

PIERCE BROOK ASSOCIATION, INC.

PIERCE BROOK TOWNHOMES
PIERCE BROOK TRAIL, CANANDAIGUA, ONTARIO COUNTY, NEW YORK

AMENDMENT NO. 1 TO THE OFFERING PLAN

The amount of this offering for Phases One and Two is \$17,300.00
(value of common areas and amenities)

This Amendment is made to extend to offering plan six months, and disclose (i) the status of completion of the common area subdivision improvements, (ii) the inclusion of Phase Two into the Offering Plan, and (iii) the first townhome closing.

Right of Way and Utilities Completed

Sponsor hereby discloses that the right of way known as Pierce Brook Trail, and the sanitary and storm sewers and water laterals, have been constructed and completed in accordance with the specifications of the Town of Canandaigua, and as per the specifications disclosed in the Offering Plan. The statement of Marathon Engineering, the Project Engineer, is attached as Exhibit A.

Inclusion of Phase Two

Sponsor hereby incorporates Phase Two of Pierce Brook Townhomes into this Offering Plan. The additional acreage supports 34 additional townhomes, which will be located on Lots 17-32 and 62-79. The site plan for Phase Two is attached as Exhibit B. The overall site plan attached to the is attached here as Exhibit C. The site plans included in the original Offering Plan at pages 76 and 77 have not been changed. The additional townhomes will be the same as the original townhomes in all respects. The disclosures for the townhomes as set forth in the Offering Plan remain unchanged. The estimated completion date of the townhomes in Phase Two is December 31, 2026, subject to demand and weather conditions. The Declaration will be amended to include Phase Two prior to the first lot transfer in Phase Two, which amendment will be recorded in the Ontario County Clerk's Office.

Status of Offering

Sponsor is presently developing Pierce Brook Townhomes, Phases One and Two, consisting of 63 Townhome Lots. Of the 63 Townhome Lots in Pierce Brook Townhomes, Phases One and Two, 6 Townhome Lots have transferred. As of February 9th, 2024, 15 Townhome Lots

are under contract to be sold, and 42 Townhome Lots are being offered for sale. Twenty two (22) Townhome Lots are currently under construction.

Each Townhome transferred received a Certificate of Occupancy. Each future Townhome transferred will receive a Certificate of Occupancy.

The Declaration establishing the Association was recorded in the Ontario County Clerk's Office in Liber 1521 of Deeds, at page 948; the Deed conveying the common area to the Association was recorded in the Ontario County Clerk's Office in Liber 1534 of Deeds, at page 442-449.

Townhome Lot 80 was the first lot transferred, by Deed to Michael & Louise Ryan recorded in the Ontario County Clerk's Office on August 1, 2023 in Liber 1522 of Deeds, at page 672. The closing took place on July 28th, 2023, at the offices of Lacey Katzen LLP, Rochester, New York.

In accordance with the Offering Plan, the Sponsor has appointed the initial three (3) members of the Board of Directors, and therefore, controls the Board. The Board is composed of Jeff Morrell, Scott M. Morrell and Stephanie Sweeney. Jeff Morrell and Scott M. Morrell are principals of the Sponsor, and Stephanie Sweeney is an employee of the Sponsor. The business address of each board member is 1501 Pittsford Canandaigua Road, Suite 100, Canandaigua, NY 1454.

The officers of the Association are Jeff Morrell, President; Scott M. Morrell, Vice-president; Stephanie Sweeney, Secretary and Treasurer. Jeff Morrell and Scott M. Morrell are principals of the Sponsor, and Stephanie Sweeney is an employee of the Sponsor. The business address of each officer is 1501 Pittsford Canandaigua Road, Suite 100, Canandaigua, NY 1454.

The Board of Directors is operating pursuant to the Estimate of Operating Expenses and Reserves for the Association as set forth on Exhibit D. The Budget Certification is set forth on Exhibit E. This Offering does not have a Working Capital Fund, but does have a Reserve Fund. The Reserve Funds in the amount of \$30.10 per unit are collected monthly. The Reserve Fund Account has been opened at M&T Bank, 3290 Ontario Avenue, Pittsford, NY 14618, and has a current balance of \$1,023.40.

With the first Townhome transfer occurring on July 28th, 2023, the first meeting of owners has not yet occurred. The first annual meeting of the Association is scheduled for the second quarter of 2024.

Financial Disclosure

The Sponsor hereby represents that there has been no material change in the financial position of the Sponsor with respect to this offering. Specifically, the Sponsor represents the following:

1. As of February 9th, 2024, Townhome Lots 16, 80, 81, 85, 86 and 90 have been transferred; the Sponsor owns the remaining Townhome Lots. Of the Townhome Lots owned by the Sponsor, Lots 3-4, 6-9,11,13-15, 84, 87-89, 91 are under contract to be sold. Lots 3-15, 82-84, 87-89, 91-92 are under construction. Townhome Lots 1-2, 5, 10, 12,17-32, 62-79, 82-83, 92 are being offered for sale.

The real property tax owed by the Sponsor for the 2023-24 School tax was \$3,867.25 and for the 2024 County tax was \$1,973.57.

2. The monthly maintenance or common charge per Townhome Lot is \$230.00. See Exhibit D. The Sponsor's obligation for common charges is to fund any operating deficit. See paragraph 4 below.
3. No Townhome Lots are being rented by the Sponsor.
4. The Sponsor has no financial obligation to the Association other than to fund an operating deficit. Pursuant to §5.04 of the Declaration, the Sponsor shall be obligated for the difference between actual Association expenses including reserves for completed improvements and the Association charges levied on owners who have closed title to their Townhome Lots.
5. The unsold Townhome Lots of the subdivision are subject to a building loan mortgage with Five Star Bank, 55 North Main Street, Warsaw, New York, in the amount of \$1,286,743.00. The loan is a demand loan bears interest at the Bank's Prime Rate minus 0.50%, which rate as of December 1, 2023 is 8.00%. Interest only payments are due monthly, in amounts which vary. The Townhome Lots of the subdivision will be sold free of the lien of all building loan mortgages. Releases will be paid for from lot sales and Sponsor's operating cash flows.
6. The financial obligations of the Sponsor will be funded from income from projected sales, and from general operating revenues of the Sponsor.
7. The Sponsor is current on all financial obligations under the offering plan, including but not limited to maintenance or common charges, reserve or working capital fund payments, assessments, and payments for repairs or improvements required by the Offering Plan. The Sponsor is current on payments of expenses incurred in construction of the project. Additionally, the Sponsor was current on all such obligations during the year prior to filing this amendment.

8. The Sponsor remains in control of the Board of Directors of the Association. As defined in the Declaration, the Sponsor and all lot owners shall automatically be members. All owners, with the exception of the Sponsor, shall be Class A members. The Sponsor shall be a Class B member. Until 15 years after the recording of the Declaration, or until all lots are transferred, whichever shall first occur, the Class B membership shall be the only class of membership entitled to vote. Thereafter, the Sponsor's Class B membership shall be converted into a Class A membership, and all members shall vote equally, that is, one member one vote.

8. Sponsor and the principals of the Sponsor, have not taken part in real estate syndications of securities consisting of participation interests or investments in real estate, including limited partnership interests or private or public offerings of cooperative interests in realty, including condominiums, in or from New York, which were offered during the preceding five (5) years, except for the following:
 - a. Silverton Glenn HOA, File No. HO-12-0006. The offering is now complete. All obligations of the Sponsor were met and the association is now controlled by the homeowners.
 - b. St. James Town Homes HOA, File No. HO-15-0010. The Offering Plan is current and the development is ongoing. All obligations of the Sponsor are current.
 - c. Greenpoint Trail HOA, File No. HO-16-0006. The Offering Plan is current and the development is ongoing. All obligations of the Sponsor are current.
 - d. Alpine Ridge HOA, File No. HO-19-0005. The Offering Plan is current and the development is ongoing. All obligations of the Sponsor are current.
 - e. Piper Meadow HOA, File No. HO-20-0002. The Offering Plan is current and the development is ongoing. All obligations of the Sponsor are current.
 - f. Wolfsberger Park HOA, File No. HO-22-0003. The Offering Plan is current and the development is ongoing. All obligations of the Sponsor are current.

No Further Changes

As of the date of this Amendment, there are no further changes to the documentation provided in the Offering Plan, as amended, known to the Sponsor.

S&J Morrell, Inc.
Sponsor

Exhibit A

ENGINEER'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF ONTARIO) SS:

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

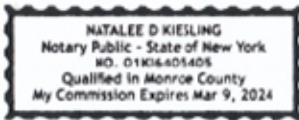
The Sponsor of the offering plan for Pierce Brook Association, Inc. retained our firm to prepare this certification stating that the right of way known as Pierce Brook Trail, the sanitary and storm sewer laterals, and water laterals, have been constructed and completed in accordance with the specifications required by the Town of Canandaigua and in accordance with the specifications disclosed in the report describing the construction of the property (the "Report"). We examined the construction plans and specifications that were prepared by Marathon Engineers and prepared the Report dated September 28, 2022, a copy of which was incorporated into the offering plan so that prospective purchasers may rely on the Report.

We hereby certify that the right of way known as Pierce Brook Trail, the sanitary and storm sewer laterals, and water laterals, have been constructed and completed in accordance with the specifications required by the Town of Canandaigua and in accordance with the specifications disclosed in the Report.

We are a licensed engineer in the State where the property is located.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Certification is not contingent on the development of the property as part of Pierce Brook Association, Inc., or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Dated: February 14, ~~2023~~²⁰²⁴



affix license seal here

Marathon Engineers

By: 
Adam M. Fishel, Engineer
License No. 086648

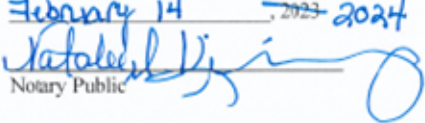
Sworn to before me this
February 14, ~~2023~~ 2024

Notary Public

Exhibit B

Phase 2 Site Plan

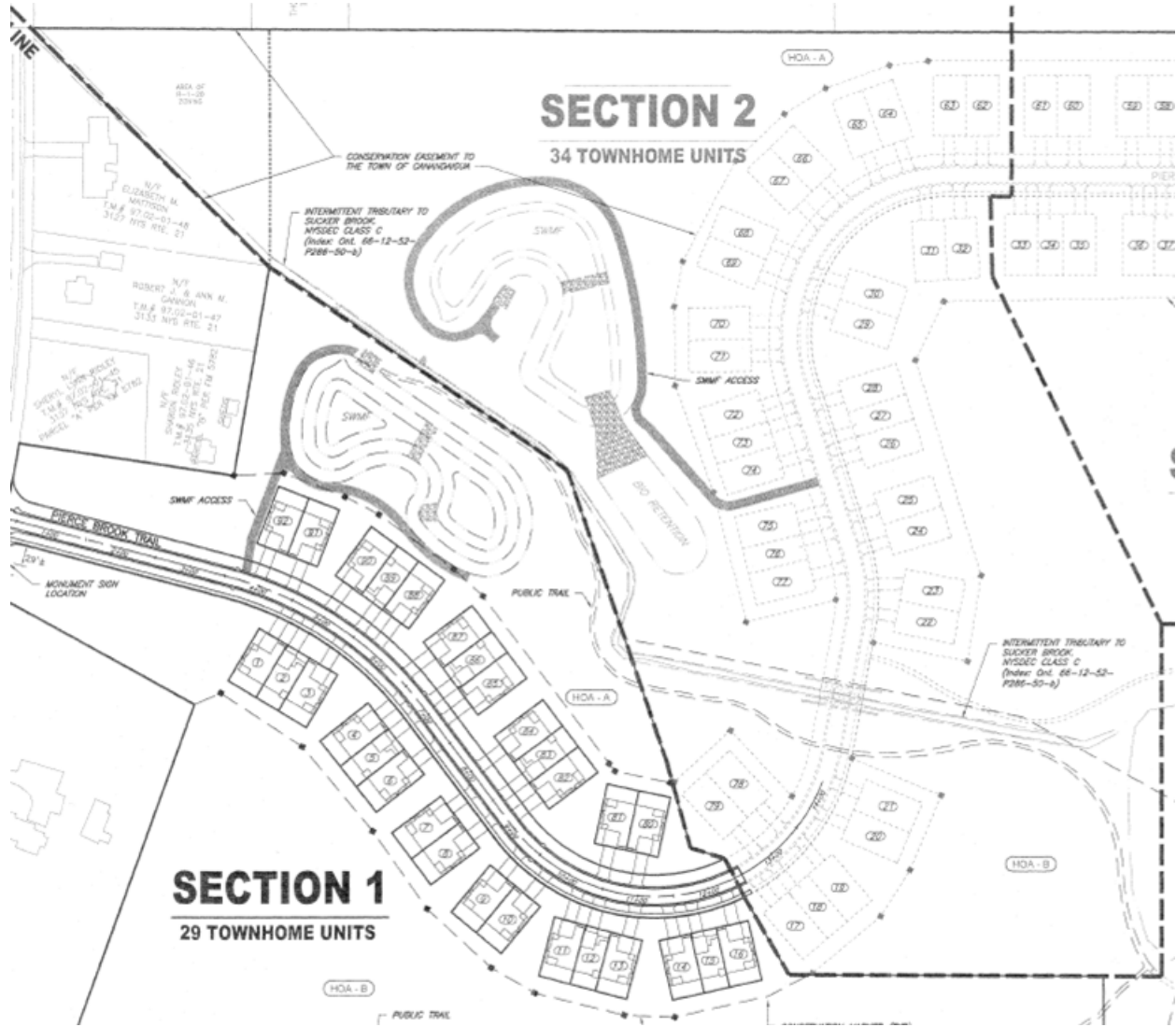


Exhibit D

Pierce Brook Townhomes
Projected Schedule of Receipts and Expenses -
First Year of Operations Commencing January 01, 2024 and ending December 31, 2024

	Phase One	Phase One and Two	Full Project
	29	63	92
<u>PROJECTED INCOME</u>			
MAINTENANCE CHARGES			
\$230.00/ unit / month based on 29 units	80,040		
\$230.00/ unit / month based on 63 units		173,880	
\$230.00/ unit / month based on 92 units			253,920
<u>PROJECTED EXPENSES</u>			
ADMINISTRATIVE			
Legal	250	375	510
Labor	1,000	1,500	2,500
Audit	1,000	1,200	2,000
Office Exp.	250	500	1,500
Insurance	12,676	21,207	38,952
Management	9,570	20,790	25,200
CONTRACTED SERVICES			
Landscape/Grounds	17,500	59,500	79,500
Snow removal	14,000	24,208	38,000
Refuse	5,500	11,250	18,810
Lawn Fertilization and Weed Control Program	4,200	6,150	8,200
Stormwater & Swale Management	1,200	1,200	1,200
REPAIRS AND MAINTENANCE			
Buildings	1,100	2,650	3,850
Grounds	650	950	1,500
Supplies	346	425	850
TAXES			
Property taxes	175	481	581
Federal/State income taxes	150	150	150
RESERVE FUND			
Driveway Sealing	754	1,638	2,392
Driveways Resurfacing	1,791	3,890	5,681
Roofing	5,278	11,466	16,744
Painting/Staining	1,450	3,150	4,600
Stormwater & Swale Management	1,200	1,200	1,200
TOTAL	80,040	\$173,880	\$253,920

Exhibit E
Budget Certification



February 13, 2024

Real Estate Financing Bureau
New York State Department of Law
120 Broadway
New York, NY 10271

Re: Certification on Continuing Adequacy of Budget
Pierce Brook Homeowners Association, Inc. ("HOA")

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

Gentlemen:

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

The sponsor of the HOA Offering Plan retained me to review the current budget containing projections of income and expenses for the year of HOA operations, January 1, 2024 – December 31, 2024.

My experience in this field includes:

Over twenty (20) years experience in the management of homeowners associations and condominiums. I have earned the RPA (Real Property Administrator) and FMA (Facilities Management Administrator) designations from BOMI International. I am also a licensed New York State real estate broker.

Realty Performance Group currently is the managing agent for Eighty homeowners associations and condominiums, totaling over 8,300 living units.

I understand that I am responsible for complying with Article 23-A of the General Business law and the regulations promulgated by the Department of Law in Part 22 insofar as it is applicable to the budget.

I have reviewed the budget contained in the Offering Plan and investigated the facts set forth in the budget and related schedules and the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential properties.

I certify that the projections in the current budget appear reasonable and adequate under existing circumstances, and the projected income and expenses for the 2024-2025 year of operations is complete and accurate.

I certify that the Schedules:

- (i) Sets forth in detail the projected income and expense for the 2024-2025 year of HOA operation;
- (ii) Affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the 2024-2025 year of HOA operation;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectations or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where I:
(a) knew the truth, (b) with reasonable effort could have known the truth
(c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations or statement made.

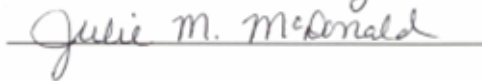
I further certify that we are not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the 2024-2025 year of HOA operation.

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

REALTY PERFORMANCE GROUP, INC.


Robert F. Marvin, RPA, FMA
President

Sworn to before me this
13 day of February, 2024.



JULIE M. MCDONALD
Notary Public, State of New York
No. 01MC6076701
Qualified in Ontario County
Commission Expires July 1, 2024

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