

**BEECHWOODS
PROPERTY OWNERS
ASSOCIATION, INC.**

OFFERING STATEMENT

THIS OFFERING STATEMENT RELATES SOLELY TO THE PROPERTY OWNERS
ASSOCIATION AND DECLARATION OF COVENANTS AND RESTRICTIONS

THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

OFFERING STATEMENT

APPROXIMATE AMOUNT OF OFFERING: \$150,000 (cost of common
areas and facilities, in-
cluded in price of homes)

SPONSOR AND SELLING AGENT: O'BRIEN HOMES, INC.
6780 Pittsford-Palmyra Road
Fairport, New York 14450

PREMISES: Five Mile Line Road
Town of Webster
County of Monroe
State of New York

MAILING ADDRESS: 6780 Pittsford-Palmyra Road
Fairport, New York 14450

DATE OF PLAN: September 14, 1973

This Plan may NOT be used after: April 14, 1974

THE FILING OF THIS PLAN WITH THE DEPARTMENT OF LAW OF THE STATE
OF NEW YORK DOES NOT CONSTITUTE APPROVAL OF THE ISSUE OR THE SALE
THEREOF BY THE DEPARTMENT OF LAW OR THE ATTORNEY GENERAL OF THE
STATE OF NEW YORK. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

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I. INTRODUCTORY STATEMENT

O'Brien Homes, Inc., of Fairport, New York, herein called the Sponsor (or Developer) is the fee owner of approximately fifty-four (54) acres of land located on Five Mile Line Road, in the Town of Webster, County of Monroe, State of New York on which it intends to construct and sell to the public One Hundred (100) houses on the said land to be known as The Beechwoods Subdivision.

The private drives, parking areas, the open spaces, (including two Open Green Areas), playgrounds, pool cabana and outdoor pool are Common Areas in this development and will be owned, maintained, repaired and reconstructed when necessary by The Beechwoods Property Owners Association, Inc.

Each purchaser of land or home in this development upon the acceptance of a deed will become an owner of the land and house thereon subject to a Declaration of Covenants, Conditions and Restrictions (herein called The Declaration) obligating the owner of a lot to be a member of the Association. Membership in The Beechwoods Property Owners Association, Inc. obligates the owner and subjects the owner to the cost incurred in maintaining and repairing the open spaces, playground, pool cabana, outdoor pool, and parking areas. (Approximately 100 owners.) An additional sum will be paid by those owners of homes bordering on private drives for the cost of maintaining and repairing said drives, including snow removal. There will be 38 owners having lots bordering on private drives and said Lot Numbers are as follows:

16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28,

30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42,
43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, and 54.

It is estimated that the average monthly maintenance charge per unit of all owners will not exceed \$13.00. However, it is estimated that owners of lots bordering on private drives will pay an additional maintenance charge per unit, which charge will not exceed \$12.00 per month. (Therefore, total average monthly maintenance charge per unit of owners of lots bordering on private drives shall not exceed \$25.00.)

The names and addresses of the principal officers and directors of the Sponsor, O'Brien Homes, Inc., are as follows:

Philip O'Brien, Director and Chairman of the Board
36 Clarke's Crossing
Fairport, New York

David C. O'Brien, Director and President
87 New Wickham Drive
Penfield, New York

Raymond F. Lang, Vice-President/Treasurer
227 East Street
Pittsford, New York

James R. Liberty, Executive Vice-President
17 Birlinging Gap
Fairport, New York

Nelson T. Carpenter, Vice-President
4 Chelsea Way
Fairport, New York

In offering land and homes in this development, the Sponsor is simultaneously offering membership in the Association and also the rights and obligations set forth in the Declaration, the cost of which is included in the price of land and homes.

This Offering Statement relates solely to the rights and obligations of purchasers as members of the Association and under the Declaration.

This Offering Statement does not relate to the purchase of land or homes other than as above set forth and same should not be relied upon except for the specific purpose set forth herein.

II. DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
(THE DECLARATION)

The Declaration provides that the owner of a lot by acceptance of a deed to the lot shall be deemed to agree to pay the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, and (3) upon default, interest, (at highest permitted legal rate per annum) costs, and reasonable attorney's fees. The assessments are also a personal obligation of the property owner at the time when the assessment becomes due and payable. Claims of the Association against defaulting property owners may be enforced by legal action brought by the Association.

Such claims of the Association are subordinate to any First Mortgage on the unit. (see Declaration, Article IV, Section 9).

Voting rights and/or use of recreational facilities may be suspended by the Board of Directors for any member in default in payment of Association assessments or for infraction of the Association rules and regulations. (see Declaration, Article II, Section 1 (b) and see By-Laws, Article IV, Section 11). The Board of Directors may not suspend the member's right of ingress and egress to his unit.

The Declaration further provides for two classes of annual assessment.

General assessments shall be charged equally to all lot owners.

Private Drive assessments shall be charged equally to all owners of lots bordering on private drives and shall cover the costs of repair, maintenance and snow removal of said private drives.

The Declaration further provides that every owner of a lot

(and through him the lawful occupants of said lot) shall have a right to use and enjoy the open spaces, playgrounds, pool cabanas and outdoor pool, parking area and such right shall be appurtenant (attached) to, and shall pass with the title of each lot. This right shall inure to all successive owners, legal representatives, heirs, etc.

The Declaration further provides that every deed shall contain the following covenant:

"And the party of the second part, (his, her, their) heirs, grantees and assigns further covenants that the property herein conveyed shall be subject to an annual charge in such amount as shall be determined by The Beechwoods Property Owners Association, Inc., its successors and assigns, not to exceed \$500.00 per lot per year, which sum shall be payable monthly in advance on the 1st day of each month, and on each monthly date such charge shall become a lien upon the land and so continue until fully paid and the party of the second part does hereby authorize and empower The Beechwoods Property Owners Association, Inc., its successors and assigns, to bring any and all actions or legal proceedings in the name of The Beechwoods Property Owners Association Inc., its successors and assigns, for the collection of such charges and the enforcement of such liens. Such charges shall be payable to The Beechwoods Property Owners Association, Inc., its successors and assigns and shall be devoted exclusively to promote the recreation, health, safety, and welfare of the owners and for the improvement and maintenance of the Common Areas."

The covenants and restrictions of the Declaration shall

expire twenty (20) years from the date the Declaration is recorded after which there is an automatic extension of successive periods of ten (10) years each. The Declaration may, however, be amended during the first twenty (20) year period by not less than ninety (90%) percent of the lot owners, and thereafter by not less than seventy-five (75%) percent of the lot owners.

After recording the Declaration, Sponsor shall not have the right to nullify the Declaration at any time, however, Sponsor may amend the Declaration so long as it is the owner of at least ninety (90%) percent of the lots.

The Sponsor reserves an ingress and egress easement over, under and through private drives, open spaces, playgrounds, pool and pool cabana, during the period that it shall be an owner of at least one lot, for the purpose of construction and development of the project.

Annexed is Exhibit "A" the Declaration.

III. THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC. was incorporated on May 29, 1973, under the Not-for-Profit Corporation Law of the State of New York, as a type "A" corporation, to own and maintain the common areas, i.e., pool, pool cabana, parking areas, private drives, etc.

A copy of the Certificate of Incorporation is annexed hereto as Exhibit "B".

The By-Laws require five (5) Directors. The present Directors and Officers are:

NAME	TITLE	ADDRESS
Philip A. O'Brien	Director-President	36 Clarke's Crossing, Fairport, New York
David C. O'Brien	Director-Secretary Treasurer	87 New Wickham Drive, Penfield, New York
Nelson T. Carpenter	Director	4 Chelsea Way, Fairport, New York
Rae A. Clark	Director	559 Antlers Drive, Rochester, New York
David C. Pelton	Director	153 Edgeview Lane, Rochester, New York

Each owner or owners of a lot shall automatically be a member of THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC. and shall be entitled to cast one (1) vote for each lot owned, against which there are no delinquent assessments. The Association will have a lien on each member's home to secure the payment of the assessments.

Sponsor shall be entitled to cast one (1) vote for each lot owned. There shall be five (5) members of the Board of Directors. Three (3) Directors have been designated by Sponsor to serve a term of two (2) years and two (2) for a term of one (1) year. The Sponsor could, therefore, control the Board of Directors during the first two years.

In any event, however two (2) years after date of transfer of title to the first Lot in the subdivision, the members, (Lot owners) excluding Sponsor (Declarant), shall be entitled to elect all members of the Board of Directors of THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

The Sponsor shall be responsible for and pay the real estate

g,
e,
taxes, and an equal share of common charges on all lots which it continues to own until sold to a bona fide purchaser. Each owner of a lot, including Sponsor, shall pay an equal share of the Monthly Expenses, per lot (private drive lots will have an additional expense - see Section IV below) whether sold or unsold, built or unbuilt.

The By-Laws are substantially the same as the Declaration. See Exhibit "C".

IV. PRIVATE DRIVES

The Sponsor is obligated to complete the private drives. The private drives when completed must conform with the plans to be approved by the Town of Webster. A copy of the plans and specifications are available for inspection at the office of the Sponsor and Selling Agent and at the Webster Town Hall. For more details see Exhibit "I" attached hereto.

The title to private drives will be conveyed to the Association prior to the transfer of title to the first lot on each private drive. Thereafter it will be the responsibility of the Association. Private Drive assessments shall be charged equally to all owners of lots bordering on private drives and shall cover the costs of maintenance and snow removal for said private drives.

At the time of transfer of the first lot on a private drive,

Sponsor will pay an equal share per lot of the private drive monthly expenses of all other lots bordering on that private drive, whether the other lots on that private drive are developed or not.

The private drives may not be completed at the time homes are ready for occupancy, but it shall be the obligation of Sponsor to complete the private drives.

The other roadways in the project will be dedicated to the Town of Webster. Sponsor is obligated to pay the expenses of the other roadways until dedicated.

V. RECREATIONAL FACILITIES

Members of the Association and their guest will be entitled to use the pool cabana, outdoor swimming pool and playground, and open green areas. Further details are set forth in Exhibit "I" attached hereto.

The .3 acre parcel at the end of Private Drive "A" and the .35 acre parcel at the end of Private Drive "B" are common areas and are to be left in perpetuity in their natural state or "forever wild." They are primarily to enhance the scenic beauty of the area and are not to be further developed, i.e. picnic areas, playgrounds, etc.

Sponsor shall complete construction of all of the afore-said recreational facilities before title to the first home is transferred.

Prior to the transfer of title to the first home, Sponsor shall transfer to The Beechwoods Property Owners Association,

Inc. the title to all recreational facilities free and clear of all liens and encumbrances.

At the time of transfer of title by Sponsor to The Beechwoods Property Owners Association, Inc. of all private drives and recreational facilities, Sponsor shall furnish The Beechwoods Property Owners Association, Inc. with a fee title policy covering all said private drives and recreational areas and facilities. This fee policy of title insurance shall be issued by The Title Guarantee Company, Abstract Title Division, 19 West Main Street, Rochester, New York and shall be in the amount of \$150,000.00 and shall name the Association as the insured. Any proceeds of such title policy arising out of a claim of defective title, pertaining to land being conveyed to said Association, will be held for the benefit of and delivered to said Association.

VI. TRANSFER OF TITLE TO HOMES

Title will be conveyed by warranty deed with a covenant required by subdivision 5 of section 13 of the Lien Law, free and clear of all liens and encumbrances other than the terms, conditions, covenants and provisions set forth in the Declaration and By-Laws and subject to utility easements of record and all service contracts, lease or license agreements, if any, affecting the property, entered into by Sponsor or The Beechwoods Property Owners Association, Inc., which exists at the time of the delivery of the deed, and easements in favor of the Sponsor for the use of pipes, ducts, wires, cables, plumbing lines, public utility lines and other common areas.

Sponsor will have a representative of The Title Guarantee Company in attendance at the time of closing of title and prepared to furnish a fee title policy to any purchaser as may request and pay for same. Said policy shall insure that the purchaser has a good and marketable title free and clear of all liens and encumbrances, except as set forth above, and except such mortgage as the purchaser requires, assumes and agrees to pay as part of the purchase price. Such title insurance shall be in the amount of the purchase price for said home.

At time of transfer of title the purchaser shall deposit with the Association, in escrow, one year of his pro-rata share of the common area insurance premium.

VII. CONTRACTS BINDING ON PROPERTY OWNERS ASSOCIATION

The Board of Directors of the Association will hire Realty Management Associates, 130 Allens Creek Road, Rochester, New York, as an exclusive Managing Agent for management and maintenance of the common areas.

The principal officers of Realty Management Associates are as follows:

J. Michael Smith, President, 642 Harriswood Drive,
Webster, New York

Alice K. Smith, Secretary-Treasurer, 642 Harriswood
Drive, Webster, New York.

The Board of Directors will enter into a Management Agreement with Realty Management Associates which shall be in effect for a term of Twenty-four (24) months with Twenty-four (24) months extensions unless terminated. Termination may be by mutual

consent at the end of any month or by Ninety (90) day notice.

The Managing Agent maintains a general fidelity bond covering each of its employees issued by The Travelers Companies, Hartford, Connecticut, in the amount of \$10,000. In addition, the Managing Agent maintains a separate fidelity bond on each project covering Association officers and J. Michael Smith, as President of Realty Management Associates; the policy for The Beechwoods Property Owners Association is issued by The Travelers Companies, Hartford, Connecticut, in the amount of \$7,500.00.

The authority and duties conferred upon the Managing Agent shall be confined to the Common Areas including the private drives as defined in the Declaration (See Exhibit "A") and the recorded Plat thereof in the Monroe County Clerk's Office.

The said Managing Agent shall bill and collect common charges, hire and discharge employees, supervise repairs and alterations, purchase supplies and materials, maintain the Association's books and records, attend meetings of the Board of Directors and property owners, engage contractors for maintenance and repair, and provide an annual balance sheet and statement of profit and loss to the Association which shall be prepared and certified to by an independent public accountant.

A copy of the Management Agreement is available for inspection at the office of the Sponsor and Selling Agent.

VIII. ESTIMATED BUDGET FOR FIRST FULL YEAR
(100 OCCUPIED HOMES) FOR INCOME,
EXPENSES AND RESERVES

ALL MEMBERS (100 MEMBERS)

<u>Income</u>	<u>HOME PER MONTH</u>	<u>PROJECT (100 HOMES) PER YEAR</u>
Annual Common Charges at \$148.80 per home	\$ 12.40	\$ 14,880.00
<u>Maintenance & Operating Expenses</u>		
a) Common Area Maintenance (1)	.15	180.00
b) Landscape Labor	.65	780.00
c) Pool Maintenance	.65	780.00
d) Lifeguards	2.50	3,000.00
e) Payroll Taxes	.35	420.00
f) Office Publications & Audit	1.80	2,160.00
g) Telephone	.05	60.00
h) Miscellaneous	.10	120.00
<u>Utilities (common areas)</u>		
a) Water	.35	420.00
b) Gas & Electric	1.20	1,440.00
<u>Insurance (common area) (2)</u>	.70	840.00
<u>Management Fees (3)</u>	3.00	3,600.00
<u>Reserves</u>		
a) Pool	.60	720.00
b) Parking Lot	.30	360.00
TOTALS	\$ 12.40	\$ 14,880.00

(1) includes grass seed, fertilizer, replacement of shrubs, etc.

(2) to be issued by Travelers Insurance Company (Special Business 800); fire & general coverage \$50,000 on pool & cabana; \$3,000 personal property; \$1,000,000 liability plus \$10,000 fidelity; \$840 yearly premium.

(3) see page 10.

ESTIMATED COMMON AREA REAL PROPERTY TAXES

<u>Tax</u>	<u>HOME PER MONTH</u>	<u>PROJECT (100 HOMES) PER YEAR</u>
State, County & Town (1)	\$ 1.27	\$ 1,522.14
School (2)	2.35	2,814.51
Special Sewer District (3)	<u>.14</u>	<u>171.47</u>
TOTALS	\$ 3.76	\$ 4,508.12

Note: Common Areas estimated Assessment based on fair market value of \$150,000 and current equalization rate of 23% for estimated assessment of \$34,500.

- (1) Estimated rate per \$1,000 assessed value of \$44.12
- (2) Estimated rate per \$1,000 assessed value of \$81.58
- (3) Estimated rate per \$1,000 assessed value of \$ 4.97

ADDITIONAL ESTIMATED BUDGET - 38 OWNERS OF LOTS
 BORDERING ON PRIVATE DRIVES FOR FIRST FULL YEAR (38 OCCUPIED HOMES)

PRIVATE DRIVE ASSESSMENT

<u>Income</u>	<u>HOME PER MONTH</u>	<u>PROJECT (38 HOMES) PER YEAR</u>
Annual Private Drive Assessment at \$142.20 per home	\$ 11.85	\$ 5,403.60
 <u>Maintenance</u>		
Snow Removal	7.90	3,602.40
 <u>Insurance (private drives)</u>		
Liability	.13	59.28
 <u>Reserves</u>		
Private Drives	3.82	1,741.92
TOTALS	\$ 11.85	\$ 5,403.60



REALTY MANAGEMENT ASSOCIATES
130 Allens Creek Rd., Rochester, N.Y. 14618
Telephone 716/461-1110

Beechwoods Property Owners Association, Inc.
c/o O'Brien Homes, Inc.
6780 Pittsford-Palmyra Road
Fairport, New York 14450

Gentlemen:

We have prepared for inclusion in the Offering Plan of Beechwoods Property Owners Association, Inc. the foregoing schedule of the estimated receipts and expenses of your corporation for the first year of operation.

In our opinion, the estimates are reasonable and adequate, under existing circumstances, and the estimated receipts shown therein will be sufficient to meet the normal anticipated operating expenses of the first year of operation. However, because of the possibility of unforeseeable changes in the economy, or increase or decrease in expenses of operation, our estimates are not intended to be taken as representations, guaranties or warranties of any kind whatsoever, or as any assurance that the actual expenses or income of your cooperation for any period of operation may not vary from the amounts shown, or that your corporation may not incur additional expenses, or that your board of directors may not provide for reserves not reflected in such schedule, or that the annual maintenance charges for any period may not vary from the amounts shown therein. It may be expected, based on current trends, that such items as real estate taxes, fuel costs, maintenance, repair, labor and other related expenses will change in the future.

Our estimates are based on our knowledge and upon two years experiences with the "Hickory Ridge Homeowners Association", Town of Perinton, County of Monroe, New York; which is a project very similar in all respects. Our estimates are also based upon our experiences as management representatives for garden apartments, townhouse projects, as well as other homeowners associations, located in Western New York.

Our firm is a real estate management firm that has been in business for over two years and is the managing agent of over one thousand units in Nine different developments including townhouses, condominiums, and homeowners associations.

Very truly yours,

REALTY MANAGEMENT ASSOCIATES

A handwritten signature in dark ink, appearing to read 'J. Michael Smith'. The signature is written in a cursive style and is positioned above a horizontal line.

J. Michael Smith, President

JMS:gj

X. GENERAL

The Offering Plan does not knowingly omit any material fact or contain any untrue statement of any material fact. Exact copies are contained herein of the Declaration, Certificate of Incorporation, By-Laws, Sample Purchase Agreement and Sample Deed.

There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or the Association or any person or persons which might become a lien against the property or which materially affect this Offering.

This Plan is offered only to persons 18 years of age and over and a resident in the State of New York.

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that the Sponsor, the Association and the Managing Agent, during the period of this Offering Plan, will not discriminate against any person because of race, creed, color, national origin or ancestry in the sale of homes in The Beechwoods Subdivision or in the offering of memberships in The Beechwoods Property Owners Association.

As of the date of first presentation of the Offering Plan, neither the Sponsor nor the Selling Agent, nor any representative, or agent thereof, has raised funds or made any preliminary offering or binding agreement to or with prospective homeowners at The Beechwoods Subdivision.

No person has been authorized to make any representation

which is not expressly contained herein. This Plan may not be changed or modified orally.

Dated:

O'BRIEN HOMES, INC.

BY Walter Carpenter V.P.
Sponsor

AMENDMENT NO. 4

OF

OFFERING STATEMENT

FOR

THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

Effective Date of Statement: September 13, 1973

STATEMENT OF AMENDMENT

THE OFFERING STATEMENT FOR THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC., CANNOT BE USED AFTER THE 16th DAY OF JULY, 1976.

There has been NO MATERIAL CHANGE OF SCHEDULE VIII ("Estimated Budget for First Full Year (100 occupied homes) for Income, Expenses and Reserves") at pages 12, 13 and 14 of the Offering Statement except as revised by Amendments No. 2 and 3. Current fiscal year ends July 31, 1976.

There has been NO MATERIAL CHANGE of the Private Drive Assessment set forth in the above referenced Schedule VIII, at page 14 of the Offering Statement.

There has been a MATERIAL CHANGE of the BY-LAWS, Exhibit C of the Offering Statement by three amendments, voted upon and passed by the property owners in accordance with the provisions of the By-Laws, Article XII, as follows:

Annual Meeting (Article II, Section 3): Amended to change date of annual meeting from last Tuesday in April to any date in October.

Term of Directors (Article IV, Section 1): Amended to change the term of office of directors from one to two years.

Fiscal Year (Article VII): Amended to change the fiscal year from January 1 to December 31 to August 1 to July 31.

There has been a MATERIAL CHANGE of the Offering Statement Amendment No. 3 as the names and addresses of the current Board of Directors of the Beechwoods Property Owners Association, Inc., have

changed (neither Sponsor, nor any of its principal officers or employees, are members of the current Board of Directors) as follows:

<u>Name</u>	<u>Title</u>	<u>Address</u>
Dr. Robert Hefner	President	700 Hightower Way Webster, NY 14580
Edward Klehr	Vice-President	703 Hightower Way Webster, NY 14580
Donald L. Black	Treasurer	803 Hightower Way Webster, NY 14580
Frank E. Dutt	Recording Secretary	785 Hightower Way Webster, NY 14580
Lewis E. Allen	Corresponding Secretary	742 Hightower Way Webster, NY 14580

NO OTHER MATERIAL CHANGES HAVE TAKEN PLACE IN THIS OFFERING STATEMENT AND AMENDMENTS THERETO.

DATED: March 9, 1976.

O'BRIEN HOMES, INC.

By: David C. O'Brien Pres.
David C. O'Brien
as President

AMENDMENT NO. 5

OF

OFFERING STATEMENT

FOR

THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

Effective Date of Statement: September 13, 1973

STATEMENT OF AMENDMENT

THE OFFERING STATEMENT FOR THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC., CANNOT BE USED AFTER THE 12th DAY OF FEBRUARY, 1977.

Of the proposed 100 homes in the project, 64 homes have been transferred to purchasers.

All of the Common Areas designated in the Offering Statement have been completed.

The estimated budget (including the private drive assessment) is not controlled by the Sponsor as such control has been turned over to the home owners through their Board of Directors who consult with the Managing Agent, Cabot Management Corp., 67 Chestnut Street, Rochester, New York 14604.

There has been NO MATERIAL CHANGE of Schedule VIII ("Estimated Budget for First Full Year (100 occupied homes) for Income, Expenses and Reserves") at pages 12, 13 and 14 of the Offering Statement except as revised by Amendment Nos. 2 and 3.

Attached is the Board of Directors Approved Budget for current fiscal year of August 1, 1976, to July 31, 1977, referred to as "Exhibit A".

Attached is the Board of Directors Balance Sheet As Of July 31, 1976, referred to as "Exhibit B".

There has been NO MATERIAL CHANGE of the Private Drive Assessment set forth in the above referenced Schedule VIII, at page 14 of the Offering Statement.

There has been a MATERIAL CHANGE of the Offering Statement, "Introductory Statement," at page 1, first paragraph, as Sponsor RESERVES the right to sell an occasional vacant lot to a home purchaser only, who intends to construct a single-family residence by a builder other than Sponsor. However, in all such occasional

sales, Sponsor will retain architectural control over the design, location and quality of each such residence in order to maintain a homogenous development of the project for both visual aspects and real property values.

NO OTHER MATERIAL CHANGES HAVE TAKEN PLACE IN THIS OFFERING STATEMENT AND AMENDMENTS THERETO.

DATED: October 5, 1976.

O'BRIEN HOMES, INC.

By: David C. O'Brien
David C. O'Brien
as President

APPROVED BUDGET
FISCAL YEAR 3/1/76 - 7/31/77

	1975-1976 Estimated Year End	1976-1977 APPROVED Budget
<u>General Fund</u>		
<u>EXPENSE ACCOUNTS</u>		
Audit	\$ 700	\$ 750
Common Area Maintenance	1,067	1,400
Equipment and Signs	178	645
Gas and Electric	2,119	2,500
Lifeguards	3,570	3,700
Management Fee	3,537	4,100
Miscellaneous	87	172
Office	482	600
Payroll Tax	463	520
Pool Maintenance	2,189	2,400
Publications	---	100
Telephone	65	100
Trash Removal	14	30
Water	757	550
Total Operating Expenses	\$15,228	\$17,567
School Tax Escrow	\$ 609	\$ 700
SCT Escrow	269	405
Common Area Insurance	953	1,048
Pool Capital Reserve	720	720
Parking Lot Reserve	360	360
Total Taxes and Reserves	\$2,916	\$3,233
 Total General Budget	 \$18,134	 \$20,800
 <u>INCOME ACCOUNTS</u>		
Monthly Assessment (16.50)	\$19,800	\$19,800
Transfer from prior year	---	1,000
Transfer to next year	\$1,000	---
Year end surplus	\$666	-0-
 <hr/>		
<u>PRIVATE DRIVE FUND</u>		
<u>EXPENSE ACCOUNTS</u>		
Snow Removal	\$ 741	\$1,531
Capital Reserve	1,824	1,824
Snow Removal Escrowed	445	---
Total	\$3,010	\$3,455
 <u>INCOME ACCOUNTS</u>		
Monthly Assessment (\$6.60)	\$3,010	\$3,010
Snow Removal Escrow from previous years	---	455
Total Income	\$3,010	\$3,455

BPOA/fed
7/14/76

BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.
 FISCAL YEAR 8/1/75 - 7/31/76
 BALANCE SHEET
 AS OF 7/31/76

ASSETS	Current Month	Prior Month	Beginning of Fiscal Year
CASH			
Checking	667	219	595
Savings	17347	17647	13238
ACCOUNTS RECEIVABLE			
Homeowners	16	23	41
O'Brien Homes	822	845	-0-
Others	352	350	164
Total Current Assets	19204	19084	14038
REAL PROPERTY: Land	16000	16000	16000
Building & Roads	28740	28740	28740
Pool	33266	33266	33266
Total	78006	78006	78006
Less Accumulated Depreciation	4082	4082	4082
Property - Net	73924	73924	73924
TOTAL ASSETS	93128	93008	87962
LIABILITIES			
Accounts Payable & Accrued Expenses	778	381	1195
Advance Payments - Homeowners	680	270	295
TOTAL LIABILITIES	1458	651	1490
FUND BALANCES			
BOARD DESIGNATED FUNDS			
RESERVES & ESCROWS			
School Tax Escrow	1443	1310	2786
State, County, Town Tax Escrow	1894	1827	1555
Common Area Insurance Escrow	812	730	781
Pool, Cabana & Grounds Capital Reserve	1560	1500	840
Parking Lot Capital Reserve	780	750	420
P.D. Maintenance Capital Reserve	7021	6869	--
P.D. Snow Removal Reserve	421	348	--
Total Board Designated Funds	13931	13334	5197
Total Property Fund	73924	73924	11579
Total Operating Fund	3815	5099	75924
TOTAL FUND BALANCES	91670	92357	86472
TOTAL LIABILITIES & FUND BALANCES	93128	93008	87962

BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.
 FISCAL YEA 8/1/75 - 7/31/76
 CHANGE IN BOARD DESIGNATED FUND BALANCES
 12 MONTHS ENDING 7/31/76

	School Tax Escrow	SCF Tax Escrow	C. A. Ins. Escrow	Pool Capital Reserve	Parking Capital Reserve	P. D. Snow Rem. Escrow	P. D. Capital Reserve	Total
FUND BALANCES - Beg. of Year	2786	1555	781	840	420	5197	--0-	11579
Revenues - 8/1/75 to 6/25/76								
Board Approved Transfers	813	--	--	1630	--	--	5197	7640
Regular Allocations	1463	736	902	660	330	1089	1672	6852
Total Revenues	2276	736	902	2290	330	1089	6869	14492
Expenditures - 8/1/75 to 6/25/76								
Board Approved Transfers	3143	200	--	1630	--	5197	--	10170
Account Expenditure	609	264	953	--	--	741	--	2567
Total Expenditures	3752	464	953	1630	--	5938	--	12737
BALANCE - Beg. of Month	1310	1827	730	1500	750	348	6869	13354

Revenues - Current Month								
Board Approved Transfers	133	67	82	60	30	98	152	622
Monthly Allocation	133	67	82	60	30	98	152	622
Total Revenues	133	67	82	60	30	98	152	622
Expenditures - Current Month								
Board Approved Transfers	--	--	--	--	--	25	--	25
Account Expenditure	--	--	--	--	--	25	--	25
Total Expenditures	--	--	--	--	--	25	--	25

BALANCE - Year to Date	1443	1894	812	1560	780	421	7021	13931
Projected Balance - Year to Date	1463	469	820					
Escrow Target Date	8/31/76	12/31/76	9/30/76					
Projected Escrow Amount	1596	804	984					

at Board Meeting, Inc
1/6/76.

FISCAL YEAR 8/1/75 - 7/31/76
CHANGES IN OPERATING FUND BALANCE
12 MONTHS ENDING 7/31/76

	For the Month		Fiscal Year to Date		Total Fiscal Budget	
	Actual	Budget	Variance	Actual		Budget
FUND BALANCE - BEGINNING	5099			969		
REVENUES						
Homeowners	728	--	--	8025	--	--
O'Brion Homes	550	--	--	7311	--	--
Other	140	--	--	3539	--	--
TOTAL REVENUES	1418	1278	140	18875	16278	2597
EXPENDITURES						
Audit	--	--	--	700	800	100
Common Area Maint.	173	140	(33)	1034	1036	2
Equipment & Signs	--	--	--	37	400	363
Gas & Electric	651	450	(201)	2540	2500	(40)
Landscape Labor	--	--	--	--	--	--
Lifeguards	1306	1000	(306)	2989	3250	261
Management Fee	315	300	(15)	3521	3600	79
Miscellaneous	--	10	10	37	120	83
Office	50	50	--	264	600	336
Payroll Taxes	91	100	9	322	455	133
Pool Maintenance	41	50	9	1384	2550	1166
Publications	--	25	25	--	250	250
Telephone	75	9	(66)	87	75	(12)
Trash Removal	--	--	--	14	--	(14)
Water	--	100	100	657	600	(57)
TOTAL EXPENDITURES	2702	2234	(468)	13586	16236	2650
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1284)	(956)	(328)	5289	42	5247
FUND BALANCE - ENDING	3815			6258		
Transfer to Pool Capital Reserve				(2443)		
Adjusted Fund Balance	3815			3815		

EXCESS OF REVENUES OVER (UNDER) EXPENDITURES

FUND BALANCE - ENDING

Transfer to Pool Capital Reserve

Adjusted Fund Balance

AMENDMENT NO. 6
OF
OFFERING STATEMENT

FOR

THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

Effective Date of Statement: September 13, 1973

STATEMENT OF AMENDMENT

THE OFFERING STATEMENT FOR THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC., CANNOT BE USED AFTER THE 9th DAY OF JULY, 1977.

Of the proposed 100 homes in the project, 65 homes have been transferred to purchasers.

There has been NO MATERIAL CHANGE of Schedule VIII ("Estimated Budget for First Full Year (100 occupied homes) for Income, Expenses and Reserves") at pages 12, 13 and 14 of the Offering Statement except as revised by Amendment Nos. 2 and 3.

There has been NO MATERIAL CHANGE of the Private Drive Assessment set forth in the above referenced Schedule VIII, at page 14 of the Offering Statement.

There has been A MATERIAL CHANGE of the Offering Statement Amendment No. 4 as the names and addresses of the current Board of Directors of the Beechwoods Property Owners Association, Inc., have changed (neither Sponsor, nor any of its principal officers or employees, are members of the current Board of Directors) as follows:

<u>Name</u>	<u>Title</u>	<u>Address</u>
Edward Klehr	President	703 Hightower Way Webster, NY 14580
George J. Maruschock	Vice-President	808 Hightower Way Webster, NY 14580
Frank E. Dutt	Treasurer	803 Hightower Way Webster, NY 14580
James T. Cole	Recording Secretary	756 Hightower Way Webster, NY 14580

<u>Name</u>	<u>Title</u>	<u>Address</u>
Robert E. Lee, Jr.	Corresponding Secretary	769 South Huckleberry Way Webster, NY 14580

NO OTHER MATERIAL CHANGES HAVE TAKEN PLACE IN THIS OFFERING
STATEMENT AND AMENDMENTS THERETO.

Dated: March 4, 1977

O'BRIEN HOMES, INC.

By David C. O'Brien Pres.
DAVID C. O'BRIEN, President

1972 05 10 11 11:55
1972 05 10 11 11:55

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTONS

THIS DECLARATION, made on the date hereinafter set forth by O'Brien Homes, Inc., hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the Town of Webster, County of Monroe, State of New York, which is more particularly described as:

ALL THAT TRACT OR PARCEL OF LAND, containing 53.632 acres, more or less, situated in Town Lots 4 and 5, Township 14, Range 7, Town of Webster, Monroe County, New York, all as shown on Drawing No. 1630.00-01, dated January 28, 1972, and prepared by SEAR, BROWN, SCHOENBERGER, COSTICH & MALETTA, Civil Engineers and Land Planners, being more particularly bounded and described as follows:

5-22-08

Beginning at a point on the westerly highway boundary of Five Mile Line Road, said point also being the northeast corner of lands now or formerly owned by Clifford D. and Grace S. Scribner and the southeast corner of lands now or formerly owned by Howard M. Dragt and wife; thence

(1) Southerly, along the westerly highway boundary of Five Mile Line Road, and making an interior angle of 89° - 20' - 43" with the before-mentioned property line, a distance of 205.97 feet to a point; thence

(2) Southerly, making an interior angle of 188° - 52' - 00" with the last-described course and along said highway boundary, a distance of 446.05 feet to a point; thence

(3) Southwesterly, making an interior angle of 159° - 15' - 02" with the last-described course and along the northwesterly taking line of the Irondequoit-Wayne County Line Expressway, a distance of 106.73 feet to a point; thence

(4) Southerly, making an interior angle of 197° - 50' - 35" with the last-described course and along the westerly taking line of the Irondequoit-Wayne County Line Expressway, a distance of 85.14 feet to a point; thence

(5) Southerly, making an interior angle of 180° - 11' -

21" with the last-described course and along said taking line of Expressway, a distance of 325.43 feet to a point; thence

(6) Westerly, making an interior angle of 99° - 00' - 52" with the last-described course and along said taking line of Expressway, a distance of 328.19 feet to a point; thence

(7) Westerly, making an interior angle of 164° - 04' - 50" with the last-described course and along the northerly taking line of the Irondequoit-Wayne County Line Expressway, a distance of 801.26 feet to a point; thence

(8) Westerly, making an interior angle of 174° - 20' - 05" with the last-described course and along said Expressway, a distance of 595.07 feet to a point; thence

(9) Westerly, making an interior angle of 185° - 32' - 13" with the last-described course and along said Expressway, a distance of 298.67 feet to a point, said point being the southeast corner of lands now or formerly owned by Joseph J. Weber and wife; thence

(10) Northerly, making an interior angle of 89° - 08' - 09" with the last-described course and along the easterly line of Pearlwood Manor Subdivision and lands now or formerly owned by Mike Pezzino & Son, Inc., a distance of 1,142.52 feet to a point; thence

(11) Easterly, making an interior angle of 92° - 24' - 10" with the last-described course and along the southerly lines of Newberry Acres Subdivision, Sections 1 and 2 and lands now or formerly owned by Howard M. Dragt and wife, a distance of 1,882.71 feet to the place or point of beginning.

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

ARTICLE I DEFINITIONS

Section 1. "Association" shall mean and refer to The Beechwoods

Property Owners Association, Inc., its successors and assigns.

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

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

Section 4. "Common Area" shall mean all real property and improvements thereon owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows: all private drives, and parking lots, playgrounds, pool cabana, open green areas and other recreational facilities including the swimming pool and related equipment as may be shown on a map of the subdivision to be filed with the Monroe County Clerk.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to O'Brien Homes, Inc., its successors and assigns if such successors or assigns should acquire more than one developed Lot from the Declarant for the purpose of development.

Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

ARTICLE II PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment through the Association in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which an assessment remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations; however there shall be no

right of the Association to suspend the right of an owner to ingress or egress to his lot.

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of the members agreeing to such dedication or transfer has been recorded.

(d) the right of the Association to limit the number of guests of members;

(e) the right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof the mortgage on said properties shall be subordinate to the rights of the homeowners hereunder.

(f) the right of Declarant, which is hereby reserved, for an ingress and egress easement over, under and through the private drives, open spaces, playgrounds, pool and pool cabana, during the period that Declarant shall be an owner of at least one lot, for the purpose of construction and development.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Regulation of Uses. The Association reserves the right to regulate the use of the recreational facilities and area through the establishment of rules and regulations.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. The members shall consist of all owners of Lots including the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as the owners among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

There shall be five (5) members on the Board of Directors. The Sponsor shall select three (3) to serve a term of two (2)

years and two (2) to serve a term of one (1) year.

Section 3. In any event, two (2) years after date of transfer of title to the first Lot in The Beechwoods Subdivision, the members, excluding Declarant, shall be entitled to elect all members of the Board of Directors of the Association.

ARTICLE IV
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. However, the covenant in this Section 1 shall not constitute a guarantee of any kind by the Declarant to pay the annual or special assessments, or any other obligations of the owners other than Declarant. The Association shall have two classes of annual assessments:

General Assessments. General Assessments shall be paid by all owners.

Private Drive Assessments. Private Drive assessments shall be paid only by owners of lots bordering on private drives and shall be in addition to General Assessments.

Said Private Drive Assessments shall be those charges related exclusively to the maintenance and repair of said private drives, including snow removal.

There shall be thirty-eight (38) lots bordering on private drives as follows:

16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28,
30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42,
43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, and 54.

The annual and special assessments, together with interest, costs, and reasonable attorney's fees, if any, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, if any, shall be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Each Deed shall contain the following covenant:

"And the party of the second part (his, her, their)

heirs, grantees and assigns further covenants that the property herein conveyed shall be subject to an annual charge in such amount as shall be determined by The Beechwoods Property Owners Association, Inc., its successors and assigns, not to exceed \$500.00 per lot per year, which sum shall be payable monthly, in advance on the 1st day of each month, and on each monthly date such charge shall become a lien upon the land and so continue until fully paid and the party of the second part does hereby authorize and empower said Beechwoods Property Owners Association, Inc., its successors and assigns, to bring any and all actions or legal proceedings in the name of The Beechwoods Property Owners Association, Inc., its successors and assigns, for the collection of such charges and the enforcement of such liens. Such charge shall be payable to The Beechwoods Property Owners Association, Inc., its successors and assigns and shall be devoted exclusively to promote the recreation, health, safety, and welfare of the owners and for the improvement and maintenance of the Common Area."

Section 2. Purpose of Assessments. General assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, except for private drives.

Private Drive assessments levied by the Association shall be used exclusively for the maintenance and repair of all private drives, including snow removal.

Section 3. Maximum Annual Assessment Per Lot Per Year. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall not exceed Three Hundred Dollars (\$300.00) per Lot.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year in conformance with the rise, if any, of the Consumer Price Index, (published by the Department of Labor, Washington, D.C.) for the preceding month of July without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of two-thirds (2/3) of the members who are voting in person

or by proxy, at a meeting duly called for this purpose.

- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of three-fourths (3/4) of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Section 3 or 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60%) percent of all the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be two-thirds (2/3) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual maintenance and special assessments must be fixed at a uniform rate for all Lots. Each owner of a lot, including Declarant, shall pay an equal share of the monthly assessments per lot, whether sold or unsold, built or unbuilt.

Section 7. Date of Commencement of Annual Assessments: Due Date. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area.

The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment for each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors, and, unless otherwise provided, the Association shall collect each month from the owner of each Lot one-twelfth (1/12th) of the annual assessment for such Lot. The Association shall, upon demand, and for a reasonable

charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum permitted legal rate per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in The Beechwoods Property Owners Association, Inc., or its agents the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosures by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property and such owner hereby expressly grants to the Association a power of sale in connection with said lien. The Lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Lot owners. The Association, acting on behalf of the Lot owners shall have the power to bid on an interest foreclosed at a foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to subrogate so much of its right to such liens as may be necessary or expedient to an insurance company continuing to give total coverage notwithstanding nonpayment of such defaulting owner's portion of the premium. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. All properties dedicated to, and accepted by, a local public authority, and the Common Area, shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Management Agreements. Each Owner of a Lot hereby agrees to be bound by the terms and conditions of all management

agreements entered into by the Association. A copy of all such agreements shall be available to each owner. Any and all management agreements entered into by the Association shall provide that said management agreement may be cancelled by an affirmative vote of sixty percent (60%) of the votes of the Members of the Association who are voting in person or by proxy at a meeting at which a quorum, as defined in Article IV, Section 5, is present. In no event shall such management agreement be cancelled prior to the effecting by the Association or its Board of Directors of a new management agreement with a party or parties, which new management agreement will become operative immediately upon the cancellation of the preceding management agreement. It shall be the duty of the Association or its Board of Directors to effect a new management agreement prior to the expiration of any prior management contract. Any and all management agreements shall be made with a responsible party or parties having experience adequate for the management of a project of this type.

Section 12. Insurance Assessments. The Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for all common buildings, against loss or damage by fire or other hazards in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any hazard, and shall also obtain a broad form public liability policy covering all Common Areas, and all damage or injury caused by the negligence of the Association or any of its agents. Said insurance may include coverage against vandalism. Premiums for all such insurance shall be included in annual assessments payable monthly and subject to the rules thereof.

ARTICLE V CONSTRUCTION OF BUILDINGS AND USE RESTRICTIONS

Section 1. Said property is hereby restricted to residential dwellings for residential use. All buildings or structures erected upon said Property shall be a private detached dwelling for a single family and a private garage for not more than three cars and shall be of new construction. The private garage must be attached to or built into the residence. The term "attached" shall be construed to mean any kind of attachment, whether by common wall, so-called breezeway, a roofed porch, etc. However, on written consent of the undersigned, a garage may be detached from the dwelling and shall not thereafter be construed as in violation of restriction. No buildings or structures shall be moved from other locations onto said Property and no subsequent buildings or structures other than single family residences shall be constructed.

Section 2. No structures of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any portion of said Property at any time as a residence either temporarily or permanently.

Section 3. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the terms,

conditions and provisions hereof.

Section 4. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or the Builder of said houses to maintain during the period of construction and sale of said houses, upon such portion of the premises as Declarant deems necessary, such facilities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of said houses, including, but without limitation, a business office, storage area, construction yards, signs, model units and sales office.

Section 5. No animals, livestock, horses, goats, pigs, cattle, sheep or poultry of any kind shall be raised, bred or kept on any of said Lots, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose.

Section 6. No advertising signs (except one of not more than five square feet "for rent" or "for sale" sign per parcel), billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on said Property, nor shall said Property be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any house or any resident thereof. No business activities of any kind whatever shall be conducted in any building or in any portion of said Property; provided, however, the foregoing covenants shall not apply to the business activities signs and billboards, or the construction and maintenance of buildings, if any, of Declarant, its agents and assigns during the construction and sale period, and of The Beechwoods Property Owners Association, Inc., a non-profit corporation, incorporated under the laws of the State of New York, its successors, and assigns, in furtherance of its powers and purposes as herein set forth.

Section 7. No lots shall be subdivided into smaller lots or parcels, but lots may be resubdivided into lots of equal or increased frontage or size, and the restrictions herein contained shall apply to lots in any such resubdivision as if such resubdivision had been the original subdivision. The undersigned, however, reserves the right, if still in title to the lots to be resubdivided, to reduce the size of any lot and add the same to an adjoining lot provided the reduced lot shall either conform to the zoning requirement size or a variance has been obtained permitting such reduced size.

Section 8. No commercial trade or business shall be conducted on the premises herein, nor anything be done thereon which may be or become a nuisance to the neighborhood. Nor shall any house trailer, camping trailer, or mobile home be parked or stored on the premises, however, a camping trailer may be parked on the premises provided it is parked to the rear or side of the dwelling. However, for a period of four years from the date hereof, a temporary building or trailer used as an office by any contractor may be located on

this subdivision. No intoxicating liquors or beverages shall be manufactured or sold or offered for sale on any lot. Nothing herein shall be construed to prohibit the erection and maintenance of swimming pools or of any structures owned and maintained by The Beechwoods Property Owners Association, Inc., in said tract.

Section 9. No wire link fence shall be placed upon any lot to the front of the front dwelling setback line. Any other fence erected on any lot shall be in compliance with the zoning requirements of the Town of Webster.

Section 10. The Declarant reserves the right to grant public utility easements for the installation and maintenance of public utility easements and drainage facilities along the rear ten feet of any lot on said subdivision map, and to dedicate all highways and easements shown on said subdivision map to the Town of Webster. The Declarant further reserves the right to install storm water drainage facilities along the rear or side lot line of any lot, 10 feet in width, following transfer of any lot, to remedy surface water drainage conditions.

Section 11. No action shall at any time be taken by the Association or its Board of Directors which in any manner would discriminate against any Owner or Owners in favor of the other Owners.

ARTICLE VI EASEMENTS

Section 1. All conveyances on this subdivision are to be made subject to public liability easements granted or to be granted for any and all public utility purposes.

Section 2. Underground Electrical Service:

A. Underground single phase electric service shall be available to 100 residential houses on the aforesaid lots and to any recreation buildings that may be constructed on the Common Area. The utility company furnishing the service shall have such easements as may be required along and centered on the underground electrical power service conductors installed from the utility company's easement to be designated point of service on houses.

B. Easements for the underground service may be crossed by driveways and walkways provided the Declarant or Builder makes prior arrangements with the utility company furnishing electric service. Such easements for the underground service shall be kept clear of all other improvements, including buildings, patios, or other pavings, other than crossing walkways or driveways, and neither Declarant nor any utility company using the easements shall be liable for any damage done by either of them or their assigns, their agents, employees, or servants to shrubbery, trees, flowers, or other improvements of the Owner located on the land covered by said easements.

ARTICLE VII
GENERAL PROVISIONS

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

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise effect any other provisions which shall remain in full force and effect.

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

Section 4. Annexation of Additional Property. Annexation of additional property shall require the assent of three-fourths (3/4) of the members, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. The presence of members or of proxies entitled to cast sixty percent (60%) of the votes of the members shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be two-thirds (2/3) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting. In the event that two-thirds of the membership are not present in person or by proxy, the members not present may give their written consent to the action taken thereat.

Section 5. Gender and Grammer. The singular wherever used herein shall be construed to mean the plural when applicable and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein,

has hereunto set its hand and seal this 26TH day of SEPTEMBER, 19 73.



O'BRIEN HOMES, INC.

By Nelson T Carpenter
Declarant VICE-PRES.

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

On this 26th day of September Nineteen Hundred and Seventy-three before me personally came NELSON T. CARPENTER to me personally known who, being by me duly sworn did depose and say that he resides in TOWN OF PERINTON, MONROE CO. New York that he is the Vice President of O'BRIEN HOMES, 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.

Charles E. Strobel

CHARLES E. STROBEL
NOTARY PUBLIC, State of N. Y., Monroe Co. No. 2728
Commission Expires March 30, 1975

State of New York
Monroe County, ss.
Recorded on the 26th day
of September 1973 at
10:50 o'clock A. M. In liber
4528 of Diede
at page 148 and examined.

J. Ross Zornow

MONROE COUNTY CLERK

9-

EXHIBIT B

CERTIFICATE OF INCORPORATION
OF

THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

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

The undersigned, being over the age of 19 years, for the purpose of forming a corporation under Section 402 of the Not-for-Profit Corporation Law does hereby certify as follows:

1. NAME

The name of the corporation shall be
The Beechwoods Property Owners Association, Inc.

2. NON-PROFIT STATUS

The corporation has not been formed for pecuniary profit or financial gain, and no part of the assets, income or profit of the corporation is distributable to, or inures to the benefit of, its members, directors or officers except to the extent permitted under the Not-for-Profit Corporation Law.

3. PURPOSES

The purposes for which the corporation is formed is to organize and operate a civic organization exclusively for the promotion of the common good and social welfare of the members of the corporation.

4. TYPE

The corporation is a Type A corporation.

5. RESTRICTIONS

The corporation will not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501(c)(4) of the Internal Revenue Code and the Regulations thereto as they now exist or as they may be hereafter amended.

6. OFFICE

The office of the corporation is to be located in the Town of Perinton, County of Monroe, and State of New York.

7. TERRITORY

The territory in which the activities of the corporation are principally to be conducted is in the County of Monroe, State of New York.

8. NOTICES

The post office address to which the Secretary of State shall mail a copy of any notice required by law is 6780 Pittsford-Palmyra Road, Fairport, New York 14450.

9. APPROVALS

No approvals or consents are required under the Not-for-Profit corporation Law as a prerequisite to the filing of this Certificate of Incorporation.

IN WITNESS WHEREOF, I have signed this Certificate
of Incorporation this 25th day of May, 1973

Rae A. Clark INCORPORATOR
Rae A. Clark
31 East Main Street
Rochester, New York 14614

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 25th day of May, 1973, before me personally
appeared Rae A. Clark, to me known and known to me to be
the person described in and who executed the foregoing
Certificate of Incorporation, and he thereupon duly
acknowledged to me that he executed the same.

David C. Pelton

DAVID C. PELTON
Notary Public in the State of New York
MONROE COUNTY, N. Y.
Commission Expires March 30, 1974

EXHIBIT D
SAMPLE PURCHASE AGREEMENT

I agree to purchase the following property in the Town of Webster, Monroe County, New York, and being lot No. _____ of the Beechwoods Subdivision, approx. lot size _____ by _____ ft., as per filed map and subject to all easements shown on said filed map., (Liber _____ of Maps, Page _____) and together with an undivided interest in the common areas appurtenant thereto. The property is the same premises referred to by lot number in the plans and specifications exhibited to purchaser, and in the Declaration, By-Laws, Offering Statement and in the schedules and exhibits annexed thereto, all of which are incorporated herein by reference and made a part of this agreement and in effect as if set forth in full herein.

This lot is (NOT) on a private drive and is (NOT) subject to private drive maintenance charges and conditions as set forth in the Offering Statement.

Purchaser to buy own WATER METER, \$ _____ from Town of Webster payable at closing. PURCHASE PRICE: \$ _____ (\$ _____) Cash on date of transfer. This offer is subject to the purchaser obtaining a _____ loan for \$ _____; and if the under-
signed should be unable to obtain such financing after diligent

application for the same, then this contract shall be void and any deposit made shall be refunded to the undersigned, without interest.

It is further understood that there are no special assessments or improvements bonds levied against this property for assessments or improvements commenced or completed at the time of transfer for improvements installed by the seller in this Subdivision. Subject to a bonded indebtedness for the main trunk line and sewage disposal plant of the Town of Webster and subject to bonded indebtedness for storage, trunk and pump capacity for the Water District of the Town of Webster.

Dwelling to be completed and ready for transfer of title by on or before _____, 19__ except as to such items of work as cannot be completed due to season of year, and for such completion an escrow will be required by final inspection. Notwithstanding any other clauses to the contrary, this agreement does not contemplate or authorize the purchaser to pay any costs incurred by the builder in connection with any building loan, whether same is to be assumed by the purchaser or discharged.

It is understood and agreed that the seller does not guarantee the health and continued life of any tree on the subject property. Also, the area from a point twenty feet from the rear of the house on wooded lots will be left in its natural state. Severely sloped areas, regardless of house sitting, will be left in their natural state. Seller does not agree to provide any flat area behind houses on severely sloped lots.

Changes or alterations in the plans may be made provided that

such changes are made prior to the start of construction and are made on a change order form signed by the purchaser and accepted in writing by the seller.

I herewith deposit _____ Dollars (\$ _____) of the above purchase price with O'Brien Homes, Inc. to be held until the offer is accepted at which time it shall become part of the purchase price, or returned if not accepted.

You to furnish warranty deed with lien covenant, guaranteed tax search, bankruptcy search and tape location map, (if instrument survey is requested, such survey shall be at buyers expense), and abstract of title redated to time of transfer showing good marketable title to the said property and its undivided interest in the common areas, free of liens and encumbrances, except as above specified, and subject to pole and wire easements and restrictions running with the land common to the tract or subdivision, and subject to the Declaration, By-Laws, Rules and Regulations of the Homeowners Association.

Seller reserves the right to dedicate the utilities, pavements and appurtenances falling within the right-of-ways of any streets or private drives, together with the internal sanitary sewer system, to the Town of Webster. Risk or loss or damage by fire until closing is assumed by the seller. Current taxes, sewer rental and assessments for common charges to be adjusted to date of transfer. Insurance to be adjusted at purchaser's option. Any bond and mortgage given shall contain the statutory clause as to interest, principal, insurance, tax and assessments, upon default of thirty days. Purchaser to pay mortgage tax and recording fee and any other charges and escrow deposits required by the mortgagee.

Seller shall not be liable for any of the delay of work caused by reason of strikes, walkout, government authority, regulations or restrictions or allocation of labor, supplies and materials instituted by governmental authority. Completion of the work shall be extended for a period of time equivalent to the time lost by reason of the aforesaid causes, or other causes beyond the control of the builder.

Purchaser does hereby acknowledge that he has a bonafide intention of residing in a dwelling of The Beechwoods and that an Association, known as The Beechwoods Property Owners Association, Inc., has been established for the purpose of owning, operating and maintaining the common areas and facilities of the Beechwoods Subdivision Project, and Purchaser does hereby agree that he shall be a member of said Association and said Purchaser further agrees that he hereby accepts and agrees to abide by the terms and conditions of said Association's Articles of Incorporation, By-Laws, Declaration, and Rules and Regulations of the Property Owners Association, all Management Agreements entered into by said Association and all recorded covenants, conditions and restrictions. Purchaser further acknowledges that there are annual maintenance assessments on the property, which assessments are payable monthly in accordance with said recorded covenants, conditions and restrictions.

Purchaser has not relied upon any warranties or representations as to size, dimensions or other physical characteristics or as to financial data or estimated income tax deductions, except as specifically presented in the Offering Statement, Declaration and By-Laws. This Agreement, together with the Offering Statement, Declaration and By-Laws and exhibits attached to the foregoing, contains the entire

agreement of the parties, and no oral representations or statements shall be considered a part hereof or finding upon the parties nor shall any provision of this Agreement be terminated, modified, assigned or waived except by a writing signed by both parties. Buyer acknowledges receipt of the Offering Statement, By-Laws and Declaration.

My attorney to have searches for examination at least seven days before closing.

This offer good until _____, 19__ and is irrevocable for the time stated.

The transfer to be completed at Monroe County Clerk's Office on or before the _____ day of _____, 19__. Possession to be given only on transfer of title.

Dated _____ (L.S.)

Witness _____ (L.S.)

ACCEPTANCE

I hereby accept the above offer and agree to sell on the terms and conditions set forth.

Witness _____ (L.S.)

Dated _____ (L.S.)

EXHIBIT E

DEED

THIS INDENTURE, made the _____ day of _____, Nineteen
Hundred and Seventy-three.

BETWEEN O'BRIEN HOMES, INC., a domestic corporation
organized under the laws of the State of New
York, having its principal place of business
at 6780 Pittsford-Palmyra Road, Fairport,
New York,

party of the first part, and

parties of the second part,

WITNESSETH that the party of the first part, in consideration of
TEN AND NO/100 DOLLARS (\$10.00) lawful money of the United States,
and other good and valuable consideration paid by the parties of
the second part, does hereby grant and release unto the parties
of the second part, their heirs, successors and assigns forever

ALL THAT TRACT OR PARCEL OF LAND, situate in the Town of Webster,
County of Monroe and State of New York, being part of Town Lots
4 and 5, Township 14, Range 7, and more particularly known as
Lot No. _____ together with the improvements thereon as shown
on a subdivision map of The Beechwoods, made by Sear, Brown,
Shoenberger, Costich and Maletta, Surveyors, and filed in the
Monroe County Clerk's Office in Liber _____ of Maps, at Page _____.

Said Lot is located on the _____ side of _____
and the dimensions of said Lot are as set forth on the above
referenced subdivision map of The Beechwoods.

TOGETHER with all of the rights, privileges, easements and
appurtenant ownership interests in and to the premises previously

conveyed to THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC., by deed recorded in Monroe County Clerk's Office in Liber _____ of Deeds, at Page _____, and as more fully defined in the Declaration of Covenants, Conditions and Restrictions recorded in Monroe County Clerk's Office on the _____ day of _____, 1973, in Liber _____ of Deeds, at Page _____.

The parties of the second part, their heirs, grantees and assigns, covenant that this conveyance is made and accepted subject to covenants, easements and restrictions of record and particularly subject to the Declaration of Covenants, Conditions and Restrictions recorded in the Monroe County Clerk's Office on the _____ day of _____, 1973, in Liber _____ of Deeds, at Page _____.

The parties of the second part their heirs, grantees and assigns covenant and agree that said Lot is (NOT) subject to Private Drive Assessments, and further covenant and agree to be bound by and to comply with the said Declaration including their personal obligation to pay assessments pursuant to said Declaration and agree to be members of the THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC., and hereby execute and acknowledge this Instrument for such purposes.

The parties of the second part, their heirs, grantees and assigns further covenant that the property herein conveyed shall be subject to an annual charge in such amount as shall be determined by THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns, not to exceed \$500.00 per lot per year, which sum shall be payable monthly, in advance on the 1st day of each month, and on each monthly date such charge shall become a lien upon the land and so continue until fully paid and the parties of the second part do hereby authorize and empower said THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns, to bring any and all actions or legal proceedings in the name of THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns, for the collection of such charges and the enforcement of such liens. Such charges shall be payable to THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns and shall be devoted exclusively to promote the recreation, health, safety and welfare of the owners and for the improvement and maintenance of the Common Areas.

The maximum annual assessment may be increased as set forth in Article IV, Section 3 of the Declaration, by rise in Consumer Price Index or by a vote of two-thirds (2/3) of each class of members.

The parties of the second part hereby acknowledge receipt of a copy of the OFFERING STATEMENT.

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises,

TO HAVE AND TO HOLD, the premises herein granted unto the parties of the second part, their heirs, grantees and assigns forever.

AND the party of the first part covenants as follows:

FIRST, that the parties of the second part shall quietly enjoy the said premises;

SECOND, that the party of the first part will forever WARRANT the title to said premises;

THIRD, that, in compliance with Sec. 13 of the Lien Law, the grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the sum for any other purpose.

IN WITNESS WHEREOF, The party of the first part has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officer the day and year first above written, and the parties of the second part have hereunto set their hand and seals.

O'BRIEN HOMES, INC.

By: _____
Vice-President

Grantee

Grantee

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this _____ day of _____, Nineteen Hundred and Seventy-three, before me personally came

to me personally known, who, being by me duly sworn, did depose and say

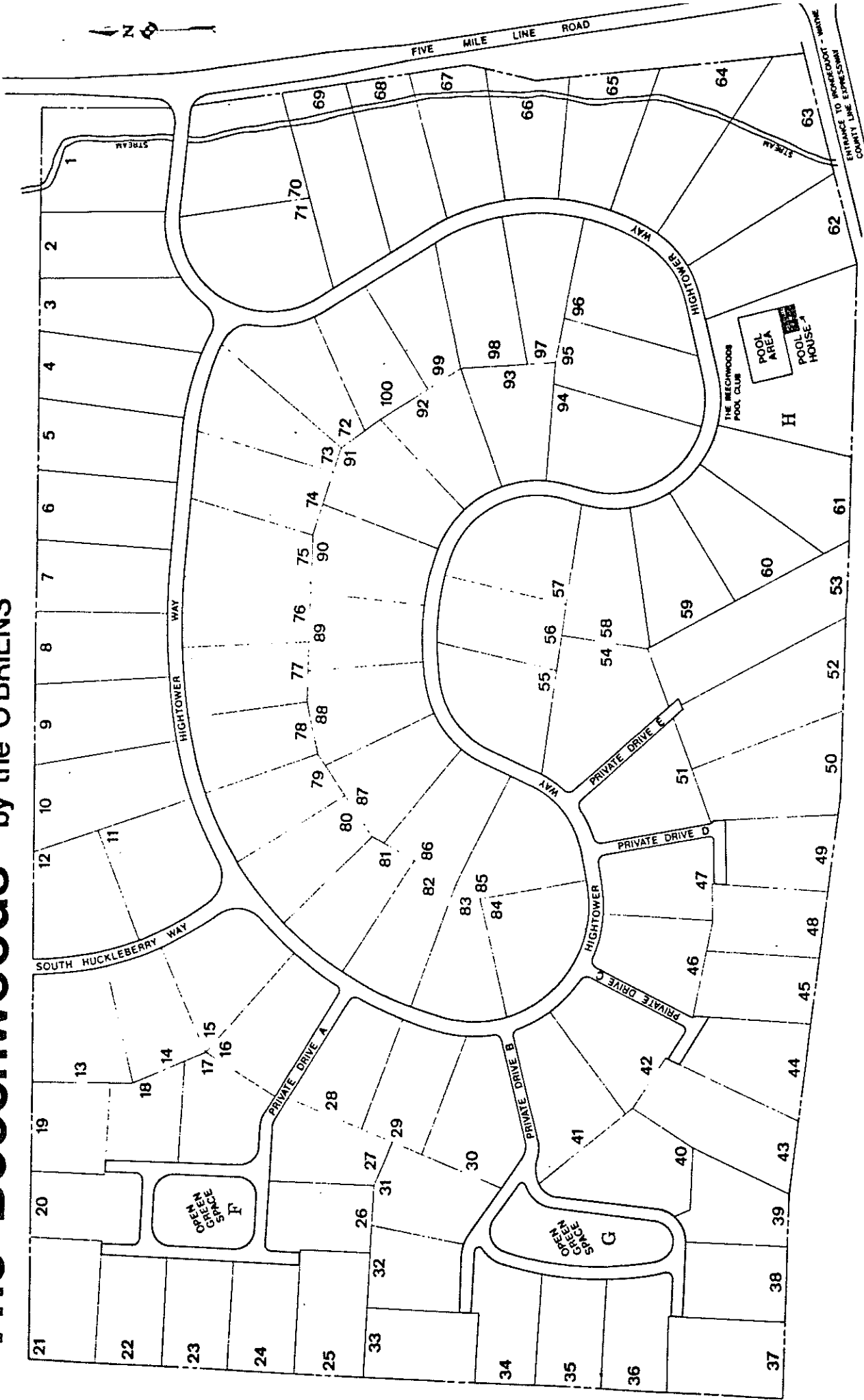
that he resides in the Town of Perinton, County of Monroe and State of New York, that he is the of O'BRIEN HOMES, INC., the corporation described in, and which executed, the within Instrument; that he knows the seal of said corporation; that the seal affixed to said Instrument is such corporate seal; 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.

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this day of , Nineteen Hundred and Seventy-three, before me, the Subscribers, personally appeared

to me personally known and known to me to be the same persons described in and who executed the within Instrument, and they acknowledged to me that they executed the same.

The Beechwoods by the O'BRIENS



Common Areas consist of Private Drives A, B, C, D, E, Pool Area H, and Open Green Spaces F & G

EXHIBIT G
Opinion Of Counsel

LIEBSCHUTZ, SUTTON, DE LEEUW, CLARK & LEWIS

PHILIP M. LIEBSCHUTZ
CHARLES W. SUTTON
MURRAY DE LEEUW
RAE A. CLARK
MYRON S. LEWIS
JOHN J. DARCY
DAVID M. GRAY
FRANK R. MONFREDO
ROBERT L. TEAMERSON
EDWARD T. HANLEY, JR.
PAUL BABITZ
DAVID C. PELTON
JONATHAN H. TROST

LAW OFFICES
31 EAST MAIN STREET
ROCHESTER, N. Y. 14614
548-8990
AREA CODE 716

JERRY J. GAMBINO
MICHAEL I. RUBENSTEIN
C. THOMAS WRIGHT
DAVID C. REID
GEORGE DAVID DELUCIA
JOHN L. LICCIARDI

August 22, 1973

The Beechwoods Property Owners Association
c/o O'Brien Homes, Inc.
6780 Pittsford-Palmyra Road
Fariport, New York 14450

RE: Opinion of Counsel Beechwoods Subdivision

Gentlemen:

It is our opinion that each lot owner will be entitled to deduct, under the present law, real estate taxes, and mortgage interest, if any, on his home for Federal and New York State income tax purposes.

However, it is our opinion that each lot owner will NOT be entitled to deduct, under present law, any monthly dues or assessments for maintenance, repair, real estate taxes, etc., on the common areas for Federal and New York State income tax purposes.

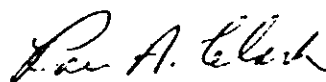
Our opinion on income tax deductibility is based on the current Federal and New York State income tax law, and no representations are made herein that the law may not be changed in the future.

The Beechwoods Subdivision has been approved and does meet the Town of Webster Zoning Ordinance requirements. Our opinion is based upon the resolution adopted by the Webster Planning Board on February 20, 1973. A copy of the resolution is attached to the Offering Plan for The Beechwoods Property Owners Association as Exhibit "H".

It is our opinion that, under the present law of New York State, the covenants and restrictions set forth in the Declaration are legal and valid. No representation is made herein that the law may not be changed in the future which may affect the legality or validity of some or all of the covenants or restrictions.

The undersigned counsel knows that this letter will be made part of the Offering Plan for The Beechwoods Property Owners Association.

Very truly yours,



RAE A. CLARK

EXHIBIT H
Zoning Resolution

THE TOWN OF
WEBSTER

1000 RIDGE ROAD EAST WEBSTER, N. Y. 14580

August 20, 1973

Mr. David Pelton
31 East Main Street
Rochester, New York 14614

Re: The Beechwoods Subdivision

Dear Mr. Pelton:

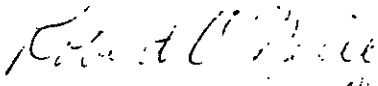
Complying with your request for proof that the Beechwoods Subdivision has been approved and does meet the Town of Webster Zoning Ordinance requirements, I submit the following resolution adopted by the Webster Planning Board on February 20, 1973:

"That final approval be granted to O'Brien Homes for the Beechwoods Subdivision as shown on a map drawn by Sear, Brown, Schoenberger, Costich & Maletta dated November 10, 1972 and revised March 6, 1973, drawing No. 1630.10-03.

That, in addition, drawing No. 1630.10-11 titled, 'Setbacks', drawn by Sear, Brown, Schoenberger, Costich & Maletta and dated March 6, 1973 be granted final approval and made a part of the record for siting the buildings only."

Should you need any additional information, please let us know and we will be happy to assist you.

Very truly yours,


Robert O'Brien
Assistant Town Engineer

RO/mc

EXHIBIT I

COMMON AREA - DETAILS

The Common Areas are shown on Areas A through H on enclosed Plot Plan (Exhibit F) as follows:

- I. 5 Private Drives (A through E)
- II. 2 small Open Green Spaces (F & G)
- III. Recreation Area (H)
 - A). Swimming Pool & Deck
 - B). Pool Cabana
 - C). Parking Lot
 - D). Playground Area

Details for Common Areas:

- I. Private Drives are 18 feet wide located on 40 feet wide right of ways. They have 3 inches of asphalt over 12 inches of run of bank gravel. They utilize either surface drainage or storm sewers with catch basins. There are 2893 lineal feet of private drives, and they are bordered by 38 lots.
- II. There are Open Green Areas (shown as F & G on Exhibit F). Area F is .3 of an acre and Area G is .35 of an acre. Both areas are wooded and are never to be developed beyond their "natural condition".
- III. The recreational area is 1.01 acres (shown as Area H on Exhibit F).
 - A). The swimming pool is 67' x 30' for a total of 2100 square feet. It holds 93,050 gallons of water and has a 10 x 20 wading pool. The maximum permissible occupancy is 84 people. The pool is surrounded by a 3650 square feet concrete deck, and the deck is enclosed by a 5' chain link fence with locking gate.

There are under-water lights and flood lights at the ends of the Pool Cabana.

The pool must be approved by the Monroe County Board of Health and is regularly inspected by them.
 - B). Pool Cabana is a wood structure having a finished interior of approximately 624 square feet, which has a roof and a 4' stockade fence around its outer perimeter.

The interior is divided into 5 areas:

- 1). A Reception Area.

- 2). A Utility Area.
 - 3). A Hallway.
 - 4). One each Dressing Room for Men and for Women. Each Dressing Room contains toilet facilities, 1 shower, 1 sink and a bench
- C). There are Parking Facilities for 25 cars. The parking surface is composed of 3" of asphalt over 12" of run of bank gravel.
- D). The remainder of the 1.01 acres will be fine graded and seeded. Trees and shrubs will be planted. There will be a small play area with a slide, a tot swing set, and a standard swing set.

Utilities

The common areas are supplied or serviced as follows:

- Water - Town of Webster
- Sanitary & Storm Sewers - dedicated to and maintained by Town of Webster
- Electric Gas - Rochester Gas & Electric
- Telephone - Rochester Telephone Corp.
- Water, Gas & Electric - will be metered separately for the Recreation areas and billed to The Beechwoods Property Owners Association.

AMENDMENT NO. 1

OF

OFFERING STATEMENT

FOR

THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

Effective Date of Statement: September 13, 1973

STATEMENT OF AMENDMENT

THE OFFERING STATEMENT FOR THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC. CANNOT BE USED AFTER THE 24th DAY OF AUGUST, 1974.

The Declaration of Covenants, Easements and Restrictions, Exhibit "A" was duly recorded in the Office of the Clerk of the County of Monroe on the 26th day of September, 1973, at Liber 4528 of Deeds, at Page 148.

There has been NO MATERIAL CHANGE in Schedule VIII, "Estimated Budget for First Full Year (100 Occupied Homes) For Income, Expenses and Reserves" as set forth on Pages 12, 13, and 14 of the Offering Statement.

NO OTHER MATERIAL CHANGES HAVE TAKEN PLACE IN THIS OFFERING.

DATED: April 12, 1974

O'BRIEN HOMES, INC.

By: *Nelson T. Carpenter*
Nelson T. Carpenter
Vice-President

AMENDMENT NO. 2

OF
OFFERING STATEMENT

FOR

THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

Effective Date of Statement: September 13, 1973

STATEMENT OF AMENDMENT

THE OFFERING STATEMENT FOR THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC. CANNOT BE USED AFTER THE 12th DAY OF JUNE, 1975.

There has been a MATERIAL CHANGE OF SCHEDULE VIII ("Estimated Budget For First Full Year (100 occupied homes) for Income, Expenses and Reserves") at page 12, 13, and 14 of the Offering Statement as follows:

The estimated monthly and/or annual common charges have changed since the original Offering Statement. The above referenced Schedule VIII has been revised and is attached to this Amendment No. 2 as Exhibit A. Most expenses have increased, however a few have decreased, particularly the real estate taxes, due to a change in the policy of assessment by the Town of Webster, as noted on the attached Exhibit A.

There is NO MATERIAL CHANGE of the Private Drive Assessment set forth in the above referenced Schedule VIII, at page 14 of the Offering Statement.

NO OTHER MATERIAL CHANGES HAVE TAKEN PLACE IN THIS OFFERING STATEMENT.

Dated: February 12, 1975

O'BRIEN HOMES, INC.

By: /s/ Nelson T. Carpenter
Nelson T. Carpenter
Vice-President

VIII. ESTIMATED BUDGET FOR FIRST FULL YEAR
(100 OCCUPIED HOMES) FOR INCOME,
EXPENSES AND RESERVES

	<u>ALL MEMBERS</u>	<u>(100 MEMBERS)</u>
<u>Income</u>	<u>HOME</u> <u>PER MONTH</u>	<u>PROJECT (100 HOMES)</u> <u>PER YEAR</u>
Annual Common Charges at \$147.84 per home	<u>\$12.32</u>	<u>\$ 14,790.00</u>
<u>Maintenance & Operating Expenses</u>		
a) Common Area Maintenance (1)	.16	195.00
b) Landscape Labor (2)	.38	455.00
c) Pool Maintenance and Supplies (3)	1.50	1,800.00
d) Lifeguards (4)	3.08	3,700.00
e) Payroll Taxes	.44	520.00
f) Office Publications & Audit	1.21	1,450.00
g) Telephone (5)	.05	60.00
h) Miscellaneous	.14	170.00
<u>Utilities (common areas)</u>		
a) Water (6)	.50	600.00
b) Gas & Electric (7)	1.33	1,600.00
<u>Insurance (common area) (8)</u>	.58	700.00
<u>Management Fees (9)</u>	2.05	2,460.00
<u>Reserves</u>		
a) Pool	.60	720.00
b) Parking Lot	.30	360.00
TOTALS	<u>\$12.32</u>	<u>\$ 14,790.00</u>

See footnotes (1) through (9) on the following page 2 of Exhibit A.

ESTIMATED COMMON AREA REAL PROPERTY TAXES

<u>Tax</u>	<u>HONE PER MONTH</u>	<u>PROJECT (100 HOMES) PER YEAR</u>
State, County & Town (10)	\$.73	\$ 875.00
School (11)	.70	835.00
TOTALS (12)	\$ 1.43	\$ 1,710.00

Footnotes:

- (1) Includes grass seed, fertilizer, replacement of shrubs, etc.
- (2) Includes care of pool area.
- (3) Includes opening and closing of the pool and purchase of chemicals.
- (4) Two lifeguards at all times from 10:00 a.m. to 10:00 p.m. seven days a week during swimming season.
- (5) Includes phone at pool for safety at approximately \$20.00.
- (6) Includes water for pool and sprinkling pool area.
- (7) Includes \$935 for gas (heating pool); \$665 for electricity; pool area is lighted year round.
- (8) Issued by Travelers Insurance Company (Special Business 800) fire and general coverage \$50,000 on pool and cabana; \$3,000 personal property; \$1,000,000 liability plus \$10,000 fidelity.
- (9) Includes collection of monthly charges, financial reporting and supplying maintenance; see page 10.
- (10) Estimated tax rate per \$1,000 assessed value is \$38.03.
- (11) Estimated tax rate per \$1,000 assessed value is \$90.45.
- (12) Due to a tax assessment by the Town of Webster of \$6,400 (equalization rate is 23%) which is believed to be a partial assessment, the tax bills paid in 1974 were significantly below the accumulated escrow. However, it is anticipated that the property will be assessed at full value for future tax bills. The excess escrows collected will remain in the tax escrow accounts for the fiscal year 1975. The above revised amount, together with the excess escrow on hand, will be sufficient to pay the next State, Town, County and School tax bills at the full estimated Assessment of \$34,500.

AMENDMENT NO. 3

OF

OFFERING STATEMENT

FOR

THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

Effective Date of Statement: September 13, 1973

STATEMENT OF AMENDMENT

THE OFFERING STATEMENT FOR THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC. CANNOT BE USED AFTER THE 7th DAY OF MARCH, 1976.

There has been a MATERIAL CHANGE OF SCHEDULE VIII ("Estimated Budget For First Full Year (100 occupied homes) for Income, Expenses and Reserves") at page 12, 13 and 14 of the Offering Statement and at Amendment No. 2, inside front cover, as follows:

The estimated monthly and/or annual common charges have been changed since the original Offering Statement and Amendment No. 2. The above referenced Schedule VIII has been revised and is attached to this Amendment No. 3 as Exhibit A. Some expenses have increased and others have decreased based on actual operating experience.

There is NO MATERIAL CHANGE of the Private Drive Assessment set forth in the above referenced Schedule VIII, at page 14 of the Offering Statement. Actual 1974-75 Snow Removal Expense did not exceed \$2.60 per home per month. Estimated Budget was \$7.90 per home per month.

There has been a MATERIAL CHANGE of the Offering Statement for the names and addresses of the principal officers and directors of the Sponsor, O'Brien Homes, Inc., at page 2 of the Offering Statement as follows:

James R. Liberty, Executive Vice-President, has resigned and left the position and employment of the Sponsor.

The replacement is as follows:

Wayne W. Bidstrup, Vice-President
8 Oak Grove
Pittsford, New York 14534

There has been a MATERIAL CHANGE of the Offering Statement for the Directors and Officers of The Beechwoods Property Owners Association, Inc. at pages 5 and 6 of the Offering Statement as follows:

All listed Directors and Officers at page 6 of the Offering Statement resigned upon the turn over of the control of the Board of Directors to the home owners.

The current Directors and Officers (none of whom are officers of Sponsor, or in any way affiliated with Sponsor) are as follows:

<u>Name</u>	<u>Title</u>	<u>Address</u>
Richard H. Francis	Director--President	709 Hightower Way Webster, NY 14580
Robert J. Hefner	Director--Vice- President	700 Hightower Way Webster, NY 14580
Eric D. Schiff	Director	715 Hightower Way Webster, NY 14580
Lewis E. Allen	Director	742 Hightower Way Webster, NY 14580
Donald L. Black	Director	803 Hightower Way Webster, NY 14580

There has been a MATERIAL CHANGE of Exhibit H ("Zoning Resolution") of the Offering Statement as follows:

The Town of Webster Board of Appeals, by resolution #1365 filed 12/17/74, has permitted the modification of 50' front setbacks to 40' front setbacks for lots 62 through 69. The Town of Webster Planning Board had no objection due to hardship found in the topography of the land.

On March 29, 1975, the Tax Reduction Act of 1975 was signed into law. The Act provides, among other things, for a credit against Federal Income Tax equal to 5% of the purchase price of a new principal residence with a maximum credit of \$2,000. In respect to the homes offered in The Beechwoods Property Owners Association, Inc. the tax credit may be allowed from \$1,800 to the maximum of \$2,000 depending on the purchase price of the home purchased. To be eligible for the credit, construction of the home must have commenced prior to March 26, 1975, the purchaser must acquire and occupy the home after March 12, 1975, and before January 1, 1977. The purchase

price of the home must be the lowest price at which the home was offered for sale after February 28, 1975, for sales taking place after June 30, 1975, and the purchaser must attach to his tax return a certification by Sponsor that the purchase price is the lowest price at which the home was ever offered for sale as set forth above. Where the home is acquired by purchase, rather than self-construction, it must also have been acquired by the purchaser under a binding contract entered into before January 1, 1976.

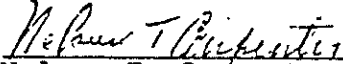
To make its inventory of remaining unsold homes eligible for the tax credit, Sponsor is offering them at the lowest prices at which the homes have ever been offered for sale after February 28, 1975, for sales taking place after June 30, 1975.

The Sponsor hereby undertakes to furnish the certification required by the Tax Reduction Act for each of the remaining homes. If a qualifying purchaser closes title to and occupies a home before January 1, 1976, the credit will be allowed on his 1975 tax return. If a purchase contract is signed prior to January 1, 1976, but the purchaser does not close title to his home, or occupy it as his principal residence until 1976, the credit will be allowed on his 1976 tax return.

THE SPONSOR DOES NOT HEREBY UNDERTAKE NOR DOES SPONSOR INTEND TO RENDER A LEGAL OPINION AS TO WHETHER THE HOMES OR ANY PARTICULAR PURCHASER WILL QUALIFY FOR THE ABOVE REFERENCED TAX CREDIT. IT IS RECOMMENDED THAT ALL PURCHASERS CONSULT WITH THEIR ATTORNEYS FOR SUCH LEGAL OPINION.

NO OTHER MATERIAL CHANGES HAVE TAKEN PLACE IN THIS OFFERING STATEMENT AND AMENDMENTS THERETO.

Dated: October 31, 1975



Nelson T. Carpenter,
Vice-President

Sworn to before me this

31st day of October, 1975.

Notary Public

VIII. ESTIMATED BUDGET FOR FIRST FULL YEAR
(100 OCCUPIED HOMES) FOR INCOME,
EXPENSES AND RESERVES

ALL MEMBERS (100 MEMBERS)

<u>Income</u>	<u>HOME PER MONTH</u>	<u>PROJECT (100 HOMES) PER YEAR</u>
Annual Common Charges at \$217.20 per home	<u>\$18.10</u>	<u>\$ 21,720.00</u>
<u>Maintenance & Operating Expenses</u>		
a) Common Area Maintenance (1)	.24	286.00
b) Landscape Labor (2)	.54	650.00
c) Pool Maintenance & Supplies (3)	2.13	2,550.00
d) Lifeguards (4)	2.71	3,250.00
e) Payroll Taxes	.38	455.00
f) Office	.50	600.00
g) Publications	.21	250.00
h) Audit	1.13	1,350.00
i) Telephone (5)	.06	75.00
j) Miscellaneous	.10	120.00
<u>Utilities (common areas)</u>		
a) Water (6)	.50	600.00
b) Electric (7)	.67	800.00
c) L.P. Gas (Heating Pool)	1.42	1,700.00
<u>Insurance (common area) (8)</u>	.82	984.00
<u>Management Fees (9)</u>	2.32	2,800.00
<u>Reserves</u>		
a) Pool	.60	720.00
b) Parking Lot	<u>.30</u>	<u>360.00</u>
ABOVE TOTALS	<u>\$14.63</u>	<u>\$ 17,550.00</u>
REAL PROPERTY TAX TOTALS	<u>3.47</u>	<u>4,170.00</u>
	<u>\$18.10</u>	<u>\$ 21,720.00</u>

See footnotes (1) through (9) on the following page 2 of Exhibit A.

ESTIMATED COMMON AREA REAL PROPERTY TAXES

<u>Tax</u>	<u>HOME PER MONTH</u>	<u>PROJECT (100 HOMES) PER YEAR</u>
State, County & Town (10)	\$ 1.11	\$ 1,335.00
School (11)	<u>2.36</u>	<u>835.00</u>
TOTALS (12)	\$ 3.47	\$ 4,170.00

Footnotes:

- (1) Includes grass seed, fertilizer, replacement of shrubs, etc.
- (2) Includes care of pool area.
- (3) Includes opening and closing of the pool and purchase of chemicals
- (4) Two lifeguards at all times from 10:00 a.m. to 10:00 p.m. seven days a week during swimming season.
- (5) Includes phone at pool for safety at approximately \$20.00.
- (6) Includes water for pool and sprinkling pool area.
- (7) Pool area is lighted year round.
- (8) Issued by Travelers Insurance Company (Special Business 800) fire and general coverage \$50,000 on pool and cabana; \$3,000 personal property; \$1,000,000 liability plus \$10,000 fidelity.
- (9) Includes collection of monthly charges, financial reporting and supplying maintenance; see page 10.
- (10) Estimated tax rate per \$1,000 assessed value is \$44.50.
- (11) Estimated tax rate per \$1,000 assessed value is \$94.50.
- (12) Due to a tax assessment by the Town of Webster of \$6,400 (equalization rate is 23%) which is believed to be a partial assessment, the tax bills paid in 1974-75 were significantly below the accumulated escrow. However, it is anticipated that the property will be assessed at full value for future tax bills. The excess escrows collected will remain in the tax escrow accounts for the fiscal year 1975-76. The above revised amount, together with the excess escrow on hand, will be sufficient to pay the next State, Town, County and School tax bills at the full estimated Assessment of \$30,000.

EXHIBIT C
BY-LAWS
OF
THE BEECHWOODS PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I. PURPOSE AND OFFICE

1. PURPOSE

The Beechwoods Property Owners Association, Inc., the Association, has been formed for the purpose of organizing and operating a civic organization exclusively for the promotion of the common good and social welfare of the members of the corporation exclusively for the benefit of its members within the meaning of Section 501(c)(4) of the Internal Revenue Code and the Regulations thereunder.

2. OFFICE

The principal office of the Association shall be located in the Town of Webster, County of Monroe, State of New York, or such other location as the directors may select.

ARTICLE II. MEMBERS AND MEETING

1. MEMBERSHIP

Each person, firm or corporation who is the record owner of any residential unit, which is subject to the declaration of covenants, easements, or restrictions, shall be a member of the Association and subject to its By-Laws, Rules and Regulations.

2. ASSESSMENTS

As more fully provided for in the Declaration, each member shall be obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon his residential unit. Any assessment which is not paid within 30 days after its due date shall bear interest from the date of delinquency at the highest permitted legal rate per annum and the Association may bring an action against the member to pay the assessment, or foreclose any lien against his residential unit, and will be entitled to collect interest, costs and reasonable attorney's fees of any such action. No member may waive or otherwise relieve himself from liability for any assessment by non-use of his residential units, the common areas or any other facilities of the Association.

3. ANNUAL MEETINGS

The annual meeting of the members of the Association shall be held at the principal office of the Association on any day in October for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

4. NOTICE OF ANNUAL MEETINGS

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

5. SPECIAL MEETINGS

Special meetings of the members, other than those regulated by statute, may be called at any time by the President or by two directors, and must be called by the President on receipt of the written request of one-third of the members of the Association.

6. NOTICE OF SPECIAL MEETINGS

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

7. QUORUM

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

8. VOTING

At every meeting of members, each member shall be entitled to vote in person, or by proxy duly appointed by instrument in writing which is subscribed by such member and bears a date not more than eleven months prior to such meeting, unless such instrument provides for a longer period. The vote for directors and, upon the demand of any member, the vote upon any question before the meeting, shall be by ballot. All elections shall be had and all questions decided by the majority of the votes cast by the members present in person or by proxy.

9. WAIVER OF NOTICE

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

10 INSPECTORS OF ELECTION

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

11. REMOVAL OF MEMBERS, DIRECTORS OR OFFICERS

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

12. COMPENSATION AND EXPENSES

Members shall not receive any stated salary for their services. The Board of Directors shall have power in its discretion to contract for and to pay to members rendering unusual or special services to the Association special compensation appropriate to the value of such services.

ARTICLE IV. DIRECTORS

1. ELECTION

The business and property of the Association shall be managed and controlled by a Board of Directors. At the first annual meeting, five directors will be elected by the Sponsor, three for a term of two (2) years, and two for a term of one (1) year. Thereafter, directors shall be elected annually by the members to hold office for two years, except as hereinafter otherwise provided for filling vacancies. The directors need be members of the Association and shall be chosen by ballot at such meeting by a majority of the votes of the members, voting either in person or by proxy.

2. RESIGNATION

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

3. VACANCIES

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

4. ORGANIZATIONAL MEETING

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

5. SPECIAL MEETINGS

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

6. NOTICE OF MEETINGS.

Notice of all directors' meetings, except as herein otherwise provided, shall be given by mailing the same at least three days, or by telegraphing the same at least one day, before the meeting to the usual business or residence address of the director, but such notice may be waived by any director. Regular meetings of the Board of Directors may be held without notice at such time and place as shall be determined by the Board. Any business may be transacted at any properly noticed directors meeting or at any meeting at which every director shall be present, even though without notice or waiver thereof.

7. CHAIRMAN

At all meetings of the Board of Directors, the President, or in his absence a chairman chosen by the directors present, shall preside.

8. QUORUM

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

9. CONTRACTS AND SERVICES

The directors and officers of the Association may be interested directly or indirectly in any contract relating to or incidental to the operations conducted by the Association, and may freely make contracts, enter transactions, or otherwise act for and on behalf of the Association, notwithstanding that they may also be acting as individuals, or as directors of corporations, or as agents for other persons or business concerns, or may be interested in the same matters as members, directors, or otherwise; provided, however, that any contract, transaction, or act on behalf of the Association in a matter in which the directors or officers are personally interested as member, directors, or otherwise shall be at arm's length and not violative of the proscriptions in the Certificate of Incorporation against the Association's use or application of its fund for private benefit. In no event, however, shall any person or other entity dealing with the directors or officers be obligated to inquire into the authority of the directors and officers to enter into and consummate any contract, transaction, or other action.

10. COMPENSATION

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

11. POWERS

All the Association powers, except such as are otherwise provided for in these By-Laws and in the laws of the State of New York, shall be and are hereby vested in and shall be exercised by the Board of Directors. Such powers shall include, but shall not be limited to, the following:

- a. To adopt and publish rules and regulations governing the use of the common areas and facilities and the personal conduct of the members and their guests, and to establish penalties for the infraction thereof.
- b. To suspend a member of his voting rights and his right to use recreational facilities during any period in which he shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed 60 days for infraction of the published rules and regulations.
- c. To authorize the officers to enter into management agreements with third parties in order to facilitate the efficient operation of the facilities of the Association. It shall be primary purpose of such management agreements to provide for the administration, management, repair and maintenance of the facilities, and all improvements included therein, designated as common areas, and the receipt and disbursement of such funds as may be authorized by the Board of Directors. The terms of these management agreements shall be determined by the Board to be the best interests of the Association.

12. DUTIES

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

1. The assets and liabilities, including the trust funds, of the Association as of the end of the fiscal year ending not more than six months prior to the annual meeting.
2. The principal changes in assets and liabilities, including trust funds, during the fiscal year immediately preceding the date of the report.
3. The revenue or receipts of the Association, both unrestricted and restricted to particular purposes, for the fiscal year immediately preceding the date of the report.
4. The expense or disbursements of the Association, for both general and restricted purposes, during the fiscal year immediately preceding the date of the report.
5. The number of members of the Association as of the date of the report, together with a statement of increase or decrease in such number during the fiscal year immediately preceding the date of the report, and a statement of the place where the names and places of resident of the current members may be found.

It shall also be the duty of the Board of Directors to:

1. As more fully provided in the Declaration:
 - a. Fix the amount of the annual assessment against each residential unit at least thirty days in advance of each annual assessment period;
 - b. Send written notice of each assessment to every member at least thirty days in advance of each assessment period; and
 - c. Foreclose any lien against any residential unit for which an assessment is not paid within thirty days after due date or to bring an action against the member personally obligated to pay the assessment.
2. Issue or cause to be issued upon demand of any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
3. To procure and maintain adequate liability insurance, to procure adequate hazard insurance on property owned by the Association, all as the Directors deem advisable.
4. To cause all officers or employees having fiscal responsibility to be bonded, as it may deem appropriate.
5. To cause the common area to be maintained.

ARTICLE V. OFFICERS

1. NUMBER

The officers of the Association shall be the President, Secretary, Treasurer, and such other officers with such powers and duties not inconsistent with these by-laws as may be appointed and determined by the Board of Directors. Any two offices, except those of President and Secretary, may be held by the same person.

2. ELECTION, TERM OF OFFICE AND QUALIFICATIONS

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

2. VACANCIES

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

3. PRESIDENT

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

4. SECRETARY

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

Directors, and shall do and perform such other duties as may be assigned to him by the Board of Directors.

5. TREASURER

The Treasurer shall have the responsibility to monitor the Association's Fiscal Management Agent for the funds of the Association. He may be required to give bond for the performance of his duties as required by the Board of Directors. He shall make payments as may be necessary or proper on behalf of the Association. He shall, in general, perform all the duties incident to the office of the Treasurer, subject to the control of the Board of Directors.

6. SALARIES

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

7. REMOVAL

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

ARTICLE VI. ADVISORY COMMITTEE

The Board of Directors may appoint from their number, or from among such persons as the Board may see fit, one or more advisory committees, and at any time may appoint additional members thereto. The member of any such committee shall serve during the pleasure of the Board of Directors. Such advisory committees shall advise with and aid the officers of the Association in all matters designated by the Board of Directors. Each such committee may, subject to the approval of the Board of Directors, prescribe rules and regulations for the call and conduct of meetings of the committee and other matters relating to its procedure.

The members of any advisory committee shall not receive any stated salary for their services. The Board of Directors shall have power in its discretion to contract for and to

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

ARTICLE VII. FISCAL YEAR

The fiscal year of the Association shall commence on October 1 of each year and end on September 30.

ARTICLE VIII. PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

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

ARTICLE IX. EXEMPT ACTIVITIES

Notwithstanding any other provisions of these By-Laws, no member, director, officer, employee or representative of this Association shall take any action or carry on any activity by or on behalf of the Association not permitted to be taken or carried on by an organization exempt under Section 501(c)(4) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

ARTICLE X. INDEMNIFICATION

To the extent permitted by law, the Association shall indemnify and defend any person made a party to any proceeding, by reason of the fact that he is or was a director or officer of the Association, against any loss and expense incurred by him by reason of such proceeding, including the settlement thereof, except in relation to matters as to which such person is adjudicated to be liable for gross misconduct in the performance of his duties.

ARTICLE XI. AMENDMENT

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

ARTICLE XII. DISSOLUTION

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