorporation and the By-Laws of the Association, as such may be supplemented, extended or amended from time to time. Subject to the additional limitations provided in this Declaration, the Certificate of Incorporation and the By-Laws, the Association shall have all the powers and be subject to the limitations of a not-for-profit corporation as contained in the New York State Not-for-Profit Corporation Law as the same may be amended from time to time.

Section 3.02. Membership. Except as provided in Section 3.03 and 3.04 herein, the Association shall have as Members only Owners of Homes within the property as described in Schedule B of this Declaration. All Owners shall, upon becoming such, be deemed automatically to have become Members and there shall be no other qualification for membership. Membership shall be appurtenant to, and shall not be separated from, the ownership of any of the interests described in the definition of the word "Owner" as found in Article I of this Declaration. Ownership of such Home shall be the sole qualification for membership.

Section 3.03. Holder of Security Interest. Any person or entity which holds an interest in a Home merely as security for the performance of an obligation shall not be a Member and shall have no voting rights.

Section 3.04. Sponsor's Written Consent Necessary for Certain Actions Taken by Board of Directors.

- a. Notwithstanding anything to the contrary contained in this Declaration, until the Transfer of Control Date, the Board of Directors may not, without the Sponsor's prior written consent, except for necessary alterations, additions or improvements required by law or by any government agency or Board of Fire Underwriters: (i) make any addition, alteration or improvement to Association Property; (ii) assess any amount for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund in excess of the amount provided for in the initial budget, except for such improvements not in existence or owned at the time of the initial budget; (iii) hire any employee in addition to the employees, if any, provided for in the initial budget of the Association; (iv) enter into any service or maintenance contract for work not provided for in the initial budget, except for the maintenance of an improvement not in existence or owned by the Association at the time of the recording of this Declaration; (v) borrow money on behalf of the Association; or (vi) reduce the quantity or quality of the services or maintenance of the Property.
- b. This Section shall not be amended without the prior written consent of the Sponsor until the Transfer of Control Date.

ARTICLE IV

PROPERTY RIGHTS AND EASEMENTS

Section 4.01. Dedication of Association Property.

- a. Subsequent to the recordation of this Declaration, and at or prior to the conveyance of title to the first Home, the Sponsor shall record the deed to the Association Property within Section I in the office of the Monroe County Clerk for the use and enjoyment of the Owners, their guests, lessees, licensees and invitees.
- b. The Association must accept any such conveyance made by the Sponsor provided such conveyance is made without consideration. No portion of the Association Property shall be subject to the rights and easements of enjoyment and privileges hereinafter granted unless and until the same shall have been conveyed to the Association by deed and such deed recorded in the office of the Monroe County Clerk.

- c. As future Sections are developed, subsequent to the recording of the Supplemental Declaration, and at or prior to the conveyance of the first Home in each Section, the Sponsor will record, in the office of the Monroe County Clerk, a deed to the Association Property, conveying such Property, without consideration, for the use and enjoyment of all Owners, their guests, lessees, licensees and invitees.
- d. In the event the Sponsor has not received approvals for the boat docks at the time of the first closing, if and when approvals are received the Sponsor will convey the boat docks to the Association and record such conveyance in the office of the Monroe County Clerk, without consideration.

Section 4.02. Association Property Restrictions. In accordance with an Agreement entered into by the Sponsor with neighboring property owners, the parcel of Association Property adjoining the southerly boundary of Lot No. 114 shall remain "open space" and no dwelling or other structure shall be permitted to be erected on such parcel and the use of motorized vehicles, except for golf carts, shall be prohibited. Further, there shall be no improvements on said parcel with the exception of a pathway which will be surfaced with wood chips and shall not extend bayward of the coastal erosion line as shown on the site map on file in the office of the Monroe County Clerk. A copy of the aforementioned Agreement is made a part of this Declaration as Schedule H.

Section 4.03. Right and Easement of Enjoyment in and to Association Property.

- a. Every Owner and such Owner's guests, licensees, lessees and invitees shall have a right and easement of enjoyment in and to all Association Property. Such easements shall be appurtenant to and shall pass with the interests of an Owner. Such rights, easements and privileges shall be subject, however, to the rights of the Association as set forth in Section 4.04 herein and the rights of the Sponsor as set forth in Section 4.08 and the rights of Owners as set forth in Section 4.09 herein.
- b. The Association Property shall not be altered in any way and nothing shall be constructed or removed (other than debris) from the Property without prior submission of plans to the Architectural Committee and consent of the Board of Directors in accordance with Article IX of this Declaration.

Section 4.04. Rights of Association. With respect to the Property, and in accordance with the Certificate of Incorporation, this Declaration and the By-Laws, the Board of Directors shall have the right:

- a. To grant easements or rights of way to any public or private utility corporation, governmental agency or political subdivision, or cable television franchisee with or without consideration.
- b. Except as set forth in Section 4.04 (a) above, to dedicate or transfer all or any part of the fee title to the land which it owns for such purposes and subject to such conditions as may be agreed to by the Association and the transferee, subject to the following:
 - (1) such a conveyance shall require the consent of Owners by an affirmative vote of sixty-seven percent (67%) of Authorized Votes, other than the Sponsor, at a regular or special meeting of Owners; and
 - (2) any conveyance by the Association prior to the transfer of title to all Homes by the Sponsor, shall also require the prior written approval of the Sponsor unless the Sponsor waives such right in a written agreement recorded in the office of the Monroe County Clerk.
- c. To borrow funds, and in conjunction therewith, mortgage its properties. Such mortgage, however, shall be subject to any and all prior easements set forth herein and/or which may be of record. The amount, terms, or rate of all borrowing and the provisions of all agreements with note holders shall be determined by the Board of Directors, acting in its absolute discretion, subject only to the ability of the Association to repay such borrowed funds from Assessments.
- d. Except as may be prohibited by law, the Certificate of Incorporation, this Declaration or the By-Laws, to contract with any person for the performance of its management and other duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management agreements with trusts, condominiums, cooperatives or other homeowners' associations, both within and without the Property.

Until the Transfer of Control Date, the Board of Directors may not exercise such rights as those set forth in this Section 4.04 without the prior written consent of the Sponsor.

Section 4.05. Maintenance of Association Facilities. In order to preserve and enhance values the amenities of the Property, the Association shall, at all times, maintain and keep the Property and all other facilities of the Association in good repair.

Section 4.06. Common Utility and Conduit Easement. All pipes, wires, conduits and public utility lines and cable television lines located within a Lot and/or Home and serving only such Lot and/or Home shall be owned, maintained, repaired and replaced by the Owner of such Lot and/or Home.

Section 4.07. Environmental Considerations. In carrying out its responsibilities to enforce the provisions of this Declaration and the By-Laws, the Association shall consider the environmental impact of any existing or proposed activities on the Property or any portion thereof and may, in its discretion, establish standards or guidelines aimed at reducing or eliminating any activities which could have an adverse environmental impact or take affirmative action to improve the quality of the environment, and shall comply with all applicable laws, rules and regulations. Prior to Transfer of Control, no such standards or guidelines shall be established with prior written consent of the Sponsor.

Section 4.08. Rights of Sponsor With Respect to Association Property.

- a. With respect to the Property, the Sponsor shall have the right, until the completion of construction and the marketing and sale of all Homes, provided the rights of the Owners are not substantially and materially restricted (except for temporary inconvenience), to:
- (1) connect with and make use of the utility lines, wires, pipes, conduits and related facilities located on the Property for the benefit of any property set forth in Schedules B hereof and/or as shown on the Site Plan as a part of the total proposed development.
 - (2) use the Property for ingress and egress for construction purposes and for the storage of building materials;
 - (3) operate a sales center and/or permit the sales agent to operate a sales center and maintain model Homes, to have prospective purchasers and others visit such sales center and model Homes and use other portions of the Property;
 - (4) maintain a construction office on the Property;

- (5) determine the grading, elevation and design of any Home to suit an individual Purchaser, change the configuration to include a different type of Home providing the Home remains compatible with existing Homes and to change the location within the site of any Home, if the grade and/or contour of the land so requires; and
- (6) grant to itself or to others such easements and rights-of-way as may be reasonably needed for the orderly development of the property set forth in Schedules B of this Declaration.

The easements, rights-of-way and other rights reserved herein shall be permanent, shall run with the land and shall be binding upon, and for the benefit of, the Association, the Sponsor and their successors and assigns.

- b. With respect to its exercise of the above rights, the Sponsor agrees: (i) to repair any damages resulting from construction within a reasonable time after the completion of development or when such rights are no longer needed by the Sponsor, whichever first occurs; and (ii) until development has been completed, to hold the Association harmless from all liabilities which are directly caused by the Sponsor's exercise of its rights hereunder.
- c. Until Transfer of Control Date, this Section 4.08 shall not be amended without prior written consent of the Sponsor.

Section 4.09 Rights and Easements to Owners.

- a. Every Owner shall have a pedestrian easement for ingress and egress over and to all Association Property. These easements will be subject to the rights of the Association as set forth in Section 4.04 herein, provided, however, that a conveyance or encumbrance referred to in Section 4.04 and Section 4.08 hereof shall be subject to said easement for ingress and egress of each Owner, each Owner's family members, guests, lessees, licensees and invitees.
- b. The Association Property shall not be altered in any way and nothing shall be constructed on or removed (other than debris) from the Property without prior submission of plans to, and written consent of, the Board of Directors in accordance with Article IX of this Declaration.

Section 4.10 Easement Reserved to Sponsor for Benefit of Additional Property. The Sponsor reserves the right to grant easements as may be required in the course of development.

Section 4.11 Distribution of Condemnation Awards. In the event all or part of the Association Property is taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Association. The Board of Directors of the Association shall arrange for the repair and restoration of such Association Property and shall disburse the proceeds of such award to the respective contractors. If there shall be a surplus of such proceeds, or if the Board of Directors shall elect not to repair or restore the Association Property, then the proceeds shall be distributed in the same manner as insurance proceeds, in accordance with Article X of this Declaration.

The Board of Directors shall promptly send written notice of any pending condemnation or eminent domain proceedings to all Mortgagees whose names appear in the Book of Mortgagees of the Association.

In the event of any dispute with respect to the allocation of the surplus of such proceeds of such award, the matter shall be submitted to arbitration in accordance with the arbitration statutes of the State of New York.

ARTICLE V

ASSESSMENTS AND RIGHT OF ASSOCIATION TO BORROW

Section 5.01. Creation of the Lien. The Sponsor, for each Lot and/or Home owned by it within the Property, hereby covenants and agrees, and each Owner of any Home, by acceptance of a deed therefor, whether or not it shall be expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association:

- a. Annual Assessments for the maintenance and operation of the Property; and
- b. Special assessments for capital improvements ("Special Assessments").
- c. Special Assessments for loss due to casualty ("Special Assessments").

The Maintenance Assessments and the Special Assessments are together hereinafter referred to as "Assessments".

The Assessments shall be fixed, established and collected from time to time as hereinafter provided. Except to the extent prohibited by law, the Board of Directors, on behalf of all Owners, shall have a lien on each Home for unpaid Assessments, with interest thereon, assessed against such Home.

Section 5.02. Basis for Assessments. The Association's Board of Directors shall, from time to time, but at least annually, fix and determine the budget for the continued operation of the Association and shall send a copy of the budget and any supplement to the budget to each Owner at least thirty (30) days prior to assessing the Owners thereon. The Board shall determine the total amount required, including the operational items such as insurance, repairs, reserves, maintenance, the boat docks if and when approved, and other operating expenses, as well as charges to cover any deficits from prior years and capital improvements approved by the Board.

The total annual requirements and any supplemental requirements shall be allocated among, assessed to, and paid by the Owners. Each Owner shall pay an equal share of the expenses based on the number of Homes subject to this Declaration. After Association Assessments have been levied on one or more Owners who have closed title to their Homes, the Sponsor will be obligated for Assessments for Unsold Lots and/or Homes which shall be no greater than an amount equal to the difference between the actual expenses, including insurance and reserves, applicable to completed improvements as provided for in the Association's budget and the Association charges levied on Owners who have closed title to their Homes as projected in the Association's budget. Notwithstanding the foregoing, the Sponsor shall be responsible for insurance and reserves for the Association Property for each Unsold Lot and/or Home. The sum due the Association from each Owner shall constitute an Assessment by the Board of Directors.

Section 5.03. Purpose of Assessments. The purpose of the Maintenance Assessments shall be to fund the insurance, maintenance, repair, replacement and improvement of the Association Property, facilities, boat docking system if and when approved and all other expenses of the Association, including, but not necessarily limited to:

- a. The payment of taxes on the Association Property, if any;
- b. Any utility services to the Property which are commonly metered or billed;
- c. All hazard, liability and other insurance obtained pursuant to Article X of this Declaration covering the Property and the Association's officers and directors, and employees, if any;

- d. The facilities included in Section 6.01 hereof;
- e. Accounting and record keeping of all Association financial transactions, including, but not limited to annual financial statements, New York State franchise taxes and federal income taxes and the filing of the respective annual tax returns;
- f. Legal, architectural, engineering, management and other professional fees and disbursements;
- g. OGS (Office of Government Services) lease, if required.
- h. Such other expenses of the Association which the Board of Directors deems appropriate or desirable.

Section 5.04. Date of Commencement and Notice of Assessments.

The Assessments provided for herein shall commence on the day on which the first Home is conveyed by the Sponsor to the initial Purchaser, or such other date as may be determined by the Sponsor. Each Owner shall be notified by the Sponsor in writing at least ten (10) days prior to the commencement of Assessments, if such date other than the day of the first conveyance.

Section 5.05. Change in the Basis of Assessments.

- a. The Association may change the basis of determining the Maintenance Assessments by obtaining the consent of Owners by an affirmative vote of not less than sixty-seven percent (67%) of Authorized Votes at a regular or special meeting of Owners, excluding those of the Sponsor, except that until the Transfer of Control Date, any change in the basis of Assessments which adversely affects a substantial interest or right of the Sponsor with respect to Unsold Lots and/or Homes shall require the specific prior written consent of the Sponsor, which consent shall not be unreasonably withheld.

Written notice shall be sent at least ten (10) and not more than fifty (50) days in advance of the date or initial date set for voting thereon to all Owners. A written certification of any such change shall be executed by the Board of Directors and recorded in the office of the Monroe County Clerk.

- b. Any change in the basis of Assessments shall be equitable and nondiscriminatory.

Section 5.06. Special Assessments for Capital Improvements.

In addition to the annual Maintenance Assessment, the Association may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any capital improvements, including without limitation, the construction, reconstruction, replacement or repair of a capital nature to the Property, including the necessary fixtures and personal property related thereto. Any Special Assessment for the construction (rather than reconstruction or replacement) of any capital improvement, or for any Special Assessment amounting to more than twenty-five percent (25%) of the then current amount of annual Maintenance Assessments (excluding the Assessments for legal, accounting, management, insurance and reserves), the consent of Owners shall be evidenced by an affirmative vote of sixty seven percent (67%) of the Authorized Votes cast in person, by mail (absentee ballot) or by proxy at a regular or special meeting duly called for this purpose, except as otherwise provided in Section 5.07 hereof. Written notice of such meeting shall be sent to all Owners at least ten (10) days and not more than fifty (50) days in advance, setting forth the purpose of the meeting. The Association shall establish one (1) or more due dates for each payment or partial payment of each Special Assessment and shall notify each Owner thereof, in writing, at least thirty (30) days prior to the first such due date. Until Transfer of Control Date the Association may not levy any Special Assessments or make any capital improvements without prior written consent of the Sponsor.

Section 5.07. Special Assessments for Loss Due to Casualty.

In addition to the annual Maintenance Assessment, the Association may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of a budget deficit, including without limitation, the construction, reconstruction, replacement or repair of Association Property, including the necessary fixtures and personal property related thereto resulting from a casualty caused by nature, such as an ice storm or extraordinary snow or rain storm. Any such Special Assessment shall not require the consent of Owners. The Association shall establish one (1) or more due dates for each payment or partial payment of such Special Assessment and shall notify each Owner thereof, in writing, at least thirty (30) days prior to the first such due date.

Section 5.08. Assessments: Personal Obligation of the Owner and Lien on Home. The Assessments shall be paid when due. All sums assessed by the Board of Directors, but unpaid, together with any accelerated installments, late charges, fees for violations of Rules and Regulations and interest thereon at such rate as may be fixed by the Board of Directors from time to time (such rate not to exceed the maximum rate of interest then permitted by law), shall be the personal obligation of an Owner and shall constitute a lien upon the Owner's Home prior to all other liens except: (i) tax or

assessment liens on the Home by the taxing authority of any governmental unit, including, but not limited to, state, county, city, town and school district taxing agencies; and (ii) all sums unpaid on any First Mortgage of record encumbering any Home. Assessments shall be levied on an annual basis and shall be due and payable on a monthly basis on the first (1st) day of each month unless the Board of Directors establishes other periods of payment, except that, if an installment of Assessments due is not paid within thirty (30) days from date due, the Board of Directors may accelerate the remaining installments, if any, upon notice thereof to the delinquent Owner. All costs and expenses incurred in collection of past due Assessments, including reasonable attorneys' fees, shall be added to and shall constitute an Assessment payable by such Owner.

Section 5.09. Foreclosure of Lien for Assessments. The lien for past due Assessments may be foreclosed by the Association in accordance with the laws of the State of New York, in like manner as a mortgage on real property, and the Association shall also have the right to recover all costs incurred by it in pursuing such right, including, but not necessarily limited to, accelerated payments, if any, late charges, interest and reasonable attorneys' fees. In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Assessments, the unpaid balance shall be charged equally to all Owners. The Purchaser of a Home at a foreclosure sale of First Mortgage, including the First Mortgagee or a first mortgage holder obtaining title by conveyance in lieu of foreclosure, such acquirer of title, their successors or assigns, shall not be liable for Assessments unpaid up to the date of such foreclosure sale or conveyance. Nothing contained in this Section with regard to the right of the Association to enforce its lien by foreclosure shall prohibit the Association from obtaining a money judgment against the Owner or Owners and issuing execution for a sheriff's sale.

Section 5.10. Notice of Default. The Board of Directors, when giving notice to an Owner of a default in paying Assessments, may, at its option, or shall, at the request of a Mortgagee, send a copy of such notice to each such Owner's Mortgagee whose name and address appears in the Book of Mortgagees of the Association. The Mortgagee shall have the right to cure the Owner's default with respect to the payment of said Assessments at any time prior to the time title is conveyed pursuant to Section 5.08 above.

Section 5.11. No Exemption or Waiver of Assessments. Every Owner shall pay the Assessments assessed against his or her Home when due and no Owner may exempt himself from liability for the payment of Assessments so assessed by waiver of the use or enjoyment of any of the Property or by the abandonment of his or her Home. However, no Owner shall be liable for the payment of any Assessments accruing subsequent to a sale, transfer or other conveyance by him of such Home made in accordance with the provisions of this Declaration and the By-Laws.

Section 5.12. Grantee to be Liable with Grantor for Unpaid Assessments. In any conveyance of a Home either by voluntary instrument (except by deed to First Mortgagee in lieu of foreclosure), or by operation of law or judicial proceedings (except the purchaser at a first mortgage foreclosure), the Grantee of the Home, and the Grantee's successors, heirs and assigns, shall be jointly and severally liable with the Grantor for any unpaid Assessments against the latter, assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to receive from the Grantor the amounts paid by the Grantee therefore. However, any such Grantee shall be entitled to a statement from the Board of Directors setting forth the unpaid Assessments against the Grantor and the Grantee shall not be liable for, nor shall the Home conveyed be subject to, a lien for any unpaid Assessments against the Grantor in excess of the amount therein set forth. "Grantee" as used herein shall not include either the First Mortgagee of record, its successors, heirs and assigns, or a purchaser of a Home at a foreclosure sale of a First Mortgagee or holder of title, its successors, heirs and assigns, obtained by conveyance in lieu of foreclosure.

Section 5.13. Exempt Property. Property subject to the Declaration shall be exempt from Assessment Charges and liens created herein, to the extent of any easements or other interest therein dedicated and accepted by local public authority and devoted to public use.

Section 5.14. Right to Maintain Surplus. The Association shall not be obligated in any calendar or fiscal year to spend all the sums collected in such year by way of Assessments or otherwise, and may carry forward as surplus any balances remaining; nor shall the Association be obligated to apply any such surpluses to the reduction of the amount of the Assessments in the succeeding year, but may carry forward from year to year such surplus as the Board of Directors, in its absolute discretion, may determine to be desirable.

Section 5.15. Assessment Certificates. Upon written demand of an Owner, Mortgagee, lessee or title insurer of a Home (or any prospective purchaser, lessee, Mortgagee or title insurer of such Home), the Association, shall, within fifteen (15) days of receipt of such written demand, issue and furnish a certificate in writing, signed by an Officer or designee of the Association, setting forth with respect to such Home, as of the date of such certificate: (i) whether all Assessments have been paid; (ii) the amount of such Assessments, including interest, late charges and costs, if any, due and payable as of such date; and (iii) whether any other amounts or charges are owing to the Association, e.g., for the cost of extinguishing a violation of this Declaration, the By-Laws and/or Rules and Regulations.

A reasonable charge, as determined by the Board of Directors, may be made for the issuance of such certificates. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated as between the Association and any bona fide Purchaser, Mortgagee, lessee of, or title insurer of, the Home with respect to which such certificate has been issued.

ARTICLE VI

MAINTENANCE BY THE ASSOCIATION

Section 6.01. Repairs and Maintenance by the Association. The Association shall be responsible for, and the cost thereof shall be an expense of the Association, the following:

- a. Except as specifically otherwise provided in this Section 6.01, all repair, replacement, reconstruction, and maintenance of the boat docks if approved and all other Association facilities, amenities and Property, excluding the forty eight (48) individual Homes and Lots as shown on the subdivision map;
- b. Subject to the provisions of Section 6.02 below, the cost of all maintenance performed by the Association shall be funded by Assessments.

Section 6.02. Repairs and Maintenance Which Are The Responsibility of the Home Owners.

- a. Except as provided in Section 6.01 above, each Home Owner shall be responsible for the maintenance, repair or replacement of any pipes, wires, conduits, utility lines, cable television within each Home, or utility meters serving such Home; clearing of snow from the driveway and sidewalk, if any, servicing such Home;

- b. Any maintenance, repair or replacement made pursuant to Section 6.01 herein which is occasioned by a negligent or willful act or omission of an Owner or the Sponsor shall be made at the cost and expense of such Owner, his or her guests, lessees, licensees or invitees, or the Sponsor, its guests, lessee, licensees or invitees, as the case may be. If such maintenance, repair or replacement is performed by the Association, it shall not be regarded as a Maintenance Assessment, but shall rather be considered a special expense allocable to the Owner's Home, or to the Sponsor's Unsold Lots and/or Homes, as the case may be, and such cost shall be added to that Owner's Assessments and shall be collectible as such as part of those Assessments, and shall constitute a lien on the Home of such Owner, or on the Unsold Lots and/or Homes of the Sponsor, as the case may be, to secure the payment thereof.
- c. Providing access from Sundance Trail, Lots 121, 122 and 123 shall share a private driveway, Lots 204, 205 and 206 shall share a private driveway and Lots 208 and 209 will share a private driveway. The maintenance, repair and replacement, including snow plowing, shall be the responsibility of the respective Lots sharing the private driveway providing access to such Lots and by agreement (see Schedules L-1, L-2 and L-3 of this Declaration) to their respective deeds, shall be obligated to share equally in the cost of such private driveway.

Section 6.03. Quality and Frequency of Maintenance and Repairs. All maintenance, repair and replacement of both Association property and Home Owners' property, including the exterior of Homes and garages or other outbuildings, shall be of a quality and appearance consistent with the original construction.

ARTICLE VII

BUILDING RESTRICTIONS AND GENERAL COVENANTS AND RESTRICTIONS

Section 7.01. Building Restrictions:

- a. **Zoning and Building Codes.** All improvements shall be done in accordance with the latest standards and specifications of the Town of Webster and any other governing agency having jurisdiction.
- b. **Bluff Lots.** The Owners of "Bluff Lots" which border the ten foot (10') shoreline, which is Association Property, may not create paths or build stairs along the steep slopes adjoining such Property.

- c. **Residential Use Only.** Only a single-family, residential Home, equipped for year-round occupancy, may be constructed on a Lot. No business, professional or commercial building may be erected on any Lot nor may any business, professional practice or commercial enterprise be conducted from any Home, except as such may be conducted entirely from within the Home and which would not result in inordinate traffic or the parking of vehicles in or around the Home, and shall not detract from the residential character of the Community. No alterations or modifications to the exterior of the Home will be permitted and no signs or other evidence of such office or business are displayed in any window, on the exterior of any Home and/or garage, anywhere on the Lot or anywhere on the Association Property.
- d. **Outbuildings.** No structure such as steel tool sheds or lean-to's will be permitted, except for swimming pool cabanas and/or gazebos or such other structure as may be permitted by the Sponsor during the initial development. Upon completion of the initial improvements on any Lot, plans for any outbuildings must be submitted to the Board of Directors and/or the Architectural Committee, if there be one, for approval in accordance with Article IX of this Declaration.
- e. **Design Approval.** All building plans for Homes not constructed by the Sponsor, or its successor, must be submitted to the Sponsor, or its successor, delivered either personally or by certified mail, and shall include elevations, grading and landscaping specifications, construction specifications and plat plan showing the location of the structure (see Section 7.01.y. "Site Plan Construction Approval" below for procedure for submission of such plans.
- f. **Construction Time.** Construction of a Home by any builder other than the Sponsor on any Lot shall be completed within twelve (12) months from the date of the issuance of a building permit for such Home. All grading, seeding and landscaping, together with the driveway and walkways, if any, shall be completed within six (6) months from the completion of the Home. In the event construction is not completed within such time, the Sponsor shall have the right, but not the obligation, upon written notice to the Owner, to repurchase the Lot from the Owner, unless such Owner, within thirty (30) days of receipt of said notice, posts a performance bond or letter of credit or escrows funds in an amount sufficient to complete construction in accordance with approved plans and specification in a timely manner. In the event Sponsor purchases the Lot

- from such Owner, the purchase price will be the original purchase price less any costs incurred by Sponsor in connection therewith, including, but not limited to, attorneys' fees, upon written notice to the Owner of such Lot. No compensation will be due the Owner for any partially completed structure. All notices shall be by certified mail return receipt.
- g. **Lot Size.** The Lot size shall be as indicated on the subdivision map on file with the office of the Monroe County Clerk and the Town of Webster Planning Board.
- h. **Contiguous Lots.** An Owner of two (2) or more contiguous Lots shall be permitted to construct one (1) single-family residence with garage, with a portion of said residence and/or garage being located on a part of the other Lot. Any Lots so used and improved with a portion of one single-family residence and garage shall be considered one (1) Lot for the purposes of this Declaration, the By-Laws and may not be subdivided. However, for purposes of Assessments, the Owner of two (2) or more contiguous Lots improved as one Lot shall be assessed by the Board of Directors of the Homeowners' Association for each Lot.
- i. **Lot 114 Restrictions.** In accordance with an Agreement entered into by the Sponsor with neighboring property owners, Lot 114 shall a dwelling positioned such that no portion thereof shall be built any closer than sixty five feet (65') from the northern Lot lines of the adjacent properties and no portion of said structure shall extend in a westerly direction (bayward) beyond fifty feet (50') easterly to a point where the northeast corner of the property located at 232 Shorewood Drive meets the northwest corner of the property located at 236 Shorewood Drive. A copy of the aforementioned Agreement is made a part of this Declaration as Schedule K.
- j. **Home Size.** Each Home shall have no less than 2200 square footage of living space, exclusive of basement and attic areas, garages, porches, patios or decks or other appurtenances.
- k. **Garage Size.** The garage, whether detached or attached, shall provide space for the parking of at least two (2) standard size automobiles. Garages may be used for vehicular parking and storage of personal property only and may not be modified for any other use.

1. **Driveways.** Driveways shall be constructed with landing areas, crowns and culverts to prevent water, ice and snow from discharging on to the roadway or into contiguous Lots. Each driveway shall be paved and provide for the parking of two (2) standard size automobiles outside the garage area, in addition to space provided within the garage and, to the extent feasible, preserve the natural appearance of the land. Gravel driveways shall not be permitted.
- m. **Setback Requirements.** No structure, other improvements or driveway shall be erected or installed unless they meet the minimum Town of Webster building and/or zoning requirements.
- n. **Elevations.** No changes in the elevation or drainage characteristics of the land shall be made on the premises, except for the area adjacent to the construction area of the Lot.
- o. **Clearing of Lots.** All structures and driveways shall be constructed in such a manner as to preserve the natural appearance of the land to the maximum extent feasible. No clear cutting or poisoning of any trees shall be permitted upon any Lot, except as may be necessary for the clearing for any improvements to the Lot.
- p. **Tree Removal.** Except for dead trees or as may be necessary for clearing of the area for construction of the Home, garage, driveway and walkways, no tree having a diameter of eight inches (8") or more, as measured at a point two feet (2') above the ground at the base of the tree, shall be removed from any Lot without prior approval of the Sponsor and/or the Board of Directors or Architectural Committee if there be one. Anyone removing trees without such approval will be required to replace each tree with two (2) oak or maple trees three inches (3") in diameter as measured at a point two feet (2') above the ground at the base of the tree.
- q. **Fences and/or Lot Enclosures.** Fencing and side line delineations (including driveway entrance markers) shall be limited to those of a rural nature, such as fieldstone or open-rail fences. No fence, wall, hedge or screen or other enclosures shall obstruct vision of ingress or egress to or from the roadway or and roadway intersection. No chain link fencing is allowed.

- r. **Swimming Pools and Tennis Courts.** Only in-ground swimming pools shall be permitted and all plans for swimming pools and/or tennis courts, together with fencing plans must be approved prior to installation by the Sponsor and/or the Board of Directors or the Architectural Committee if there be one.
- s. **Solar Collectors.** No solar collectors shall be erected upon any Home, Lot or other portion of the property that may be visible from the roadway or neighboring properties.
- t. **Antennas and Satellite Dishes.** No antenna or satellite dish of any type shall be allowed outside the residence.
- u. **Exterior Lighting.** Any exterior lighting installed on a Lot or the exterior of any Home or garage must be either indirect or of such controlled focus and intensity as not to disturb occupants of adjacent Homes. Each Home shall have at least one exterior post light, of the type as shall be approved by the Sponsor, in the forefront of the Home, approximately twenty feet (20') from the outside edge of the gutter, operated with a sensor, to permit illumination automatically each night from dusk to no less than 2 A.M.
- v. **Home and Occupant Identification and Mail Boxes.** Owners and/or occupants shall not be allowed to put their names or Home numbers in any area except the area originally so designated by the Sponsor, or subsequently by the Board of Directors. No personal name plat or Home identification, however, shall be more than one (1) square foot in size. The Sponsor will provide the design for one (1) common box, post, color and size to be used by all Owners within The Bluffs of Webster.
- w. **Grinder Pump Maintenance Agreement.** Lots 115, 116, 121, 122, 123, 204, 205, 206 and 208 will require sewer grinder pumps which will be owned and maintained by the Owner of the respective Lot. Such Lot Owner shall be required to enter into a maintenance agreement with a certified plumber, at such Owner's sole expense, to properly maintain the pump.
- x. **Destruction or Damage.** No improvement that has been partially or totally destroyed or damaged by fire or otherwise shall be allowed to remain in such state for more than sixty (60) days from the time of such destruction or damage.

y. **Site Plan Construction Approval.** The Purchaser of a Lot covenants and agrees that no building, wall, fence or other structure shall be placed upon such Lot unless and until the plans and specifications thereto have been approved in writing by the Sponsor, or its successors and assigns. The application shall be accompanied by a detailed site plan prepared by a New York State registered architect or licensed professional engineer or surveyor, on a scale no less than 1" = 20', and shall contain the following information:

(i) the location of all existing water courses, wooded areas, easements, rights-of-way, structures or any other feature directly on the property, or beyond the property, if such feature has an effect on the use of said property;

(ii) the location, ground area and orientation of each proposed structure or any other land use;

(iii) the location of driveways, parking areas, walkways and all other areas proposed to be devoted to vehicular and pedestrian uses;

(iv) the materials to be used for the exposed portions of each structure, including samples of the finished colors;

(v) a complete set of plans for each proposed structure;

(vi) prior to the commencement, the Lot Owner shall deliver to the Sponsor and/or the Board of Directors evidence of all contractors having in effect adequate liability and workers' compensation insurance, by way of binders naming the Sponsor and the Homeowners' Association as additional insureds. Such policies must be maintained by the contractors until completion of construction; and

(vii) such other requirements as the Sponsor, or its successors and assigns may reasonably require.

All plans and specifications shall require the written approval of the Sponsor, or its successors and assigns and be in compliance with all municipal and government regulations. The refusal to approve plans or specifications may be based on any reasonable grounds, including purely aesthetic grounds, which in the discretion of the Sponsor, or its successors and assigns may deem sufficient to maintain compatibility of the designs of the structures and aesthetics of the landscaping and land use.

Upon completion of construction and landscaping, no exterior alterations of the structures, or the installation of any outbuildings, may be made without approval of the Board of Directors and/or the Architectural Committee, if there be one, in accordance with Article IX of this Declaration.

Section 7.02. General Covenants and Restrictions

- a. **Lot Maintenance.** All Lots must be maintained in a neat and attractive manner. The Owner of an unimproved Lot must maintain such Lot and keep it free of all refuse, dead trees and shrubs and, within twenty feet (20') of the roadway maintain vegetation at a height not to exceed seven inches (7"). If an Owner fails to do so, the Board of Directors may, after giving the Owner ten (10) days written notice, have such maintenance performed. The cost of such maintenance shall be at the Owner's expense and shall be added to such Owner's Assessments and shall constitute a lien on the Lot to secure the payment thereof. No building materials, except such as may be used during the construction of the Home and garage may be stored on any Lot.
- b. **Trees and Other Natural Fences.** After the transfer of title to a Lot and/or Home or other portion of the Property by the Sponsor, no trees larger than eight inches (8") in diameter (other than diseased or dead trees), other than as may be necessary to clear the area for the Home, garage, driveway and/or walkways, shall be removed from any such transferred Lot or other portion of the Property except with the prior written consent of the Board of Directors.
- c. **Clotheslines.** No clotheslines of any type shall be permitted on any Home, Lot or other portion of the Property, except in such area not visible from the roadway or other Lots or Homes.
- d. **Outdoor Storage.** Other than seasonal patio and lawn furniture, no storage of personal property shall be permitted outside the Home, on a porch or the patio or elsewhere on the Lot, except in such area not visible from the roadway or other Lots. No outdoor storage structures may be constructed and/or otherwise placed on any Lot without prior written consent of the Sponsor and/or the Board of Directors. Not more than two (2) cords of firewood may be stored on any Lot and such two (2) cords shall be stored in areas not visible from the roadways.

- e. **Outdoor Repair Work.** No extensive work on any motor vehicles, boats, trailers or other equipment of any kind shall be permitted on any Lot or other portion of the Property.
- f. **Parking.** Parking shall be in accordance with the Town of Webster "street parking" regulations.
- g. **Recreational Vehicles.** No recreational vehicles, including, but not limited to, all terrain vehicles, motor bikes, motorcycles, minibikes, snowmobiles, boat trailers, campers or other such vehicles shall be parked on the premises at any time for any reason unless such vehicle or vehicles can be parked or stored within a garage.
- h. **Oversized, Commercial and/or Unlicensed Vehicles.** Unless used in connection with the construction or sale of Homes or the maintenance of the Association Property, no oversized, commercial and/or unlicensed vehicle shall be permitted on the Property unless garaged.
- i. **Advertising and Signs.** No signs or advertising media shall be erected or maintained on the premises. No political signs or other advertising media shall be displayed on any Home, garage or Lot or elsewhere within the Community. Until the last Lot and/or Home is initially sold, the Sponsor reserves the right to erect on the property such signs as the Sponsor deems necessary to advertise and promote the sale of the Homes. So long as the Sponsor has any Unsold Lots and/or Homes, except with the consent of the Sponsor, no temporary signs advertising Homes or Lots for sale or rent may be displayed on any Home, garage or any Lot. Thereafter, only one (1) temporary sign advertising a Home for sale, not exceeding six (6) square feet, is permitted unless otherwise approved in writing by the Board of Directors. All such temporary signs must be removed at the end of each day.
- j. **Pets.** No animals of any kind shall be raised, bred or kept on any Lot or in any Home. Dogs, cats and other household pets may be kept, provided they are kept or maintained for personal purposes only. Household pets, including cats and dogs, shall be limited to a total of two (2) pets. Kennels or other forms of outdoor animal containment are not permitted. Pets must be kept leashed and will be subject to the municipal leash laws.

- k. **Refuse Storage.** Except for building materials being used during the course of construction or repair of any approved improvements, no lumber, metals, bulk materials, refuse or other waste material shall be kept, stored or allowed to accumulate outside the Home or any other portion of the Lot. All refuse shall be stored within the Home and/or garage or within an area not generally visible from the roadway or other Lots. Refuse containers or any other types of containers may be placed at curbside within twelve (12) hours prior to scheduled curbside pickup and after scheduled pickup must be removed from curbside within eight (8) hours.
- l. **Flammable Substances.** No flammable substances, other than the customary two-gallon metal gasoline containers, or articles deemed hazardous to life, limb or property, shall be stored or permitted to be stored in any Home, garage, on any Lot or other portion of the Property.
- m. **Outdoor Power Equipment.** Except for equipment used during initial construction, no outdoor power equipment, such as lawn mowers, which may disturb other residents, other than snow removal equipment, may be operated before 8 A.M. or after 9 P.M.
- n. **Lease Restrictions.** An Owner may lease his or her entire Home, but may not lease only a portion of such Home. The initial term of a lease shall be not less than six (6) months. This restriction shall not preclude the Sponsor from permitting a Purchaser of a Home to occupy the Home being purchased prior to transfer of title to such Home. All leases, other than by the Sponsor, must be in writing, with the lessee being subject to the Declaration, the By-Laws and all rules and regulations of the Association. A copy of such signed lease must be promptly submitted to the Board of Directors and/or the Managing Agent, if there be one, together with full names, place of employment, if any, and telephone numbers of the lessee(s).
- o. **Noxious or Offensive Activities.** No noxious or offensive activity shall be permitted on any portion of the Property, or in any Home or on any Lot, nor shall anything be done thereon that may be, or may become, a nuisance or annoyance to the occupants of other Homes.

THE BOARD OF DIRECTORS MAY PROMULGATE SUCH OTHER RULES AND REGULATIONS, FROM TIME TO TIME, AS MAY BE NECESSARY TO PRESERVE AND ENHANCE THE PROPERTY OF THE BLUFFS OF WEBSTER, INC. (A HOMEOWNERS' ASSOCIATION).

ARTICLE VIII

BOAT DOCKS

Section 8.01. Transfer to the Association. If and/or when approvals are received, the Sponsor will transfer to the Association all its rights, title and interest (including permits, if any) in and to individual docks as the rights to use such docks are assigned to specific Owners of Homes by the Sponsor. Initial assignments will be made by Sponsor to each and every Purchaser based, to the extent possible, on the size and type of the Purchaser's boat.

Section 8.02. Rights of Association. With respect to the Property, the Board of Directors shall have the right:

- a. To reassign the right of an Owner of a Home to the use of a specific dock based on a change in size or type of boat then owned.
- b. To assess for the maintenance, repair and replacement of the boat slips those Owners of Homes having the right to use such boat slips. Until all boat slips have been assigned to Owners of Homes within the Association, the Sponsor shall be obligated to pay such Assessments for the unassigned boat slips which have been installed.

Section 8.03. Right to Use Assigned Dock. Every Owner shall have the right to use, during the boating season, the one dock assigned by the Sponsor at the time of purchase of his or her Home and recorded in the records of the Association, such assignment being based on the size and type of boat originally so registered by the Owner. The continued use of the assigned dock shall be in accordance with such rules and regulations as may be adopted by the Board of Directors, the provisions of this Declaration and the By-Laws and shall be subject to the continued registry of the boat originally registered. A change in the size or type of boat to be registered, necessitating a reassignment of dock space, shall require prior written notification to the Board of Directors or their designee. Such notification shall be received by the Board of Directors or its designee no later than the 15th day of April preceding the commencement of the boating season. The cost of water and electric at the docks shall be an expense of the Association. No unreasonable use of these services or utilities shall be permitted.

Section 8.04. Registration. The name of each Purchaser of a Home entitled to a boat slip, together with an identification of the boat owned by such Purchaser (type, registration number, overall length, beam and draft provided as a part of the Purchase Agreement), shall be recorded in the records of the Association. No boat slip may be transferred or otherwise exchanged without prior written consent of the Board of Directors.

Section 8.05. Insurance. Prior to any boat being placed in the water and anchored at an Association boat slip, the owner of the boat must provide the Board of Directors with a certificate of insurance, insuring such owner's boat for damage and replacement and liability.

Section 8.06. Lessees' Rights. An Owner may grant permission to a lessee of such Owner's Home for the use of such Owner's boat slip only if such Owner's Assessments have been paid in full, such Owner's boat has been removed and written notification has been sent to the Board of Directors, or the managing agent if there be one, at least thirty (30) days in advance of such lessee permission. Use of the Owner's boat slip by a lessee shall be subject to and in accordance with the rules and regulations of the Association.

Section 8.07. Storage. Boats may not be stored at the waterfront or on any of the Association Property. However, this does not preclude the Board of Directors from designating an area for boat storage, subject to approval, by vote cast at a Special Meeting of Owners, of at least fifty one percent (51%) of the Authorized Voting Owners.

ARTICLE IX

ARCHITECTURAL CONTROL

Section 9.01. Control by Association. After transfer of title by the Sponsor to any Home, or other completed portion of the Property, enforcement of those provisions of this Declaration pertaining to exterior appearance of the Property and control over any change in use or any additions, modifications or alterations to any exterior improvements on said Home or other portion of the Property shall be the responsibility of the Board of Directors.

Section 9.02. Submission of Plans. After transfer of title to any Home or other portion of the Property by the Sponsor no exterior addition, modification or alteration shall be made on or to such Home or other portion of the Property or to the improvements located thereon unless and until a plan or plans therefore, in such form and detail as the Board of Directors may require, shall have been submitted to, reviewed by and approved in

writing by the Board of Directors. The Board may charge and collect a reasonable fee for the examination of plans submitted for review, including any fees and reasonable expenses which may be charged by architects, engineers or attorneys retained by the Board in connection with the review of such plans. The Board of Directors shall advise the Owner, within ninety (90) days of receipt of completed plans, of the Board's decision.

Section 9.03. Basis for Recommendation of Disapproval of Plans. The Board may disapprove of any plans submitted for any of the following reasons:

- a. failure of such plans to comply with Covenants and Restrictions contained in this Declaration;
- b. failure to include information in such plans as reasonably requested by the Board;
- c. objection to the plan, exterior design or appearance of materials of any proposed improvements, including without limitation, colors or color scheme, finish, proportion and style of architecture;
- d. incompatibility of proposed improvements or use of proposed improvements with existing improvements or uses within the Property or the Homes;
- e. failure of the applicant to furnish proof that insurance in the form and amount satisfactory to the Board has been obtained and will be maintained for the appropriate period of time by the applicant;
- f. failure of proposed improvements to comply with any zoning, building, health or other governmental laws, codes, ordinances, rules and regulations; or
- g. any other matter which, in the reasonable judgment of the Board would render the proposed improvement or use inconsistent or incompatible with the general plan of improvement of the Property and the Homes, including any possible adverse impact on the use and enjoyment of the Property and/or the Homes by any other Owner or occupant.

Section 9.04. Written Notification of Disapproval. In any case where the Board of Directors disapproves the plans submitted, the Board shall so notify the applicant in writing, together with a statement of the grounds upon which such action was based as set forth in Section 9.03 hereof. In any such case, the Board shall, if requested and if practicable, make reasonable efforts to assist and advise the applicant so that acceptable plans can be prepared and resubmitted for approval.

Section 9.05. Failure of Board of Directors to Act. If any applicant has not received notice from the Board of Directors approving (including qualified approval) or disapproving any plans within ninety (90) days after submission pursuant to Section 9.02 hereof, said applicant may notify the Board of Directors in writing of a demand for a decision on the plans submitted. Such notice shall be sent by certified mail, return receipt requested. The plans shall be deemed approved by the Board of Directors twenty (20) days after the date of receipt of such notice by the Board of Directors, if no decision is rendered by the Board of Directors within said twenty (20) day period.

Section 9.06. Liability. No action taken by the Board or any member of a committee, employee or agent thereof, shall entitle any person to rely thereon, with respect to conformity with laws, regulations, codes or ordinances, or with respect to the physical or other condition of any Building or other portion of the Property. Neither the Association, the Board of Directors, nor any member, committee member, employee or agent shall be liable to anyone submitting plans to them for approval or to any Owner or any other person, in connection with a submission of plans, or the approval or disapproval thereof, including without limitation, mistakes in judgment, negligence or nonfeasance. Every person or other entity submitting plans to the Board agrees, by submission of such plans to defend, indemnify and hold harmless the Association and the Board of Directors (or any officer, member of a committee, employee or agent thereof) from any action, proceeding, suit or claim arising out of, or in connection with, such submission.

Section 9.07. Architectural Compliance Certificate. Upon written request of any Owner, Mortgagee, lessee, licensee or title insurer (or any prospective owner, Mortgagee, lessee, licensee or title insurer) of a Home or other portion of the Property, title to which has been previously transferred from the Sponsor, the Board of Directors shall, within fifteen (15) days, issue and furnish to the person or entity making the request, a certificate in writing ("Architectural Compliance Certificate"), signed by an officer of the Board of Directors, stating, as of the date of such Certificate, whether or not the Home or other portion of the Property, or any improvements thereon, violates any of the provisions of the Declaration pertaining to exterior appearance, design or maintenance and describing such violations, if any. A reasonable charge, determined by the Board of Directors, may be imposed for issuance of such Architectural Compliance Certificate. Any such Architectural Compliance Certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated.

Section 9.08. Completion of Work by the Board of Directors. In the event the Board of Directors deems it necessary to complete work previously commenced by an Owner, or to otherwise protect the appearance, value or structural integrity of the Property or a

Home, the cost for the completion of such work shall become a binding personal obligation of an Owner and an additional Assessment payable by such Owner which shall become a lien against his or her Home, subject to the provisions of Article V herein.

ARTICLE X

INSURANCE AND RECONSTRUCTION

Section 10.01. Insurance to be Carried by the Association. The Board of Directors of the Association shall obtain and maintain the following types of insurance coverage: (i) hazard insurance for the boat docking facilities; (ii) general liability insurance; (iii) Directors' and Officers' liability insurance; (iv) fidelity bond; (v) workers' compensation insurance, and (vi) additional liability (umbrella) commencing when the first section of the boat docking facilities, with coverages to be as follows:

- Boat Docks*
- a. **Hazard Insurance:** Hazard insurance for the replacement of the boat docking facilities.
- b. **General Liability.** The liability insurance shall cover the Directors and Officers of the Association and all Owners, but not the liability of the Owners arising from occurrences from such Owner's Home or on such Owner's Lot. The policy shall include the following endorsements:
- AD*
- (1) comprehensive general liability (including libel, slander, false arrest and invasion of privacy);
 - (2) personal injury;
 - (3) medical payments;
 - (4) cross liability under which the rights of a named insured under the policy shall not be prejudiced with respect to such insured's action against another named insured;
 - (5) "severability of interest" precluding the insurer from denying coverage to any Owner because of negligent acts of the Association or any other Owner;
 - (6) contractual liability;
 - (7) water damage liability;
 - (8) hired and non-owned vehicle coverage;
 - (9) liability for the property of others;

(10) host liquor liability coverage with respect to events sponsored by the Association; and

(11) deletion of the normal products exclusion with respect to events sponsored by the Association.

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

b. **Directors' and Officers' Liability.** The Directors' and Officers' liability insurance shall cover the "wrongful" acts of a Director or Officer of the Association. The policy shall be on a "claims made" basis so as to cover all prior officers and members of the Board of Directors and any deductible provision shall apply only to each occurrence and not to each item of damage.

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

c. **Fidelity Bond.** The fidelity bond shall cover all Directors, Officers and employees of the Association, if any, who handle Association funds. The bond shall name the Association as Obligee and be in an amount not less than the estimated maximum of funds, including reserves, in the custody of the Association at any given time, but in no event less than a sum equal to six months aggregate assessments on all Homes, plus the reserves and other funds on hand. In the event a professional property manager is employed or retained by the Association, such professional property manager, serving the Association under a contract (not as an employee of the Association) shall maintain a fidelity bond in the same amounts as herein required to be held by the Association, naming the Association as Obligee, and provide the Board of Directors with a certificate evidencing such coverage. The professional property manager, if named as an employee of the Association, shall then be added to the Association's bond. Until the first meeting of the Board of Directors elected by the Owners, the coverage shall be \$25,000 for dishonest acts and \$25,000 for forgery.

d. **Workers' Compensation.** Workers' compensation insurance shall be obtained. Such insurance shall cover any employees of the Association, as well as any other person working on behalf of the Association, including the Directors and Officers of the Board of Directors.

- e. Other. The Board of Directors may also obtain such other insurance as it shall deem necessary or desirable from time to time, including additional "umbrella" coverage. In the event the Association owns any structures, such structures will be insured for full replacement cost with a maximum of \$1,000 deductible.

The Board of Directors shall not be liable for failure to obtain any of the coverages required by this Article X or for any loss or damage resulting from such failure, if such failure is due to the prohibitiveness of cost of such coverages from reputable insurance companies.

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

The Board of Directors shall review all insurance policies the coverage provided thereby at least annually to assure adequacy of coverage.

No portion of the Property is located in a Flood Hazard Zone. However, in the future, if any portion of the Property is determined to be located in an area subsequently identified by the Federal Secretary of Housing and Urban Development as having special flood hazards, the Board of Directors shall obtain, if available, a policy of flood insurance covering the insurable improvements on the Property or portion thereof located entirely or partially in the flood hazard area. Such coverage shall be the maximum coverage available under the National Flood Insurance Program, or one hundred percent (100%) of insurable property.

Section 10.02. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of any Association Property, insurance proceeds, if any, shall be payable to the Association. The Board of Directors shall be responsible for the disbursement of the proceeds to contractors engaged in the repair and restoration of such Association Property. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute an Assessment and the Board of Directors shall assess all the Owners for such deficit and for the cost of a performance bond and labor and materials payment bond, if required, as part of the Assessments.

Section 10.03. Insurance To Be Carried By Owners. Each Owner shall, at such Owner's expense, obtain casualty insurance for the full replacement cost of such Owner's Home, and general liability insurance for occurrences within such Owner's Home and on such Owner's Lot, naming the Association as an additional insured on the policy and provide the Association evidence of such coverage upon the anniversary of such policy, if requested in writing by the Board of Directors. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance procured by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by the Owner. In accordance with Section 8.05 of this Declaration, each boat owner shall be required to insure his or her boat for damage and replacement and liability.

Section 10.04. Actions Which May Increase Insurance Rates Prohibited. Under no circumstances shall an Owner permit or suffer anything to be done or left in such Owner's Home or omit to do anything which will increase insurance rates on Association Property or any other Owner's Home. The penalty for any and all violations shall be an Assessment against the Owner violating this provision in an amount equal to the increased rate and/or increased premiums.

ARTICLE XI

DURATION, ENFORCEMENT AND AMENDMENT OF DECLARATION

Section 11.01. Duration. This Declaration shall continue until: (i) terminated by casualty loss, condemnation or eminent domain; or (ii) such time as withdrawal of the Property from the provisions of this Declaration is authorized by an affirmative vote of Authorized Voting Owners by at least eighty percent (80%) of Authorized Votes. No such vote shall be effective without written consent of at least fifty one percent (51%) of the holders of first mortgages on the Homes, if any. The Sponsor will not vote its interests appurtenant to Unsold Lots and/or Homes for such withdrawal unless at least eighty percent (80%) of all other Owners so elect for such withdrawal, at which time Sponsor may vote as he sees fit.

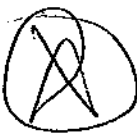
Section 11.02. Declaration Runs with the Land; Enforceability. The provisions of this Declaration shall bind the Property and shall be construed as running with the land and shall inure to the benefit of, and be enforceable by the Sponsor and the Association (being hereby deemed the agent for all of the Owners), and by any Owner, their respective legal representatives, heirs, successors and assigns, by actions at law or by suits in equity. As it may be impossible to measure monetarily the damages which may accrue to the beneficiaries hereof by reason of a violation of this Declaration, and monetary damages will not adequately compensate for violations of this Declaration, any beneficiary hereof shall be entitled to relief by way of injunction or specific performance, as well as any other relief available at law or in equity, to enforce the provisions hereof.

In addition, or as an alternative, to an action at law or suit in equity, the Board of Directors may, with respect to any violation of this Declaration or the By-Laws or Rules and Regulations of the Association, and after affording the alleged violator a reasonable opportunity to appear and be heard, establish monetary and non-monetary penalties, the amount and/or severity of which shall be reasonably related to the violation and to the aim of deterring similar future violations by the same or any other person. Monetary penalties imposed against an Owner or occupant shall be deemed an Assessment against the Home of such Owner or against the Home occupied by such occupant, and, as such, shall be a charge and continuing lien upon such Home, shall constitute a personal obligation of the Owner and shall be collectible in the same manner as Assessments under Article V of this Declaration.

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

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

Section 11.04. Obligation and Lien for Cost of Enforcement by Association. If the Association successfully brings an action to extinguish a violation or otherwise enforce the provisions of this Declaration, the By-Laws or rules and regulations promulgated hereunder or thereunder, the costs of such action, including legal fees, shall become a binding, personal obligation of the violator. If such violator is: (i) an Owner; or (ii) any family member, lessee, guest or invitee of the Owner; or (iii) a family member or guest or invitee of the lessee of the Owner; or (iv) a guest or invitee of any member of such Owner's family or any family member of the lessee of such Owner, such costs shall also be a lien upon the Home or other portion of the Property owned by such Owner, if any. This lien shall be subsequent to a first mortgage. *Banks*

Section 11.05. Default Notices to be Sent to Mortgagees. Each Owner shall notify the Board of Directors of the name and address of the Mortgagee and any other information necessary to identify the mortgage and Mortgagee of such Owner's Home, if any. Upon receipt of written request from any such Mortgagee, the Association shall thereafter provide such Mortgagee with a duplicate copy of any notice of default sent to such Owner with regard to the violation by such Owner, or other persons as described in Section 11.04 above, of any provision of this Declaration. 

Section 11.06. Amending. Subject to the provisions of this Declaration, this Declaration may be modified, altered or amended at any duly called meeting of Members, provided that written notice of the meeting by certified mail, return receipt requested, containing a full statement of the proposed modification, alteration or amendment has been sent to all Owners last known place of residence and all holders of First Mortgages on Homes who have requested notification of any such proposed action, listed in the Book of Mortgagees of the Association, no less than ten (10) days nor more than fifty (50) days prior to the date of the meeting; and provided further that at least sixty seven percent (67%) of the total Authorized Voting Members approve the change.

When Owners are considering termination of the legal status of the project for reasons other than substantial destruction or condemnation of the Property, the eligible First Mortgagees representing at least sixty seven percent (67%) of the mortgaged Homes must agree and an instrument evidencing the change must be duly recorded in the office of the Monroe County Clerk. Such instrument need not contain a written consent of the required number of Members and First Mortgagees of Homes, but shall contain a certification by the Board of Directors that the consents required by this Section for such change have been received and filed with the Board of Directors.

- e. Should such notice not obtain the requested compliance within the time requested, the Compliance Committee shall then be authorized, at its discretion, to establish a monetary and/or non-monetary penalty, the amount and/or severity of which shall be reasonably related to the violation and to the aim of deterring similar violations in the future by the same or any other person. Such fine shall become a binding personal obligation of the violator, if an Owner, or the Owner responsible for such violator, if an Owner, or the Owner responsible for bringing such violator onto the Property. Failure to correct the condition or situation which leads to the first fine, for a period of twenty (20) days after the initial fine becomes finally due and payable, shall constitute a second offense. Notice of the imposition of such fine or fines shall be by certified mail, return receipt requested, to the violator and/or the Owner responsible for such violator, and shall be paid to the Association within (10) days following the date of the mailing of such notice, unless the violator, if an Owner, or the Owner responsible for such violator, requests the right to arbitrate the matter before the Arbitration Committee, as hereinafter set forth within said ten (10) days. Should the fine not be paid within the ten (10) days, or if a request to arbitrate is not received within the said ten (10) days, the amount of the fine shall be added to the Owner's Assessment on the first of the month following the termination of the ten (10) day period above set forth, and shall be collectible as such.
- f. The Arbitration Committee shall consist of the President of the Board of Directors, as Chairman of the Committee, and two (2) other members of the Board of Directors who shall be appointed by the Board of Directors to serve at the pleasure of the Board of Directors.
- g. Should the violator, or the Owner responsible for the violator, request the right to arbitrate the imposition or amount of a fine, as above set forth, he shall do so in writing, directed to the Board of Directors, within ten (10) days of his or her receipt of notice sent by certified mail, return receipt requested, of the imposition of said fine. The Board of Directors shall promptly forward the same to the Arbitration Committee, which shall meet within twenty (20) days thereafter, on notice to the alleged violator, to hear and dispose of the matter. At such hearing, the alleged violator and/or the Owner responsible for such violator, and one (1) or more members of the Compliance Committee may be present and be heard. A decision on the matter shall be made by the

Arbitration Committee, by a majority vote, within ten (10) days following said hearing, and shall be promptly communicated to the alleged violator and/or the Owner responsible for such violator, in writing. If the decision of the Arbitration Committee is to uphold the determination of the Compliance Committee, the provision relating to the payment and enforcement thereof set forth in Subparagraph e. above shall apply. If their decision is in favor of the alleged violator, no fine will be imposed. The decision of the Arbitration Committee shall be final and binding upon all parties.

- h. In the event the violator is a person other than an Owner or member of such Owner's immediate family, copies of all notices required to be given to the violator under this Declaration, the By-Laws or the Certificate of Incorporation shall also be given to the Owner of the Home responsible for such violator.

ARTICLE XIII

GENERAL

Section 13.01. **Headings and Captions.** The headings and captions contained in this Declaration are for convenience only and shall not affect the meaning or interpretations of the content thereof.

Section 13.02. **Invalidity of Declaration.** The determination by any court that any provision hereof is unenforceable, invalid or void shall not affect the enforceability or validity of any other provision hereof.

Section 13.03. **Gender.** The use of masculine gender herein shall be deemed to include the masculine, feminine and neuter and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 13.04. **Right Reserved to Impose Additional Protective Covenants.** The Sponsor reserves the right to record additional Covenants, Conditions and Restrictions affecting the Property prior to the conveyance of any Homes subject to this Declaration. However, any such additional Covenants, Conditions and Restrictions affecting existing Owners of Homes shall be subject to the approval of a majority of Authorized Voting Owners of such Homes.

Section 13.05. Notice. All notices hereunder shall be in writing, and, unless otherwise expressly provided, shall be sent by mail, by depositing same in a post office or letter box, in a postpaid sealed envelope, addressed, if to the Board of Directors, at the Office of the Board of Directors, and if to an Owner or Mortgagee, to the address of such Owner or Mortgagee as appears on the books of the Association, and if to the Sponsor, to the address of the Sponsor as appears on the books of the Association. All notices shall be deemed to have been given when mailed, except notices of change of address, which shall be deemed to have been given when received. Whenever any notice is required to be given under the provisions of this Declaration, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent of such notice.

Section 13.06. Right of Association to Transfer Interest. Notwithstanding any other provision herein to the contrary, the Association and its successors, shall at all times have the absolute right to fully transfer, convey and assign its right, title and interest under this Declaration to any successor not-for-profit corporation. Upon such assignment, the successor corporation shall have all the rights and be subject to all the duties of the Association as set forth in this Declaration and shall be deemed to have agreed to be bound by all provisions hereof, to the same extent as if the successor corporation had been an original party and all references herein to the Board of Directors shall be deemed to refer to the Board of Directors of such successor corporation. Any such assignment shall be accepted by the successor corporation under a written agreement pursuant to which the successor corporation expressly assumes all the duties and obligations of the Association. If, for any reason, the Association shall cease to exist without having first assigned its rights hereunder to a successor corporation, the Covenants, Conditions and Restrictions imposed hereunder shall, nevertheless, continue and any Owner may petition a court of competent jurisdiction to appoint a trustee for the purpose of organizing a not-for-profit corporation to take over the duties and responsibilities of the Association, such corporation to exist, subject to the conditions provided for herein, with respect to an assignment and delegation to a successor corporation.

Section 13.07. Right of Association to Transfer Functions. Unless otherwise specifically prohibited herein, or within the Certificate of Incorporation or the By-Laws of the Association, any and all functions of the Association shall be fully transferable in whole or in part to any other homeowners' association, condominium or similar entity.

Section 13.08. Right of First Mortgagee to Make Payment of Charges. First Mortgagees may: (i) jointly or severally pay taxes or other charges that are in default and that may, or have become, charges against the Association Property; and (ii) pay overdue premiums on insurance policies, or secure new coverage, for the Association Property in the event of lapse of a policy.

First Mortgagees making such payments are due immediate reimbursement from the Association, corporation or trust.

IN WITNESS WHEREOF, the undersigned, being the Owner of real property subject to this Declaration, as may be supplemented, extended or amended from time to time, has executed this Declaration the date first stated above.

CASCIANI CONSTRUCTION CO., INC.

Dated: _____, 199__

John A. Casciani, President

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

On the ____ day of _____, 199__, JOHN A. CASCIANI before me duly sworn, did depose and say that he resides at 850 Lake Road, Webster, New York 14580; that he is the President of CASCIANI CONSTRUCTION CO., INC., the corporation described in, and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

Notary Public

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud. The text notes that without reliable records, it would be difficult to track the flow of funds and identify any irregularities.

2. The second part of the document outlines the various methods used to collect and analyze data. It describes the process of gathering information from different sources, such as interviews, surveys, and document reviews. The text also discusses the importance of ensuring the accuracy and reliability of the data collected, and the need to use appropriate statistical techniques to analyze the results.

3. The third part of the document focuses on the role of technology in modern data analysis. It highlights the benefits of using software tools to automate data collection and analysis, and to visualize the results in a clear and concise manner. The text also discusses the challenges of working with large volumes of data, and the need to develop effective strategies for managing and analyzing this information.

4. The fourth part of the document discusses the importance of transparency and accountability in the data analysis process. It emphasizes that all steps of the process should be clearly documented and that the results should be made available to all relevant stakeholders. The text also discusses the need to establish clear policies and procedures for data collection and analysis, and to ensure that these are followed consistently.

5. The fifth part of the document concludes by summarizing the key findings of the study. It reiterates the importance of accurate record-keeping, the use of appropriate data collection and analysis methods, and the role of technology in modern data analysis. The text also offers some final thoughts on the future of data analysis and the need to continue to explore new and innovative ways to improve the process.

6. The sixth part of the document provides a detailed list of references and sources used in the study. It includes a variety of academic journals, books, and online resources, and provides full citations for each. This section is intended to provide readers with the information they need to locate and access the original sources of the data and information used in the study.

7. The seventh part of the document is a list of appendices, which includes additional data, tables, and figures that are not included in the main body of the text. These appendices provide further detail and support for the findings and conclusions of the study, and are intended to be used as a reference for readers who are interested in the specific data and analysis used in the study.

SCHEDULE A TO THE DECLARATION

LIENS, ENCUMBRANCES AND OTHER TITLE EXCEPTIONS

1. The terms, conditions, covenants, easements and provisions of the Declaration and By-Laws relating to the Association, include:
 - a. Easements and rights retained by Sponsor.
 - b. Agreement entered into by the Sponsor with neighboring property owners, set forth as Schedule H to the Declaration.
2. State of facts shown on a survey of the Land and Buildings providing such state of facts do not make title unmarketable.
3. Zoning, regulations and ordinances and any amendments thereto, provided that the use of the Lots and the Homes located on such Lots as contemplated by the Plan are not prohibited thereby.
4. New York State franchise taxes of any corporation in the chain of title, provided that any title company which is authorized to do business in the State of New York is willing to insure that such taxes will not be collected out of the Home.
5. Sewer, water, electric, plumbing, heating, telephone, cable television and other utility easements and consents, if any, then or thereafter recorded, including the right to maintain and operate lines, pipes, ducts, wires, cables, conduits, connections, fittings, poles and distribution boxes in, over, under and upon the Property, the Lots and/or the Homes.
6. Leases or tenancies, and service, maintenance and license agreements affecting the Homes or portions of the Association Property, if any.
7. Future taxes and installments of special assessments for improvements payable to the Town, County and School District.
8. Utility easements, rights-of-way and agreements granted to or made with the Town Webster, utility companies and the cable television franchisee for the area, if any, or any other municipality.

9. Such easements and/or rights-of-way as have been granted by instrument and recorded in the office of the Monroe County Clerk, including, but not necessarily limited to, Webster Sanitary Sewer District, Webster Water District, Rochester Gas and Electric Corporation, Rochester Telephone Company and cable television franchisee, if any.
11. The lien of a purchase money mortgage, if any, obtained by Purchaser to finance the purchase of the Home.
12. Standard exceptions contained in the form of title insurance policy then issued by such title insurance company insuring Purchaser's title to the Home.

ALL OF THE ABOVE SHALL SURVIVE DELIVERY OF THE DEED.



**COSTICH
ENGINEERING**

THE BLUFFS SUBDIVISION

DESCRIPTION OF THE SUBDIVISION

All that tract or parcel of land containing 47.4+/- acres, more or less, situate in part of Great Town Lot 72, Township 14, Range 7, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision", prepared by Charles J. Costich, P.E., L.S., P.C., dated 10/12/95, having drawing number 726-32 and being more particularly bounded and described as follows:

Beginning at a point on the westerly right-of-way line of Dewitt Road, said point being the common easterly property corner of Lot No. 1 to the north and Tax Parcel I.D. No. 063.140-01-001 to the south; thence

- 1) S 86°-50'-20" W, a distance of 399.59 feet to a point; thence
- 2) S 86°-20'-24" W, a distance of 1571+/- feet to a point, said point being the high water mark of the easterly shoreline of Irondequoit Bay; thence
- 3) Northeasterly, then northerly, along the easterly shoreline of Irondequoit Bay, a distance of 2,200 feet, more or less, to a point; thence
- 4) S 90°-00'-00" E, a distance of 450+/- feet to a point; thence
- 5) S 49°-58'-26" E, a distance of 524.75 feet to a point; thence
- 6) S 80°-12'-11" W, a distance of 86.78 feet to a point; thence
- 7) S 50°-31'-51" W, a distance of 207.02 feet to a point; thence
- 8) S 49°-58'-26" E, a distance of 155.54 feet to a point; thence
- 9) S 09°-14'-04" W, a distance of 817.11 feet to a point; thence
- 10) N 87°-03'-16" E, a distance of 282.83 feet to a point; thence
- 11) S 03°-07'-25" E, a distance of 208.96 feet to a point; thence
- 12) N 86°-50'-48" E, a distance of 340.68 feet to a point, said point being on the westerly right-of-way line of Dewitt Road; thence
- 13) S 19°-19'-03" W, along the aforesaid right-of-way line, a distance of 22.31 feet to a point; thence
- 14) S 19°-05'-39" W, continuing along the aforesaid right-of-way line, a distance of 244.27 feet to the point of beginning.

F:\JOBS\726\SUBDSC.DOC

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10



SCHEDULE C

THE BLUFFS SUBDIVISION - SECTION ONE

DESCRIPTION OF SECTION ONE

All that tract or parcel of land containing 29.1+/- acres, more or less, situate in part of Great Town Lot 72, Township 14, Range 7, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision", prepared by Charles J. Costich, P.E., L.S., P.C., dated 10/12/95, having drawing number 726-32, and being more particularly bounded and described as follows:

Beginning at a point on the westerly right-of-way line of DeWitt Road, said point being the common easterly property corner of Lot No. 101 to the north and tax parcel no. 063.140-01-001 to the south; thence

- 1) S 86°-50'-20" W, a distance of 399.59 feet to a point; thence
- 2) S 86°-20'-24" W, a distance of 1571 feet, more or less, to a point, said point being the high water mark of the easterly shoreline of Irondequoit Bay; thence
- 3) Northeasterly, then northerly, along the easterly shoreline of Irondequoit Bay, a distance of 1467 feet, more or less, to a point; thence
- 4) S 55°-09'-02" E, a distance of 361.20 feet to a point; thence
- 5) S 53°-20'-45" E, a distance of 75.24 feet to a point; thence
- 6) S 11°-48'-48" W, a distance of 89.84 feet to a point; thence
- 7) S 52°-24'-25" W, a distance of 49.30 feet to a point; thence
- 8) S 34°-24'-47" E, a distance of 192.88 feet to a point of curvature; thence
- 9) Northeasterly, on a curve to the left, having a radius of 270.00 feet, an arc distance of 53.40 feet to a point; thence
- 10) S 45°-44'-38" E, a distance of 321.68 feet to a point; thence
- 11) N 77°-59'-03" E, a distance of 63.78 feet to a point; thence
- 12) N 87°-03'-16" E, a distance of 282.83 feet to a point; thence
- 13) S 03°-07'-25" E, a distance of 208.96 feet to a point; thence
- 14) N 86°-50'-48" E, a distance of 340.68 feet to a point on the westerly right-of-way line of DeWitt Road; thence
- 15) S 19°-19'-03" W, along the aforesaid right-of-way line, a distance of 22.31 feet to a point; thence
- 16) S 19°-05'-39" W, continuing along the aforesaid right-of-way line, a distance of 244.27 feet to the point of beginning.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is essential for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent data collection procedures and the use of advanced analytical techniques to derive meaningful insights from the data.

3. The third part of the document focuses on the implementation of data-driven decision-making processes. It describes how the organization uses the insights gained from data analysis to inform strategic planning and operational decisions, leading to improved performance and efficiency.

4. The fourth part of the document addresses the challenges and risks associated with data management and analysis. It discusses the importance of data security, privacy, and quality, and provides strategies to mitigate these risks and ensure the integrity of the data.

5. The fifth part of the document concludes by summarizing the key findings and recommendations. It emphasizes the ongoing nature of data management and analysis, and the need for continuous improvement and innovation in the field.

6. The sixth part of the document provides a detailed overview of the data collection and analysis process, including the identification of data sources, the design of data collection instruments, and the implementation of data collection procedures.

7. The seventh part of the document discusses the various methods and tools used for data analysis, including statistical analysis, data visualization, and machine learning. It highlights the strengths and limitations of each method and provides guidance on when to use each one.

8. The eighth part of the document focuses on the implementation of data-driven decision-making processes, including the identification of key performance indicators (KPIs), the establishment of data-driven goals, and the implementation of data-driven strategies.

9. The ninth part of the document addresses the challenges and risks associated with data management and analysis, including data security, privacy, and quality. It provides strategies to mitigate these risks and ensure the integrity of the data.

10. The tenth part of the document concludes by summarizing the key findings and recommendations, and emphasizing the ongoing nature of data management and analysis.



**COSTICH
ENGINEERING**

SCHEDULE D

THE BLUFFS SUBDIVISION - SECTION TWO

DESCRIPTION OF SECTION TWO

All that tract or parcel of land containing 18.3+/- acres, more or less, situate in part of Great Town Lot 72, Township 14, Range 7, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision", prepared by Charles J. Costich, P.E., L.S., P.C., dated 10/12/95, having drawing number 726-32 and being more particularly bounded and described as follows:

Commencing at the southwest property corner of lands owned now or formerly by Arthur E. and Jean Liebert, having tax parcel no. 063.100-01-056.2, said point being 340.68 feet west of the westerly right-of-way line of DeWitt Road; thence

- (A) N 03°-07'-25" W, along the westerly property line of the aforesaid Liebert lands, a distance of 208.96 feet to a point; thence
- (B) S 87°-03'-16" W, a distance of 282.83 feet to the true point of beginning; thence
 - 1) S 77°-59'-03" W, a distance of 63.78 feet to a point; thence
 - 2) N 45°-44'-38" W, a distance of 321.68 feet to a point, said point being on a curve; thence
 - 3) Southwesterly, on a curve to the right, having a radius of 270.00 feet, an arc distance of 53.40 feet, to a point; thence
 - 4) N 34°-24'-47" W, a distance of 192.88 feet to a point; thence
 - 5) N 52°-24'-25" E, a distance of 49.30 feet to a point; thence
 - 6) N 11°-48'-48" E, a distance of 89.84 feet to a point; thence
 - 7) N 53°-20'-45" W, a distance of 75.24 feet to a point; thence
 - 8) N 55°-09'-02" W, a distance of 361.20 feet to a point, said point being the high water mark of the easterly shore line of Irondequoit Bay; thence
 - 9) Northeasterly then northerly, along the easterly shoreline of Irondequoit Bay, a distance of 733 feet, more or less, to a point; thence
 - 10) S 90°-00'-00" E, a distance of 450 feet, more or less, to a point; thence
 - 11) S 49°-58'-26" E, a distance of 524.75 feet to a point; thence
 - 12) S 80°-12'-11" W, a distance of 86.78 feet to a point; thence



**COSTICH
ENGINEERING**

- 13) S 50°-31'-51" W, a distance of 207.02 feet to a point; thence
- 14) S 49°-58'-26" E, a distance of 155.54 feet to a point; thence
- 15) S 09°-14'-04" W, a distance of 817.11 feet to the true point of beginning.

F:\JOBS\726\SEC2DSC.DOC

DECLARATION

PAGE 49



**COSTICH
ENGINEERING**

SCHEDULE E

THE BLUFFS SUBDIVISION - SECTIONS ONE & TWO

DESCRIPTION OF ASSOCIATION PROPERTY:

All that tract or parcel of land containing 10.4+/- acres, more or less, situate in part of Great Town Lot 72, Township 14, Range 7, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "Map Showing the Association Property", prepared by Charles J. Costich, P.E., L.S., P.C., dated 10/12/95, having drawing number 726-31, and being more particularly bounded and described as follows:

Beginning at a point on the southerly right-of-way line of Sundance Trail, said point being the northwest property corner of Lot No. 112, said point also being on a curve; thence

- 1) S 39°-32'-37" W, along the westerly property line of Lot No. 112, a distance of 267.44 feet to a point; thence
- 2) S 86°-20'-24" W, a distance of 626 feet, more or less, to a point, said point being on the high water mark of the easterly shore line of Irondequoit Bay; thence
- 3) Northeasterly, then northerly, along the easterly shore line of Irondequoit Bay, a distance of 2200 feet, more or less, to a point; thence
- 4) S 90°-00'-00" E, a distance of 450 feet, more or less, to a point; thence
- 5) S 49°-58'-26" E, a distance of 524.75 feet to a point; thence
- 6) S 80°-12'-11" W, a distance of 86.78 feet to a point; thence
- 7) S 50°-31'-51" W, a distance of 207.02 feet to a point; thence
- 8) S 77°-14'-30" W, a distance of 76.98 feet to a point; thence
- 9) S 90°-00'-00" W, a distance of 203.03 feet to a point; thence
- 10) S 00°-00'-00 W, a distance of 142.90 feet to a point; thence
- 11) S 47°-54'-36" E, a distance of 144.05 feet to a point; thence
- 12) S 07°-59'-57" E, a distance of 64.02 feet to a point on the cul-de-sac right-of-way line of Sundance Trail, said point being on a curve; thence
- 13) Westerly, along the aforesaid cul-de-sac right-of-way line, on a curve to the left, an arc distance of 10.03 feet to a point; thence
- 14) N 07°-59'-57" W, a distance of 61.11 feet to a point; thence
- 15) N 47°-54'-36" W, a distance of 144.86 feet to a point; thence



**COSTICH
ENGINEERING**

- 16) N 00°-00'-00" W, a distance of 147.34 feet to a point; thence
- 17) S 90°-00'-00" W, a distance of 329.56 feet to a point; thence
- 18) S 15°-01'-47" W, a distance of 46.89 feet to a point; thence
- 19) S 41°-46'-21" W, a distance of 186.28 feet to a point; thence
- 20) S 47°-15'-15" W, a distance of 95.44 feet to a point; thence
- 21) S 47°-04'-03" W, a distance of 130.92 feet to a point; thence
- 22) S 40°-08'-31" W, a distance of 98.26 feet to a point; thence
- 23) S 31°-10'-16" W, a distance of 110.18 feet to a point; thence
- 24) S 26°-28'-50" W, a distance of 84.54 feet to a point; thence
- 25) S 22°-34'-04" W, a distance of 73.62 feet to a point; thence
- 26) S 51°-30'-31" E, a distance of 117.51 feet to a point; thence
- 27) S 71°-30'-31" E, a distance of 94.85 feet to a point; thence
- 28) S 52°-26'-02" E, a distance of 367.64 feet to a point on the westerly right-of-way line of Sundance Trail; thence
- 29) S 41°-15'-17" W, along the aforesaid right-of-way line, a distance of 38.08 feet to a point; thence
- 30) N 52°-26'-02" W, a distance of 358.81 feet to a point; thence
- 31) N 71°-30'-31" W, a distance of 88.46 feet to a point; thence
- 32) S 88°-29'-29" W, a distance of 111.68 feet to a point; thence
- 33) S 08°-44'-00" W, a distance of 54.19 feet to a point; thence
- 34) S 04°-16'-32" W, a distance of 131.72 feet to a point; thence
- 35) S 74°-12'-41" E, a distance of 99.88 feet to a point; thence
- 36) S 48°-53'-12" E, a distance of 210.70 feet to a point; thence
- 37) S 86°-03'-30" E, a distance of 58.24 feet to a point; thence



**COSTICH
ENGINEERING**

- 38) N 82°-19'-05" E, a distance of 152.18 feet to a point on the westerly right-of-way line of Sundance Trail, said point being on a curve; thence
- 39) Southerly, along the aforesaid right-of-way line, on a curve to the left, having a radius of 120.00 feet, an arc distance of 20.02 feet to a point; thence
- 40) S 82°-19'-05" W, a distance of 154.22 feet to a point; thence
- 41) N 86°-03'-30" W, a distance 67.00 feet to a point; thence
- 42) N 48°-53'-12" W, a distance of 212.93 feet to a point; thence
- 43) N 74°-12'-41" W, a distance of 91.47 feet to a point; thence
- 44) S 05°-23'-16" W, a distance of 51.59 feet to a point; thence
- 45) S 27°-48'-51" W, a distance of 25.80 feet to a point; thence
- 46) S 28°-15'-24" W, a distance of 144.64 feet to a point; thence
- 47) S 50°-27'-23" E, a distance of 345.30 feet to a point; thence
- 48) N 86°-20'-24" E, a distance of 160.29 feet to a point; thence
- 49) N 39°-32'-37" E, a distance of 257.95 feet to a point on the southerly right-of-way line of Sundance Trail, said point being on a curve; thence
- 50) Southeasterly, along the aforesaid right-of-way line, on a curve to the left, having a radius of 120.00 feet, an arc distance of 20.04 feet to the point of beginning.

F:\JOBS\726\ASSOC\DSC.DOC

DECLARATION

DECLARATION

PAGE 52

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10



**COSTICH
ENGINEERING**

SCHEDULE F

THE BLUFFS SUBDIVISION - SECTION ONE

**DESCRIPTION OF LANDS TO BE DEDICATED TO THE TOWN OF WEBSTER
FOR HIGHWAY PURPOSES**

All that tract or parcel of land containing 2.607 acres, more or less, situate in Part of Town Lot No. 72, Township 14, Range 7, Gore Tract, Phelps & Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision - Section One, Plat Map", prepared by Charles J. Costich, P.E., L.S., P.C., dated 3/1/95, having drawing number 726-22 and being more particularly bounded and described as follows:

Sundance Trail (60' wide right-of-way)

Commencing at a point on the westerly right-of-way line of Dewitt Road, said point being the northeast property corner of lands owned now or formerly by James P. VanDorpe, being tax parcel number 063.140-01-001; thence

- (A) N 19°-05'-39" E, along the aforesaid right-of-way line, a distance of 149.59 feet the true point of beginning, said point being a point of curvature; thence
- 1) Northerly and westerly, on a curve to the left, having a radius of 35.00 feet, an arc distance of 68.57 feet to a point of tangency; thence
 - 2) S 86°-50'-48" W, a distance of 263.90 feet to a point of curvature; thence
 - 3) Westerly, on a curve to the left, having a radius of 370.00 feet, an arc distance of 54.41 feet to a point of reverse curvature; thence
 - 4) Westerly, on a curve to the right, having a radius of 1,030.00 feet, an arc distance of 142.35 feet to a point of tangency; thence
 - 5) S 86°-20'-24" W, a distance of 656.23 feet to a point of curvature; thence
 - 6) Westerly, northerly and northwesterly, on a curve to the right, having a radius of 120.00 feet, an arc distance of 282.56 feet to a point of tangency; thence
 - 7) N 41°-15'-17" E, a distance of 208.74 feet to a point of curvature; thence
 - 8) Northwesterly, on a curve to the right, having a radius of 530.00 feet, an arc distance of 132.58 feet to a point of tangency; thence
 - 9) N 55°-53'-13" E, a distance of 97.46 feet to a point of curvature; thence
 - 10) Northeasterly, on a curve to the left, having a radius of 270.00 feet, an arc distance of 53.40 feet to a point of tangency; thence
 - 11) S 45°-44'-38" E, a distance of 60.00 feet to a point of curvature; thence



**COSTICH
ENGINEERING**

- 12) Southwesterly, on a curve to the right, having a radius of 330.00 feet, an arc distance of 65.26 feet to a point of tangency; thence
- 13) S 55°-35'-13" W, a distance of 97.46 feet to a point of curvature; thence
- 14) Southwesterly, on a curve to the left, having a radius of 470.00 feet, an arc distance of 117.57 feet to a point of tangency; thence
- 15) S 41°-15'-17" W, a distance of 208.74 feet to a point of curvature; thence
- 16) Southwesterly, southerly and easterly, on a curve to the left, having a radius of 60.00 feet, an arc distance of 141.28 feet to a point of tangency; thence
- 17) N 86°-2'-24" E, a distance of 656.23 feet to a point of curvature; thence
- 18) Easterly, on a curve to the left, having a radius of 970.00 feet, an arc distance of 134.06 feet to a point of reverse curvature; thence
- 19) Easterly, on a curve to the right, having a radius of 430.00 feet, an arc distance of 63.23 feet to a point of tangency; thence
- 20) N 86°-50'-48" E, a distance of 340.68 feet to a point on the west right-of-way line of Dewitt Road; thence
- 21) S 19°-05'-39" W, along the aforesaid right-of-way line, a distance of 94.68 feet to the true point of beginning.

F:\JOBS\726\HGWD\DESC.DOC



**COSTICH
ENGINEERING**

SCHEDULE G

THE BLUFFS SUBDIVISION - SECTION TWO

**DESCRIPTION OF LANDS TO BE DEDICATED TO THE TOWN OF WEBSTER
FOR HIGHWAY PURPOSES**

All that tract or parcel of land containing 0.756 acres, more or less, situate in Part of Town Lot No. 72, Township 14, Range 7, Gore Tract, Phelps & Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a preliminary map entitled, "The Bluffs Subdivision - Plat Map", prepared by Charles J. Costich, P.E., L.S., P.C., dated 10/10/94, having drawing number 726-16 and being more particularly bounded and described as follows:

Sundance Trail (60' wide right-of-way)

Beginning at the northwest property corner of Lot No. 124 of The Bluffs Subdivision - Section One and as shown on a map filed in the Monroe County Clerk's Office in Liber 285, Page 51; thence

- 1) N 45°-44'-38" W, a distance of 60.00 feet to a point, said point being on a curve; thence
- 2) Northeasterly, on a curve to the left, having a radius of 270.00 feet, an arc distance of 133.44 feet, to a point of tangency; thence
- 3) N 15°-56'-20" E, a distance of 114.32 feet to a point of curvature; thence
- 4) Northerly, on a curve to the left, having a radius of 60.00 feet, an arc distance of 48.37 feet to a point of reverse curvature; thence
- 5) Northerly, easterly and southerly, on a curve to the right, having a radius of 70.00 feet, an arc distance of 332.77 feet to a point of reverse curvature; thence
- 6) Southerly, on a curve to the left, having a radius of 60.00 feet, an arc distance of 48.37 feet to a point of tangency; thence
- 7) S 15°-56'-20" W, a distance of 114.32 feet to a point of curvature; thence
- 8) Southwesterly, on a curve to the right, having a radius of 330.00 feet, an arc distance of 163.09 feet to the point of beginning.

FAJ08S172612HGWDSC.DOC

103

104

105

106

107

108

109

110

111

112

113

114



**COSTICH
ENGINEERING**

SCHEDULE H-1

THE BLUFFS SUBDIVISION - SECTION ONE

**DESCRIPTION OF A TEMPORARY EASEMENT TO THE TOWN OF WEBSTER
FOR STORM SEWER, SANITARY SEWER AND
TEMPORARY TURNAROUND PURPOSES**

All that tract or parcel of land, situate in Part of Town Lot No. 72, Township 14, Range 7, Gore Tract, Phelps & Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision - Section One, Plat Map", prepared by Charles J. Costich, P.E., L.S., P.C., dated 3/1/95, having drawing number 726-22 and being more particularly bounded and described as follows:

Beginning at a point on the northwest right-of-way line of Sundance Trail, said point being the most easterly property corner of Lot No. 123; thence

- 1) N 34°-24'-47" W, along the northeasterly property line of lot number 123, a distance of 26.69 feet to a point; thence
- 2) N 43°-02'-14" E, a distance of 86.77 feet to a point; thence
- 3) S 45°-44'-38" E, a distance of 125.03 feet to a point; thence
- 4) S 43°-02'-14" W, a distance of 81.25 feet to a point; thence
- 5) N 46°-57'-46" W, a distance of 36.31 feet to a point on the southeasterly right-of-way line of Sundance Trail, said point being on a curve; thence
- 6) Northeasterly, along the aforesaid right-of-way line, on a curve to the left, having a radius of 330.00 feet, an arc distance of 43.17 feet to a point, said point being the most northerly property corner of Lot No. 124; thence
- 7) N 45°-44'-38" W, a distance of 60.00 feet to a point on the northwesterly right-of-way line of Sundance Trail, said point being on a curve; thence
- 8) Southwesterly, along the aforesaid right-of-way line, on a curve to the right, having a radius of 270.00 feet, an arc distance of 53.40 feet to the point of beginning.

F:\JOBS\726\TEMPEASE.DOC

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for a systematic approach to data collection and the importance of using reliable and valid measurement instruments.

3. The third part of the document discusses the ethical considerations that must be taken into account when conducting research. It stresses the importance of obtaining informed consent from participants and ensuring that their privacy and confidentiality are protected throughout the study.

4. The fourth part of the document describes the various methods used to collect data, including surveys, interviews, focus groups, and observations. It provides a detailed overview of the strengths and limitations of each method and offers guidance on how to choose the most appropriate method for a given research project.

5. The fifth part of the document discusses the various methods used to analyze data, including statistical analysis, content analysis, and grounded theory. It provides a detailed overview of the strengths and limitations of each method and offers guidance on how to choose the most appropriate method for a given research project.

6. The sixth part of the document discusses the various methods used to report research findings, including writing research papers, presenting at conferences, and publishing in journals. It provides a detailed overview of the strengths and limitations of each method and offers guidance on how to choose the most appropriate method for a given research project.

7. The seventh part of the document discusses the various methods used to evaluate research, including peer review, meta-analysis, and systematic reviews. It provides a detailed overview of the strengths and limitations of each method and offers guidance on how to choose the most appropriate method for a given research project.

SCHEDULE H-2



**COSTICH
ENGINEERING**

THE BLUFFS SUBDIVISION - SECTION ONE

**DESCRIPTION OF AN EASEMENT TO THE TOWN OF WEBSTER
FOR SANITARY SEWER PURPOSES**

All that tract or parcel of land, situate in Part of Town Lot No. 72, Township 14, Range 7, Gore Tract, Phelps & Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision - Section One, Plat Map", prepared by Charles J. Costich, P.E., L.S., P.C., dated 3/1/95, having drawing number 726-22 and being more particularly bounded and described as follows:

UE-3

Beginning at a point on the north right-of-way line of Sundance Trail, said point being the common south property corner of Lot No. 130 to the west and Lot No. 131 to the east; thence

- 1) S 86°-20'-24" W, along the aforesaid right-of-way line, a distance of 10.00 feet to a point; thence
- 2) N 03°-39'-36" W, a distance of 271.09 feet to a point; thence
- 3) N 45°-44'-38" W, a distance of 179.32 feet to a point on the southerly right-of-way line of Sundance Trail, said point being on a curve; thence
- 4) Northeasterly, along the aforesaid right-of-way line, on a curve to the left, having a radius of 330.00 feet, an arc distance of 20.00 feet to a point; thence
- 5) S 45°-44'-38" E, a distance of 187.01 feet to a point; thence
- 6) S 03°-39'-36" E, a distance of 278.78 feet to a point on the northerly right-of-way line of Sundance Trail; thence
- 7) S 86°-20'-24" W, along the aforesaid right-of-way line, a distance of 10.00 feet to the point of beginning.

F:\JOBS\1726\1SANSEW.DOC

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent and reliable data collection processes to support effective decision-making and strategic planning.

3. The third part of the document focuses on the role of technology in data management and analysis. It discusses how modern software solutions can streamline data collection, storage, and reporting, thereby improving efficiency and accuracy.

4. The fourth part of the document addresses the challenges associated with data management, such as data quality, security, and privacy. It provides strategies to mitigate these risks and ensure that data is used responsibly and ethically.

5. The fifth part of the document concludes by summarizing the key findings and recommendations. It stresses the importance of ongoing monitoring and evaluation to ensure that data management practices remain effective and aligned with the organization's goals.

6. The sixth part of the document provides a detailed overview of the data collection process, including the identification of data sources, the design of data collection instruments, and the implementation of data collection procedures.

7. The seventh part of the document discusses the various methods used for data analysis, such as descriptive statistics, inferential statistics, and qualitative analysis. It explains how these methods are used to interpret the data and draw meaningful conclusions.

8. The eighth part of the document focuses on the presentation of data, including the use of tables, charts, and graphs. It provides guidelines for creating clear and concise reports that effectively communicate the results of the data analysis.

9. The ninth part of the document discusses the importance of data security and privacy. It outlines the measures that should be taken to protect sensitive data from unauthorized access, loss, or disclosure.

10. The tenth part of the document concludes by emphasizing the value of data in driving organizational success. It encourages the organization to continue to invest in data management and analysis to stay competitive in a rapidly changing market.



**COSTICH
ENGINEERING**

SCHEDULE H-3

THE BLUFFS SUBDIVISION - SECTION ONE

**DESCRIPTION OF EASEMENTS TO THE TOWN OF WEBSTER
FOR SANITARY SEWER AND SANITARY SEWER PURPOSES**

All those tracts or parcels of land, situate in Part of Town Lot No. 72, Township 14, Range 7, Gore Tract, Phelps & Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision - Section One, Plat Map", prepared by Charles J. Costich, P.E., L.S., P.C., dated 3/1/95, having drawing number 726-22 and being individually and more particularly bounded and described as follows:

UE-4

Commencing at the right-of-way intersection of Dewitt Road and Sundance Trail, said point being at the northeast corner of Lot No. 101, said point also being at a point of curvature for the Sundance Trail right-of-way line; thence

- (A) Northerly, along the south right-of-way line, of Sundance Trail, on a curve to the left, having a radius of 35.00 feet, an arc distance of 15.87 feet to the true point of beginning; thence
- 1) N 83°-31'-28" W, a distance of 165.41 feet to a point; thence
 - 2) S 83°-02'-28" W, a distance of 209.90 feet to a point; thence
 - 3) S 86°-20'-24" W, a distance of 871.73 feet to a point; thence
 - 4) N 33°-37'-22" W, a distance of 157.09 feet to a point; thence
 - 5) N 45°-59'-39" E, a distance of 113.73 feet to a point on the northwesterly right-of-way line of Sundance Trail, said point being a point of curvature; thence
 - 6) Southwesterly, southerly and easterly, along the aforesaid right-of-way line of Sundance Trail, on a curve to the left, having a radius of 120.00 feet, an arc distance of 282.56 feet to a point of tangency; thence
 - 7) N 86°-20'-24" E, continuing along the aforesaid right-of-way line, a distance of 656.23 feet to a point of curvature; thence
 - 8) Easterly, continuing along the aforesaid right-of-way line on a curve to the left, having a radius of 1030.00 feet, an arc distance of 142.35 feet to a point of reverse curvature; thence
 - 9) Easterly, continuing along the aforesaid right-of-way line, on a curve to the left, having a radius of 370.00 feet, an arc distance of 54.41 feet to a point of tangency; thence
 - 10) N 86°-50'-48" E, continuing along the aforesaid right-of-way line, a distance of 263.90 feet to a point of curvature; thence



**COSTICH
ENGINEERING**

165

Project No. 726-1
May 10, 1995
Page 2 of 2

- 11) Easterly and southerly, continuing along the aforesaid right-of-way line, on a curve to the right, having a radius of 35.00 feet, an arc distance of 68.57 feet to the true point of beginning.

UE-5

Beginning at a point on the northwesterly right-of-way line of Sundance Trail, said point being the common easterly property corner of Lot No. 118 to the south and Lot No. 119 to the north; thence

- 1) S 41°-15'-17" W, along the aforesaid right-of-way line, a distance of 24.13 feet to a point; thence
- 2) N 37°-26'-02" W, a distance of 23.13 feet to a point; thence
- 3) N 52°-33'-58" E, a distance of 271.97 feet to a point; thence
- 4) S 34°-24'-47" E, a distance of 10.28 feet to a point on the northwesterly right-of-way line, of Sundance Trail; thence
- 5) S 55°-35'-13" W, along the aforesaid right-of-way line, a distance of 97.46 feet to a point of curvature; thence
- 6) Southwesterly, continuing along the aforesaid right-of-way line, on a curve to the left, having a radius of 530.00 feet, an arc distance of 132.58 feet to a point of tangency; thence
- 7) S 41°-15'-17" W, continuing along the aforesaid right-of-way line, a distance of 18.93 feet to the point of beginning.

FAJ08S17261STRSAN.DOC



**COSTICH
ENGINEERING**

166

SCHEDULE H-4

Project No. 726
October 20, 1995
Page 1 of 1

THE BLUFFS SUBDIVISION

**DESCRIPTIONS OF EASEMENTS TO THE TOWN OF WEBSTER
FOR WATERMAIN PURPOSES**

All those tracts or parcels of land situate in part of Great Town Lot 72, Township 14, Range 7, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "Plat Map", prepared by Charles J. Costich, P.E., L.S., P.C., dated 3/1/95, having drawing number 726-22, and being individually and more particularly bounded and described as follows:

UE-6A

Beginning at a point on the northerly right-of-way line of Sundance Trail, said point being the common southerly property corner of Lot No. 131 to the west and Lot No. 132 to the east; thence

- 1) N 71°-09'-36" W, a distance of 52.26 feet to a point; thence
- 2) N 86°-20'-24" E, a distance of 48.28 feet to a point; thence
- 3) S 03°-39'-36" E, a distance of 20.00 feet to the point of beginning.

UE-6B

Beginning at a point on the northerly right-of-way line of Sundance Trail, said point being a point of curvature, 139.83 feet west of the southeast property corner of Lot No. 127; thence

- 1) Westerly and northerly, along the aforesaid right-of-way line, on a curve to the right, having a radius of 60.00 feet, and an arc distance of 141.28 feet to a point of tangency; thence
- 2) S 06°-46'-01" W, a distance of 57.13 feet to a point; thence
- 3) S 52°-30'-16" E, a distance of 70.16 feet to the point of beginning.

F:\JOBS\726\WTRMUE.DOC



**COSTICH
ENGINEERING**

SCHEDULE H-5

THE BLUFFS SUBDIVISION - SECTION ONE

**DESCRIPTION OF EASEMENTS TO THE TOWN OF WEBSTER
FOR WATERMAIN PURPOSES**

All that tract or parcel of land, situate in Part of Town Lot No. 72, Township 14, Range 7, Gore Tract, Phelps & Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision - Section One, Plat Map", prepared by Charles J. Costich, P.E., L.S., P.C., dated 3/1/95, having drawing number 726-22 and being individually and more particularly bounded and described as follows:

UE-6

Beginning at a point on the northerly right-of-way line of Sundance Trail, said point being the common south property corner of Lot No. 131 to the west and Lot No. 132 to the east; thence

- 1) S 86°-20'-24" W, along the aforesaid right-of-way line, a distance of 200.00 feet to a point; thence
- 2) N 63°-50'-24" E, a distance of 52.56 feet to a point; thence
- 3) N 86°-20'-24" E, a distance of 103.43 feet to a point; thence
- 4) S 71°-09'-36" E, a distance of 52.56 feet to the point of beginning.

F:\JOBS\726\WATER.DOC

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10



**COSTICH
 ENGINEERING**

SCHEDULE I

THE BLUFFS SUBDIVISION

DESCRIPTIONS OF COMMON ACCESS AND UTILITY EASEMENTS

All those tracts or parcels of land situate in part of Great Town Lot 72, Township 14, Range 7, Phelps and Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "Plat Map", prepared by Charles J. Costich, P.E., L.S., P.C., dated 10/10/94, having drawing number 726-16, and being individually and more particularly bounded and described as follows:

Common Access and Utility Easement to Lots 121, 122 and 123

Beginning at a point on the westerly right-of-way line of Sundance Trail, said point being the common property corner of Lot No. 120 to the south and Lot No. 121 to the north; thence

- 1) N 34°-24'-47" W, along the common lot line of Lots 120 and 121, a distance of 213.44 feet to a point; thence
- 2) N 52°-24'-25" E, a distance of 45.07 feet to a point; thence
- 3) S 34°-24'-47" E, a distance of 215.94 feet to a point on the westerly right-of-way line of Sundance Trail; thence
- 4) S 55°-35'-13" W, along the aforesaid right-of-way line, a distance of 45.00 feet to the point of beginning.

Common Access and Utility Easement to Lots 204, 205 and 206

Beginning at a point on the cul-de-sac right-of-way line, said point being on a curve, said point also being the common property corner of Lot No. 203 to the south and Lot No. 204 to the north; thence

- 1) N 74°-57'-53" W, along the common property line of Lots 203 and 204, a distance of 119.61 feet to a point; thence
- 2) N 55°-09'-02" W, a distance of 162.46 feet to a point; thence
- 3) N 34°-50'-58" E, a distance of 45.00 feet to a point; thence
- 4) S 55°-09'-02" E, a distance of 154.60 feet to a point; thence
- 5) S 74°-57'-53" E, a distance of 111.75 feet to a point on the cul-de-sac right-of-way line, said point being on a curve; thence
- 6) Southerly, along the cul-de-sac right-of-way line, on a curve to the left, having a radius of 70.00 feet, an arc distance of 45.81 feet to the point of beginning.



**COSTICH
ENGINEERING**

169

Project No. 726
April 19, 1995
Page 2 of 2
Revised: 5/10/95

Common Access and Utility Easement to Lots 208 and 209

Beginning at a point on the cul-de-sac right-of-way line, said point being on a curve, said point also being the common property corner of Lots 208 and 209; thence

- 1) N 11°-45'-35" E, along the common property line of Lots 208 and 209, a distance of 118.62 feet to a point; thence
- 2) S 78°-14'-25" E, a distance of 31.83 feet to a point; thence
- 3) S 11°-45'-35" W, a distance of 126.27 feet to a point on the cul-de-sac right-of-way line, said point being on a curve; thence
- 4) Westerly, along the cul-de-sac right-of-way line, on a curve to the left, having a radius of 70.00 feet, an arc distance of 33.04 feet to the point of beginning.

F:\JOBS\726\UEDSC.DOC

DECLARATION



**COSTICH
ENGINEERING**

SCHEDULE J

THE BLUFFS SUBDIVISION - SECTION ONE

**DESCRIPTION OF A 15 FOOT WIDE EASEMENT TO THE OWNER
OF LOT NO. 117 FOR SANITARY LATERAL PURPOSES**

All that tract or parcel of land, situate in Part of Town Lot No. 72, Township 14, Range 7, Gore Tract, Phelps & Gorham Purchase, Town of Webster, County of Monroe, State of New York, all as shown on a map entitled, "The Bluffs Subdivision - Section One, Plat Map", prepared by Charles J. Costich, P.E., L.S., P.C., dated 3/1/95, having drawing number 726-22 and being more particularly bounded and described as follows:

UE-9

Commencing at a point on the westerly right-of-way line of Sundance Trail, said point being the southeast property corner of Lot No. 116, said point also being on a curve; thence

- (A) S 82°-19'-05" W, along the south property line of Lot No. 116, a distance of 24.50 feet to the true point of beginning; thence
- 1) S 82°-19'-05" W, continuing along the aforesaid property line, a distance of 15.01 feet to a point; thence
 - 2) N 05°-26'-22" W, a distance of 38.85 feet to a point on the south property line of Lot No. 117; thence
 - 3) S 80°-28'-11" E, along the aforesaid property line of Lot No. 117, a distance of 15.53 feet to a point; thence
 - 4) S 05°-26'-22" E, a distance of 34.25 feet to the true point of beginning.

F:\JOBS\726\LOT117.DOC

Handwritten text at the top of the page, possibly a header or introductory paragraph.

Second section of handwritten text, appearing as a distinct paragraph.

Third section of handwritten text, continuing the narrative or list.

Fourth section of handwritten text, possibly a concluding paragraph.

Fifth section of handwritten text at the bottom of the page.

NEIGHBORING PROPERTY OWNERS' AGREEMENT

AGREEMENT

THIS AGREEMENT made this 18th day of July, 1995 between CASCIANI CONSTRUCTION COMPANY, INC., party of the first part, and CHARLES DeMARCO, MARIE DeMARCO, PETER CRISTO, KEITH SEIFFERT, BLANCHE SEIFFERT, DONALD DeVRIES and EVELYN DeVRIES, parties of the second part.

WHEREAS, the parties of the second part have commenced 2 Article 78 Proceedings in New York State Supreme Court against the Town of Webster being Index Numbers 4328/95 and 5104/95; and

WHEREAS, the party of the first part in consideration of the parties of the second part's agreement to discontinue the aforementioned lawsuits; and

WHEREAS, the parties have agreed to other conditions concerning the Landings Subdivision (to be renamed the BLUFFS SUBDIVISION)

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

1. That the party of the first part shall not construct any dwelling or structure on the lands identified as "open space to be preserved" located along the southwest border of the subdivision adjacent to Lot 114 and the properties owned by the parties of the second part. (See attached Exhibit "A"). The above mentioned land shall be deeded to the Homeowners Association of said subdivision and will be designated as "open space". That the Homeowners Association prospectus shall contain restrictive language preventing any dwelling or structure on said aforementioned land.

Said land shall be restricted in such a way as to prohibit the use thereon of motorized vehicles excluding golf carts. Further, there shall be no improvements on said land with the exception of a pathway which will be surfaced with wood chips and said pathway shall not extend bayward of the coastal erosion line as shown on Exhibit "A".

2. That Lot 114 as shown on Exhibit "A" shall have a dwelling positioned such that no portion thereof shall be built any closer than 65 feet from the northern lot line of the parties of the second part; and, in addition, no portion of said structure shall extend in a westerly direction (bayward) beyond 50 feet easterly of a point where the northeast corner of the Seiffert property located at 232 Shorewood Drive, Webster, New York meets the northwest corner of the DeVries property located at 236 Shorewood Drive, Webster, New York.

3. That the location of the driveway on Lot 114 as shown on Exhibit "A" shall be located no closer than 65 feet from the northern property line of the parties of the second part. That the structure to be constructed on Lot 114 shall comply with the zoning regulations of the Town of Webster.

4. The parties of the second part agree not to contest in any fashion any other of the aspects or applications of the Subdivision nor will they incite other parties to contest said Subdivision application.

5. It is understood by the parties that this Agreement is subject to the approval of the Town of Webster since it alters the final approval given by said Town of Webster.

6. The parties agree that this Agreement shall be enforceable

by injunctive relief and that any party in breach of this Agreement shall be liable to the prevailing party for costs and reasonable attorneys' fees.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals below written.

CASCIANI CONSTRUCTION COMPANY, INC.

By: John Casciani

Charles DeMarco
Charles DeMarco

Marie DeMarco
Marie DeMarco

Peter Cristo
Peter Cristo

Keith Seiffert
Keith Seiffert

Blanche Seiffert
Blanche Seiffert

Donald DeVries
Donald DeVries

Evelyn DeVries
Evelyn DeVries

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

On the 18 day of July, 1995, before me personally came John Casciani, to me known, who, being by me duly sworn, did depose and say that deponent resides at Webster, New York; deponent is President of Casciani Construction Company, Inc., the corporation described in and which executed the foregoing instrument; that deponent knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; deponent signed deponent's name thereto by like order.

Adrian J. Burke

Notary Public

*William M. Higgins
State of New York
County of Monroe
my commission expires July 31, 1997*

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

On the 18th day of July, 1995, before me personally came CHARLES DEMARCO and MARIE DEMARCO, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they executed the same.

Adrian J. Burke

Notary Public

ADRIAN J. BURKE
Notary Public in the State of New York
Monroe County
Commission Expires July 15, 1997

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

On the 18th day of July, 1995, before me personally came KEITH SEIFFERT and BLANCHE SEIFFERT, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they executed the same.

Adrian J. Burke

Notary Public

ADRIAN J. BURKE
Notary Public in the State of New York
Monroe County
Commission Expires July 15, 1997

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

On the 18th day of July, 1995, before me personally came DONALD DEVRIES and EVELYN DEVRIES, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they executed the same.

Adrian J. Burke

Notary Public

ADRIAN J. BURKE
Notary Public in the State of New York
Monroe County
Commission Expires July 15, 1997

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

On the 18th day of July, 1995, before me personally came PETER CRISTO, to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that he executed the same.

Adrian J. Burke

Notary Public

LAKE
ONTARIO

LAKE ROAD - COUNTY ROUTE 1
BAY ROAD
CTY. RTE. 16

OPEN SPACE
TO BE PRESERVED
(PASSIVE RECREATION FOR
THE HOMEOWNERS USE)

IRONDEQUOIT
BAY

PROPOSED 10 FT. WIDE
PEDESTRIAN ACCESS TO
OPEN SPACE

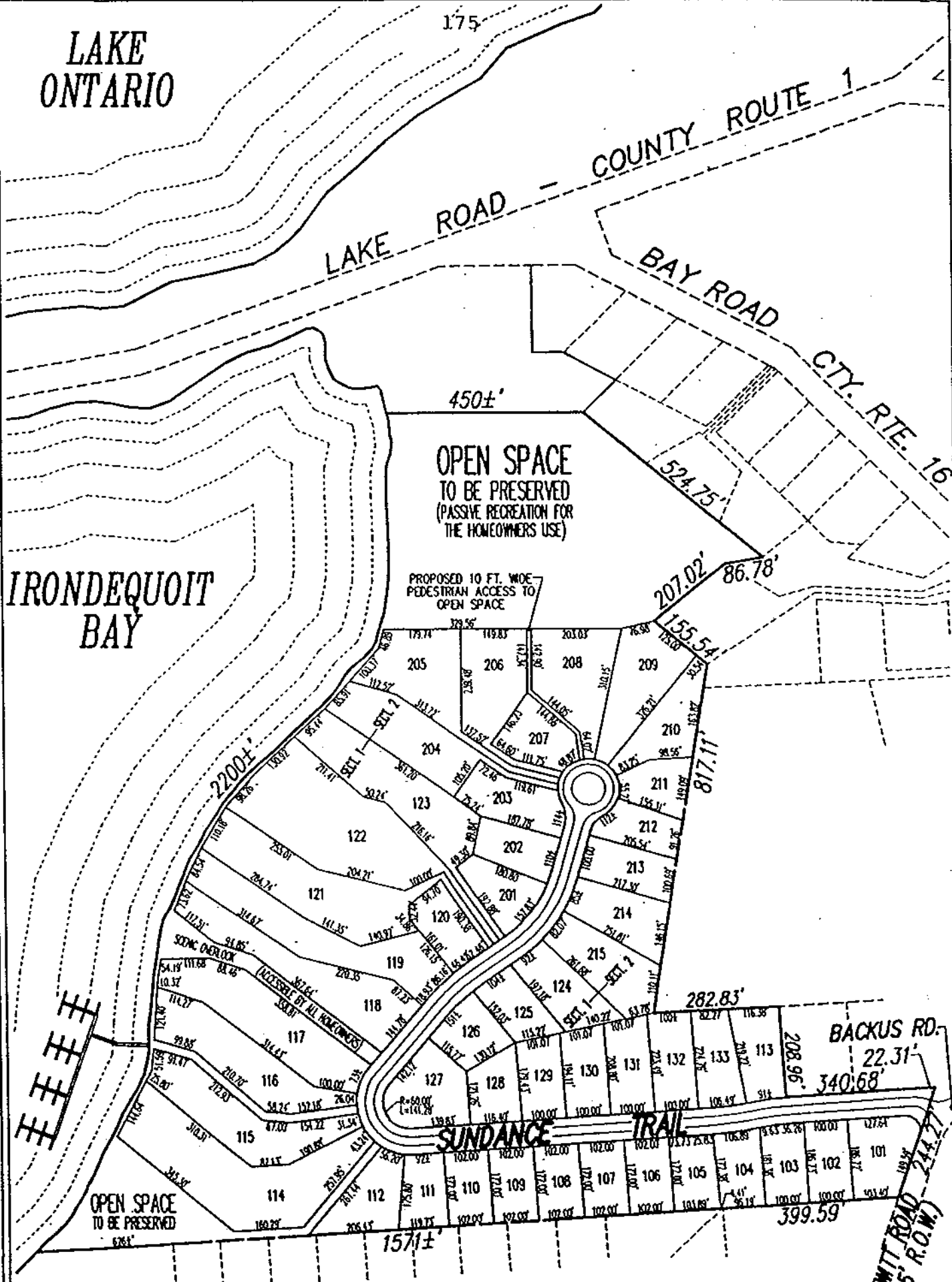
2200±'

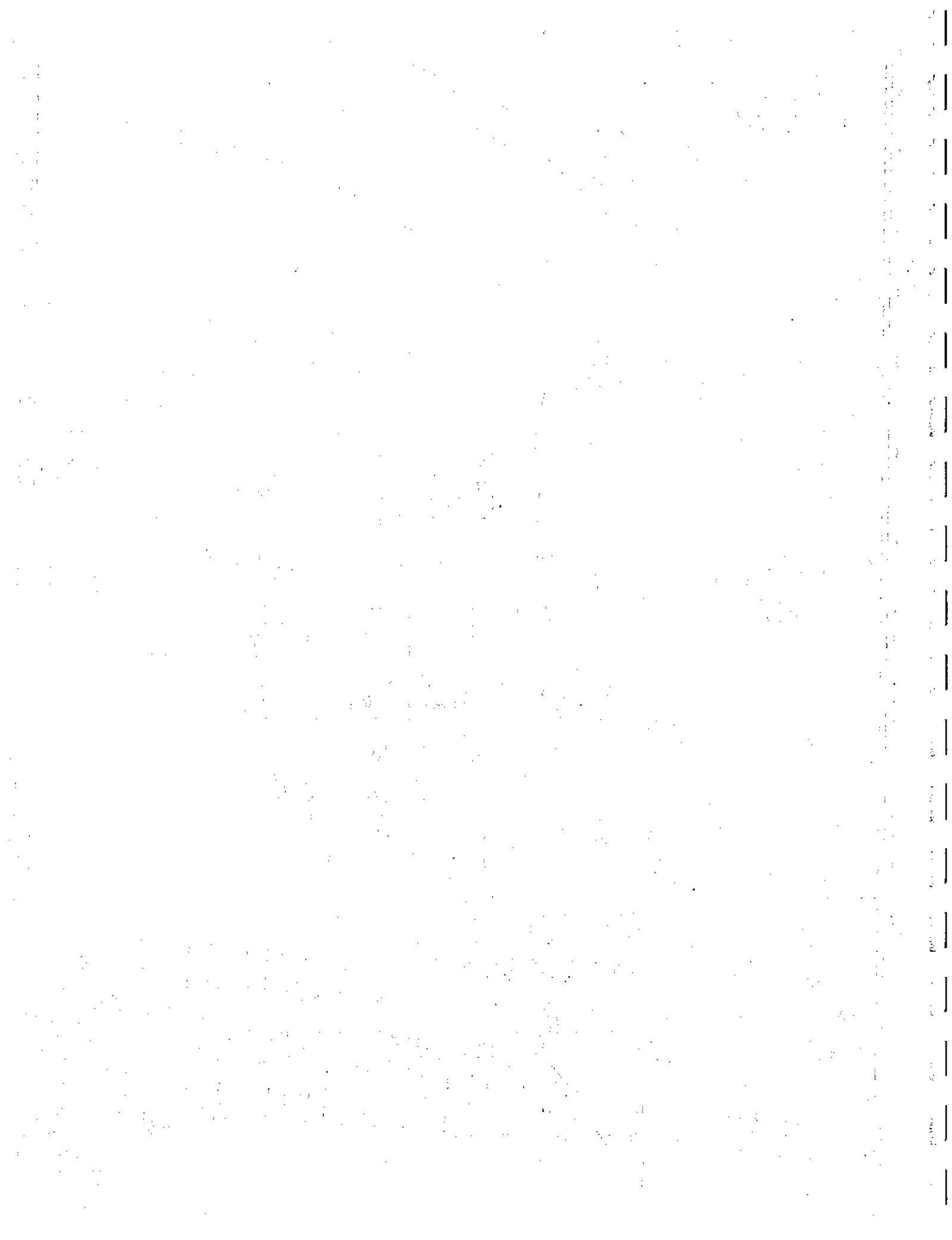
SUNDANCE TRAIL

OPEN SPACE
TO BE PRESERVED

BACKUS RD.
22.31'

DEWITT ROAD
(49.5' R.O.W.)





PRIVATE DRIVEWAY FOR LOTS 121, 122 and 123
DECLARATION OF EASEMENT & MAINTENANCE AGREEMENT

THIS DECLARATION, made on November 9th, 1995, by CASCIANI CONSTRUCTION CO., INC., Webster, New York, hereinafter referred to as "Developer".

W I T N E S S E T H :

WHEREAS, the Developer is the owner of real property known as THE BLUFFS SUBDIVISION which is situate in the Town of Webster, County of Monroe, State of New York, and which is particularly described in Schedule "A" as the same is shown on a map of the Subdivision recorded in the Monroe County Clerk's office under Liber 285 of Maps at Page 51 hereinafter referred to as "The Bluffs", and

WHEREAS, the Developer has subdivided the property described in Schedule "A" into 48 lots, three of which, namely Lots number 121, 122, and 123 have ingress and egress thereto over a private roadway which extends from Sundance Trail to said lots; hereinafter "Lots", which lots are to be individually owned and used for the construction of single family residences.

NOW, THEREFORE, the Developer hereby declares the above described property, being Lots 121, 122, and 123 of said Subdivision, to be subject to the following easements for ingress and egress, together with the following maintenance covenants, which easements shall run with the land.

1. Easements: The lot owner of Lots 121, 122, and 123 in The Bluffs Subdivision shall have for themselves, their guests, and

invitees a non-exclusive easement for ingress and egress over the said private roadway as aforementioned as laid out on the subdivision map recorded in the Monroe County Clerk's Office under Liber 285 at Page 51 on August 17 1995. The easements shall be used for ingress, egress, and installation of utilities to Lots 121, 122, and 123. No lot owner shall allow the private roadway area to be obstructed, impeded or interfered with. East lot owner shall cooperate with other lot owners to maintain an orderly flow of traffic and the free movement of pedestrian and vehicular traffic within the private roadway area.

2. Maintenance Cost - The owner or owners of the above mentioned lots in The Bluffs Subdivision shall pay thirty-three and one-third percent (33 1/3%) of the cost of maintenance, repair and/or replacement of the private roadway, providing said maintenance, repair and replacement shall have been approved by the owner or owners of at least two of Lots number 121, 122, and 123.

3. Snow Removal - The owner or owners of Lots numbered 121, 122, and 123, shall pay thirty-three and one-third percent (33 1/3%) of the cost of snow removal or snow plowing of the private roadway servicing their lot providing that the arrangement or agreement for said snow removal or snow plowing shall have been approved by the owner or owners of at least two of Lots number 121, 122, 123.

4. Amendments - This Declaration may not be modified, augmented or amended except by an instrument in writing approved by the then owners of Lots 121, 122, and 123 of The Bluffs Subdivision and recorded in the Office of the Clerk of the County of Monroe.

5. Distributees, Successors and Assigns - This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective distributees, successors, legal representatives and assigns.

6. Severability - Invalidation of any one of the provisions in this instrument by judgment or court order shall in no way affect the validity of the other provisions, which shall remain in full force and effect.

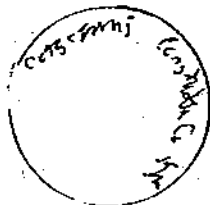
7. Binding Effect and Term - These covenants, conditions, restrictions, and easements shall run with the land and shall be binding on all the parties, their heirs, executors, administrators, successors and assigns, and all persons claiming thereunder.

8. Remedies - If any owner or owners of a lot in the subdivision, being Lots 121, 122, and 123 shall violate any of the covenants, conditions, restrictions or easements herein contained, it shall be lawful for any other person or persons owning any other lot in said subdivision, being Lots 121, 122, and 123 to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition, restriction or easement, and either to prevent him or them from so doing, and to recover damages for such violations and injunctive relief. Any owner or owners of a lot in The Bluffs Subdivision having paid the cost of approved maintenance, or of approved snow removal, as provided in this agreement, shall have full right of recovery of the unpaid share of said expense from the owner or owners having failed to pay when due said unpaid share of said expense, together with the costs, interest, disbursements and

reasonable attorney fees.

IN WITNESS WHEREOF, the undersigned has set his hand and seal
this 9th day of November, 1995.

CASCIANI CONSTRUCTION CO., INC.



John Casciani
BY: JOHN CASCIANI, President

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 9th day of November, 1995, before me personally came John Casciani, to me known, who, being by me duly sworn, did depose and say that deponent is President of Casciani construction Co., Inc., the corporation described in and which executed, the foregoing instrument; deponent knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; deponent signed deponent's name thereto by like order.

[Signature]
NOTARY PUBLIC

Notary Public in the State of New York
MONROE COUNTY
Commission Expires October 31, 1995

PRIVATE DRIVEWAY FOR LOTS 204, 205 and 206
DECLARATION OF EASEMENT & MAINTENANCE AGREEMENT

THIS DECLARATION, made on November 9th, 1995, by CASCIANI CONSTRUCTION CO., INC., Webster, New York, hereinafter referred to as "Developer".

W I T N E S S E T H :

WHEREAS, the Developer is the owner of real property known as THE BLUFFS SUBDIVISION which is situate in the Town of Webster, County of Monroe, State of New York, and which is particularly described in Schedule "A" as the same is shown on a map of the Subdivision recorded in the Monroe County Clerk's office under Liber 285 of Maps at Page 51 hereinafter referred to as "The Bluffs", and

WHEREAS, the Developer has subdivided the property described in Schedule "A" into 48 lots, three of which, namely Lots number 204, 205, and 206 have ingress and egress thereto over a private roadway which extends from Sundance Trail to said lots; hereinafter "Lots", which lots are to be individually owned and used for the construction of single family residences.

NOW, THEREFORE, the Developer hereby declares the above described property, being Lots 204, 205 and 206 of said Subdivision, to be subject to the following easements for ingress and egress, together with the following maintenance covenants, which easements shall run with the land.

1. Easements: The lot owner of Lots 204, 205, and 206 in The Bluffs Subdivision shall have for themselves, their guests, and

invitees a non-exclusive easement for ingress and egress over the said private roadway as aforementioned as laid out on the subdivision map recorded in the Monroe County Clerk's Office under Liber 285 at Page 51 on August 17, 1995. The easements shall be used for ingress, egress, and installation of utilities to Lots 204, 205, and 206. No lot owner shall allow the private roadway area to be obstructed, impeded or interfered with. East lot owner shall cooperate with other lot owners to maintain an orderly flow of traffic and the free movement of pedestrian and vehicular traffic within the private roadway area.

2. Maintenance Cost - The owner or owners of the above mentioned lots in The Bluffs Subdivision shall pay thirty-three and one-third percent (33 1/3%) of the cost of maintenance, repair and/or replacement of the private roadway, providing said maintenance, repair and replacement shall have been approved by the owner or owners of at least two of Lots number 204, 205, and 206.

3. Snow Removal - The owner or owners of Lots numbered 204, 205, and 206, shall pay thirty-three and one-third percent (33 1/3%) of the cost of snow removal or snow plowing of the private roadway servicing their lot providing that the arrangement or agreement for said snow removal or snow plowing shall have been approved by the owner or owners of at least two of Lots number 204, 205, and 206.

4. Amendments - This Declaration may not be modified, augmented or amended except by an instrument in writing approved by the then owners of Lots 204, 205, and 206 of The Bluffs Subdivision and recorded in the Office of the Clerk of the County of Monroe.

5. Distributees, Successors and Assigns - This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective distributees, successors, legal representatives and assigns.

6. Severability - Invalidation of any one of the provisions in this instrument by judgment or court order shall in no way affect the validity of the other provisions, which shall remain in full force and effect.

7. Binding Effect and Term - These covenants, conditions, restrictions, and easements shall run with the land and shall be binding on all the parties, their heirs, executors, administrators, successors and assigns, and all persons claiming thereunder.

8. Remedies - If any owner or owners of a lot in the subdivision, being Lots 204, 205, and 206 shall violate any of the covenants, conditions, restrictions or easements herein contained, it shall be lawful for any other person or persons owning any other lot in said subdivision, being Lots 204, 205, and 206 to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition, restriction or easement, and either to prevent him or them from so doing, and to recover damages for such violations and injunctive relief. Any owner or owners of a lot in The Bluffs Subdivision having paid the cost of approved maintenance, or of approved snow removal, as provided in this agreement, shall have full right of recovery of the unpaid share of said expense from the owner or owners having failed to pay when due said unpaid share of said expense, together with the costs, interest, disbursements and

reasonable attorney fees.

IN WITNESS WHEREOF, the undersigned has set his hand and seal
this 9th day of November, 1995.



CASCIANI CONSTRUCTION CO., INC.

BY: John Casciani
JOHN CASCIANI, President

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 9th day of November, 1995, before me personally came John Casciani, to me known, who, being by me duly sworn, did depose and say that deponent is President of Casciani construction Co., Inc., the corporation described in and which executed, the foregoing instrument; deponent knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; deponent signed deponent's name thereto by like order.

William W. Higgins
NOTARY PUBLIC

William W. Higgins
Notary Public in the State of New York
MONROE COUNTY
My Commission Expires November 31, 1995

SCHEDULE L-3

PRIVATE DRIVEWAY FOR LOTS 208 and 209
DECLARATION OF EASEMENT & MAINTENANCE AGREEMENT

THIS DECLARATION, made on November 9th, 1995, by CASCIANI CONSTRUCTION CO., INC., Webster, New York, hereinafter referred to as "Developer".

W I T N E S S E T H :

WHEREAS, the Developer is the owner of real property known as THE BLUFFS SUBDIVISION which is situate in the Town of Webster, County of Monroe, State of New York, and which is particularly described in Schedule "A: as the same is shown on a map of the Subdivision recorded in the Monroe County Clerk's office under Liber 205 of Maps at Page 51 hereinafter referred to as "The Bluffs", and

WHEREAS, the Developer has subdivided the property described in Schedule "A" into 48 lots, two of which, namely Lots number 208 and 209 have ingress and egress thereto over a private roadway which extends from Sundance Trail to said lots; hereinafter "Lots", which lots are to be individually owned and used for the construction of single family residences.

NOW, THEREFORE, the Developer hereby declares the above described property, being Lots 208 and 209 of said Subdivision, to be subject to the following easements for ingress and egress, together with the following maintenance covenants, which easements shall run with the land.

1. Easements: The lot owner of Lots 208 and 209 in The Bluffs Subdivision shall have for themselves, their guests, and

invitees a non-exclusive easement for ingress and egress over the said private roadway as aforementioned as laid out on the subdivision map recorded in the Monroe County Clerk's Office under Liber 285 at Page 51 on August 17, 1995. The easements shall be used for ingress, egress, and installation of utilities to Lots 208 and 209. No lot owner shall allow the private roadway area to be obstructed, impeded or interfered with. East lot owner shall cooperate with other lot owners to maintain an orderly flow of traffic and the free movement of pedestrian and vehicular traffic within the private roadway area.

2. Maintenance Cost - The owner or owners of the above mentioned lots in The Bluffs Subdivision shall pay fifty percent (50%) of the cost of maintenance, repair and/or replacement of the private roadway, providing said maintenance, repair and replacement shall have been approved by the owner or owners of both Lots number 208 and 209.

3. Snow Removal - The owner or owners of Lots numbered 208 and 209, shall pay fifty percent (50%) of the cost of snow removal or snow plowing of the private roadway servicing their lot providing that the arrangement or agreement for said snow removal or snow plowing shall have been approved by the owner or owners of both Lots number 208 and 209.

4. Amendments - This Declaration may not be modified, augmented or amended except by an instrument in writing approved by the then owners of Lots 208 and 209 of The Bluffs Subdivision and recorded in the Office of the Clerk of the County of Monroe.

5. Distributees, Successors and Assigns - This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective distributees, successors, legal representatives and assigns.

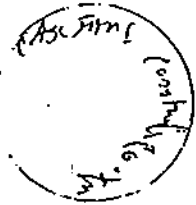
6. Severability - Invalidation of any one of the provisions in this instrument by judgment or court order shall in no way affect the validity of the other provisions, which shall remain in full force and effect.

7. Binding Effect and Term - These covenants, conditions, restrictions, and easements shall run with the land and shall be binding on all the parties, their heirs, executors, administrators, successors and assigns, and all persons claiming thereunder.

8. Remedies - If any owner or owners of a lot in the subdivision, being Lots 208 and 209 shall violate any of the covenants, conditions, restrictions or easements herein contained, it shall be lawful for any other person or persons owning any other lot in said subdivision, being Lots 208 and 209 to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition, restriction or easement, and either to prevent him or them from so doing, and to recover damages for such violations and injunctive relief. Any owner or owners of a lot in The Bluffs Subdivision having paid the cost of approved maintenance, or of approved snow removal, as provided in this agreement, shall have full right of recovery of the unpaid share of said expense from the owner or owners having failed to pay when due said unpaid share of said expense, together with the costs, interest, disbursements and

reasonable attorney fees.

IN WITNESS WHEREOF, the undersigned has set his hand and seal
this 9th day of November, 1995.



CASCIANI CONSTRUCTION CO., INC.

BY: John Casciani
JOHN CASCIANI, President

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 9th day of November, 1995, before me personally came John Casciani, to me known, who, being by me duly sworn, did depose and say that deponent is President of Casciani construction Co., Inc., the corporation described in and which executed, the foregoing instrument; deponent knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; deponent signed deponent's name thereto by like order.

NOTARY PUBLIC

[Handwritten Signature]

Notary Public in the State of New York
MONROE COUNTY
Commission Expires November 30, 1995

N. Y. S. DEPARTMENT OF STATE
DIVISION OF CORPORATIONS AND STATE RECORDS

162 WASHINGTON AVENUE
ALBANY, NY 12231

FILING RECEIPT

ENTITY NAME : THE BLUFFS OF WEBSTER, INC.

DOCUMENT TYPE : DOMESTIC (NOT-FOR-PROFIT) CORPORATION TYPE: A COUNTY: MONR

SERVICE COMPANY : NO SERVICE COMPANY SERVICE CODE: 00

FILED: 08/28/1995 DURATION: PERPETUAL CASH #: 950828000402 FILM #: 9508280002

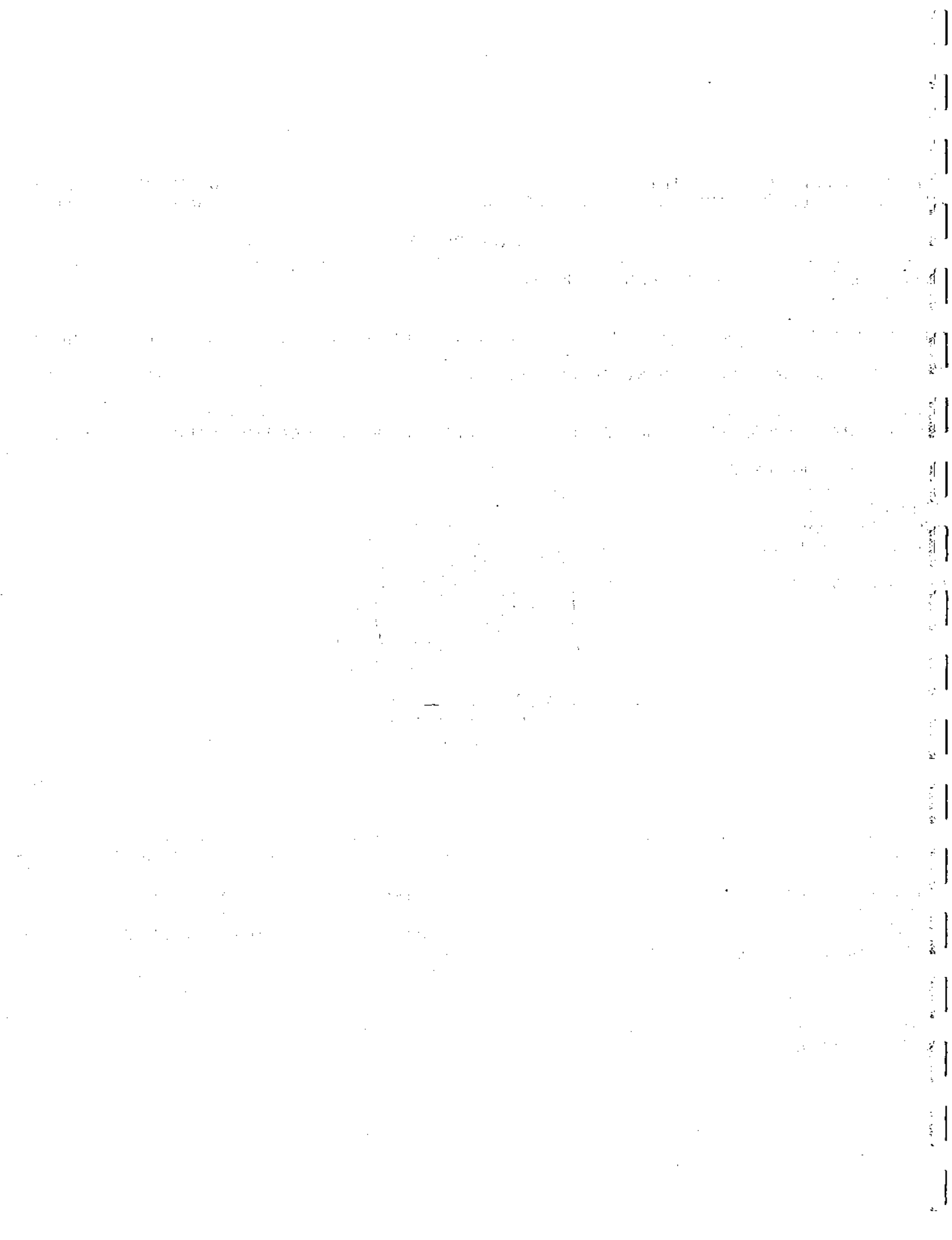
ADDRESS FOR PROCESS

JOHN CASCIANI
250 LAKE ROAD
WEBSTER, NY 14580

REGISTERED AGENT



FILER	FEES	100.00	PAYMENTS	100
DEROO ASSOCIATES, INC. P.O. BOX 4490 CLIFTON PARK, NY 12065-0854	FILING : TAX : CERT : COPIES : HANDLING:	75.00 0.00 0.00 0.00 25.00	CASH : CHECK : BILLED:	100 0 0
			REFUND:	0



CERTIFICATE OF INCORPORATION

OF

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

Under Section 402 of the

Not-for-Profit Corporation Law

The undersigned, being the sole incorporator for the purpose of forming a corporation under Section 402 of the Not-for-Profit Corporation Law of the State of New York, does hereby certify:

FIRST: The name of the corporation shall be The Bluffs of Webster, Inc. (A Homeowners' Association).

SECOND: This corporation will be a corporation as defined in Subparagraph (a)(5) of Section 102 of the Not-for-Profit Corporation Law.

THIRD: The purposes for which the corporation is formed are:

a. To provide for the maintenance, repair and replacement of the common areas of the residential community known as The Bluffs of Webster, located in the Town of Webster, County of Monroe, State of New York;

b. To purchase, lease, hire, receive donations of, or otherwise acquire, hold, own, develop, improve, maintain and operate, and aid and subscribe toward the acquisition, development or improvement of real and personal property, and rights and privileges therein, suitable or convenient for any of the purposes of the corporation;

c. To purchase, lease, hire, receive donations of, or otherwise acquire, hold, own, construct, erect, improve, manage, maintain and operate, and aid and subscribe toward the acquisition, construction or improvements of systems, buildings, machinery, equipment and facilities, and any other property or appliances which may appertain to, or be useful in the accomplishment of any of the purposes of the corporation;

d. To make contracts, incur liabilities and borrow money, and issue bonds, notes and other obligations and secure the same by: (i) mortgage of all or any part of the Property, franchises and income of the corporation; and/or (ii) the charges imposed on the property of others and the liens on such property, and guarantee the obligation of others in which it may be interested in furtherance of the purposes of the corporation;

e. To lease, sell or donate to the State of New York, the County of Monroe, Town of Webster, or any agency, subdivision, authority or instrumentality of said State, County, Town or Hamlet, or to any association, or to any civic or other not-for-profit organization, by the corporation, when in the opinion of the Board of Directors, such leasing, sale or donation is desirable for, and beneficial to, the social welfare of the members of the corporation upon such terms and conditions as the Board of Directors may deem acceptable;

f. To fix, levy, collect and enforce payment by any lawful means of all charges or assessments for the use of the facilities, or for the services rendered by the corporation, not-for-profit, but for the purpose of providing for the payment of the expenses of the corporation, the cost of the construction, improvements, repairs, equipment, furnishings, maintenance and operation of its facilities, the cost of its services and the principal and interest on its obligations;

g. To enforce any protective covenant or restriction, and any other covenant or obligation providing for the payment of any charges, assessments or fees, but for the purpose of providing the payment of expenses of the corporation, the cost of the construction; improvement, repair, equipment, furnishings, maintenance and operation of its facilities, the cost of its services and the principal and interest on its obligations and create any facilities, boards or associations deemed to be convenient to the Board of Directors for such enforcement;

h. To have and exercise, to the extent necessary or desirable, for the accomplishment of the aforesaid purposes and to the extent they are not inconsistent with the purpose of this corporation, any and all powers conferred upon corporations of similar character by the Laws of the State of New York; and

i. To do any other act or thing incidental to, or in connection with, the foregoing purposes or in the advancement thereof, but not for the pecuniary profit or financial gain of the corporation's members, directors or officers, except as permitted under Article 5 of the Not-for-Profit Corporation Law.

FOURTH: The corporation is a Type A Not-for-Profit Corporation under Section 201 of the Not-for-Profit Corporation Law.

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

SIXTH: The names and address of the initial directors are:

John Casciani	850 Lake Road Webster, New York 14580
William Green	50 Winfield Lane Webster, New York 14580
William Higgins	4278 East Avenue Rochester, New York 14618

*See
New
Board
Members*

SEVENTH: This Certificate may be amended from time to time in accordance with the provisions of the Not-for-Profit Corporation Law.

EIGHTH: Any person, or members of the Board of Directors of the corporation may participate in a meeting of such Board by means of a conference telephone or similar communication equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

NINTH: The Secretary of State of the State of New York is designated as the agent of the corporation upon whom process against the corporation may be served. The post office address to which the Secretary of State shall mail a copy of any process against the corporation served upon him is:

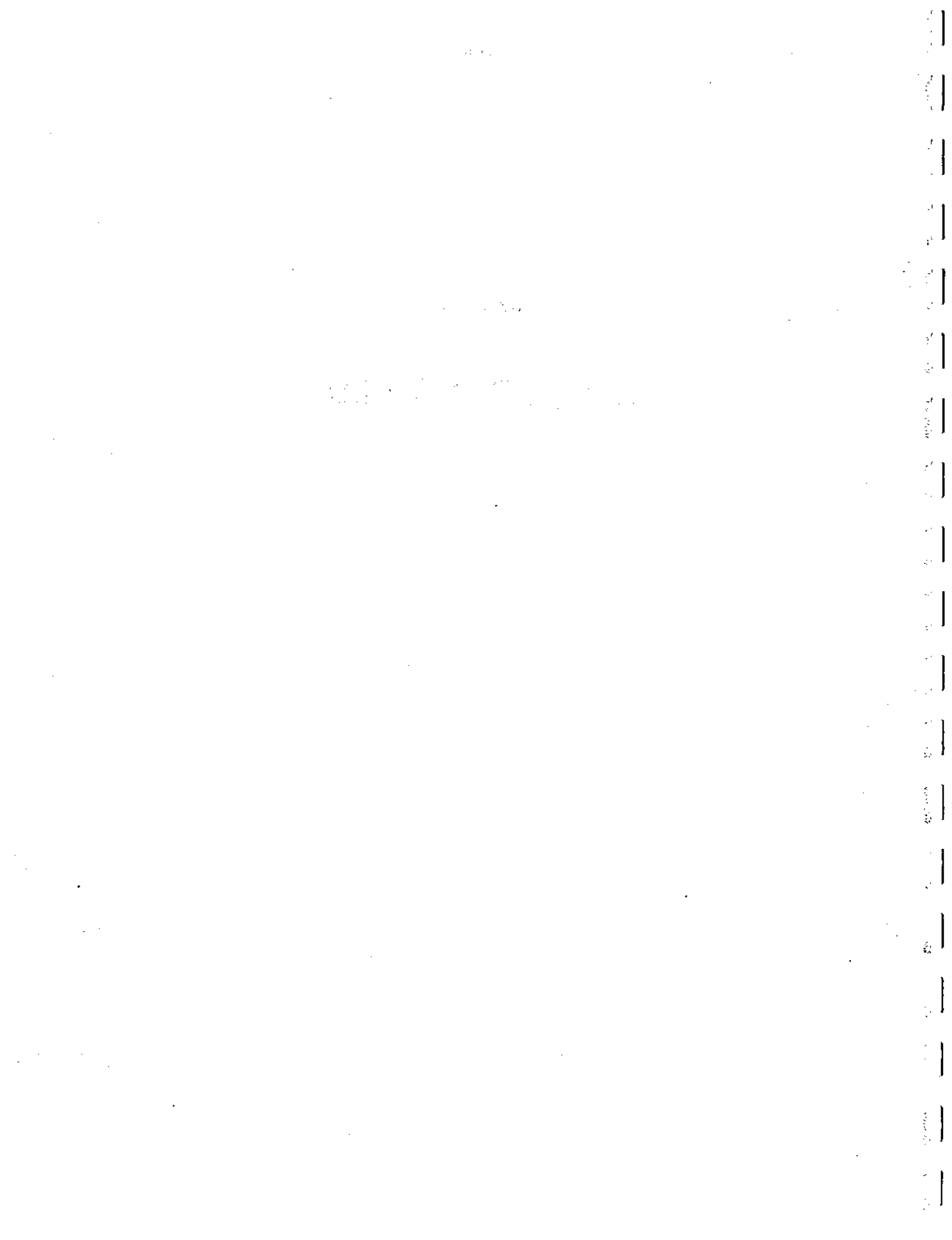
John Casciani
850 Lake Road
Webster, NY 14580

TENTH: The subscriber is over the age of twenty one (21) years.

BY-LAWS

OF

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)



**BY-LAWS
OF
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)**

TABLE OF CONTENTS

	PAGE
ARTICLE I NAME, LOCATION AND MEMBERSHIP.....	1
Section 1.01 Name and Location.....	1
Section 1.02 Applicability of By-Laws.....	1
Section 1.03 Personal Application.....	1
ARTICLE II DEFINITIONS.....	1
Section 2.01 Definitions.....	1
ARTICLE III OWNERS; VOTING RIGHTS.....	1
Section 3.01 Membership in the Association.....	1
Section 3.02 Voting.....	2
Section 3.03 Right to Vote.....	2
Section 3.04 Proxies.....	2
Section 3.05 Absentee Ballot.....	2
Section 3.06 Voting Regulations.....	3
Section 3.07 Sponsor's Right to Assign its Vote.....	3
ARTICLE IV MEETING OF OWNERS.....	3
Section 4.01 Annual Meeting.....	3
Section 4.02 Special Meetings.....	3
Section 4.03 Notice of Meetings.....	4
Section 4.04 Waiver of Notice.....	4
Section 4.05 Waiver and Consent.....	4
Section 4.06 List of Owners.....	4
Section 4.07 Quorum.....	5
Section 4.08 Majority Vote.....	5
Section 4.09 Inspectors of Election.....	5
Section 4.10 Order of Business at Meetings.....	6
ARTICLE V BOARD OF DIRECTORS.....	6
Section 5.01 Number and Qualifications of Directors...	6
Section 5.02 Nominations.....	7
Section 5.03 Election and Term of Office.....	7
Section 5.04 Vacancies.....	8
Section 5.05 Resignation.....	8
Section 5.06 Removal.....	8
Section 5.07 Compensation.....	8
Section 5.08 Regular Meetings.....	9
Section 5.09 Special Meetings.....	8
Section 5.10 Waiver of Notice.....	9
Section 5.11 Quorum and Voting.....	9
Section 5.12 Informal Action by Directors.....	9
Section 5.13 Powers and Duties.....	10
Section 5.14 Managing Agent and Manager.....	12
Section 5.15 Indemnification of Officers and Directors	13

TABLE OF CONTENTS

	PAGE
ARTICLE VI OFFICERS.....	13
Section 6.01 Officers.....	13
Section 6.02 Election.....	13
Section 6.03 Term and Vacancies.....	13
Section 6.04 Resignation and Removal.....	14
Section 6.05 President.....	14
Section 6.06 Vice President.....	14
Section 6.07 Secretary.....	14
Section 6.08 Treasurer.....	14
Section 6.09 Other Officers.....	14
Section 6.10 Agreements, Contracts, Deeds, Checks and Other Instruments.....	15
Section 6.11 Compensation of Officers.....	15
ARTICLE VII COMMITTEES.....	15
Section 7.01 Committees of Directors.....	15
Section 7.02 Committees of Owners.....	15
Section 7.03 Rules.....	15
ARTICLE VIII FINANCE.....	16
Section 8.01 Checks.....	16
Section 8.02 Fiscal Year.....	16
Section 8.03 Annual Report.....	16
ARTICLE IX BOOKS, RECORDS AND LEGAL DOCUMENTS.....	16
Section 9.01 Books and Records.....	16
Section 9.02 Separate Account for Capital Reserve Funds.....	17
ARTICLE X CORPORATE SEAL OPTIONAL.....	17
Section 10.01 Corporate Seal Optional.....	17
ARTICLE XI AMENDMENTS.....	17
Section 11.01 Amendments to By-Laws.....	17
ARTICLE XII RULES COMPLIANCE AND ARBITRATION.....	17
Section 12.01 Compliance with Rules of Association Pursuant to By-Laws.....	17
ARTICLE XIII MISCELLANEOUS.....	18
Section 13.01 Notices.....	18
Section 13.02 No Waiver for Failure to Enforce.....	18
Section 13.03 Gender.....	18
Section 13.04 Captions.....	18
Section 13.05 Severability.....	18
Section 13.06 Conflict with Certificate of Incorporation or Declaration.....	18

**BY-LAWS
OF
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)**

ARTICLE I

NAME, LOCATION AND MEMBERSHIP

Section 1.01. Name and Location. The name of the not-for-profit corporation, organized pursuant to the New York State Not-for-Profit Corporation Law, is The Bluffs of Webster, Inc. (A Homeowners' Association). The Certificate of Incorporation was filed in the Office of the Secretary of State of the State of New York on August 28, 1995. The Corporation (hereinafter referred to as the "Association") was organized for the purpose of taking title to the Property deeded, or to be deeded to the Association and administering the operations of the Association. The principal office of the Association shall be located in the Town of Webster, County of Monroe, State of New York.

Section 1.02. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Property of the Association and the use thereof.

Section 1.03. Personal Application. All present and future Owners, their guests, lessees, licensees, invitees and Mortgagees, and any other person having a right to use all or a portion of the Property by virtue of rights previously granted by deed and any other person who may use the facilities of the Property in any manner, are subject to these By-Laws, the Declaration and Rules and Regulations (as hereinafter defined).

ARTICLE II

DEFINITIONS

Section 2.01. Definitions. All capitalized terms herein, which are not separately defined or denominated herein shall have the meanings given to those terms in Article I of the Declaration.

ARTICLE III

OWNERS; VOTING RIGHTS

Section 3.01. Membership in the Association. The Association shall have as Members only Owners of Homes within The Bluffs of Webster, Inc. All Owners shall, upon becoming such, be deemed automatically to have become Members and there shall be no other qualification for membership. Membership

shall be appurtenant to, and shall not be separated from, the ownership of any of the interests described in the definition of the word "Owner" as found in Article I of the Declaration. Any person or entity holding an interest in a Home merely as security for the performance of an obligation shall not be a Member.

Section 3.02. Voting. In accordance with Section 611(e) of the New York State Not-for-Profit Corporation Law, each Owner (including the Sponsor, if the Sponsor shall then own or hold title to one (1) or more Homes and/or Lots) shall be entitled to cast one (1) vote, regardless of the number of Homes and/or Lots owned, at all meetings of Owners. In the event that any Home and/or Lot is owned by more than one person, the vote shall be cast by the person named in a "Authorized Voting Owner Certificate" (the "Certificate") signed by all Owners of such Home and/or Lot and filed with the Secretary of the Association. Such Certificate shall be valid until revoked by a subsequent Certificate. If such Certificate is not on file, the person first named on the deed by which title was obtained shall be the person considered the Authorized Voting Owner or Member.

A fiduciary shall be the Voting Member with respect to any Home and/or Lot owned in a fiduciary capacity and a Certificate shall be filed with the Secretary.

Voting rights of any Owner delinquent in the payment of his or her Assessments may not be suspended.

Section 3.03. Right to Vote. At any meeting of Owners, every Authorized Voting Owner having the right to vote shall be entitled to vote in person, by mail (absentee ballot) or by a person, who need not be an Owner, designated by him or her to act as proxy on his or her behalf.

Section 3.04. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the commencement of the meeting at which the same are to be used. Such proxies shall only be valid for such meeting or subsequent adjourned meetings thereof. A notation of such proxies shall be made in the minutes of the meeting.

Section 3.05. Absentee Ballot. All absentee ballots shall be in writing and shall be filed with the Secretary prior to the commencement of the meeting at which the same are to be used. Such absentee ballots shall be valid only for such meeting or subsequent adjourned meeting thereof. A notation of such absentee ballots shall be made in the minutes of the meeting.

Section 3.06. Voting Regulations. The Board of Directors may make such regulations, consistent with the terms of the Declaration, the Certificate of Incorporation, these By-Laws and the Not-for-Profit Corporation Law of the State of New York, as it deems advisable for any meeting of the Owners in regard to proof of membership in the Association, evidence of right to vote, the appointment and duties of inspectors of election, registration of Owners for voting purposes, the establishment of representative voting procedures and such other matters concerning the conduct of meetings and voting as it shall deem appropriate.

Section 3.07. Sponsor's Right to Assign its Vote. The Sponsor may, subject to a duly filed amendment to the Offering Plan for the sale of the Homes, together with interests in the Association, assign its membership in the Association to any person, corporation, association, trust or other entity, and such assignee, and any future assignee of such membership, may make successive like assignments. Membership in the Association shall not otherwise be transferable or assignable.

ARTICLE IV

MEETING OF OWNERS

Section 4.01. Annual Meeting. Upon Transfer of Control Date, or ten (10) years from the transfer of title to the first Home, whichever shall first occur, the Sponsor shall notify all Owners that the first meeting of Owners shall be held within thirty (30) days thereafter. The annual meeting of Owners thereafter shall be held on or about the same date each succeeding year, at a time to be determined by the Board of Directors and at such place convenient to the Board of Directors adequate in size to accommodate all Owners. If such date shall be a legal holiday, the meeting may be held on the first day following such date which is not a legal holiday. Failure to hold an annual meeting at the designated time shall not terminate the Association's existence or otherwise affect valid acts of the Association. At such meeting, the Owners shall elect the Board of Directors in accordance with the provisions of Section 5.03 hereof and may transact such other business as may properly come before them.

Section 4.02. Special Meetings. It shall be the duty of the President to call a special meeting of the Owners if so directed by resolution of the Board of Directors or upon a petition presented to the Secretary signed by not less than forty percent (40%) of the Authorized Voting Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4.03. Notice of Meetings. It shall be the duty of the Secretary to send by first class mail, postage prepaid, a notice of each annual or special meeting of the Owners at least ten (10), but not more than fifty (50) days, prior to such meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each Owner of record, at such address as such Owner shall have designated by notice in writing to the Secretary, if other than his or her Home, and to all Mortgagees of Homes who have requested the same. Notwithstanding the foregoing, if the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least ten (10) days but not more than fifty (50) days prior to such meeting. The mailing of a notice of meeting shall be in the manner provided in this Section and shall be considered service of notice.

Section 4.04. Waiver of Notice. Whenever, under any provisions of these By-Laws, the Declaration, any agreement or instrument, or law, the Association, the Board of Directors or any committee is authorized to take any action after notice to any person, or after the lapse of a prescribed period of time, such action may be taken without notice and without the lapse of such period of time, if at any time before such action commences, the person entitled to such notice or entitled to participate in the action to be taken, or in the case of an Owner, by his or her duly authorized attorney-in-fact, submits a signed waiver of notice of such requirement. The attendance of an Owner at a meeting, in person, by mail, by fax or by proxy, without protesting at the commencement of the meeting the lack of notice of such meeting, shall also constitute a waiver of notice by such Owner.

Section 4.05. Waiver and Consent. Wherever the vote of Owners at a meeting is required or permitted by any provision of the Declaration, these By-Laws or by law to be taken in connection with any action of the Association, the meeting and vote of the Owners may be dispensed with if all Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 4.06. List of Owners. A list of Voting Owners and all Owners, as of a request date, certified by the corporate officer responsible for its preparation, shall be produced at any meeting of Owners upon the request thereat, or prior thereto, of any Owner. If the right to vote at any meeting is challenged, the inspectors of election, or person presiding thereat, shall require such list of Owners to be produced as evidence of the right of the persons challenged to vote at such meeting. All persons who appear from such list to be Owners entitled to vote thereat, may vote at such meeting.

Section 4.07. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Owners having fifty-one percent (51%) of the total Authorized Votes of all Owners shall constitute a quorum at all meetings of Owners. If, however, such quorum shall not be present or represented at any meeting of Owners, the Owners entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting originally called.

Section 4.08. Majority Vote. Members of the Board of Directors elected at any meeting of the Owners shall, except as otherwise provided by law, or these By-Laws, be elected by a plurality of votes cast. All other actions shall be taken by vote of Owners by a majority of Authorized Votes cast at a meeting at which a quorum shall be present or represented by proxy or absentee ballot, except where a higher percentage vote, or other vote, is required by the Declaration, these By-Laws or by law. The term "majority of Owners" shall mean those Authorized Voting Owners having fifty-one percent (51%) or more of the total Authorized Votes cast in person, by mail (absentee ballot) or by proxy and voting at any meeting of Owners determined in accordance with the provisions of Section 3.02 of these By-Laws.

Section 4.09. Inspectors of Election. The Board of Directors, in advance of any meeting of Owners, may appoint two (2) or more persons, who need not be Owners, to act as inspectors of election at such meeting or any adjournment thereof. If inspectors of election are not so appointed prior to the meeting, the person presiding at such meeting may appoint two (2) or more inspectors of election. In case any person appointed fails to appear or act, the vacancy may be filled in advance of the meeting by the Board of Directors or at any meeting by the person presiding thereat.

The inspectors of election shall: (i) determine the Owners entitled to vote at the meeting; (ii) determine the existence of a quorum and the validity and effect of proxies and absentee ballots; (iii) receive ballots or determine votes or consents; (iv) hear and determine any challenges or questions arising in connection with any Owner's right to vote; (v) count and tabulate all votes, absentee ballots or consents and determine the result thereof; and (vi) do such other acts as may be proper to conduct an election or vote with fairness to all Owners.

Section 4.10. Order of Business at Meetings. The order of Business at all meetings of the Board of Directors or Owners may follow Roberts Rules of Order, which would be as follows:

- a. Roll Call
- b. Proof of Notice of Meeting
- c. Reading of Minutes of Preceding Meeting
- d. Reports of Officers
- e. Reports of Board of Directors
- f. Reports of Committees
- g. Election of Inspectors of Election (when so required)
- h. Election of Members of the Board of Directors (when so required)
- i. Unfinished Business
- j. New Business

ARTICLE V

BOARD OF DIRECTORS

Section 5.01. Number and Qualifications of Directors.

- a. The business and affairs of the Association shall be managed by the Board of Directors consisting of five (5) members. The Board shall initially consist of three (3) persons designated by the Sponsor. Within thirty (30) days after the initial transfer of title to all forty eight (48) Homes or ten (10) years from the transfer of title to the first Home, whichever first occurs, the five (5) member Board shall be elected by Owners other than the Sponsor. Three (3) such elected Directors shall serve for a term of two (2) years and two (2) for a term of one (1) year or until their successors are elected. Thereafter the term of office shall be for two (2) years.

The first meeting of the initial Board of Directors (Sponsor appointed) will be held within thirty (30) days of the date of transfer of title to the first Home, officers will be elected at such meeting and the By-Laws adopted.

- b. Until the Transfer of Control Date, the Sponsor shall have the right to elect or appoint a majority of the members of the Board of Directors but, if the Sponsor exercises this right, Sponsor may not vote for the other members of the Board. After the Transfer of Control Date, the Sponsor shall have no further right to elect or appoint any members of the Board of Directors. Members of the Board of Directors elected or appointed by the Sponsor shall serve for a term of one (1) year or until their successors are elected or appointed.
- c. All elected Directors shall be: (i) Owners; (ii) spouses of Owners; (iii) Mortgagees; (iv) members or employees of a partnership Owner or Mortgagee; (v) officers, directors, shareholders, employees or agents of a corporate Owner or Mortgagee; or (vi) fiduciaries or officers, agents or employees of such fiduciaries.

Section 5.02. Nominations.

- a. Nominations for election to the Board of Directors shall be made by the Nominating Committee. Nominations may also be made from the floor at the annual meeting of Owners, or by write-in.
- b. The Nominating Committee shall make as many nominations for election to 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 by the votes of Owners as provided in Section 5.03. hereof.

Section 5.03. Election and Term of Office.

- a. At the first annual meeting of Owners, subject to the right of the Sponsor to elect or appoint Director(s) as provided in Section 5.01 hereof, a new Board of Directors shall be elected.
- b. At each annual meeting thereafter, the Owners shall elect successors to those Directors whose terms have expired or who have resigned and elect such successor Directors for terms of two (2) years. Voting shall be by written ballot which shall: (i) set forth the number of vacancies to be filled; (ii) set forth the names of those nominated by the Nominating Committee to fill such vacancies; and (iii) contain space for nominations from the floor and write-ins for each vacancy.

Section 5.04. Vacancies. Vacancies in the Board of Directors caused by any reason, other than the removal of a member thereof by a vote of the Owners, shall be filled by vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors until the next annual meeting of the Owners or until a successor is elected. Notwithstanding the foregoing, if the vacancy occurs with respect to any Director not designated by the Sponsor, the successor shall be an Owner independent of the Sponsor and further, if the vacancy occurs with respect to any member of the Board of Directors designated by the Sponsor, the Sponsor shall have the sole right to choose the successor to fill the unexpired portion of the term of such Director.

Section 5.05. Resignation. A member of the Board of Directors may resign at any time by giving written notice to the President or Secretary. Unless otherwise specified in the letter of resignation, the resignation shall take effect immediately upon receipt thereof by the President or Secretary, as the case may be, and acceptance of the resignation shall not be necessary to make it effective.

Section 5.06. Removal. At any regular or special meeting of Owners, any one (1) or more of the members of the Board elected by the Owners may be removed with or without cause by a majority of the Owners other than the Sponsor and a successor may then and there or thereafter be elected by the Owners to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting. Members of the Board of Directors elected or appointed by the Sponsor may be removed with or without cause only by the Sponsor, and then and there, or thereafter, be replaced by the Sponsor.

Section 5.07. Compensation. Directors shall not receive any compensation or salary for their services as Directors. However, any Director may be reimbursed for his or her actual reasonable expenses incurred in the performance of his or her duties providing prior approval has been granted by resolution of the Board of Directors. A Director who serves the Association in any other capacity, however, may receive compensation therefor, if otherwise entitled to compensation, providing prior approval has been granted by resolution of the Board of Directors.

Section 5.08. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly at such places and at such times convenient to the Directors, by resolution of the Board of Directors. Should such meeting date fall on a legal holiday, that meeting may be held at the same time on the next day which is not a legal holiday. Notice of regular meetings shall be given to each Director personally, by mail, by fax or by telegram, at least four (4) days prior to the date set for such meeting. Any Owner wishing to address the Board at any such meeting shall notify the Secretary at least five (5) days in advance of the meeting, and indicate the subject to be addressed.

Section 5.09. Special Meetings. Special meetings of the Board of Directors may be called at any time at the request of the President or any two (2) Directors upon not less than five (5) days notice to each Director either personally, by mail, by fax or by telegram, which notice shall specify the time, place and purpose of the meeting. The person or persons authorized to call such special meeting of the Board may fix any time and place convenient to the Directors as the time and place for holding such meeting.

Section 5.10. Waiver of Notice. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors, in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance of a member of the Board of Directors at any special meeting of the Board, without protesting at the commencement of the meeting the lack of notice, shall constitute a waiver of notice by him or her of the time and place thereof. If all members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 5.11. Quorum and Voting. At all meetings of the Board of Directors, a majority of the entire Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which it is provided otherwise by statute, by the Certificate of Incorporation, the Declaration or these By-Laws, a vote of a majority of such quorum at a duly constituted meeting shall be sufficient to pass any measure. In the absence of a quorum, the Directors present may adjourn the meeting from time to time by a majority vote and without further notice, until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted as originally called.

Section 5.12. Informal Action by Directors. Any action required or permitted to be taken at a meeting of the Board of Directors or any committee thereof may be taken without a meeting, provided a written consent to such action is signed by all members of the Board of Directors or all members of such committee, as the case may be, provided, further, such written consent is filed with the minutes of proceedings of the Board or committee.

Section 5.13. Powers and Duties. The Board of Directors may exercise all the powers of the Association, except such as are conferred upon or reserved to the Owners by statute, the Certificate of Incorporation, the Declaration or these By-Laws. The powers, duties and authority of the Board of Directors shall specifically include, but shall not necessarily be limited to, the following:

- a. the establishment and maintaining such bank accounts as may be required for the operation of the Association;
- b. determine, levy and collect Assessments, and expend such Assessments for the maintenance, care, repair, replacement and operation of the Property of the Association;
- c. operate, maintain, repair and replace the Association Property;
- d. procure and maintain adequate liability insurance covering the Association, its directors, officers, agents and employees; and to procure and maintain adequate hazard insurance on such of the Association's real and personal properties, if any, as it deems appropriate, as may be provided in Article IX of the Declaration;
- e. as required by these By-Laws, 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;
- f. employ and terminate the employment of employees, independent contractors and professionals, purchase supplies and equipment, enter into contracts and generally have the powers of manager in connection with the matters herein set forth. Any contracts entered into shall be terminable by the Board upon not more than ninety (90) days notice without penalty;
- g. adopt and publish rules and regulations governing the uses of Association Property and facilities, and the personal conduct of the Owners, lessees and their guests thereon, and establish penalties for infractions thereof;
- h. collect delinquent Assessments by suit or otherwise, abate nuisances and enjoin or seek damages from Owners for violations of the provisions of the Declaration, these By-Laws or any rules or regulations of the Association;

- i. file such federal, state or other tax returns on behalf of the Association as may be required by law and pay any and all taxes owing by the Association;
- j. 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;
- k. keep a complete record of the actions of the Board of Directors and the corporate affairs of the Association and present a statement thereof to the Owners at the annual meeting of Owners;
- l. issue, or cause to be issued, upon demand by any person, an "Assessment Certificate", as provided in the Declaration, setting forth the status of payment of Assessments on any Home, and an "Architectural Compliance Certificate" setting forth compliance with architectural standards of the Home, as provided in the Declaration;
- m. receive, by way of deed or gift, and hold any property of a real or personal nature;
- n. purchase, or otherwise acquire, any real property upon the affirmative vote of not less than sixty seven percent (67%) of the Authorized Votes cast at any regular or special meeting thereof;
- o. sell, lease or mortgage any real property belonging to the Association upon the affirmative vote of not less than sixty seven percent (67%) of the Authorized Votes cast at any regular or special meeting thereof;
- p. exercise the rights and powers set forth in Article IV of the Declaration;
- q. exercise for the Association all powers, duties and authority vested or delegated to the Association and not reserved to the Owners by other provisions of these By-Laws, the Certificate of Incorporation or the Declaration; and
- r. establish such committees as the Board of Directors deems necessary, or are required by the Declaration or these By-Laws, for the operation of the Association and the enhancement of the Property.

Notwithstanding anything to the contrary contained in these By-Laws, until the Transfer of Control Date, the Board of Directors may not, without the Sponsor's written consent, which consent shall not be unreasonably withheld, (i) except for necessary repairs, alterations, additions or improvements required by law or by any government agency or Board of Fire Underwriters, make any addition, alteration or improvements to the Association Property; or (ii) levy any Assessment for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of an amount equal to the amount of the reserve set forth in the initial budget, except as may be necessary for any improvement not in existence or owned by the Association at the time of the establishment of the initial budget; or (iii) hire any employee in addition to the employees, if any, provided for in the initial budget of the Association, except as may be necessary to maintain the quantity or quality of service or maintenance of the Property; or (iv) enter into any maintenance contract for work not provided for in the initial budget of the Association, except for the maintenance of any improvement not in existence or not owned by the Association at the time of recording the Declaration; or (v) borrow money on behalf of the Association; or (vi) reduce the quantity or quality of service or maintenance of the Property.

Section 5.14. Managing Agent and Manager. The Board of Directors may employ for the Association a Managing Agent and/or a manager at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize, other than the powers set forth in Subsections a, b, d, h, j, m, n, o, p, q and r in Section 5.13 of these By-Laws. Any contract entered into with a Managing Agent shall provide that: (i) the Managing Agent shall carry his or her own liability insurance in such amounts as the Board shall deem adequate and which shall include the Association as Obligee; (ii) that the Managing Agent shall provide fidelity bonding for himself or herself and his or her employees in the same amount as required of the Board of Directors, which shall include the Association as Obligee; and (iii) provide that such contract may be terminated by the Association without penalty upon not less than sixty (60) days written notice after the initial term of the Agreement. No such management agreement shall be for a term of more than two (2) years and no such management agreement shall be renewable without the consent of both parties.

Section 5.15. Indemnification of Officers and Directors.

Every Director and Officer of the Association shall be, and is hereby indemnified by the Association against all expenses and liabilities, including fees of counsel, reasonably incurred by, or imposed upon such Director or Officer in connection with any proceeding to which such Director or Officer may be a party, or in which such Director or Officer may become involved by reason of being or having been a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is guilty of willful misfeasance or malfeasance in the performance of duties, provided that in the event of a settlement, the indemnification herein shall apply only when the Board approves such settlement as being in the best interests of the Association.

The foregoing right of indemnification shall be in addition to, and shall not be exclusive of, any rights to which each such Director or Officer may otherwise be entitled. The Association shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless such contract shall have been made in bad faith or contrary to the provisions of law, or the Declaration, or these By-Laws. It is intended that the Board of Directors shall have no liability with respect to any contracts made by it on behalf of the Association.

ARTICLE VI

OFFICERS

Section 6.01. Officers. The Officers of the Association shall be the President (who shall be a member of the Board of Directors), one (1) or more Vice Presidents (the number thereof to be determined by the Board of Directors), the Secretary and the Treasurer. Two (2) or more offices may not be held by the same person except on a temporary, emergency basis. However, a Vice President could also be the Secretary or Treasurer

Section 6.02. Election. The election of Officers shall take place at the first meeting of the Board of Directors following each annual meeting of Owners.

Section 6.03. Term and Vacancies. The Officers of the Association shall be elected annually by the Board of Directors and each shall hold office until a successor shall have been duly elected, unless he shall sooner resign, or shall be removed or otherwise be disqualified to serve. The vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

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

Section 6.05. President. The President shall be the chief executive officer, shall supervise the work of the other officers, shall preside at all meetings of Owners, and if there is no Chairman of the Board, shall preside at all meetings of Directors, and shall perform such other duties and functions as are usually vested in the office of the President of a New York not-for-profit corporation. The President may not also serve simultaneously as Secretary or Treasurer.

Section 6.06. Vice President. The First Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. The First Vice President shall also perform such other duties as shall, from time to time, be assigned to him or her by the Board or the President and may also be the Secretary or Treasurer.

Section 6.07. Secretary. The Secretary shall cause notices of all meetings to be served as prescribed in these By-Laws, shall record the votes and keep the minutes of all meetings, shall have charge of the seal, if any, and corporate books and records of the Association, and the book of Mortgagees of Homes within the Association, and shall perform such other duties as are incident to the office of Secretary of a New York not-for-profit corporation, and as may be required of him or her by the Board or the President.

Section 6.08. Treasurer. The Treasurer shall have the custody of all monies and securities belonging to the Association and shall be responsible for keeping, or cause to be kept, full and accurate records and books of account, showing all receipts and disbursements, necessary for preparation of required financial reports. He shall account to the President and the Board, whenever they may require it, with respect to all of his or her transactions as Treasurer and of the financial condition of the Association, and shall in general perform all other duties incidental to the office of Treasurer of a New York not-for-profit corporation.

Section 6.09. Other Officers. The Board of Directors may elect such other officers as it shall deem desirable. Such officers shall have the authority and shall perform such duties prescribed from time to time by the Board of Directors.

Section 6.10. Agreements, Contracts, Deeds, Checks and Other Instruments. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any two (2) officers of the Association, or, except as otherwise provided in Section 8.01 hereof, by such other person or persons as may be designated by the Board of Directors.

Section 6.11. Compensation of Officers. No officer shall receive compensation from the Association for acting in his or her capacity as an officer. However, any officer may be reimbursed for his or her actual reasonable expenses incurred in the performance of his or her duties as an officer providing prior approval has been granted by resolution of the Board. An officer who serves the Association in any other capacity, however, may receive compensation therefor if otherwise entitled to compensation, providing prior approval has been granted by resolution of the Board of Directors.

ARTICLE VII

COMMITTEES

Section 7.01. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, which committees, to the extent provided in the resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Association provided, however, that no such committee shall have the authority of the Board of Directors to approve an Amendment to the Certificate of Incorporation of the Association, the Declaration or to these By-Laws or to plan a merger or consolidation or establish Assessments.

Section 7.02. Committees of Owners. The committees of the Association MAY be the Architectural Committee, the Nominating Committee and such other committees as the Board of Directors or Owners shall deem desirable. Each committee shall consist of a Chairman and two or more Owners.

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

ARTICLE VIII

FINANCE

Section 8.01. Checks. All checks, drafts and orders for payment of money, notes and other evidences of indebtedness, issued in the name of the Association shall be signed by two (2) Officers of the Association, or by such other person or persons as may be designated by the Board of Directors.

Section 8.02. Fiscal Year. The fiscal year of the Association shall be the twelve (12) calendar months, ending at such time as may be deemed appropriate by the Board of Directors.

Section 8.03. Annual Report. An annual report of the receipts and expenditures of the Association, prepared by an independent public accountant, shall be rendered by the Board of Directors to all owners, and to all Mortgagees of Homes who have requested the same within three (3) months from the end of the fiscal year. In the event substantial irregularities or defalcation shall be uncovered by such accountant in the course of any such review, such matters shall be promptly reported to each member of the Board of Directors, and to the Owners by such accountant. In addition, when called for by a vote of the Owners at any special meeting of the Owners, the Board of Directors shall furnish to the Owners a full and clear statement of the business conditions and affairs of the Association, including a balance sheet and a profit and loss statement regarding any taxable income attributable to the Owners.

The cost of the annual report and other services required by this Section 8.03 shall be included by the Board of Directors in the annual Assessment.

ARTICLE IX

BOOKS, RECORDS AND LEGAL DOCUMENTS

Section 9.01. Books and Records. The Declaration, these By-Laws, Certificate of Incorporation and other books and records and papers of the Association, or copies, shall, during normal business hours, upon reasonable notice, be subject to inspection by any Owner or agent of an Owner or Mortgagee, at the principal office of the Association, or the Managing Agent, if there be one. The Board of Directors or the Managing Agent may furnish copies of such documents to such parties and may charge reasonable fees to cover the cost of furnishing such copies.

Section 9.02. ~~Separate Account for Capital Reserve Funds.~~
 Any funds of the Association collected or designated as reserves for the replacement of capital items shall be segregated from all other funds of the Association in one (1) or more separate accounts. This shall not preclude the Association from segregating other portions of its funds in separate accounts for a specific purpose (e.g., reserves for non-capital items) or otherwise.

ARTICLE X

CORPORATE SEAL OPTIONS

Section 10.01. Corporate Seal Optional. The Association, if the Board of Directors so chooses, may have a corporate seal.

ARTICLE XI

AMENDMENTS

Section 11.01. Amendments. Except as herein provided otherwise, these By-Laws may be modified, altered, amended or added to at any duly called meeting of Owners in the same manner as the Declaration, in accordance with Section 10.06 of the Declaration.

Until Transfer of Control Date, the prior written consent of the Sponsor shall be required for any amendment which adversely affects a substantial interest or right of the Sponsor (as determined by the Sponsor in its sole judgment) to become effective, which consent may not be unreasonably be withheld.

ARTICLE XII

RULES AND COMPLIANCE AND ARBITRATION

Section 12.01. Compliance with Rules of the Association Pursuant to These By-Laws. Should any Owner, member of his or her family, his or her employees, guests, lessees, licensees or other invitees fail to comply with any of the provisions of these By-Laws or the rules and regulations, and as such may be amended from time to time, the procedures set forth in Article X of the Declaration shall be followed to obtain compliance.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Notices. Except as otherwise provided herein, all notices hereunder shall be in writing and sent by mail by depositing same in a post office or letter box in a postpaid sealed wrapper, addressed, if to go to the Board of Directors, at the office thereof, and if to go to an Owner, individual member of the Board or Mortgagee, to the address of such Owner or Mortgagee as appears on the books of the Association. All notices shall be deemed to have been given when mailed, except notices of change of address, which shall be deemed to have been given when received. Whenever any notice is required to be given under the provisions of the Declaration or these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice whether before or after the time stated therein, shall be deemed the equivalent of such notice.

Section 13.02. No Waiver for Failure to Enforce. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 13.03. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the masculine, feminine or neuter and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 13.04. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 13.05. Severability. Should any part of these By-Laws be deemed void or become unenforceable at law or in equity, the validity, enforceability or effect of the balance of these By-Laws shall not be impaired or affected in any manner.

Section 13.06. Conflict with Certificate of Incorporation or the Declaration. In the case of any conflict between the Certificate of Incorporation and these By-Laws, the Certificate of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

THE FOREGOING have been adopted as the By-Laws of The Bluffs of Webster, Inc. (A Homeowners' Association), a corporation organized pursuant to the New York State Not-for-Profit Corporation Law, at the first meeting of the Board of Directors.

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

BY: _____, Secretary

Dated: _____

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the success of any business and for the protection of the interests of all parties involved. The document outlines the various methods and systems that can be used to ensure the accuracy and reliability of financial records.

Methods and Systems for Record-Keeping

There are several methods and systems that can be used to maintain accurate records. These include the use of double-entry bookkeeping, the implementation of a robust internal control system, and the adoption of modern accounting software. Each of these methods has its own advantages and disadvantages, and the choice of which to use will depend on the specific needs and circumstances of the business.

Double-entry bookkeeping is a system of accounting in which every transaction is recorded in at least two accounts. This system helps to ensure that the books are balanced and that all transactions are properly recorded. It is a widely used method of accounting that is particularly well-suited to businesses that have a large number of transactions.

An internal control system is a set of policies and procedures designed to ensure the accuracy and reliability of financial records. This system typically includes a variety of controls, such as segregation of duties, authorization requirements, and regular reconciliations. A strong internal control system is essential for the success of any business and for the protection of the interests of all parties involved.

Modern accounting software is a type of computer program that is designed to help businesses maintain accurate records. This software typically includes a variety of features, such as automatic data entry, error checking, and the ability to generate financial statements. Accounting software can be a very useful tool for businesses of all sizes, and it can help to ensure that all transactions are properly recorded and that the books are balanced.

The choice of which method or system to use will depend on the specific needs and circumstances of the business. For example, a business that has a large number of transactions may benefit from the use of double-entry bookkeeping, while a business that has a small number of transactions may find that a simple internal control system is sufficient. Accounting software may be a good choice for businesses of all sizes, but it is important to choose a program that is well-suited to the specific needs of the business.

In conclusion, the importance of maintaining accurate records cannot be overstated. Proper record-keeping is essential for the success of any business and for the protection of the interests of all parties involved. By using the methods and systems outlined in this document, businesses can ensure that all transactions are properly recorded and that the books are balanced. This will help to ensure the long-term success and stability of the business.

The second part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the success of any business and for the protection of the interests of all parties involved. The document outlines the various methods and systems that can be used to ensure the accuracy and reliability of financial records.

ESCROW AGREEMENT

AGREEMENT made this 11th day of October, 1995, between CASCIANI CONSTRUCTION CO., INC., 850 Lake Road, Webster, New York 14580 ("SPONSOR") as Sponsor of the Offering Plan and WILLIAM M. HIGGINS ("ESCROW AGENT") as Escrow Agent.

WHEREAS, CASCIANI CONSTRUCTION CO., INC. is the Sponsor of an Offering Plan for Homeowners' Association ownership of the premises located in the Town of Webster, County of Monroe, New York, which premises are known as THE BLUFFS OF WEBSTER, INC. (A Homeowners' Association); and

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

WHEREAS, SPONSOR desires that ESCROW AGENT act as Escrow Agent for deposits and payments by Purchasers, pursuant to the terms of this Agreement.

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 SPONSOR and ESCROW AGENT will hereby establish an Escrow Account with ESCROW AGENT for the purpose of holding deposits of payments made by Purchasers. The Escrow Account is with First National Bank of Rochester, at its Main Office, located at 35 State Street, Rochester, New York 14614. An account number will be assigned when the account is opened.

1.2 The name of the account will be THE BLUFFS OF WEBSTER ESCROW ACCOUNT.

1.3 The sole signatory on the account will be William M. Higgins, Esq., 16 East Main Street, Rochester, New York 14614.

1.4 The Escrow Account shall be an interest-bearing account as disclosed in to the Offering Plan.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1. All funds received from prospective purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the Escrow Account. All instruments to be deposited into the Escrow Account shall be made payable to, or endorsed by the Purchaser to the order of WILLIAM M. HIGGINS as Escrow Agent for THE BLUFFS OF WEBSTER Offering Plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to the prospective purchaser, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, ESCROW AGENT shall notify the Purchaser of the deposit of such funds in the bank indicated in the Offering Plan, provide the account number and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the Purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

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

3.2 ESCROW AGENT shall continue to hold the funds in escrow until closing when such funds shall be released to Sponsor, or until otherwise directed: (a) in a writing signed by both Sponsor and Purchaser; or (b) by a determination of the Attorney General; or (c) by a judgment or order of a court of competent jurisdiction; or (d) until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

- 3.3 SPONSOR shall not object to the release of the escrowed funds to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan; or (b) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.
- 3.4 If the escrowed funds are not released at closing and if there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.
4. RECORD KEEPING.
- 4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven (7) years after release of the funds.
- 4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.
- 4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.
5. GENERAL OBLIGATIONS OF ESCROW AGENT.
- 5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.
- 5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR.

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

7. LIABILITY OF ESCROW AGENT.

- 7.1 Escrow Agent shall not be liable for any error in judgment or for any act done or step taken or omitted in good faith, or for any mistake of fact or law, except for Escrow Agent's own gross negligence or willful misconduct.
- 7.2 The parties agree jointly to defend (by attorneys selected by Escrow Agent), indemnify and hold harmless Escrow Agent against and from any claim, judgment, loss, liability, cost or expense resulting from any dispute or litigation arising out of or concerning Escrow Agent's duties or services hereunder. This indemnity includes, without limitation, disbursements and reasonable attorneys' fees either paid to retain attorneys or representing the fair value of legal services rendered by Escrow Agent to itself.
- 7.3 The parties acknowledge that Escrow Agent is merely a stakeholder. Upon payment of the Escrow Fund pursuant to this Agreement, Escrow Agent shall be fully released from all liability and obligations with respect to the Escrow Fund.
- 7.4 In the event Escrow Agent is the attorney for either party, Escrow Agent shall not be prohibited from representing such party in any lawsuit.
- 7.5 The signing of this Agreement by Escrow Agent is only to evidence Escrow Agent's acceptance of the terms and conditions of this Agreement.

8. TERMINATION OF AGREEMENT.

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

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

8.2 Upon termination of the duties of ESCROW AGENT as described in Paragraph 8.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new Escrow Agent.

9. SUCCESSORS AND ASSIGNS.

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

10. GOVERNING LAW.

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

11. ESCROW AGENT'S COMPENSATION.

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

12. SEVERABILITY.

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

13. ENTIRE AGREEMENT.

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

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

ESCROW AGENT:
WILLIAM M. HIGGINS

BY: 

William M. Higgins
Attorney at Law

SPONSOR:
CASCIANI CONSTRUCTION CO., INC.

BY: 

John A. Casciani, President

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

(Send this application to the
Reviewing Attorney assigned to this Plan)

Reviewing Attorney
Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: The Bluffs of Webster, Inc. (A Homeowners' Association)
Town of Webster, County of Monroe, New York 14612

File Number: H 96-_____

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

1. _____
(Name of Applicant)

2. _____
(Address of Applicant)

(City, State, Zip Code)

3. _____
(Name of Applicant's Attorney, if any)

(Address of Applicant's Attorney)

(City, State, Zip Code)

(Telephone Number of Applicant's Attorney)

4. This is an Application for:

- Return of Down Payment
- Forfeiture of Down Payment
- Other: _____

5. The Project is:

Newly Constructed or Rehabilitated

6. The Project is structured as:

A Homeowners' Association

7. Name of Sponsor: Casciani Construction Co., Inc.
Address of Sponsor: 850 Lake Road
Webster, New York 14580

8. Name of Escrow Agent: William M. Higgins, Esq.
16 East Main Street
Rochester, New York 14614

9. If down payments are maintained in an Escrow Account:

Name of the Account: The Bluffs of Webster Escrow Account

Name of Bank: First National Bank of Rochester
35 State Street
Rochester, New York 14614

Account Number: _____

Initial Interest Rate: Prevailing rate.

10. If down payments have been secured by bonds:

(Name of Bond Issuer or Surety)

(Address of Bond Issuer or Surety)

(City, State, Zip Code)

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

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

(Name of bank which issued the Letter of Credit)

(Address of bank which issued the Letter of Credit)

(City, State, Zip Code)

(Date of expiration of Letter of Credit, if known)

12. Offering Plan Information:

- (a) Date of the Filing of the Offering Plan: _____
- (b) The Declaration and By-Laws were recorded in the office of the Office of the Monroe County Clerk on _____, 199__ in Book _____ of Deeds at Page _____.
- (c) If Offering Plan effective, the Plan:
 - The first Home has closed on or about _____, 199__.
- (d) Down payments are secured by:
 - Escrow Account

13. Contract information:

- (a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS)
- (b) Purchase Agreement was signed on _____ (Date)
- (c) Date(s) of down payment(s): _____
- (d) Total amount of down payment(s): _____
- (e) _____
 (Name(s) of Purchaser(s) affected by this Application)

 (Address of Purchaser(s) affected by this Application)

 (City, State, Zip Code)

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

15. I am contemporaneously sending a copy of this Application to the following person(s):

(Name of Person(s))

(Address of Person(s))

(City, State, Zip Code)

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

In filing this Application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above Application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Date: _____

(Signature)

(Name Printed)

(Mailing Address)

(City, State, Zip Code)

(Home Telephone Number)

(Business Telephone Number)

CASCIANI CONSTRUCTION CO., INC.
850 Lake Road
WEBSTER, NEW YORK 14580

(716) 671-9300

FINANCIAL MANAGEMENT AGREEMENT
for
THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

This Agreement, made and entered into this ___ day of _____, 199___, by and between THE BLUFFS OF WEBSTER, INC. (the "Association") organized pursuant to Section 402 of the Not-for-Profit Corporation Law of the State of New York, having an office in the Town of Webster, County of Monroe, New York and CASCIANI CONSTRUCTION CO., INC., (the "Agent"), having an office at 850 Lake Road, Webster, New York 14580. This Agreement contemplates the performance of services by Agent, which is also the Sponsor, as an independent contractor.

WITNESSETH

1. APPOINTMENT AND TERM.

In consideration of the mutual terms, covenants and conditions set forth herein, the Board of Directors (the "Board") hereby appoints the Agent to perform certain and specific duties set forth herein, and the Agent hereby accepts that appointment in mutual agreement as to such certain and specific duties as are set forth herein.

The Board appoints the Agent for a period of two (2) years commencing on the ___ day of _____, 199___ running thru _____, 199___.

2. RENEWAL.

This agreement will automatically renew for periods of two (2) years, commencing _____, 199___ unless the Agent is notified sixty (60) days prior to the expiration of the original term.

max. of
48 lots

3. COMPENSATION.

Compensation will be \$78.00 per Home and/or Lot annually, payable in equal monthly payments on or before the tenth (10th) of each month, but not to exceed \$3,744.00 annually upon transfer of title to the forty eighth (48th) Home and/or Lot, as the Agent's sole compensation for its services as set forth in this Agreement and any attached Schedules. The Agent shall be further allowed such non-recurring charges to the Association as set forth in Section 5.a. of this Agreement, if such non-recurring services are approved by the Board of Directors and such non-recurring charges to the Owners as set forth in Section 5.b. as may be requested by individual Owners from time to time.

At such time as the boat docks are installed, the Agent will be compensated, on an hourly basis at the rate of \$15.00 per hour, for the supervision of the boat dock area and any contractors hired to service the docks.

The Agent shall be responsible for the payment of all compensation to employees of the Agent, together with the payment of all payroll taxes, workers' compensation and all other employee benefits required by law for such employees, except as may be specifically otherwise provided for herein.

No Home Owner, Director or Officer of the Board, and no member of any of the Association's committees shall be personally liable for the payment of the Agent's fee or disbursements authorized by the Association's Board of Directors.

4. DUTIES AND AUTHORITY.

The Agent agrees to perform the following services in the name of, and on behalf of, the Association, at the direction of the Board of Directors. The Board of Directors, upon a duly executed resolution passed upon at a duly called meeting of the Board, grants to the Agent the authority to perform the services set forth below:

FINANCIAL:

a. Accounting Records. The Agent will maintain a full set of accounting records on a modified accrual basis.

b. Assessments. The Agent will bill all Owners, including the Sponsor, annually, and provide payment coupons for the convenience of Owners for payment of annual Assessments monthly. New Owners will be billed, upon notification of transfer of title, for the remainder of the fiscal year and monthly payment coupons will be provided for such months remaining in the fiscal year. Receive all Assessment payments, and deposit such payments in the designated bank account, on behalf of the Board of Directors.

c. Monthly Unpaid Assessments. On such date as established by resolution of the Board of Directors passed upon at a duly called meeting of the Board, late notices will be sent to all Owners delinquent in the payment of their monthly Assessment installment and a late fee, together with interest, if any, in the amounts established by the Board of Directors, will be additionally assessed. The Agent shall provide the Board with a monthly delinquent list as of the date of delinquent Owner notification.

d. Liens. Collection of unpaid Assessments after forty five (45) days will be turned over to the attorney representing the Board of Directors for collection and the filing of liens.

e. Accounts Payable. Prepare, for designated Board members' signatures, all checks for payment of all invoices/statements received by the Agent on or before the fifth (5th) and the fifteenth (15th) day of each month.

f. Payroll. In the event there are employees of the Association, payroll preparation and all payroll tax reports will be contracted, at the sole expense of the Association, with APK Enterprises, or other reliable payroll service firm. The Agent shall maintain all records and provide payroll information to the service firm.

g. Bank Accounts. Maintain all bank accounts in the name of the Association and provide the Board of Directors with monthly account reconciliations within ten (10) days from receipt of the monthly bank statements. All accounts in the name of the Association will be segregated from the Agent's own accounts.

h. Monthly/Quarterly Reports. Submit to the Board of Directors, on a monthly and quarterly basis, simultaneously with the bank reconciliations, an income and expense statement, budget vs actual budget analysis, balance sheet and Owners' delinquency report.

i. Files. Maintain separate Association files for each Owner, each service contractor, payroll records and individual employee files if applicable and bank accounts.

j. Budget. Assist the Board of Directors in the preparation of the annual budget and reserve analysis as may be required, for submission to all Owners no later than thirty (30) days prior to the annual meeting, or in the case of an interim budget, no later than thirty (30) days prior to the implementation of the interim budget.

k. Annual Financial Statements and Tax Returns. Provide annually within forty five (45) days from the end of the fiscal year trial balance, income and expense statements, accounts receivable and payable, reserve account analysis, payroll report if applicable and bank account reconciliations. Make available to the Certified Public Accountant, retained by the Board of Directors, all Association records retained by the Agent, as may be required to perform an annual audit or review, as the case may be, and prepare annual financial statements and state and federal tax returns.

ADMINISTRATIVE:

a. Violation Notices. At the direction of the Board of Directors, notify Owners, by mail, of architectural and/or rules and regulations violations, in accordance with such guidelines as may be set forth in the Declaration, By-Laws and/or duly adopted rules and regulations by resolution of the Board of Directors. All Owners, including the Sponsor, will be notified of all rules and regulations adopted by resolution of the Board of Directors thirty (30) days prior to the date such rules and regulations are scheduled to become effective.

b. Insurance. At the direction of the Board of Directors, file insurance claims and follow up on such claims.

c. Other. Mail news letters and meeting notices as may be required from time to time, at the direction of the Board of Directors.

MEETINGS:

a. Monthly Board Meetings. The Agent will attend one Board Meeting per month, not to exceed two (2) hours of duration. Notice of such meeting shall be given the Agent no less than five (5) business days prior to the meeting.

b. Annual Meeting. The Agent will attend one annual meeting of Owners each fiscal year and notice of such meeting shall be given the Agent no less than five (5) business days prior to the meeting.

c. Minutes of Meetings. Provide "secretarial service" to take minutes of all meetings and transcribe such minutes of all regularly scheduled Board Meetings, Annual Owners' Meetings and any special meetings the Board requires the Agent to attend. Provide copies of all such minutes to all Board members.

5. NON-RECURRING CHARGES.

The following charges will be billed on an occurrence basis, over and above the compensation set forth in "3" above:

a. To The Association:

(i) Special mailings to Owners at the direction of the Board of Directors: \$1.00 per Owner, plus actual reproduction costs and postage.

(ii) Late Letters: no charge

(iii) Certified Letters: no charge
actual postage only

(iv) Payment Coupons: no charge

(v) Bank Checks: actual cost

(vi) Returned Checks: actual bank charges

(vii) Additional Board and/or Owners meetings other than as set forth under "4" above, and time exceeding two (2) hours of any regularly scheduled Board meeting, will be billed at the rate of fifty dollars (\$50.00) per hour.

b. To the Owners:

(i) Return Checks,
if fault of Owner: actual bank charges
actual postage

(ii) Resale Certification
Letter: \$25.00

(iii) Other Resale Documents: actual reproduction costs
actual postage, if any

(iv) Copies of any documents: actual reproduction costs
actual postage, if any

6. FUNDING.

It is specifically understood and agreed that, except as herein specifically otherwise provided, the Agent shall perform all of the services required hereunder at no cost or expense whatsoever to itself, but solely at the expense of the Association. The Agent shall only be required to perform, or to cause to be performed, the services contemplated hereunder to the extent that, and so long as payments received from Assessments and other revenues of the Association, shall be sufficient to pay the costs of such services. Failure on the part of the Board to assess an increase in Assessments to adequately defray expenses, within a reasonable time, may be construed as a breach of this Agreement.

7. FIDELITY BOND.

The Agent shall maintain a fidelity bond covering all personnel of the Agent, naming the Association as Obligee. Such bond will be in an amount not less than the estimated maximum amount of funds that are maintained by the Agent on behalf of the Association. In no event shall such bond be less than the limits that may be set forth in the Association's documents. The cost of such bond shall be the sole expense of the Agent.

8. TERMINATION.

This Agreement may not be canceled during the first twelve (12) months of its term. Thereafter, this Agreement may be terminated by either party, provided that written notice of termination is given sixty (60) days prior to the requested termination date of the Agreement. Written notice must be given to the other party, delivered by hand or by certified mail, return receipt.

a. Dissolution of the Association: In the event the Association is dissolved as a not-for-profit corporation, under the laws of New York State, this Agreement shall terminate.

b. Bankruptcy: If petition of bankruptcy is filed by or against the Agent or the Association, or if Agent or the Association shall make an assignment for the benefit of creditors, or take advantage of any federal or state bankruptcy or insolvency act, either party hereto may terminate this Agreement upon five (5) days written notice to the other.

c. Procedure: In the event of termination of this Agreement, the Agent, upon delivery of written notice either by hand or certified mail, return receipt, all records will be turned over to the designated representative of the Board, so designated in writing in conjunction with the written notice of termination, and such representative shall be authorized by the Board of Directors to sign a detailed receipt for such records at the time of taking possession.

The Agent will turn over to the Board of Directors all funds, including passbook accounts, investment instruments, demand deposits and petty cash, less such sums that are reasonable to cover all expenses that have been incurred by the Agent on behalf of the Association. Upon discharge of all obligations as herein cited, any funds remaining under the Agent's control shall be forwarded to the Association or its representative, together with records substantiating the discharge of all such obligations.

9. INDEMNIFICATION.

a. The Agent: The Agent shall defend, indemnify and hold harmless the Association from all claims, lawsuit or damage, cost or expense arising from acts or omission of the Agent, its servants or employees under this Agreement, including any statutory or common law liability resulting from acts or omissions caused by the Agent. The Agent shall keep in full force and effect contractual liability insurance with itself as insured, in the amount of \$500,000 for purposes of this indemnification clause. Additionally, the Agent shall carry liability insurance with limits of not less than \$1,000,000 per accident or occurrence on account of personal injury (including death) and \$500,000 per accident or occurrence on account of damage to, or destruction of, property.

b. The Board of Directors: The Board of Directors shall defend promptly, at the sole cost and expense of the Association, and indemnify and save the Agent harmless from and against all claims, causes of action, judgments, liabilities, losses, costs and expenses, including, but not limited to, reasonable attorney's fees, which may arise in connection with the management of the Association Property and/or such additional duties or activities directed to be performed by resolution of the Board of Directors, unless any of the foregoing arise solely from the negligence or willful misconduct of the Agent or the Agent's employees.

10. ASSIGNMENT.

This Agreement may not be assigned by the Agent without the prior written consent of the Board of Directors.

11. CAPTIONS.

The captions contained in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent to any provision thereof.

12. BINDING OBLIGATION.

a. This Agreement shall inure to the benefit of, and constitute a binding obligation upon the contracting parties, their respective successors and assigns, and shall be construed in accordance with the laws of the State of New York.

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

c. In the event of any conflict between the provisions of this Agreement and any provisions of the Association's Certificate of Incorporation, Declaration and By-Laws, then the provisions of the Association's Certificate of Incorporation, Declaration and By-Laws shall prevail.

13. NOTICES.

All notices, authorizations, and directions to be given hereunder shall be in writing (unless otherwise provided in this Agreement), and shall be sent by certified mail, return receipt, addressed to the respective parties at the addresses stated below, or to such other address as they shall respectively designate hereafter in writing from time to time:

TO AGENT:

CASCIANI CONSTRUCTION CO., INC.
850 Lake Road
Webster, New York 14580

TO ASSOCIATION:

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)
c/o _____

_____, New York 14_____

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers.

CASCIANI CONSTRUCTION CO., INC.

Dated: _____, 1995

By: _____
John A. Casciani, President

THE BLUFFS OF WEBSTER, INC.
(A Homeowners' Association)

Dated: _____, 1995

By: _____
Name:
Title:
Board of Directors

1. The first part of the document discusses the importance of maintaining accurate records of all transactions.

2. The second part of the document discusses the importance of maintaining accurate records of all transactions.

3. The third part of the document discusses the importance of maintaining accurate records of all transactions.

4. The fourth part of the document discusses the importance of maintaining accurate records of all transactions.

5. The fifth part of the document discusses the importance of maintaining accurate records of all transactions.

6. The sixth part of the document discusses the importance of maintaining accurate records of all transactions.

7. The seventh part of the document discusses the importance of maintaining accurate records of all transactions.

8. The eighth part of the document discusses the importance of maintaining accurate records of all transactions.

9. The ninth part of the document discusses the importance of maintaining accurate records of all transactions.

10. The tenth part of the document discusses the importance of maintaining accurate records of all transactions.

11. The eleventh part of the document discusses the importance of maintaining accurate records of all transactions.

12. The twelfth part of the document discusses the importance of maintaining accurate records of all transactions.

13. The thirteenth part of the document discusses the importance of maintaining accurate records of all transactions.

HOUSING MERCHANT IMPLIED WARRANTY

ARTICLE 36-B
of
THE GENERAL BUSINESS LAW

Section	777	Definitions
	777-a	Housing merchant implied warranty
	777-b	Exclusion or modification of warranties

§ 777. Definitions. As used in this article, the following terms shall have the following meanings:

1. **Builder** means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.
2. **Building Code** means the uniform fire prevention and building code promulgated under Section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under Section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.
3. **Constructed in a skillful manner** means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.
4. **Material defect** means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. **New Home or Home** means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in Section seven hundred twenty-one of this chapter, or any house or unit in which the builder has resided or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.
6. **Owner** means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.
7. **Plumbing, Electrical, Heating, Cooling and Ventilation Systems** shall mean:
 - a. in the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;
 - b. in the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and
 - c. in the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.
8. **Warranty date** means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

§ 777-a Housing Merchant Implied Warranty.

1. Notwithstanding the provisions of Section two hundred fifty-one of the Real Property Law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:
 - a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;
 - b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and
 - c. six years from and after the warranty date the home will be free from material defects.
2. Unless the contract or agreement by its term clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:
 - a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or
 - b. any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.
3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of warranty claim for breach of a housing merchant implied must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.
 - b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.
 - c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.
5. Except as otherwise provided in Section seven hundred seventy-seven b of this article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.
6. Except as otherwise provided in Section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

§ 777-b. Exclusion or Modification of Warranties.

1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.
2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.
3. A housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.
 - a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.
 - b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract of agreement.
 - c. The language of the contract or agreement for sale of the home must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, "That there are no warranties which extend beyond the face hereof."
 - d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

Department of Law

October 11, 1995

- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

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.

SPONSOR:
CASCIANI CONSTRUCTION CO., INC.

Dated: October 11, 1995

BY: *John A. Casciani*
John A. Casciani, President

PRINCIPAL OF SPONSOR:

John A. Casciani
John A. Casciani

Sworn to before me this 31 day
of October, 1995.

Notary Public

Walter H. Hagen
Notary Public in the State of New York
TACONIC COUNTY
Commission Expires *31, 1995*



**COSTICH
ENGINEERING**

November 8, 1995

Department of Law
Real Estate Financing Bureau
120 Broadway - 23rd Floor
New York, New York 10271

RE: The Bluffs of Webster, Inc. (A Homeowners' Association)
Town of Webster, County of Monroe, New York 14580

The sponsor of the caption Offering Plan for a homeowners' association retained me to prepare a report describing the property when constructed (the "Report"). We examined the plans and specifications that were prepared by Costich Engineering and prepared the Report dated November 8, 1995, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the report.

We are licensed engineers in the State of New York where the property is located.

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

We have read the entire report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this Certification. This Certification is made for the benefit of all persons to whom this offer is made.

We certify the Report:

- (i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;
- (ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;

CIVIL ENGINEERING • LAND PLANNING • SURVEYING

Charles J. Costich, PE., L.S., P.C. • 217 Lake Avenue • Rochester, New York 14608 • 716-458-3020 • 716-458-2731 (Fax)

Department of Law

December 11, 1995

I certify that the Schedule:

- (i) sets forth in detail the projected income and expenses for the first year of homeowners' association operation;
- (ii) 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;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) 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 statement 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 statement is not intended as a guarantee or warranty of the income and expenses for the first year of operation as a homeowners' association.

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

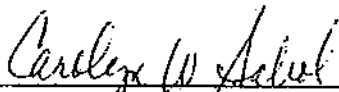
DeROO ASSOCIATES, INC.



Ruth V. DeRoo, CPM®

Key Number 6277

Sworn to before me this
11th day of December 1995.



 Notary Public

Carolyn W. Selig
 Notary Public, State of New York
 Qualified in Washington County
 My Commission Expires 11/2/96