
CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.

This offering states the Offering Plan for membership in the Cedar Ridge Homeowners Association, Inc., and to the Declaration of Covenants, Conditions and Restrictions applicable to all homes sold in the Cedar Ridge Homeowners Association project.

Cedar Ridge Homeowners Association, Inc.
Ayrault Road, Town of Perinton,
County of Monroe, State of New York

Approximate amount of offering: \$7,700.00

The cost of membership in the Cedar Ridge Homeowners Association is included in the purchase price of the homes. There are thirty-two (32) townhomes being offered in this development.

Name and address of sponsor: Oak Ridge Associates
923 Midtown Tower
Rochester, New York 14604

Name and address of selling agent: Rochester Midtown Realty
923 Midtown Tower
Rochester, New York 14604

Date of the offering plan: June 26, 1987

This plan may not be used after June 25, 1988, unless extended by amendment.

SEE PAGE (a) FOR SPECIAL RISKS TO PURCHASERS

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

THIS OFFERING PLAN HAS BEEN AMENDED - SEE INSIDE FRONT COVER

THIRD AMENDMENT TO OFFERING PLAN

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
Ayrault Road, Town of Perinton, Monroe County, New York

Amount of Offering: \$7,700.00

The cost of membership in the Cedar Ridge Homeowners Association, Inc. is included in the purchase price of the homes. The number of homes being offered is thirty-two (32).

Name and Address of Sponsor:

Oak Ridge Associates
923 Midtown Tower
Rochester, New York 14604

Name and Address of Selling Agent:

Rochester Midtown Realty
923 Midtown Tower
Rochester, New York 14604

Date of the Offering Plan:

June 26, 1987

This Plan may not be used after June 5, 1990 unless extended by amendment.

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

This Third Amendment to the Offering Plan for the Cedar Ridge Homeowners Association, Inc. is filed for the sole purpose of disclosing the terms of the Housing Merchant Implied Warranty, summarized as follows:

The Housing Merchant Implied Warranty became effective March 1, 1989. It affects all newly constructed single-family homes and cooperatives and condominium units in buildings of five stories or less. This includes all homes in Cedar Ridge Homeowners Association, Inc. The Warranty covers:

(a) For one year, the home must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for items not covered by code, the construction must be in accordance with locally accepted building practices.

(b) For two years, the plumbing, electrical, heating, cooling and ventilation systems must be free from defects caused by unskillful installation.

(c) For six years, the home must be free from physical defects in the structural elements (foundation, floors, walls, roof, framing) which make it unsafe or unliveable.

The Warranty does not cover:

(a) A defect not caused by defective workmanship, materials or design.

(b) A patent defect which was obvious or would have been obvious upon inspection.

(c) Defects in items sold with the home, such as stoves, refrigerators, air conditioners, etc. There are implied warranties from the manufacturers of such goods which are described in other laws.

Purchasers must give notice of defects in their home in writing no later than thirty (30) days after the end of the warranty period.

The Housing Merchant Implied Warranty can be limited. However, the limited warranty cannot permit construction which is below code or below locally accepted building practices, and the limited warranty time periods cannot be shorter than those described above. In this offering plan the Housing Merchant Implied Warranty is not limited.

DATED: May 10, 1989

OAK RIDGE ASSOCIATES

SECOND AMENDMENT TO OFFERING PLAN

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
Ayrault Road, Town of Perinton, Monroe County, New York

Amount of Offering: \$7,700.00

The cost of membership in the Cedar Ridge Homeowners Association, Inc. is included in the purchase price of the homes. The number of homes being offered is thirty-two (32).

Name and Address of Sponsor: Oak Ridge Associates
923 Midtown Tower
Rochester, New York 14604

Name and Address of Selling Agent: Rochester Midtown Realty
923 Midtown Tower
Rochester, New York 14604

Date of the Offering Plan: June 26, 1987

This Plan may not be used after February 26, 1990 unless extended by amendment.

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

This Second Amendment to the Offering Plan for the Cedar Ridge Homeowners Association, Inc. is filed for the sole purpose of extending the time period for the offer for sale of homes in the Cedar Ridge Homeowners Association, Inc. for a period of twelve (12) months.

As of the date of the filing of this Second Amendment, the number of units which have closed in Cedar Ridge Homeowners Association, Inc. is 7, the number of Contracts which have not yet closed are 5, and the number of unsold units which remain is 20.

As of the date of the Second Amendment, the Board of Directors and Officers for Cedar Ridge Homeowners Association, Inc. is comprised of the following individuals: Robert V. Gianniny, President; Mark R. Gianniny, Vice President; Bruce E. Gianniny, Secretary/Treasurer.

Attached hereto as Exhibit A is a Projected Schedule of Receipts and Expenses for the fiscal year of operation in the Cedar Ridge Homeowners Association for the year September 1, 1988 through August 31, 1989. Attached as Exhibit B is the financial statement for the budget year September 1, 1987 through August 31, 1988.

DATED: December 30, 1988

OAK RIDGE ASSOCIATES



Cedar Ridge Townhomes
Cedar Ridge Drive
Fairport, New York 14450

546-4460

223-6456

***CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
PROJECTED SCHEDULE OF RECEIPTS & EXPENSES
FOR FISCAL YEAR COMMENCING 9-1-88***

32 Units
Completed Project

PROJECTED INCOME

Maintenance Charges
32 Units @ \$73.00 per unit

\$28,032.00

PROJECTED EXPENSES

Water	\$ 0.00
Electric	\$ 0.00
Management	\$2688.00
Repairs	\$ 250.00
Lawn Maintenance - Service	\$3500.00
Supplies	\$ 500.00
Snow Removal	\$3235.00
Refuse Removal	\$2900.00
Insurance	\$7250.00
Accounting	\$ 750.00
Legal	\$ 500.00
Taxes	\$1000.00
Reserve	\$4884.00
Contingency	\$ 575.00

TOTAL PROJECTED EXPENSES

\$28,032.00

**CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
(AN ASSOCIATION)**

FINANCIAL STATEMENTS

YEAR ENDED AUGUST 31, 1988

(SEE ACCOUNTANTS' COMPILATION REPORT)

**BROPHY, DAILEY & BONN
CERTIFIED PUBLIC ACCOUNTANTS
140 ALLENS CREEK ROAD
ROCHESTER, NEW YORK 14618**

Exhibit B

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
(AN ASSOCIATION)

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BROPHY, DAILEY & BONN
CERTIFIED PUBLIC ACCOUNTANTS
140 ALLENS CREEK ROAD
ROCHESTER, NEW YORK 14618

Cedar Ridge Homeowners Association, Inc.
(An Association)
Fairport, New York

We have compiled the accompanying balance sheet of Cedar Ridge Homeowners Association, Inc. (An Association) as of August 31, 1988 and the related statements of revenue and expenses and changes in fund balances for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Brophy, Dailey & Bonn

November 11, 1988

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
(AN ASSOCIATION)

BALANCE SHEET

AUGUST 31, 1988

(SEE ACCOUNTANTS' COMPILATION REPORT)

	Operating Fund	Deferred Maintenance Fund	Total All Funds
CURRENT ASSETS			
Cash in banks	\$ 2,437	\$ -0-	\$ 2,437
Due from operating fund	<u>-0-</u>	<u>714</u>	<u>714</u>
Total Assets	\$ <u>2,437</u>	\$ <u>714</u>	\$ <u>3,151</u>

LIABILITIES AND FUND BALANCES

CURRENT LIABILITIES			
Due to deferred maintenance fund	\$ 714		\$ 714
Accounts payable	62		62
Due to Oak Ridge Associates	2,800		2,800
Income tax payable (Note 2)	<u>375</u>		<u>375</u>
Total current liabilities	3,951		3,951
Fund balances (deficit)	(<u>1,514</u>)	\$ <u>714</u>	<u>(800)</u>
Total liabilities and fund balances	\$ <u>2,437</u>	\$ <u>714</u>	\$ <u>3,151</u>

The accompanying notes are an integral
part of these financial statements.

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
(AN ASSOCIATION)

STATEMENT OF REVENUE AND EXPENSES

YEAR ENDED AUGUST 31, 1988

(SEE ACCOUNTANTS' COMPILATION REPORT)

	Operating <u>Fund</u>	Deferred Maintenance <u>Fund</u>	Total All <u>Funds</u>
Revenue			
Association fees	\$ <u>534</u>	\$ <u>714</u>	\$ <u>1,248</u>
Expenses			
Income tax (Note 2)	375		375
Insurance	1,474		1,474
Lawn maintenance	128		128
Management fee	63		63
Office supplies	<u>8</u>	<u> </u>	<u>8</u>
Total expenses	<u>2,048</u>	<u> </u>	<u>2,048</u>
Excess (deficiency) of revenues over expenses	\$ <u>(1,514)</u>	\$ <u>714</u>	\$ <u>(800)</u>

The accompanying notes are an integral
part of these financial statements.

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
(AN ASSOCIATION)

STATEMENT OF CHANGES IN FUND BALANCES

YEAR ENDED AUGUST 31, 1988

(SEE ACCOUNTANTS' COMPILATION REPORT)

	Operating <u>Fund</u>	Deferred Maintenance <u>Fund</u>	Total All <u>Funds</u>
Beginning balance - September 1, 1987	\$ -0-	\$ -0-	\$ -0-
Excess (deficiency) of revenue over expenses	(<u>1,514</u>)	<u>714</u>	<u>(800)</u>
Fund balance (deficit) - August 31, 1988	\$(<u>1,514</u>)	\$ <u>714</u>	\$(<u>800</u>)

The accompanying notes are an integral
part of these financial statements.

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
(AN ASSOCIATION)

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Cedar Ridge Homeowners Association, Inc. is a New York Association. The Association was formed to provide maintenance, preservation and control of common areas.

Fund Accounting - Assets, liabilities and fund balances of the Association are reported in two funds. The Operating Fund is designated to reflect activities required for on-going maintenance of common areas. Deferred Maintenance Fund is designated to accumulate funds for anticipated future maintenance items that occur less frequently than usually. Deferred maintenance is to be funded by allocating approximately 17% of the monthly association fees plus \$200 from each homeowner at the time the homeowner takes title to his townhome.

NOTE 2: INCOME TAX

Cedar Ridge Homeowners Association, Inc. qualifies as a tax-exempt organization under Section 528 of the Internal Revenue Code. The Association is liable for New York State franchise tax. The tax liability for the year ended August 31, 1988 was \$375.

FIRST AMENDMENT TO OFFERING PLAN

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
Ayrault Road, Town of Perinton, Monroe County, New York

Amount of Offering: \$7,700.00

The cost of membership in the Cedar Ridge Homeowners Association, Inc. is included in the purchase price of the homes. The number of homes being offered is thirty-two (32).

Name and Address of Sponsor:

Oak Ridge Associates
923 Midtown Tower
Rochester, New York 14604

Name and Address of Selling Agent:

Rochester Midtown Realty
923 Midtown Tower
Rochester, New York 14604

Date of the Offering Plan:

June 26, 1987

This Plan may not be used after December 30, 1988 unless extended by amendment.

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

This First Amendment to the Offering Plan for the Cedar Ridge Homeowners Association, Inc. is filed for the sole purpose of extending the time period for the offer for sale of homes in the Cedar Ridge Homeowners Association, Inc. for a period of six (6) months.

As of the date of the filing of this First Amendment, the number of units which have closed in Cedar Ridge Homeowners Association, Inc. is 3, the number of Contracts which have not yet closed are 2, and the number of unsold units which remain is 27.

As of the date of the First Amendment, the Board of Directors and Officers for Cedar Ridge Homeowners Association, Inc. is comprised of the following individuals: Robert V. Gianniny, President; Mark R. Gianniny, Vice President; Bruce E. Gianniny, Secretary/Treasurer.

In the Offering Plan on Schedule A (Page 4) is a projected schedule of receipts and expenses for the first year of operation in the Cedar Ridge Homeowners Association for the year September 1, 1987 through August 31, 1988. As of the date of this First Amendment, that projected schedule remains accurate. A current financial statement for the budget year September 1, 1988 through August 31, 1989 will be prepared and distributed to all homeowners in Cedar Ridge Homeowners Association, Inc. and to any prospective purchasers.

DATED: June 17, 1988

OAK RIDGE ASSOCIATES

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SPECIAL RISKS

The Sponsor has the right to retain control of the Board of Directors of the Association until either July 1, 1992 or when 90% of the townhomes have been closed and title transferred, whichever is earlier. This means that an owner of a townhome in the project will have no say in the operation of the Association until such date occurs. See page 18 for details.

INTRODUCTION

This Offering Plan states and summarizes in full the Offering Plan governing ownership in the Cedar Ridge Homeowners Association, Inc. A prospective purchaser need only refer to this Offering Plan for relevant information about ownership in the Cedar Ridge project and for membership in the Cedar Ridge Homeowners Association, Inc.

OAK RIDGE ASSOCIATES, a New York limited partnership (the "Sponsor"), with its offices at 923 Midtown Tower, Rochester, New York 14604, is the owner of seven (7) acres of land located south of Ayrault Road in the Town of Perinton, Monroe County, State of New York. The Sponsor acquired title to the land to be developed as the Cedar Ridge Homeowners Association, Inc. on April 15, 1987.

Oak Ridge Associates is a New York limited partnership consisting of one general partner: Rombr Management, Inc., a New York corporation with its office at 923 Midtown Tower, Rochester, New York 14604, and one limited partner, Glenwood Associates, a New York limited partnership with its office at 923 Midtown Tower, Rochester, New York 14604. The shareholders of Rombr Management, Inc. are Robert V. Gianniny, Bruce Gianniny and Mark R. Gianniny. G.W. Associates, a New York general partnership is the general partner of Glenwood Associates. There are six (6) limited partners of Glenwood Associates. G.W. Associates maintain an address of 923 Midtown Tower, Rochester, New York 14604. Robert V. Gianniny, Bruce E. Gianniny, and Mark R. Gianniny are all general partners of G.W. Associates.

As shown on the plot plan attached hereto as an exhibit, the Sponsor shall construct and shall offer for sale thirty-two (32) townhome units in the project.

Cedar Ridge Homeowners Association, Inc. (the "Association"), shall own all of the property within the project except for the building lots and any dedicated roads which may be shown on a subdivision map filed in the Monroe Clerk's Office. Each owner of a townhome in the project will own his lot upon which the townhome building is located. Oak Park and Oakview will be private roads and these roads will serve the project by providing access from Ayrault Road. One of the responsibilities of the Association will be to maintain the common area, including these private roads and any separate private drives which service the individual townhome units. The purpose and function of the Association shall be to insure that the common area is maintained, that the private road and private drives are maintained and snowplowed, and that a uniformity of architecture exists within the project. The expenses of the Association in providing such maintenance shall be shared equally among all of the townhome owners. If a townhome owner sells his home, the purchaser shall automatically become a member of the Association. The price of the townhome includes the cost of membership in the Association. Prices shall be set by the Sponsor alone and are not subject to review or approval by the Department of Law of the State of New York or any other governmental agency. There are no limitations on who may purchase any of the thirty-two (32) townhomes being offered in the Cedar Ridge Homeowners Association.

Services to be provided to members of the Association by the local government include police and fire protection, water service, and sanitation/sewer service. Refuse collection, snow removal, and road maintenance are not provided by the local government but instead will be provided by the Association and are included in the budget as set forth in this Offering Plan.

The purpose of this Offering Plan is to set forth all of the terms of the Offering concerning ownership in the Cedar Ridge Homeowners Association. The Plan may be altered from time to time by filing amendments with the Department of Law of the State of New York. All amendments will be served on current Cedar Ridge Homeowner members as well as any prospective purchasers of the thirty-two (32) townhomes in the Cedar Ridge Homeowners Association.

This Plan contains all of the detailed terms of the transaction as it relates to the Cedar Ridge Homeowners Association. Parts A, B, and C of the Exhibits delivered to the Department of Law contain all the documents referred to in this Plan. Copies of this Plan and Parts A, B, and C of the Exhibits are available for inspection without charge to prospective purchasers and their attorneys at the office of the Sponsor.

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

Concerning the thirty-two (32) townhomes being built by Sponsor, there is no minimum number that must be sold before the Sponsor is obligated to commence conveying title.

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.

SCHEDULE A

PROJECTED SCHEDULE OF RECEIPTS
AND EXPENSES FOR FIRST YEAR OF
OPERATION COMMENCING SEPTEMBER 1, 1987 (1)

	Completed Project (32 units)	
<u>Projected Income</u>		
Maintenance Charges (\$72.00 per unit per month based on 32 units) ²	\$28,032.00	
TOTAL		<u>\$28,032.00</u>
<u>Projected Expenses</u>		
Water ³	\$0.00	
Electric ⁴	0.00	
Management ⁵	2,688.00	
Repairs ⁶	500.00	
Lawn Maintenance & Service ⁷	3,827.10	
Supplies ⁸	530.00	
Snow Removal ⁹	3,235.00	
Refuse Removal ¹⁰	2,361.60	
Insurance ¹¹	7,250.00	
Accounting ¹²	750.00	
Legal ¹³	500.00	
Taxes ¹⁴	412.00	
Contingency ¹⁵	1,094.30	
Reserve ¹⁶	<u>4,884.00</u>	
TOTAL		<u>\$28,032.00</u>

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.

Footnotes to Projected Budget

- 1 This estimate of operating income and expense has been made by the Sponsor. This is an estimate based upon the first twelve (12) months of operation of the Association commencing on or about September 1, 1987.
- 2 Common Charges - Based upon 32 units.
- 3 Water - There will be no watering of the Common Area and thus no water charge shall be billed to the Association.
- 4 Electric - There will be no Common Area lighting and thus no Electric charges to the Association.
- 5 Management - Based upon a contracted price of \$7.00 per unit per month with Bruce E. Gianniny d/b/a Rochester Midtown Realty, 923 Midtown Tower, Rochester, New York 14604.
- 6 Repairs - Buildings: This item includes maintenance of the exterior of the buildings in an amount of \$500 which should cover all building maintenance not covered by warranty during the first year of operation. This amount has been set aside by the Sponsor as a precaution against minor work which the Contractor may claim is not covered under warranty. Sponsor will warrant the construction of the buildings against defects for a period of one year.
- 7 Lawn Maintenance and Service - Estimate is based upon a proposed maintenance contract received from Marathon Lawn Service, a Rochester based landscape maintenance company. The proposed contract will provide for lawnmowing, assuming 22 trips per season, at \$90.00 per trip, edging once per month at \$25.00 per trip, trimming (twice per year) at \$200.00 per trip, and a fall clean-up for \$250.00

Chemical Applications - Estimate based upon two applications to turf including, fertilizer, weed control, grub control and pre-emergent crabgrass control, total cost \$852.50.
- 8 Supplies - Copies, postage, office supplies, light bulbs and miscellaneous supplies used on site.
- 9 Snow Removal - Estimate is based upon a quote received from Property Maintenance Service, a local plowing contractor. Cost will be \$2,700.00 per season for the roadway and driveways, and \$535.00 per season for the sidewalks.
- 10 Refuse Removal - Estimate based upon \$5.75 plus tax per unit per month for weekly hand pick up. Quote received from Fred Hoff, 17 Glenbrook Drive, Fairport, New York 14450.
- 11 Insurance - Estimate based upon a letter received from the Luellen Agency of Rochester, NY, dated April 14, 1987 for the following coverages and premiums.

<u>Coverages:</u>	Building Values (Replacement)	\$3,400,000.00
	Deductible	1,000,000.00
	Liability (csl)	1,000,000.00
	Umbrella Liability	1,000,000.00
	Statutory NYS Workers Comp.	1,000,000.00
<u>Premiums:</u>	Master Policy	5,500.00
	Umbrella	1,500.00
	NYS Workers Comp.	<u>250.00</u>
	Total	\$7,250.00

The \$3,400,000.00 coverage limit is based upon an agreed replacement cost of the Buildings. In order to safeguard the investment of the Unit Owners in the event of a substantial or total destruction of the Buildings. The Board of Managers should periodically review the amount of Casualty insurance for the Buildings to insure that the amount of coverage equals their present replacement cost.

Recently, premiums for insurance (especially fire and liability insurance) have increased greatly. It is not possible to predict whether and to what extent future insurance premiums will increase.

This coverage does not include claims to personal injury or property damage resulting from occurrences in Units nor does it include coverages of the furniture or personal property of Unit Owners. If such coverage is desired, each Unit Owner should obtain a separate policy for liability and the contents of his Unit at his own cost and expense.

- ¹² Accounting - Based upon a preliminary estimate for services from the accounting firm of Brophy, Dailey and Bonn, 140 Allens Creek Road, Rochester, New York 14618. The cost for the annual financial review, and preparation of the tax return should be approximately \$750.00.
- ¹³ Legal - A contingency fund of \$500 has been allocated for legal services in collection of delinquent accounts or for assistance in other minor legal matters, as quoted by Harter, Secrest & Emery, 700 Midtown Tower, Rochester, New York 14604.
- ¹⁴ Taxes -
 - A. Real Estate - Based upon estimation provided by the Assessor for the Town of Perinton, real estate taxes for the first year will be approximately \$162.00.
 - B. Franchise and Corporate - Tax counsel for the Sponsor estimated that the property will be subject to New York State franchise tax in the amount of \$250.

¹⁵Contingency - set aside for miscellaneous operating items not included in previous line items, (e.g. labor for replacing light bulbs, etc.)

¹⁶Reserves

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC. RESERVES
32 Units

<u>Item</u>	<u>Est. Life</u>	<u>To Replace Est. Cost</u>	<u>Annual Reserve</u>
Roofs (54,400 sq. ft.) \$.70 per square foot	20 years	\$38,080.00	\$1,904.00
Resurfacing Roads & driveways (1" Top Coat) 5,583 sq. yds. @ \$4.50 per square yard	20 years	\$25,124.00	\$1,256.00
Restain Exterior Trim inc. decks 12,200 sq. ft. @ \$.50 per square foot	5 years	\$ 6,100.00	\$1,220.00
Sidewalks 3,360 sq. ft. @ \$4.50 per square foot	30 years	\$15,120.00	\$ 504.00

The annual cost to repair the roads, such as filling and repairing potholes, is included in the reserve fund collected annually.

HARTER, SECREST & EMERY
ATTORNEYS AT LAW

700 MIDTOWN TOWER

ROCHESTER, NEW YORK 14604-2070

716 · 232-6500

One Steuben Place
Albany, New York 12207-2110
518 · 434-4377

800 Laurel Oak Drive
Naples, Florida 33963-2738
813 · 598-4444

* ADMITTED IN FLORIDA ONLY

OPINION OF COUNSEL

June 18, 1987

RE: Cedar Ridge Homeowners Association, Inc.
Ayrault Road, Town of Perinton
County of Monroe, State of New York

TO WHOM IT MAY CONCERN:

We have acted as counsel for the Sponsor with regard to preparation of the Offering Plan for Cedar Ridge Homeowners Association, Inc. As counsel for the Sponsor, we render an unqualified opinion that under present law, regulations, rulings and decisional law and based upon the terms of the Offering Plan:

1. The Declaration of Covenants, Conditions and Restrictions when recorded in the Monroe County Clerk's Office will be legal and valid.
2. Members of the Cedar Ridge Homeowners Association, Inc. will not be entitled to deduct any portion of Association charges for Federal or State Income Tax purposes.
3. The Cedar Ridge Homeowners Association, Inc. will qualify as a tax-exempt organization under Section 528 of the Internal Revenue Code of 1986, as amended (the "I.R.C."), provided: (1) it makes the annual election required by I.R.C. Section 523(c)(1)(E); (2) at least 60% of its income consists of Association charges imposed on members who are homeowners; (3) at least 90% of its expenditures are for the management, maintenance and care of Association property; and (4) the Association is operated in accordance with its Certificate of Incorporation. The tax exemption will not apply to income from other sources other than Association dues, fees or assessments from owners of real property.

R CLINTON EMERY
BRUCE E. HANSEN
JOHN E. SWETT
ANTHONY R. PALERMO
NATHAN J. ROBFOGEL
THOMAS A. SOLBERG
JOHN F. MAHON
ALAN ILIUS
JOHN E. BLYTH
W. REYNOLDS BOWERS
PETER M. BLAUVELT
LAWRENCE R. PALVINO
WILLIAM D. SMITH
THOMAS B. GARLICK
ALAN F. HILFIKER
C. RICHARD COLE
BARRY B. WHITMAN
D. DYSON GAY
JAMES C. MOORE
WILLIAM M. COLBY
KENNETH A. PAYMENT

STUART B. MEISENZAHN
JAMES A. LOCKE, III
MICHAEL F. BUCKLEY
WILLIAM H. WELFERICH, III
NEAL D. MADDEN
PETER G. SMITH
JAMES B. GRAY, JR.
JOHN R. WEIDER
H. ROBERT HERMAN
WILLIAM N. LA FORTE
THOMAS G. SMITH
JACK D. EISENBERG
FRANK S. MAGELBERG
ERICA EVANS
FRED G. ATEN, JR.
PHILIP R. FILERI
SUSAN MASSETTE BRANDT
T. MARY McDONALD
MARGARET A. CATILLAZ
JEFFREY H. BOWEN
DAVID R. FERRIS
MICHAEL R. MCEVOY

HYMAN B. FREEMAN
RICHARD B. SECREST
J. PAUL BRENNAN
GEORGE R. WILLIAMS
HARRY M. GRACE
E. JAMES HICKEY
WILLIAM A. CENTNER
ROBERT V. GIANNINI
SENIOR COUNSEL

JOHN CLAPPER III
DONALD S. MAZZULLO
A. PAUL BRITTON
COUNSEL

WILLIAM W. BELL
WILLIAM F. BRANDES, JR.
SPECIAL COUNSEL

PAUL M. HETLAND
KAYE A. THOMAS
SUSAN PORATH KEEFER
BONNIE A. BLENIS
MARY E. ROSS

JOHN C. HERBERT
TERESA D. JOHNSON
TIMOTHY R. PARRY
DAVID S. SORCE
BRYON C. ANDREASEN
CHARLES D. CRANTON
JAMES E. METZLER
KATHLEEN C. PASSIDOMO
ROBERT F. PIZZO
ALEXANDRA J. TERZIEV
RONALD J. HENDRICK
MAUREN T. ALSTON
GARY L. KARL
STEPHEN R. VAN ARSDALE
JANET D. ALGASC
EDWARD F. PREMIO, II
RICHARD E. ALEXANDER
ROBIN ROWLAND
WILLIAM R. GUPP
LISA QUINN KNYCH
BRIAN V. MCAVOY
ANDREW A. COSTANZA
BARBARA J. GULINO
CAROL L. O'KEEFE
ROSS P. LANZAFAME

OPINION OF COUNSEL

June 18, 1987

Page 2

4. The homes sold in conjunction with the Cedar Ridge Homeowners Association, Inc. will conform to applicable zoning ordinances and statutes as promulgated by the Town of Perinton.
5. The Association will be liable for yearly corporate or franchise taxes pursuant to New York State Law.

This Opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which we base this Opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Homeowners Association, counsel to the Homeowners Association, the Selling Agent or any other person be liable if by reason of future changes in fact or applicable law, regulation, decisional law or Internal Revenue Service rulings, the tax status should cease to meet the requirements contained in this Opinion.

We hereby authorize the inclusion of a copy of this letter into the Offering Plan for the Cedar Ridge Homeowners Association, Inc.

Very truly yours,

HARTER, SECREST & EMERY



William N. La Forte

WNLF/ac

DESCRIPTION OF COMMON AREAS TO BE MAINTAINED
BY THE HOMEOWNERS ASSOCIATION

SITE

Cedar Ridge Homeowners Association will own real property in the project which will consist of all of the land within the boundaries of the project on which the individual building units are not constructed (the "Common Area"). The Association will be responsible for managing and maintaining the Common Area which will consist of grass, shrubbery, trees, the private roads known as Oak Park and Oakview and all private drives. The Association will also be responsible for maintaining the exterior of the townhome units, including the roof. The Association will have the responsibility for maintaining Oak Park and Oakview and the private drives in good repair and insuring that there is adequate snow removal during the winter season. The Association will also be responsible for maintaining and repairing the sanitary and storm sewer laterals connecting the individual units to the main. A final subdivision map has been filed in the Monroe County Clerk's Office in Liber ____ of Maps at Page _____. The Town of Perinton approved the subdivision development for the Cedar Ridge Homeowners Association on January 21, 1987.

The roads known as Oak Park and Oakview will be built according to standards set out by the Town of Perinton for a private road, but they will not be dedicated to the Town. An escrow deposit of \$375,000.00 will be made with Norstar Bank to insure the completion of this work. There will be private drives from the private roads built to service the project and these drives will be built to the Town of Perinton standards for private drives. There will be no street lighting of any kind, except that there will be post

lamps for each unit along the driveway servicing each unit which are not under the control of the unit owner. These lights will go on each evening and shall remain on during the night. The cost of electricity for these lights will be part of the individual homeowners utility bill.

THE ASSOCIATION

The Sponsor will record a Declaration of Covenants, Conditions and Restrictions in the Monroe County Clerk's Office prior to the conveyance of title to any lot or home in the project. The Declaration provides that every homeowner in the project becomes a member of the Cedar Ridge Homeowners Association, Inc. with all of the rights and duties of membership. The purpose of the Cedar Ridge Homeowners Association is to provide maintenance for the common benefit of all homeowners in the project, to provide maintenance for the roads and private drives, to provide maintenance for the lawns and shrubs, and to provide exterior maintenance for the units, including the roofs. Membership in the Association is mandatory for anyone who obtains title to a townhome in the project. Thirty-two (32) townhomes will be constructed in the project and thus there will be thrity-two (32) members of the Association.

The Covenants, Conditions and Restrictions of the Declaration shall run with and bind the land and shall inure to the benefit of the Association and its members for a period of thirty (30) years from the date the Declaration is recorded in the Monroe County Clerk's Office. The covenants, conditions and restrictions shall automatically be extended after the expiration of the initial term of the Declaration for successive periods of ten (10) years each unless an instrument signed by 75% of the then owners of the lots has been recorded agreeing to change the covenants, conditions and restrictions in whole or in part.

There are no restrictions on who may become a member of the Association other than the restriction that one must own a lot in the project to be a member. There are no restrictions as to renting, mortgaging or conveying any of the lots, but the property must be used solely and only for single family residences with no commercial or industrial activities being permitted. The Declaration prohibits alterations to the structure of the units without first obtaining the consent of the Board of Directors of the Association. All exterior changes to the units must first be approved by the Board of Directors.

Except for fish or birds kept in a cage, and no more than two (2) dogs or two (2) cats, no animals shall be kept or maintained on any lot or other portion of the Property except with the consent of the Board of Directors which may, from time to time, set reasonable rules and regulations. Outside storage or parking of commercial or residential vehicles, camper bodies, boats and trailers shall be prohibited. No outside clotheslines shall be permitted.

There is no development or construction loan mortgage contemplated on any part of the project for the development of these 32 units.

Cedar Ridge Homeowners Association will obtain and maintain in full force and effect a policy of fire and other casualty insurance in an amount and with such coverage as is acceptable to the Association. Such coverage will be adequate to cover the full replacement cost of any structural exterior repair or reconstruction on a member's townhome. The Board shall, on an annual basis, review the amount of insurance coverage in order to insure that the Association and its members are fully protected with regard to damage or destruction to the Buildings. Certificates of Insurance Coverage will be issued to each unit owner showing the limits of the owner's coverage for his unit in accordance with the master, all-risk, policy. In accordance with the

master, all-risk policy, the buildings and some of the personal property initially installed or replacements thereof in the unit (but in accordance with the original plans and specifications) shall be considered as part of the described buildings within the unfinished interior surfaces of the perimeter walls, floor and ceilings of the units. The following items, if installed in the units, will also be included - - finished interior walls initially installed, finished interior of perimeter walls initially installed, permanent fixtures initially installed in accordance with the original plans, to include kitchen cabinets, bathroom fixtures, kitchen appliances, laundry appliances and wall to wall carpeting initially installed. Such insurance will be obtained from the Prudential-Lumberman Mutual Insurance Company, through the Luellen Insurance Agency, Rochester, New York. See Schedule A for more specific information on the insurance coverage. Unit owners should be aware that insurance coverage is not afforded for the personal property of the unit owner nor for the unit owner's personal liability for claims arising within the owner's unit.

The cost of the insurance obtained by the Homeowners Association on the Common Area and the buildings shall be paid by the Board of Directors and shall constitute a portion of the common expenses for all unit owners. The proposed premium expense for the first year of operation of the Project is attached hereto as an estimate from the Luellen Agency as part of Schedule A.

Management, Operation and Membership in
the Cedar Ridge Homeowners Association, Inc.

The Cedar Ridge Homeowners Association, Inc. is a duly filed Not-For-Profit corporation organized under the Not-For-Profit corporation laws of the State of New York. A copy of the Certificate of Incorporation is

attached to this Offering Plan as an Exhibit. The Association will be managed by a Board of Directors composed of not less than three (3) Directors nor more than nine (9) Directors who must be members of the Association. Any Director may be removed from the Board, with or without cause, by a voting majority of the members of the Association.

The Association shall have two classes of voting membership. Class A members shall be all members, with the exception of the Sponsor, and any other person or entity which acquires all or a substantial portion of the property being developed for the purpose of developing this townhouse project. Each Class A member shall be entitled to one vote for each membership. If more than one person holds an interest in any one lot, such persons shall constitute an organization which shall be a member entitled to cast one vote alone. The vote for such lot shall be exercised as the persons who constitute the organization shall among themselves determine, but in no event shall more than one vote be cast with respect to any one membership. Class B members shall be the Sponsor and it shall be entitled to one (1) vote for each membership. The Class B membership shall cease and be converted to Class A membership on July 1, 1992 or when 90% of the townhomes within the Association have closed and record title transferred, whichever is earlier. Prior to such date, Class A members shall not be entitled to vote for membership on the Board of Directors. The filing of the subdivision map in the Monroe County Clerk's Office shall be determinative of the creation of the thirty-two (32) lots for the purposes of voting. The Declaration of Covenants, Conditions and Restrictions which shall be applicable to all lots in Cedar Ridge Homeowners Association shall be recorded prior to the conveyance of the first lot. This Declaration defines the rights, duties and obligations of all homeowners in

the Cedar Ridge Association project. The Declaration may be amended during the first thirty (30) year period by an instrument signed by not less than 90% of the then owners of the lots. After the first thirty (30) year period of the Declaration's existence, the Declaration may be amended by an instrument signed by not less than 75% of the then owners of the lots. To be effective, any amendment must be recorded in the Monroe County Clerk's Office.

The By-Laws of Cedar Ridge Homeowners Association, Inc. may be amended at a regular or special meeting of members by a vote of a majority of a quorum of the members present in person or by proxy. No special vote need be obtained in order for extraordinary items such as capital improvements to be undertaken. The names and business addresses of the initial officers and directors of the Cedar Ridge Homeowners Association, Inc. are as follows:

Robert V. Gianniny, President
923 Midtown Tower
Rochester, NY 14604

Mark R. Gianniny, Vice President
923 Midtown Tower
Rochester, NY 14604

Bruce E. Gianniny, Secretary/Treasurer
923 Midtown Tower
Rochester, NY 14604

These initial directors are the shareholders of the general partner of the Sponsor.

Beginning with the conveyance of title to the first townhome, the Association has the right to levy assessments against all Class A members. The initial assessment has been established and reference is made to Schedule A for more information concerning the assessment and the current budget. Maintenance assessments for each of the townhomes will be fixed at a uniform

rate. The Board of Directors of the Association shall annually fix the amount of the annual assessment against each townhome and shall notify each homeowner at least thirty (30) days in advance of the annual assessment. The annual assessment shall be due in twelve (12) equal monthly installments at a date specified by the Board of Directors.

Every owner of a townhome in the project, by acceptance of a deed for the home, whether or not it shall be expressed in the deed, is deemed a member of the Association and covenants and agrees to pay to the Association annual maintenance assessments or charges. The annual maintenance assessment, together with any late charges, interest at the current legal rate, costs and reasonable attorneys fees, shall be a charge on the land and shall be a continuing lien on the property against which each assessment is made. Each such assessment, together with late charges, interest, costs and reasonable attorneys fees shall also be the personal obligation of the person(s) who was the owner of such property at the time the assessment fell due. The lien of the assessment shall be subordinate to the lien of any first mortgage. However, in no event may voting rights be suspended for nonpayment of assessments. At present no fines or other penalties are contemplated for violation by members of the rules and regulations which are promulgated from time to time by the Association. However, the Board of Directors shall have the power to promulgate rules and regulations and to impose fines and other penalties for violations.

A reserve fund will be established by the Association into which each homeowner will be required to contribute Two Hundred Dollars (\$200.00) at the time the homeowner takes title to his townhome. The Sponsor will not contribute to this reserve fund. The Fund shall be used for capital

expenditures and to cover working capital requirements and monthly cash deficiencies. The amount allocated to the reserve fund together with the continued collection of reserve funds in future years in accordance with the estimate of such funds as projected in the initial budget for the Association is sufficient to cover anticipated capital expenditures. While the Sponsor is in control of the Board of Directors, the reserve fund shall not be used to reduce projected Association charges (assessments). Neither the Department of Law nor any other government agency has passed upon the adequacy of the fund.

The Sponsor will be the only one entitled to vote for membership on the Board of Directors until the earlier of July 1, 1992 or when title has been transferred to more than 90% of the townhomes in the project. Prospective purchasers should be aware that if the Sponsor brings additional properties into the project, the Sponsor may retain control of the Board of Directors, or regain control of the Board of Directors, for a period of time until 90% of the townhomes have been conveyed. Prospective purchasers should be aware that until the Sponsor relinquishes control of the Board, members of the Association other than the Sponsor will have no say in the operation of the Association. While the Sponsor is in control of the Board of Directors, no mortgage lien shall be placed on the property owned by the Association without the consent of at least 51% of the homeowners, excluding the Sponsor and/or the Sponsor's nominees.

The Sponsor may not exercise its control of the Board of Directors to reduce the level of services described in this Offering Plan or to prevent expenditures required to comply with applicable laws or regulations. While the Sponsor is in control of the Board of Directors, certified financial statements will be provided each year to members of the Association.

After the Association first levies on one or more owners who have closed title to their homes or lots, the Sponsor's obligation for Association charges for unsold townhomes shall be not less than an amount calculated in accordance with one of the following provisions: (1) Sponsor will be obligated for Association charges including supplemental charges on all unsold townhomes; or (2) Sponsor will be obligated for the difference between the actual association expenses, including reserves applicable to completed improvements as provided for in the Association's budget, and the Association charges levied on owners who have closed title to their townhomes as projected in Schedule A of this Offering Plan. As long as the Sponsor has unsold townhomes or lots which are offered for sale pursuant to this Offering Plan, the Sponsor shall amend the Plan whenever there is a change in the budget or at least when one (1) year has passed since the last budget was updated and shall provide a copy of the prior year's certified financial statements to all homeowners.

LOCAL GOVERNMENT APPROVAL

Sponsor received final approval from the Town of Perinton to develop the project on January 21, 1987. The subdivision map has been provided by the Sponsor to the Association. The final subdivision map was filed in the Monroe County Clerk's Office on _____, 1987.

OBLIGATIONS OF THE SPONSOR

The Sponsor intends to develop the project by constructing thirty-two (32) townhomes as shown on the plot plan attached hereto as an exhibit. The townhouses will be constructed in eight (8) blocks, with each block containing 3 to 5 units. Prospective purchasers should refer to the plot plan and specific reference is made to the blocks for the location of specific units. The Sponsor is also obligated to improve or construct Oak Park and Oakview and

all of the private drives which lead to the individual townhomes. The Sponsor is not obligated to improve or construct any additional Association property. The timing of construction schedules is subject to many factors, many of which are outside the control of the Sponsor and therefore adherence to a construction schedule cannot be assured. However, the Sponsor reasonably anticipates that it will complete construction of the thirty-two (32) units by July 1, 1992.

The Sponsor agrees to pay for any authorized and proper work involved with respect to the Common Area and agrees to cause any and all mechanics liens with respect to such work to be promptly discharged or bonded.

The Sponsor will file the Declaration of Covenants, Conditions and Restrictions prior to closing title to the first home in the project. At the time of any conveyance to a homeowner of any townhome, that townhome will be released from the lien provisions of any land or construction loan mortgage, if any, prior to closing title. The Sponsor will complete construction of the private road and the private driveways serving the homes in the project which are vital to the owners health and safety prior to closing title to the first home. If the Town of Perinton permits occupancy and the Sponsor escrows funds for completion of incomplete items in the townhome, a closing of title to a home may occur if the incomplete items are not vital to the health and safety of the owner. While the Sponsor controls the Board of Directors, the Sponsor has an obligation to defend any suits or proceedings arising out of the Sponsor's acts or omissions and to indemnify the Board of Directors of the Association.

The Sponsor shall deliver to the Association for each lot a final survey map which shows the physical improvements on each lot. The map shall also

show the location of the private roads and private driveways in the project. A set of "as-built" plans of Common Area improvements, including specifications of roads, sewers and/or water lines and a representation that they are in substantial compliance with the terms of the Offering Plan will be delivered to the Board of Directors. If the Common Area improvements, as built, are not in substantial compliance with the plans and specifications and the terms of this Offering Plan, the Plan must be amended and rescission must be offered to all purchasers and Association members.

The Sponsor has deposited the sum of \$375,000.00 with Norstar Bank as an assurance to the Town of Perinton to secure the completion of the private roads known as Oak Park and Oakview and for other improvements required by the Town as a condition of granting approval for the project.

The Sponsor has a right of access to complete construction of the thirty-two (32) townhomes in the Cedar Ridge Association project as well as to complete construction of the private road that will provide access to all thirty-two (32) townhomes from Ayrault Road. The Sponsor has a right to interfere with the members' use of the private road to the extent reasonably necessary to complete construction or make repairs. The Sponsor has an obligation to repair any and all damage to either the road or any of the thirty-two (32) townhomes caused by the Sponsor's use of the roads during construction.

Title to the property owned by the Association will be insured at closing by a title company licensed to do business in the State of New York. The amount of coverage is \$7,700.00.

Any mortgages or liens which remain on the property after closing on the first home shall be subordinate to the Declaration of Covenants, Conditions

and Restrictions. The Sponsor shall be obligated with respect to common charges and assessments on unsold townhomes in an amount calculated in accordance with one the following provisions: (1) The Sponsor will be obligated for Association charges including any supplemental charges on all unsold townhomes; or (2) The Sponsor will be obligated for the difference between the actual Association expenses including reserves applicable to completed improvements as provided for in the Association budget and the Association charges levied on owners who have closed title to their townhomes or lots as projected in this Offering Plan.

There are private roads known as Oak Park and Oakview which will service the project and which will be built in accordance with the local government standards for a private road as set by the Town of Perinton. The private drives which will service the individual townhome units will be built to the Town of Perinton standards for private drives. The Sponsor will amend the Plan after completion of the roads, services and water lines, but prior to conveyance of the common property to the Association, to include a certification by an engineer or architect stating that the roads, services and water lines have, in fact, been constructed in accordance with the Town of Perinton specifications and stating the date of completion. In the alternative, or if the construction of the roads, services and water lines have not been completed prior to conveyance to the Association, the Sponsor must post a bond or escrow funds or provide other adequate security in an amount determined by a licensed engineer which amount shall not be less than the amount required to complete such construction to the required specifications.

TRUST FUND PROVISIONS

Any deposits made pursuant to the contract of sale between the Sponsor and prospective purchasers for homes or lots shall be placed promptly in a special interest-bearing escrow account at Norstar Bank entitled The Cedar Ridge Homeowners Association, Inc., Trust Account. Interest earned on the deposit shall commence to accrue on the date of deposit and shall belong to the prospective purchaser. The funds may be released by signature of an attorney for Sponsor at the closing or prior to closing if a purchaser rescinds or defaults. The Sponsor is responsible for complying with the escrow and trust fund provisions of General Business Law §352-e(2)(b) and §352-h. The deposits will be made by the Sponsor at Norstar Bank. William N. La Forte, 700 Midtown Tower, Rochester, New York 14604 will be the attorney responsible for authorizing release of the funds.

MANAGEMENT AGREEMENT

The Sponsor has entered into a Management Agreement with Bruce E. Gianniny d/b/a Rochester Midtown Realty for them to manage the project. Rochester Midtown Realty has an office at 923 Midtown Tower, Rochester, New York 14604. Rochester Midtown Realty is a full service real estate company which offers management, leasing and brokerage services for office, residential, retail and commercial properties throughout Rochester and the surrounding area.

<u>Name of Project</u>	<u>Type of Project</u>
Glenwood Apartments Perinton, NY	96 unit townhouse apartment project
Valley View Apartments Geneseo, NY	54 unit apartment building
Lincoln & Hunt Office Building Rochester, NY	Office building
Koerner Ford Building Rochester, NY	Automobile dealership

Bruce E. Gianniny is sole proprietor of Rochester Midtown Realty, and is a licensed real estate broker in New York State.

Mr. Gianniny has 10 years of experience in real estate management including construction, rehabilitation, and management of residential and commercial properties.

The Management Agreement with Rochester Midtown Realty is for a period of two years commencing September 1, 1987. The managing agent shall receive a management fee equal to \$7.00 per unit per month for its services. The managing agent shall manage the Association and shall collect all monthly or other assessments and other charges due to the Association for the operation of the Association. The Association shall indemnify and save the managing agent harmless from all suits or claims in connection with the Association against liability for acts properly performed by the agent pursuant to the agreement. The managing agent has no right to assign its interest under the agreement and the agreement may be cancelled by the Board of Directors of the Association upon giving at least 60 days prior written notice to the managing agent.

There are no other contracts or leases that shall be binding upon the Association.

IDENTITY OF PARTIES

The Sponsor is Oak Ridge Associates, a New York limited partnership, which has its principal office and place of business at 923 Midtown Tower, Rochester, New York 14604. Oak Ridge Associates is a limited partnership and its general partner is Rombr Management, Inc., a New York corporation with its office at 923 Midtown Tower, Rochester, New York 14604. The limited partner in Oak Ridge Associates is Glenwood Associates, a New York limited partnership

which has as its general partner G.W. Associates, a New York general partnership. The general partners of G.W. Associates are Robert V. Gianniny, Bruce E. Gianniny, and Mark R. Gianniny. There are six (6) limited partners of Glenwood Associates.

Rombr Management, Inc. is a New York corporation and the shareholders and officers of it are Robert V. Gianniny, Bruce E. Gianniny, Mark R. Gianniny. There are no prior felony convictions of Sponsor or the principals of Sponsor and there are no prior convictions, injunctions or judgments against Sponsor or the principals of Sponsor that are relevant or material to the Offering Plan.

The Sponsor has not offered properties for sale within the past five (5) years.

The law firm of Harter, Secrest & Emery, 700 Midtown Tower, Rochester, New York 14604 has represented the Sponsor in all matters regarding the preparation of this Offering Plan. William N. La Forte, Esq. has prepared this Offering Plan and the documents contained herein.

William N. La Forte, Esq. will represent the sponsor in closing on all of the townhomes within this project.

Sear-Brown Associates, P.C. has been the consulting engineer and planner for the Sponsor with regard to this project. Sear-Brown Associates, P.C. maintains an office at 85 Metro Park, Rochester, New York 14623.

REPORTS TO MEMBERS

It is the obligation of Cedar Ridge Homeowners Association, Inc., to annually give all its members a financial statement prepared by a certified public accountant or public accountant and to give its members prior notice of the annual meeting of members.

DOCUMENTS ON FILE

The Sponsor will keep copies of the Offering Plan and Parts A, B, C, and D of the exhibits and all documents related thereto and referred to in the Plan on file and available for inspection and copying at 923 Midtown Tower, Rochester, New York 14604 for a period of six (6) years from the date of the first closing.

There will be no buildings constructed on the Common Area which shall be owned by the Association.

GENERAL

This Offering Plan does not knowingly omit any material fact or contain any untrue statement of any material fact.

There are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect the offering, the property, Sponsor's capacity to perform all of its obligations under the Plan, or the operation of the Association. This property has not been subject to any prior offerings and no preliminary non-binding agreements have been entered into nor has money been collected from prospective purchasers.

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that neither the Sponsor nor the Association will discriminate against any person because of race, creed, color, national origin or ancestry in the sale of homes at Cedar Ridge Homeowners Association, Inc., or in the offering of memberships in the Association.

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: June / 8 , 1987

OAK RIDGE ASSOCIATES

By: ROMBR MANAGEMENT, INC.

By:


Mark R. Gianniny

2379N

PART II
CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.
EXHIBITS

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS**

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made the day of , 1987, by
OAK RIDGE ASSOCIATES, hereinafter called "Declarant".

WHEREAS, Declarant is the owner of certain real property in
the Town of Perinton, Monroe County, New York, more
particularly described in Schedule "A" attached hereto.

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 Cedar
Ridge Homeowners 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 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, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map or resubdivision map of the Properties, with the exception of the Common Area.

Section 5. "Common Area" shall mean all real property 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 all of the premises herein described as "Properties", excepting therefrom the building Lots and the dedicated road as shown on the map of the Properties filed in Monroe County Clerk's Office as aforesaid.

Section 6. "Declarant" shall mean and refer to Oak Ridge Associates, its successors and assigns if such successors or assigns shall acquire more than one undeveloped Lot from Declarant for the purpose of development.

ARTICLE II
PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment to the Common Area, including the rights of ingress and egress to Owner's property over the Common Area, which easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association, pursuant to its by-laws, to adopt rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.

(b) the right of the Association to suspend the right to the use of any facilities on the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed 60 days for any infraction of its published rules and regulations.

(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 upon by the members approving such transfer. No such dedication or transfer shall be effective unless an instrument signed by 75% of each class of members, and their mortgagees, agreeing to such dedication or transfer has been recorded.

(d) the right of the individual members to the exclusive use of parking spaces and any sidewalks which may be provided for members upon the Common Area.

(e) the right of invitees and business visitors of any Owner to ingress and egress over those portions of the Common Areas that lie within private roadways.

(f) the right of the Association to designate certain portions of the Common Area as parking lots for vehicles of Owners, their invitees and business guests.

(g) the right of the Association to designate certain portions of the Common Area as sidewalks of Owners, their invitees and business guests.

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.

ARTICLE III

EASEMENTS

Section 1. Easements for Utilities. Declarant reserves the right to grant easements, both temporary and permanent, to all public authorities and utility companies over any part of the Properties.

Section 2. Easements for Encroachments. Each Lot, and the property included in the Common Area, shall be subject to an easement for encroachments created by construction, settling

and overhangs for all buildings constructed by Declarant. A valid easement for said encroachments, and for the maintenance of same, shall exist for so long as such encroachments shall stand and do exist. In the event that any structure containing two or more living units is partially or totally destroyed and then rebuilt, or is in need of repair, the Owners of the living units so affected agree that minor encroachments of parts of the adjacent living units on adjoining Lots or on the Common Area due to such construction shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist.

Section 3. Other Easements. There is hereby created a blanket easement upon, across, over and under all of the Properties, for ingress, egress, installation, replacement, repair and maintenance of all utilities, including but not limited to water, sewers, gas, telephones and electricity, and a master television antenna system. By virtue of this easement it is expressly permissible to erect and maintain the necessary poles and other equipment on the Properties, and to affix and maintain electrical or telephone wires and conduits, sewer and water lines on, above or below any residence or land owned by any Owner. An easement is hereby granted to the Association, its officers, agents, employees, including employees of any management company having a contract with the Association over all of the Common Areas, and to enter any residence to perform the duties of maintenance and repair of the residences or

Common Area, to maintain any utilities for which an easement has been granted and to prevent damage to any other residence. An easement is hereby reserved to Declarant to enter the Common Areas during the period of construction and sale of the Properties, or any additions to the Properties, and to maintain such facilities and perform such operations as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of residences, including, without limitation, a business office, sales office, storage area, construction yards, signs and model units, provided that this does not unreasonably obstruct access by members of the Association.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subjected by this Declaration to assessment by the Association shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The Association shall have two classes of voting membership. Class A members shall be all members with the exception of the Declarant, and any other person or entity which acquires title to all or a substantial portion of the Properties for the purpose of developing thereon a residential community. Each Class A member shall be entitled

to one vote for each membership. When more than one (1) person holds an interest in any Lot, such persons shall constitute an organization which shall be a member entitled to cast one vote. The vote for such membership shall be exercised as the persons who constitute the organization shall among themselves determine, but in no event shall more than one vote be cast with respect to any one membership. Each person who is a part of such organization shall severally be entitled to the other rights and subject to the other obligations of membership. Class B members shall be the Declarant or its successors or assigns, and shall be entitled to one vote for each membership. The Class B membership shall cease and be converted into Class A membership on July 1, 1992, or when ninety percent (90%) of the Lots within the Association have closed and record title transferred, whichever is earlier. Prior to such date, Class A members shall not be entitled to vote for membership of the Board of Directors.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot by acceptance of a deed for such Lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay as of the date of transfer of title to the Association annual maintenance assessments or charges, such assessments to be established and

collected as hereinafter provided. The annual maintenance assessments, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was 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.

Section 2. Rate of Assessment. Maintenance assessments must be fixed at a uniform rate for all Lots. Once assessments have been established, during the period the Declarant owns more than forty-nine percent (49%) of the Lots, the maintenance assessment shall not be raised more than fifteen percent (15%) above the prior year's assessment except that an increase may be cumulative to the extent of the unused portion of the previous year or years' increases and the fifteen percent (15%) maximum increase.

Section 3. Due Dates for Annual Assessment. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment. Written notice of the annual assessment shall be sent to every Owner subject thereto. Unless the Board otherwise provides, one-twelfth (1/12) of the annual maintenance assessment shall be due on the first day of each month. The Association or the Managing Agent shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association or the Managing Agent

setting forth whether the assessments on a specified Lot have been paid.

The Owner shall pay a prorated share of one-twelfth (1/12) of the monthly assessment at the time of acceptance of the deed.

Section 4. Effect of Nonpayment of Assessment and Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall become a lien against that Lot, and shall bear interest from the due date at the legal rate. The Association may bring an action at law against the Declarant or Owner personally obligated to pay the same, or may foreclose the lien against the home and Lot, and late charges, interest, costs and reasonable attorneys' fees for 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 Association the right and power to bring all actions against such Owner personally for the collection of each charge, and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage lien on real property, and such Owner hereby expressly grants to the Association the power of sale in connection with such lien. The lien provided for in this Section shall be in favor of the Association and shall be for the benefit of all Owners. The Association, acting on behalf of the Owners shall have the power to bid for an interest foreclosed at foreclosure sale and to acquire to hold,

lease, mortgage and convey the same. 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 5. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure shall extinguish the lien of such assessment 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 thereon.

Section 6. Special Assessments. Special assessments may be levied upon a vote of two-thirds (2/3) of both Class A members and Class B members.

ARTICLE VI

EXTERIOR MAINTENANCE

In addition to maintenance of the Common Area, including repair and maintenance of sanitary and storm laterals, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder as follows: Paint, repair, replacement and care of roofs and sidewalks, gutters, downspouts, patios, decks, exterior building surfaces, trees, shrubs, grass, and other exterior improvements including snow plowing of driveways and common walkways. Such exterior

maintenance shall not include glass surfaces or doors, screens, or screendoors. In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, guests or invitees, the cost of such maintenance and repairs shall be added to and become a part of the assessment to which such Lot is subject. The above obligation does not include any maintenance or repairs caused by fire or other casualty to the premises owned individually by members of the Association.

ARTICLE VII

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as part of the original construction of the dwelling units upon the Properties and placed on the dividing line between the Lots shall constitute a party wall for the purposes of this Declaration only, and to the extent not inconsistent with the provisions of this Article the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty

any Owner who has used the wall may restore it, and if the other Owner thereafter makes use of the wall he shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner to call for a larger contribution from the other under any rule of law regarding liability for negligence or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such element.

Section 5. Right of Contribution Runs with the Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall or under the provisions of this Article, except for disputes involving the Declarant, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator and the decision shall be by a majority of all of the arbitrators and be binding upon the parties. Judgment upon the award of the arbitrators may be taken in any court of law with jurisdiction thereof.

ARTICLE VIII

USE OF PROPERTY

Section 1. Advertising and Signs. Except for signs erected by or with the permission of the Declarant in connection with the initial development, lease, or sale of Lots, no additional sign or other advertising device of any nature shall be placed for display to the public view on any Lot or other portion of the Properties (including temporary signs advertising property for sale or rent) except with the consent of the Board of Directors or the Architectural Committee if one has been appointed by the Board.

Section 2. Animals Including Birds and Insects. Except for fish or birds kept in a cage, and no more than two (2) dogs or two (2) cats, no animals shall be kept or maintained on any Lot or other portion of the Property except with the consent of the Board of Directors of the Association which may, from time to time, (i) impose reasonable rules and regulations setting forth the type and number of animals, including birds and insects and (ii) prohibit certain types of animals, including birds or insects entirely. Notwithstanding the above, the Board of Directors of the Association shall have the right to require any Owner (or any tenant of any Owner, or any family member or guest of any Owner or tenant) to dispose of any animal, including birds or insects, if, in the opinion of the Board of Directors, acting in its sole discretion, such animal is creating a nuisance because, e.g., the Owner does not clean

up after the animal, the animal is too noisy, or the animal is not properly controlled, or if the animal could pose a threat to the health or safety of the Association members.

Section 3. Protective Screening and Fences. Any screen planting, fence enclosures, or walls initially developed on a Lot or other portion of the Properties shall not be removed or replaced with other than a similar type of planting, fence, or wall except with the permission of the Board of Directors or the Architectural Committee if one has been appointed. Except for the foregoing, no fence, wall, or screen planting of any kind shall be planted, installed, or erected upon said parcel or other portion of the Properties unless approved by the Board of Directors or the Architectural Committee if one has been appointed. Notwithstanding the foregoing, no fence, wall, or screen planting shall be maintained so as to obstruct sight lines for vehicular traffic.

Section 4. Garbage and Refuse Disposal. Except for building materials during the course of construction or repair of any approved improvements, no lumber, metals, bulk materials, rubbish, refuse, garbage, trash or other waste material (all of which are referred to hereinafter as "Trash") shall be kept, stored, or allowed to accumulate outdoors. All such trash shall be kept in an enclosed building. Such containers may be placed in the open within 24 hours of a scheduled pick-up, at such place on the Lot or other portion of the Property designated by the Board of Directors or the

Architectural Committee so as to provide access to persons making such pick-up. The Board of Directors or the Architectural Committee may, in its discretion, adopt and promulgate reasonable rules and regulations relating to size, shape, color and type of containers permitted and the manner of storage of the same on any portion of the Property. All incinerators or other facilities for the storage or disposal of Trash, shall be kept in a clean and sanitary condition.

Section 5. No Above Surface Utilities Without Approval.

No facilities, including without limitation, poles and wires for the transmission of electricity or telephone messages, and water, gas, sanitary, and storm sewer drainage pipes and conduits shall be placed or maintained above the surface of the ground on any portion of the Properties without the prior written approval of the Board of Directors or the Architectural Committee.

Section 6. Noxious or Offensive Activities. No noxious or offensive activity shall be carried out upon any portion of the Property, nor shall anything be done thereon that may be or become a nuisance or annoyance in the area or to the residents or Owners thereof. The emission of smoke, soot, fly ash, dust, fumes, herbicides, insecticides, and other types of air pollution or radioactive emissions or electro-magnetic radiation disturbances, shall be controlled so as not to (i) be detrimental to or endanger the public health, safety, comfort, or welfare, (ii) be injurious to property, vegetation, or

animals, (iii) adversely affect property values or otherwise produce a public nuisance or hazard, or (iv) violate any applicable zoning regulation or other governmental law, ordinance, or code.

Section 7. Dwelling in Other Than Residential Units. No temporary building, trailer, basement, tent, shack, barn, outbuilding, shed, garage, or building in the course of construction, or other temporary structure shall be used, temporarily or permanently, as a dwelling on any Lot or other portion of the Property except with the consent of the Board of Directors.

Section 8. Television and Radio Antennas. No outside television antenna shall be erected on any Lot or other portion of the Property except with the consent of the Board of Directors or the Architectural Committee.

Section 9. Landscaping. After the transfer of title by the Declarant to a Lot or other portion of the Property, no landscaping (specifically including but not limited to the removal of trees) shall be performed on such Lot or other portion of the Property except with the permission of the Board of Directors or the Architectural Committee. The Board of Directors or the Architectural Committee in its discretion may adopt and promulgate rules and regulations regarding landscaping of the Property and the preservation of trees and other natural resources and wildlife upon the Property. The Board of Directors or the Architectural Committee may designate

certain trees, regardless of size, as not removable without written authorization. This Section shall not apply to the Declarant.

Section 10. Residential Use Only. Except as provided in Section 11 below, the Property shall be used only for residential purposes and purposes incidental and accessory thereto except that so long as the Declarant holds for sale any Lot or dwelling unit located on the Property or on the Additional Properties (whether or not subject to the Declaration) the Declarant may use one or more Lots or other portions of the Property for model homes and/or a real estate office.

Section 11. Commercial and Professional Activity on Property. No wholesale or retail business, including any salon, studio, laboratory, home industry, or medical or dental office, shall be conducted in or on any Lot or other portion of the Property, except (i) by the Declarant in conjunction with the initial construction, development, lease and sale of Lots and Units and (ii) the conducting of business by telephone. This restriction is not intended to preclude the operation of an in-home office for purposes other than those set forth above.

Section 12. Outside Storage. Outside storage or parking of commercial or recreational vehicles, camper bodies, boats, and trailers shall be prohibited except as may be otherwise permitted by the Association's Board of Directors, (unless prohibited altogether by the applicable zoning requirements).

Section 13. Outdoor Repair Work. With respect to a Lot or other portion of the Property to which title has been transferred by the Declarant, no work on any motor vehicles, boats, or machines of any kind shall be permitted outdoors on the Property, except with the consent of the Association's Board of Directors.

Section 14. Indoor Repair Work. All work with respect to the interior of any unit shall be done during normal work hours (8:00 A.M. to 6:00 P.M. Monday through Saturday) so as not to interfere with other owners use and enjoyment of their unit.

Section 15. Oversized, Commercial, or Unlicensed Vehicles. Unless used in connection with the construction or sale of Units by the Declarant, or maintenance of the Property, or unless otherwise consented to by the Board of Directors, the following shall not be permitted to remain overnight on the Property:

- a. commercial vehicles of a weight of two (2) tons or more;
- b. unlicensed motor vehicles of any type.

Section 16. Clotheslines. No outdoor drying or airing of any clothing or bedding shall be permitted within the Property unless authorized by the Board of Directors or the Architectural Committee.

ARTICLE IX

INSURANCE AND CASUALTY DAMAGE

The Association will obtain and maintain in force and effect a policy of fire and other casualty insurance, in an amount, and with such coverage, as are acceptable to the Association, and with coverage adequate to cover the full replacement cost of any repair or reconstruction work on the Owner's property. An annual evaluation shall be made by the Board of Directors to determine the adequacy of the insurance. Each Owner will be issued a certificate from the master policy which will indicate the amount of coverage on the Owner's unit and will name the Owner and the Association as the insured.

In the event of damage or destruction by fire or other casualty insured against to any real property of the Owner, the Association shall receive the proceeds of such insurance, and make such proceeds available to the Owner for repair or replacement of the Owner's property. The Owner shall, upon receipt of notification of the availability of insurance proceeds, repair or rebuild such damaged or destroyed portions of the exterior of the Owner's property in a good workmanlike manner substantially the same as the original plans and specifications of said property. If the Owner refuses or fails to repair or rebuild the exterior within 30 days, the Association may repair or rebuild such exterior paying for the same from the insurance proceeds, and shall deliver to the Owner any excess insurance proceeds.

If the insurance proceeds are insufficient to complete the repairs, the Owner is required to reimburse the Association for the cost of such repairs or reconstruction, and the Association has a lien on the Owner's unit to secure such reimbursement. The lien is enforceable in the same manner as the lien for annual assessments.

The Association shall obtain and keep in full force and effect a policy of general liability insurance on the Common Area. The premium for this insurance shall be billed to the Association and the cost thereof shall be included in the annual assessment to the Owners.

Each Owner shall maintain their own policy of coverage insuring his contents, personal property and liability for injury occasioned to persons outside the Common Area.

ARTICLE X

ADDITIONAL PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Additions to the Property by the Association.

Annexation of additional property by the Association shall require the assent of two-thirds of both classes of members at a meeting duly called for this purpose on the same notice, and in the same manner as is required for meetings and voting by the By-Laws.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owners of any land subject to this Declaration, their respective heirs, successors and assigns for a period of 30 years from the date this Declaration is recorded, after which time the covenants and restrictions shall be automatically extended for successive periods of ten years each, unless an Instrument signed by seventy-five percent (75%) of the then Owners of the Lots has been recorded, agreeing to change said covenants and restrictions, in whole or in part. This Declaration may be amended during the first 30-year period by an Instrument signed by not less than 90 percent of the then Owners of the Lots, and thereafter by an Instrument signed by not less than 75 percent of the then Owners of the Lots. Any amendment must be recorded in Monroe County Clerk's Office to be effective.

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

Section 3. 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.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this day of , 1987.

OAK RIDGE ASSOCIATES

BY ROMBR MANAGEMENT, INC.

By: _____

2371N

CERTIFICATE OF INCORPORATION

**CERTIFICATE OF INCORPORATION
OF
CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.**

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

**HARTER, SECREST & EMERY
700 MIDTOWN TOWER
ROCHESTER, NEW YORK 14604-2070**

CERTIFICATE OF INCORPORATION
OF
CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.

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

The undersigned, for the purpose of forming a corporation under Section 402 of the Not-for-Profit Corporation Law, hereby certifies:

1. The name of the corporation is Cedar Ridge Homeowners Association, Inc. (the "Corporation").

2. The purposes for which the Corporation is to be formed are to hold real property and to provide maintenance, preservation and architectural control of the residence lots and common areas within the Cedar Ridge Subdivision located in the Town of Perinton, County of Monroe, State of New York; to promote and protect the interests, health, safety and welfare of the residents within the above property and any additions thereto; and to enforce all covenants, easements, restrictions and agreements relating to or affecting said property.

In addition to the foregoing corporate purposes, the Corporation may do any other act or thing incidental to or in connection with the foregoing purposes or in the advancement thereof, and to do lawfully all and everything necessary, suitable and proper for the attainment of any of these purposes, the accomplishment of any of these objects, or the furtherance of any of the powers hereinabove set forth; and to have, enjoy and exercise all of the rights, powers, privileges

and exemptions which are now or may hereinafter be conferred upon not-for-profit corporations organized under the laws of the State of New York, as they now exist or may be amended or supplemented and to do lawfully all and everything necessary, suitable and proper for the attainment of any of these purposes, the accomplishment of any of these objects, or the furtherance of any of the powers hereinabove set forth; and to have, enjoy and exercise any and all rights, powers, privileges, and exemptions which are now or which may hereinafter be conferred upon not-for-profit corporations organized under the laws of the State of New York, as they now exist or may be amended or supplemented.

No part of the net earnings of the Corporation shall inure to the benefit of any member, trustee, director, officer of the Corporation or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation) and no member, trustee, officer of the Corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.

The foregoing clauses shall be construed both as objects and powers, in furtherance, and not in limitation, of the general powers conferred by the laws of the State of New York, and it is expressly provided that the enumeration herein of specific objects and powers shall not be held to limit or restrict in any way the general powers of the Corporation.

3. The Corporation is a corporation as defined in subparagraph (a)(5) of Section 102 of the Not-for-Profit Corporation Law and is a Type A corporation under Section 201 (Purposes) of the Not-for-Profit Corporation Law. The limitations of the Corporation's purposes set forth in this Certificate of Incorporation are in compliance with its Type A status.

4. The office of the Corporation shall be located in the County of Monroe.

5. The Secretary of State of the State of New York is hereby designated as the agent of the Corporation upon whom process in any action or proceeding against it may be served. The post office address to which the Secretary of State shall mail a copy of process against the Corporation which may be served upon him is 923 Midtown Tower, Rochester, New York 14604.

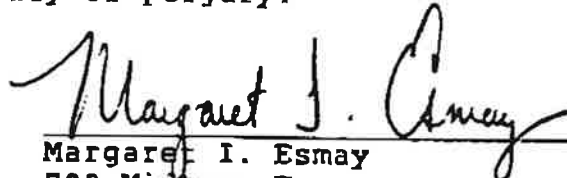
6. The names and addresses of the initial directors of the Corporation are:

Robert V. Gianniny
3369 Elmwood Avenue
Rochester, New York 14618

Mark R. Gianniny
840 Allens Creek Road
Rochester, New York 14618

Bruce E. Gianniny
60 White Wood Lane
Rochester, New York 14618

IN WITNESS WHEREOF, this Certificate has been signed by the subscriber this 10th day of April, 1987 and the subscriber does by her signature hereto affirm the truth of the statements contained herein under penalty of perjury.


Margaret I. Esmay
700 Midtown Tower
Rochester, New York 14604

8209K

NYS DEPARTMENT OF STATE

FILING RECEIPT

INCORPORATION (NOT FOR PROFIT)

CC RATION NAME

CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.

DATE FILED

04/16/87

DURATION & COUNTY CODE

P

MONR

FILM NUMBER

B484577-5

CASH NUMBER

927501

NUMBER AND KIND OF SHARES

LOCATION OF PRINCIPAL OFFICE

TYPE A
SERV

ADDRESS FOR PROCESS

S/S THE CORP
923 MIDTOWN TOWER

ROCHESTER

NY 14604

REGISTERED AGENT

FE. AND/OR TAX PAID AS FOLLOWS:

AMOUNT OF CHECK \$ 00060.00

AMOUNT OF MONEY ORDER \$

AMOUNT OF CASH \$

\$ 6.00 DOLLAR FEE TO COUNTY

\$ 050.00 FILING

\$ TAX

\$ CERTIFIED COPY

\$ CERTIFICATE

010.00 MISCELLANEOUS

TOTAL PAYMENT \$ 000060.00

REFUND OF \$

TO FOLLOW

380604-003 (8/84)

GAIL S SHAFFER - SECRETARY OF STATE

BY-LAWS AND HOMEOWNERS ASSOCIATION RULES

BY-LAWS
OF
CEDAR RIDGE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Cedar Ridge Homeowners Association, Inc. (hereinafter referred to as the "Association"). The principal office of the Association shall be located at 923 Midtown Tower, City of Rochester, Monroe County, New York 14604, but meetings of Members and directors may be held at such other places within the State of New York as may be designated by the Board.

ARTICLE II
DEFINITIONS

Section 1. "Association" means Cedar Ridge Homeowners Association, Inc. and its successors and assigns.

Section 2. "Board" means the Board of Directors of the Association.

Section 3. "Common Area" shall mean all real property 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 all of the premises described in the Declaration of Covenants, Conditions and Restrictions of Oak Ridge Associates as "Properties" excepting therefrom the building Lots and the dedicated roads as shown on the map of the Properties filed in the Monroe County Clerk's Office.

Section 4. "Declarant" means Oak Ridge Associates, a New York limited partnership, and its successors and assigns if it acquires more than one undeveloped Lot for the purposes of development.

Section 5. "Declaration" means the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the office of the Clerk of the County of Monroe.

Section 6. "Director" means a member of the Board of Directors of the Association.

Section 7. "Lot" means any plot of land shown upon any recorded subdivision map or resubdivision map of the Properties.

Section 8. "Member" means those persons who become members of the Association as provided in the Declaration.

Section 9. "Owner" means the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is part of the Properties including contract sellers, excluding those having such interest merely as security for the performance of an obligation.

Section 10. "Properties" means that certain interest in real property as described in the Declaration and such additions thereto as may thereafter be brought within the jurisdiction of the Association.

ARTICLE III MEMBERSHIP AND VOTING

Members of the Association shall be divided into two classes for purposes of voting. Class A Members shall be all Owners, with the exception of the Declarant. Class A Members shall be entitled to one vote for each membership. When more than one person holds an interest in any Lot, all such persons shall be Class A Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one membership. The Class B Member shall be the Declarant, which shall be entitled to one vote. Class B membership shall cease on July 1, 1992 or when ninety percent (90%) of the original Lots have been transferred, whichever is earlier. Until then, Class A Members shall not be entitled to vote for the election of members of the Board. The first meeting of Class A Members for the purpose of electing Directors shall be held within thirty (30) days of the transfer by the Declarant of ninety percent (90%) of the Lots as originally shown on the subdivision map or within thirty (30) days from July 1, 1992, whichever is earlier.

ARTICLE IV MEETINGS OF MEMBERS

Section 1. Annual Meeting. After the first meeting of Class A Members, an annual meeting of the Members shall be held each year on the second Tuesday of September at the office of the Association or at such other place as specified in the notice of meeting.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President of the Association or by the Board, or upon written request of the Members who are entitled to vote fifty percent (50%) of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Waiver of Notice. Notice of meeting need not be given to any member who submits a signed waiver of notice thereof whether before, during or after a meeting, nor to any Member who attends the meeting without protesting prior to the conclusion thereof the lack of notice to him.

Section 5. Quorum. The presence at the meeting, in person or by proxy, of Members entitled to cast at least fifty percent (50%) of the total number of votes entitled to be cast thereof by each class of membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

Section 7. Required Vote. Directors shall be elected by a plurality of the votes cast at a meeting of Members by the Members entitled to vote in the election. Any other corporate action to be taken by vote of the Members shall, except as otherwise required by law or the Certificate of Incorporation, be authorized by a majority of the votes cast at a meeting of Members by the Members entitled to vote thereon.

Section 8. Action Without Meeting. Whenever Members are required or permitted to take any action by vote, such action may be taken without a meeting by written consent setting forth the action so taken and signed by all of the Members entitled to vote thereon.

ARTICLE V BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than three (3) nor more than nine (9) Directors, all of whom shall be Members of the Association. The initial Directors of the Association named in the Certificate of Incorporation shall serve until their successors are elected at the first meeting of the Class A Members and shall have qualified.

Section 2. Term. Directors shall be divided into two classes as nearly equal in number as possible, for purposes of staggering their terms of office. Directors shall be elected for terms of two (2) years, except that at the first meeting of Members, an equal number of Directors shall be elected for one-year and two-year terms.

Section 3. Meetings. Regular meetings of the Board shall be held at such times as the Directors may from time to time determine. Special meetings of the Board shall be held at any time, upon call from the President of the Association or of any two of the Directors.

Section 4. Place of Meetings. Regular and special meetings of the Board shall be held at the principal office of the Association, or at such other place, within or without the State of New York, as may from time to time be determined by the Board or the person or persons authorized to call the meeting.

Section 5. Notice of Meeting. No notice need be given of a regular meeting of the Board. Notice of the place, day and hour of every special meeting shall be given to each Director by delivering the same to him personally or sending the same to him by telegraph or leaving the same at his residence or usual place of business, at least one (1) day before the meeting, or shall be mailed to each Director, postage prepaid and addressed to him at his last known address according to the records of the Association, at least three (3) days before the meeting. No notice of any adjourned meeting of the Board need be given other than by announcement at such meeting.

Section 6. Waiver of Notice. Notice of a meeting need not be given to any Director who submits a signed written waiver thereof whether before, during or after the meeting nor to any Director who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him.

Section 7. Quorum. Two-thirds (2/3) of the entire Board shall be necessary to constitute a quorum for the transaction of business at each meeting of the Board. However, if at any meeting there be less than a quorum present, a majority of those present may adjourn the meeting from time to time without notice other than by announcement at the meeting, until a quorum shall attend.

Section 8. Action Without a Meeting. Any action required or permitted to be taken by the Board or any committee thereof at a duly held meeting may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. Such resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or the committee.

Section 9. Personal Attendance by Conference Communication Equipment. Any one or more members of the Board or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

Section 10. Compensation. Directors as such shall not receive any compensation for their services.

ARTICLE VI POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board, on behalf of the Association, shall have power to:

(a) adopt and publish rules and regulations governing the use and maintenance of the common area, the personal conduct of the Members and their tenants, and invitees thereon, and to establish penalties for the infraction thereof;

(b) suspend the right to the use of the common areas except for ingress and egress over the Member's Lot, during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after a notice and hearing for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these By-Laws, the Certificate of Incorporation of the Association or the Declaration;

(d) declare the office of a Director to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board;

(e) procure and maintain adequate liability and hazard insurance on the Properties. The Board shall, on an annual basis, review the amount of insurance coverage in order to assure that the Association and the Owners are fully protected;

(f) acquire, encumber and dispose of property as provided for in the Declaration;

(g) employ a manager, an independent contractor and such other employees as it deems necessary and to prescribe their duties; and

(h) establish a capital reserve fund for repair and replacement of those deteriorating assets for which the Association is responsible.

Section 2. Duties. It shall be the duty of the Board to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(i) establish the amount and starting day of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(iii) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Owner personally obligated to pay the same;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property where the Association has a legal interest;

(f) cause all officers, agents or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the common area to be maintained; and

(h) cause a financial statement for the Association to be prepared and certified by the Association's independent public accountant following the end of each fiscal year.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board, and subsequently at each annual meeting of the Board which shall be immediately following the adjournment of each annual meeting of the Members.

Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year or until such officer's successor has been elected or appointed and qualifies unless he or she shall sooner resign, be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect by majority vote such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out, and shall sign all leases, mortgages, deeds and other written contractual instruments.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; shall keep proper books of accounting; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its annual meeting, and have delivered a copy of each to the Members.

ARTICLE VIII
COMMITTEES

The Board may appoint a Nominating Committee. The Board may also appoint an Architectural and Property Review Committee of no less than two (2) nor more than four (4) Directors and may grant authority to them to approve, approve with conditions, or disapprove any application received, or to make recommendations to the Board, as provided in the Declaration. In addition, the Board shall appoint such other committees as deemed appropriate in carrying out its purpose.

ARTICLE IX
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Certificate of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable costs.

ARTICLE X
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. 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 such date at the legal rate of interest, 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 the interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. In addition, the Association has the right to levy a late charge on delinquent accounts five (5) days after the assessment is due.

ARTICLE XI CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Cedar Ridge Homeowners Association, Inc.

ARTICLE XII TENANTS

Any lease of a building within the subdivision shall provide for full compliance by the tenant with the Declaration, these By-Laws, and the rules and regulations of the Association. Should a tenant be in violation thereof at any time, the Association may send the Owner of the building which said tenant occupies written notice of such violation by certified or registered mail, return receipt requested, at his or her address as set forth in the books and records of the Association. If the violation is not cured or eviction proceedings commenced against the tenant by the Owner at the Owner's expense within ten (10) days after the Owner has received notice of such violation, the Association may pursue any remedies which it may have.

ARTICLE XIII INDEMNIFICATION

The Association shall indemnify any person made or threatened to be made a party to any action or proceeding by reason of the fact that such person or such person's testator or intestate is or was a Director or officer of the Association in the manner and to the maximum extent authorized or permitted by the Not-for-Profit Corporation Law of the State of New York, as amended from time to time; and the Association may, in the discretion of the Board, indemnify all other corporate personnel to the extent permitted by law.

ARTICLE XIV AMENDMENTS

The Board shall have the power to adopt, amend or repeal the By-Laws of the Corporation by a two-thirds (2/3) vote of the entire Board at any meeting of the Board.

ARTICLE XV CONSTRUCTION AND INTERPRETATION

Section 1. The Association shall have the right to construe and interpret the provisions of these By-Laws and in the absence of an adjudication by a

court of competent jurisdiction to the contrary, its construction or interpretation shall be final and binding as to all persons or property benefited or bound by the provisions hereof.

Section 2. Any conflict in construction or interpretation between the Association and any other person or entity entitled to enforce the provisions hereof shall be resolved in favor of the construction or interpretation of the Association. The Association may adopt and promulgate reasonable Rules and Regulations regarding the administration, interpretation, and enforcement of the provisions of the Declaration and these By-Laws. In so adopting and promulgating such Rules and Regulations, and in making any finding, determination, ruling, or order, or in carrying out any directive contained herein relating to the issuance of permits, authorizations, approvals, rules, or regulations, the Association shall take into consideration the best interests of the Owners and residents of the Properties to the end that the Properties shall be preserved and maintained as a high quality community.

Section 3. In the case of any conflict between the Certificate of Incorporation of the Association and these By-Laws, the Certificate of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of Cedar Ridge Homeowners Association, Inc., a New York not-for-profit corporation, and

THAT the foregoing By-Laws of said Association were duly adopted at a meeting of the Board of Directors thereof, held on the day of , 1987.

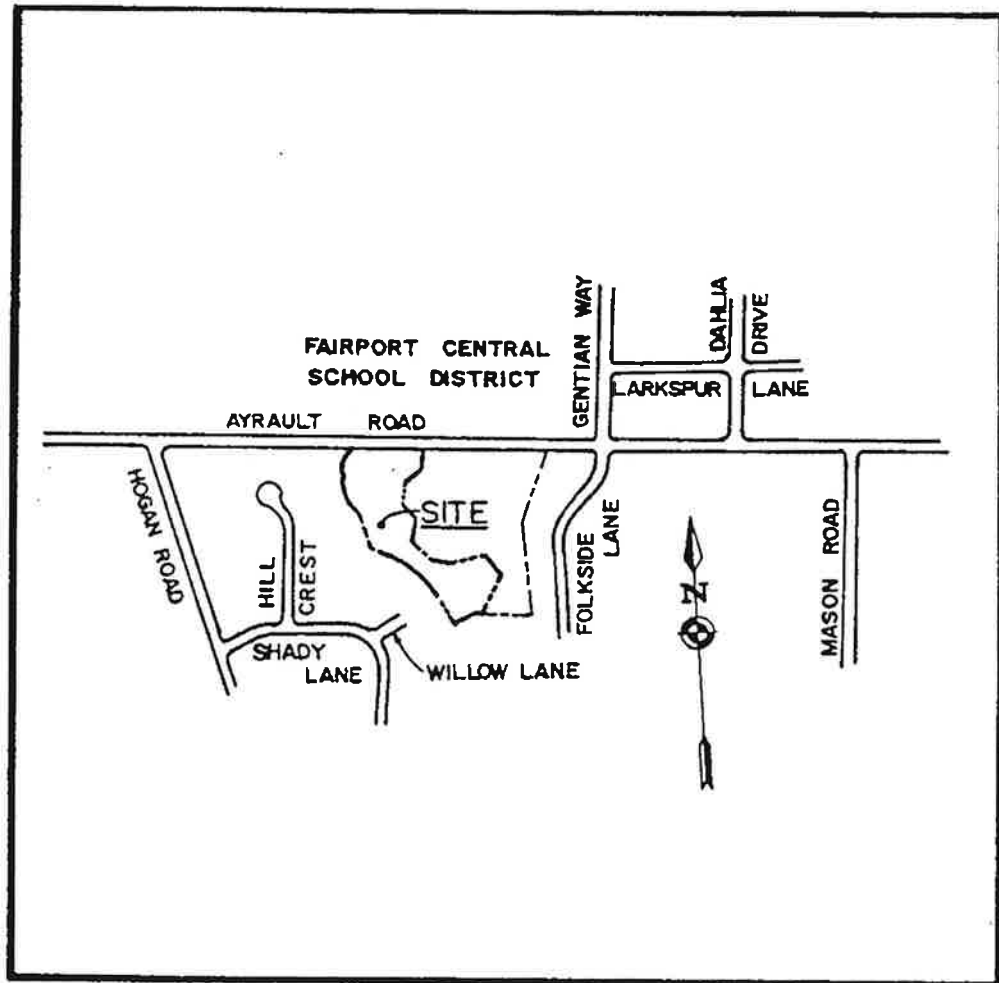
IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this day of , 1987.

, Secretary

8215K

PLOT PLAN

AREA MAP



LOCATION MAP
N.T.S.

CEDAR RIDGE DEVELOPMENT

CONTRACT OF SALE

CEDAR RIDGE HOMEOWNERS ASSOCIATION

PURCHASE AGREEMENT

The undersigned Seller agrees to sell, and the undersigned Purchasers agree to purchase, property situate in the Town of Perinton, Monroe County, New York, and being Lot No. ____ in the Cedar Ridge Project as shown on a map filed in the Monroe County Clerk's Office in Liber of ____ of Maps, page ____, together with a completed dwelling thereon erected in accordance with the basic plans and specifications on file with the builder identified as the _____ model, except as amended on Attachment "A" which is attached hereto and made a part hereof and written change orders signed by purchasers and seller from time to time which shall specify work to be completed and cost thereof. An additional deposit in an amount equal to said cost shall be made in trust before the work called for in said charge orders shall be undertaken.

PURCHASE PRICE: \$_____, payable in cash on date of transfer of title.

This Offer is subject to Purchasers obtaining a written mortgage commitment and loan for \$_____. If Purchasers shall be unable to obtain such mortgage, then this contract shall be void and any deposit made shall be refunded to Purchasers. Purchasers shall make immediate application for this mortgage, and if they shall not have obtained a written commitment within four weeks from the date of acceptance of this Offer, then Seller shall have the option to declare this Contract null and void, and refund any deposit to the Purchasers.

This offer is contingent upon the sale and transfer of Purchaser's property located at _____ by _____. If Seller receives another acceptable purchase offer Seller shall have the right to notify Purchaser in writing that Seller wants to accept the other

offer and Purchaser will then have ____ days to remove the sale contingency by written notice to the Seller. If Purchaser does not remove this contingency after receiving notice from Seller, Purchaser's rights under this Contract shall end, Seller shall be free to accept the other purchase offer and Purchaser's deposit shall be returned.

Dwelling shall be completed and ready for occupancy by approximately _____, provided there are no unusual delays due to circumstances beyond the Seller's control.

In the event weather prevents the full completion of construction at the time a Certificate of Occupancy is issued, the parties agree to abide by the decision of the mortgagee as to the value of such unfinished work and the amount of the escrow and agree that such mortgagee shall hold such amount as an escrow agent to be paid to Seller on full completion and Buyer agrees to execute such documents at that time as are necessary to permit the mortgagee to pay Seller accordingly. This provision shall survive final payment and closing.

Possession to be given upon transfer of title.

Purchaser herewith deposits with Seller the sum of \$_____. The deposit shall be and hereby is received by Seller in trust for Purchasers to be applied or returned as herein provided in accordance with Sections 352-E(2)(b) and 352-H of the General Business Law. The deposit shall be held in escrow until closing of transfer of title, or until Purchasers shall be entitled to a return of said deposit in accordance with this Agreement. Seller shall immediately place said deposit in a separate escrow account at Security Norstar Bank, N.A. Account Number _____, entitled "Cedar Ridge Homeowners Association, Inc. - Trust Account." Withdrawals from said

escrow account shall be made only upon the consent of Harter, Secrest & Emery, William N. LaForte or T. Mary McDonald, attorneys for the Seller. The account shall be non-interest bearing.

The Sponsor will record a Declaration of Covenants, Conditions and Restrictions in the Monroe County Clerk's Office prior to the conveyance of title to any lot or home in the project. The Declaration provides that every homeowner in the project becomes a member of the Cedar Ridge Homeowners Association, Inc. with all of the rights and duties of membership. The purpose of the association is to provide maintenance for the road constructed on the Common Easement Area including snow removal services and any necessary road repairs. The Association will be responsible for contracting with a refuse collection firm for refuse collection services. Membership in the Association is mandatory for anyone who obtains title to a home or lot on the project.

There are no restrictions on who may become a member of the Association other than the restriction that one must own a lot in the project to be a member. There are no restrictions as to renting, mortgaging or conveying the property, but the property must be used solely and only for single or double family residences, as permitted by the zoning ordinance of the Town of Perinton, with no commercial or industrial activities being permitted.

The Seller shall deliver to Buyer a warranty deed with lien covenant at the time of transfer of title conveying good and marketable title subject to building restrictions and other restrictive covenants of record, future taxes and assessments. Seller shall provide the Buyer a guaranteed tax, title and U.S. District searches and an instrument survey at least ten (10) days prior to transfer of title, which shall take place at the Monroe County Clerk's

Office or the office of the attorney for the mortgagee. At closing Seller will pay real estate transfer tax, the Buyer will pay bank attorney and recording fees, mortgage tax, tax and insurance escrow deposits, and any charges required by the lender from the date of title transfer. Taxes and assessments will be prorated at the date of title transfer.

Current taxes are to be adjusted with Seller to date of transfer. Estimated annual maintenance assessments for the month in which title closes shall be adjusted with the Homeowners Association to date of transfer. Risk of loss or damage by fire or other casualty until closing is assumed by Seller. At closing, in addition to the purchase price, Purchaser agrees to pay \$_____ to Cedar Ridge Homeowners Association, Inc. for working capital. Purchaser agrees to pay the Town of Perinton any recreation fee that may be levied by the Town.

The parties agree that the residence shall be complete when a Certificate of Occupancy is issued and final approval of the lending institution making a mortgage loan, if any, has been obtained, except for work which cannot be completed because of weather. All incomplete work shall be itemized before closing at a meeting between Purchasers and Seller. A proposed date shall be set for the completion of each item and the list shall be signed by a representative of the Purchasers and Seller. Purchasers agree the full amount of the purchase price will be paid at closing and no amounts will be withheld from Seller for incomplete work. Purchasers agree to accept transfer of title and make all payments provided for herein within ten (10) days of being notified of completion, but in no event later than _____.

Buyer has not relied on any representation as to size, dimensions or other characteristics of the lot, dwelling or the Association, except as presented

in the Offering Plan. Buyers acknowledge that by acceptance of the deed, they will a) become a member of the Homeowner's Association and will become liable for Association assessments, and b) have a portion of their lot subject to an easement to the Association in accordance with the Declaration of Covenants, Easements and Restrictions.

Purchasers acknowledge receipt of the Offering Plan more than 72 hours before submitting this Offer. This Contract may be cancelled by Purchasers within 72 hours from the execution of this Agreement by them by delivering to Seller a written notice to be delivered within said 72-hour period at which time the deposit shall be refunded to Purchasers and this Contract shall be cancelled without any liability on the part of either party to the other. This instrument contains the entire agreement of the parties, and no oral representations or statements shall be considered a part hereof, or binding upon either party, nor shall any provisions of this Agreement be terminated, modified or waived, except as herein provided or except by a writing signed by both parties.

Dated: _____

L.S. _____

Witness: _____

L.S. _____

Dated: _____

Witness: _____

Witness: _____

PURCHASER

Name: _____

Address: _____

ATTORNEY

Telephone: _____

OAK RIDGE ASSOCIATES

By: ROMBR MANAGEMENT, INC.

By: _____

SELLER

OAK RIDGE ASSOCIATES
923 Midtown Tower
Rochester, NY 14604

ATTORNEY

Harter, Secrest & Emery
William N. La Forte
700 Midtown Tower
Rochester, NY 14604

Telephone: 716-232-6500

2373N

CERTIFICATION BY SPONSOR AND PRINCIPALS

April 15 , 1987

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

Re: Cedar Ridge Homeowners Association, Inc.
Ayrault Road
Town of Perinton, Monroe County, New York

Gentlemen:

We are the sponsor and the principals of sponsor of Cedar Ridge Homeowners Association, Inc. and the Offering Plan for the above captioned property.

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

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

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

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

(iii) Not omit any material fact;

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

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

(vi) Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) Not contain any representation or statement which is false, where we: (a) 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.

We certify that Oakview and Oak Park, when constructed, will be in accordance with local government specifications for private roads.

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

OAK RIDGE ASSOCIATES

ROMBR MANAGEMENT, INC.

By: 
Robert V. Gianniny, President


Robert V. Gianniny


Bruce E. Gianniny


Mark R. Gianniny

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 15 day of April, 1987, before me personally came ROBERT V. GIANNINY, to me known, who, being by me duly sworn, did depose and say that he resides in Monroe County, New York; that he is the President of ROMBR MANAGEMENT, INC., General Partner of Oak Ridge Associates, the corporation described in and which executed the foregoing 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.

William N. LaForte

Notary Public

WILLIAM N. LA FORTE
Notary Public, State of New York
MONROE COUNTY
My Commission Expires
September 30, 1989

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 15 day of April, 1987, before me personally came ROBERT V. GIANNINY, to me known and known to me to be the individual described in, and who executed the foregoing instrument, and he acknowledged to me that he executed the same.

William N. LaForte

Notary Public

WILLIAM N. LA FORTE
Notary Public, State of New York
MONROE COUNTY
My Commission Expires
September 30, 1989

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 15 day of April, 1987, before me personally came BRUCE E. GIANNINY, to me known and known to me to be the individual described in, and who executed the foregoing instrument, and he acknowledged to me that he executed the same.

William N. LaForte

Notary Public

WILLIAM N. LA FORTE
Notary Public, State of New York
MONROE COUNTY
My Commission Expires
September 30, 1989

STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 15 day of April, 1987, before me personally came MARK R. GIANNINY, to me known and known to me to be the individual described in, and who executed the foregoing instrument, and he acknowledged to me that he executed the same.

William N. LaForte

Notary Public

2405N

WILLIAM N. LA FORTE
Notary Public, State of New York
MONROE COUNTY
My Commission Expires
September 30, 1989

CERTIFICATION BY SPONSOR'S ENGINEER



**SEAR-BROWN
ASSOCIATES, P.C.**

ENGINEERS/ARCHITECTS
SURVEYORS/LANDSCAPE ARCHITECTS
85 METRO PARK, ROCHESTER, NEW YORK 14623 / 716-475-1440
HORNELL, N.Y./CANTON, N.Y./HORSEHEADS, N.Y./MIAMI, FLA.

April 15, 1987

ANTHONY G. MALETTA, P.E., PRESIDENT
MICHAEL A. TRIASSI, P.E., VICE PRESIDENT
LEON H. CLARY, P.E., L.S., VICE PRESIDENT
LEE O. AKINS, P.E., L.S., VICE PRESIDENT

State of New York
Department of Law
Real Estate Financing Bureau
Two World Trade Center
Room 480-61
New York, New York 10047

RE: CEDAR RIDGE DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.
TOWN OF PERINTON, MONROE COUNTY, NEW YORK

3094

Gentlemen:

The sponsor of the above captioned Offering Plan for the Cedar Ridge Development Homeowners Association retained our firm to prepare a report describing the private roads. We have examined the ordinance of the Town of Perinton regarding the design and construction of private roads conforming to local government specifications and requirements. We drew the plans and specifications in conformance with the Town of Perinton's requirements for private roads meeting local government standards and gained approval for construction of the road on April 6, 1987. The private roadways will be constructed in accordance with the specifications of the Town of Perinton. The private roads will be twenty-five (25) feet wide with twenty (20) foot wide pavement and two and one-half (2-1/2) foot concrete gutters on each side which meet the town size standard for dedicated roadways. The road sections will consist of a minimum of nine (9) inches of stone base, two (2) inches of asphalt binder and one (1) inch of asphalt top course. The sanitary sewer system will be built in accordance with the Town of Perinton specifications. Each townhouse unit shall have a four (4) inch PVC sanitary lateral which empties into an eight (8) inch PVC sanitary sewer main. The storm drainage system will be built in accordance with the Town of Perinton specifications. Each unit shall have separate storm laterals for roof runoff and foundation drainage. The private roadways shall be crowned in order to direct runoff into the concrete gutters on each side of the roadways. The concrete gutters will have catch basins which will lead into storm mains. Part of the storm mains will connect to an existing storm drainage system while the remainder will be directed towards a detention pond.

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

STANDARDS IN EXCELLENCE

We have investigated the facts set forth herein with due diligence in order to complete this certification. We certify that:

i) We have set forth above the significant elements of the road as it will exist upon completion of construction.

(ii) This information should afford potential purchasers an adequate basis upon which to found their Judgment concerning the physical condition of the road as it will exist upon completion.

(iii) We have not omitted any material fact;

(iv) We have not made any untrue statement of a material fact;

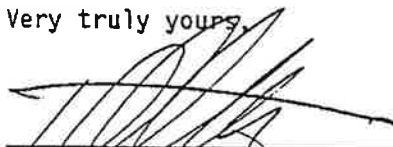
(v) This certification does not contain any fraud, deception, concealment or suppression;

(vi) This certification does not contain and promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) This certification does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

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

Very truly yours,


Donald W. Santee, P.E.
Project Manager

DWS:bsw



STATE OF NEW YORK)
COUNTY OF MONROE) SS:

On this 14th day of April, 1987, before me personally appeared Donald W. Santee, P.E. to me known to be the individual described in and who personally executed the foregoing instrument, and he duly acknowledged to me that he executed the same.

Notary Public

PATRICIA A. STELL
Notary Public, State of New York
Ontario County
Commission Expires April 30, 1987
Certificate Filed in Monroe County

THE CABOT GROUP

April 20, 1987

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

Attn: Real Estate Financing Bureau

RE: Cedar Ridge Homeowners Association, Inc.

Gentlemen:

The sponsor of the homeowners association offering plan for the captioned property retained our firm to review Schedule A containing projections of income and expenses for the first year of homeowner association operation. Our experience in this field includes 17 years in the management of over 2,000 condominiums and 5,000 rental apartments in the Western New York area.

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

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

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

I certify that the Schedule does:

(1) set forth in detail the terms of the transaction as it relates to the Schedule and is complete, current and accurate;

- (2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (3) not omit any material fact;
- (4) not contain any untrue statement of a material fact;
- (5) not contain any fraud, deception, concealment or suppression;
- (6) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (7) not contain any representation or statement which is false, where I (a) knew the truth; (b) with reasonable effort could have known the truth, (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Certification is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. I understand that a copy of this Certification is intended to be incorporated into the offering plan so that prospective purchasers may rely on it.

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.

Very truly yours,

L.R. Brattain

Lawrence R. Brattain
Vice President

LRB/ah

Sworn to before me this
20 day of April 1987

Richard C. Brienzi
Notary Public

RICHARD C. BRIENZI
Notary Public, State of New York
Qualified in Monroe County
Commission Expires March 30, 1988

disbursements for the new year based upon the common charges to be received by the Association; the budget shall comply with the Association's By-Laws, and shall be submitted to the Board of Directors at least forty-five (45) days prior to the commencement of the new budget year. The budget shall serve as a supporting document for the schedule of monthly assessments for the new budget year.

(q) When requested, rent a suitable meeting place, send notices to the unit owners and the members of the Board of Directors of the Association, prepare agendas and attend meetings of unit owners and the Board of Directors as provided in subparagraph (s).

(r) Prepare and send letters and reports as the Board of Directors may request.

(s) Attend a meeting of the Board of Directors at least once each quarter during normal business hours, and attend the annual meeting of unit owners. If the Board of Directors requires attendance after normal business hours, or more frequently than quarterly, a charge of Fifty Dollars (\$50) shall be paid to the Agent for each such meeting attended.

(t) Generally, do all things necessary or desirable as requested by the Board of Directors for the proper maintenance of the common areas.

FIFTH: The Association authorizes the Agent, for the Association's account and on its behalf, to perform any act or do anything necessary or desirable in order to carry out the

Agent's responsibilities contained in Article FOURTH hereof. It is expressly understood and agreed that everything done by the Agent under the provisions of Article FOURTH shall be done as Agent of the Association, and any and all obligations, costs or expenses incurred by the Agent in the performance of its obligations under Article FOURTH (for which the Agent is not compensated as provided in Article THIRD hereof) shall be borne by the Association and not by the Agent.

Any payment made by the Agent shall be made out of such funds as the Agent may from time to time hold for the account of the Association or as may be provided by the Association. The Agent shall not be obliged to make any advance to or for the account of the Association or to pay any amount except out of funds held or provided as aforesaid, nor shall the Agent be obliged to incur any extraordinary liability or obligation unless the Association shall furnish the Agent with the necessary funds for the discharge thereof. If the Agent shall voluntarily advance for the Associations' account any amount for the payment of any obligation or necessary expense connected with the maintenance or operation of the common areas, the Association shall reimburse the Agent on demand.

SIXTH: All funds collected by the Agent for the account of the Association will be deposited in a bank in the County of Monroe designated by the Association, and held in trust in a special account, to be entitled "The Cedar Ridge Homeowners Association Account", and will not be commingled

with any other funds of the Agent. The Agent shall not be responsible for any loss resulting from the insolvency of the depository.

SEVENTH: The Association agrees to (a) hold the Agent free and harmless from damages or injuries to person or property by reason of any cause whatsoever either in or about the common areas if the Agent is carrying out the provisions of this Agreement or acting under the expressed or implied directions of the Association and (b) reimburse the Agent upon demand for any monies which the Agent is required to pay out for any reason whatsoever, either in connection with, or as an expense in defense of any claim, proceeding or charge or prosecution made, instituted, or maintained against the Agent or the Association and the Agent jointly or severally out of the condition or use of the common areas; or for the acts or omissions of the Agent or employees of the Association or the Agent arising out of or based upon any law, regulations, requirements, contract or award relating to the hours of employment, working conditions, wages and/or compensation of employees or former employees of the Association, or otherwise; provided, in each of the foregoing instances, that the Agent promptly advises the Association of its receipt of information concerning any such injury and the amount of any such liability, damages, penalties, costs and expenses. The Association will carry liability insurance (with limits acceptable to the Agent in its reasonable judgment), workmen's

compensation and employer's liability insurance, include the Agent as a party insured under the liability policy and will deliver a copy of such liability policy to the Agent or a certificate evidencing the same.

Anything hereinbefore set forth to the contrary notwithstanding, the Association shall defend promptly and diligently, at its sole cost and expense, any claim, action or proceeding brought against the Agent arising out of the foregoing, and shall hold harmless and fully indemnify the Agent from any judgment, loss or settlement. The Agent shall promptly furnish to the Association and its attorneys all papers, documents and other evidence which, in the opinion of the Association or its attorneys, are pertinent to a claim. The Agent agrees to produce, at the appropriate place or places, at reasonable times, such witnesses as shall be requested by the Association or its attorneys. It is understood and agreed that the foregoing provisions of this Paragraph shall survive the termination of this Agreement. Nothing contained in this Agreement shall relieve the Agent from responsibility to the Association for gross negligence.

EIGHTH: If requested, the Agent, at the Association's expense, shall forthwith procure and thereafter keep in full force and effect a fidelity bond reasonably satisfactory in form to the Association and issued by a bonding, insurance or casualty company satisfactory to the Association, pursuant to which the Association will be held

harmless by the surety in an amount up to Fifty Thousand Dollars (\$50,000) from any loss of money or other personal property belonging to the Association or for which the Association is legally liable, caused by larceny, embezzlement, forgery, misappropriation, wrongful abstraction or any dishonest or fraudulent acts committed on or after the date hereof by the Agent, its directors, officers or employees.

NINTH: If the Association shall fail or refuse to comply with or abide by any rule, order, determination, ordinance or law of any federal, state or local authority, the Agent may terminate this Agreement upon forty-eight (48) hours written notice.

TENTH: It is understood that this Agreement provides for all the responsibilities and duties of the Agent. From time to time the Association may wish to have the Agent perform additional services not included in this Agreement. In such event, the Association will submit its requests for such services in writing and the Agent will promptly inform the Association of its charge for such additional services. The Association will be free to accept the charge quoted by the Agent or to have the services performed by a third party.

ELEVENTH: Any notice required to be serve upon the Agent shall be mailed to 923 Midtown Tower, Rochester, New York 14604. Any notice required to be serve upon the Association shall be mailed to the President of the Association at the official address of the Association.

TWELFTH: The Board of Directors represents that it has authorized this Agreement on behalf of the Association. The members of the Board of Directors have no personal liability hereunder.

THIRTEENTH: This Agreement constitutes the entire understanding of the parties and may not be changed except in writing signed by both parties.

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

CEDAR RIDGE HOMEOWNERS
ASSOCIATION, INC.

Witness: Wes N. Fente

By:

M. B. Gianniny V.P.

ROCHESTER MIDTOWN REALTY

Witness: Wes N. Fente

By:

Bruce E. Gianniny

2427N