

**COOPERATIVE POLICY STATEMENT #7
FOR HOMEOWNERS ASSOCIATIONS WITH A DE MINIMIS
COOPERATIVE INTEREST**

This CPS #7 Application Relates Solely to Membership in

**ORANGE COMMONS
HOMEOWNERS ASSOCIATION, INC.**

And to the Declaration of Covenants and Restrictions applicable to all Lots Sold at

**ORANGE COMMONS
Located at McNamara Drive, Pace Lane,
Duany Avenue & Melo Circle
Town of Clay, County of Onondaga
State of New York**

The total number of Lots will not exceed 113 Lots.

SPONSOR:

**KRDD Clay, LLC
621 Columbia Street
Cohoes, New York 12047**

Date of Acceptance for Filing: _____, 2014
Approximate date of First Offering to the Public is _____, 2014

**THIS COOPERATIVE POLICY STATEMENT #7 IS THE ENTIRE
OFFER TO SELL MEMBERSHIP INTERESTS IN THE HOMEOWNERS
ASSOCIATION. NEW YORK LAW REQUIRES THE SPONSOR TO
DISCLOSE ALL MATERIAL INFORMATION IN THIS STATEMENT
AND TO FILE THIS STATEMENT WITH THE NEW YORK STATE
DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO
SELL ANY MEMBERSHIP INTERESTS.**



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

ERIC T. SCHNEIDERMAN
ATTORNEY GENERAL

DIVISION OF ECONOMIC JUSTICE
REAL ESTATE FINANCE BUREAU

Writer's Direct Info:
(212) 416-8102
Marissa.Piesman@ag.ny.gov

November 18, 2014

Paul Curtin, Jr., Esq.
Curtin & DeJoseph
42 Albany Street
Cazenovia, New York 13035

RE: Orange Commons HOA
File No.: HO14-0017

Dear Mr. Curtin:

The Department of Law has reviewed your application for CPS-7 treatment submitted on June 5, 2014 for the above-captioned association.

Based upon the affidavit and supporting documentation submitted by you in connection with the application, such CPS-7 treatment is granted as of June 5, 2014. Accordingly, no enforcement action will be taken against you for failure to file an offering plan in compliance with General Business Law Section 352-e, provided that you are in full compliance with your representations made in the CPS-7 application.

The granting of CPS-7 treatment is on such terms and conditions as the Department of Law may impose, in its discretion, in order to protect the public interest. It is based solely on the information provided in the application. Any material misstatement or omission of a material fact may render the CPS-7 treatment void ab initio and may subject you to enforcement action.

The granting of this CPS-7 treatment shall not be construed to be a waiver of or limitation on the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable provisions of law.

Very truly yours,

A handwritten signature in black ink, appearing to read "Marissa Piesman", written over a horizontal line.

Marissa Piesman
Special Counsel

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Exhibit A
-Certification By Sponsor and Owners-
“Orange Commons Homeowners Association”

1. We are the Sponsors and Owners of the Homeowners Association (HOA) for the captioned property.
2. We understand that we have the primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Office of the Attorney General in Part 22, and such other laws and restrictions as may be applicable, including this Application pursuant to CPS-7.
3. We have read the entire CPS-7 Application, including Sponsors Affidavit. We have investigated the facts as set forth in the Application and the underlying facts.
4. We have exercised due diligence to form a basis for this Certification. We jointly and severally certify that the Application gives full disclosure as to the condition of the property, identity of the parties involved and any lawsuits, administrative proceedings, litigation or other proceedings the outcome of which may materially affect the offering, the property, or sponsor’s capacity to perform all of its obligations to the HOA or the operation of the HOA, and complies with the Attorney General’s requirements for granting a CPS-7 Application.
5. We certify that we shall correct any deficiencies in the original submission brought to my attention by the Department, serve such revisions on all Purchasers, and offer recession to such Purchasers if required by the Department of Law.
6. 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 civil and criminal penalties of the General Business Law and Penal Law.


KRDD CLAY, LLC


By: **KENNETH RAYMOND**, Sponsor


By: **DEAN DEVITO**, Sponsor

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

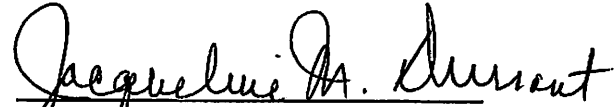
On the 17th day of March, 2014, before me, the undersigned, a notary public in and for said State, personally appeared **KENNETH RAYMOND**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.


Notary Public

JACQUELINE M. DURRANT
Notary Public, State of New York
Qualified in Albany County
Reg. No. 01DU6030654
Commission Expires September 20, 2017

STATE OF New York)
COUNTY OF Albany) SS.:

On the 17th day of March, 2014, before me, the undersigned, a notary public in and for said State, personally appeared **DEAN DEVITO**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.


Notary Public

JACQUELINE M. DURRANT
Notary Public, State of New York
Qualified in Albany County
Reg. No. 01DU6030654
Commission Expires September 20, 2017

**Exhibit B
-Affidavit-**

STATE OF NEW YORK)
COUNTY OF ONONDAGA)SS:

Re: Orange Commons Homeowners Association, Inc. located in the Town of Clay.

Tax Parcel No: 059.-01-17.1

Recorded Owners: KRDD Clay, LLC

KENNETH RAYMOND & DEAN DEVITO, being duly sworn, deposes and say:

1. The names of all principals of the Offeror/Sponsor/Owners who join in this application are:

KENNETH RAYMOND and DEAN DEVITO

2. Sponsors/offerors are the owners of the above captioned property. Attached hereto as Exhibits A-1 is the deed including the complete legal description from the former, into offeror/sponsor as the grantee.
3. The condition of the Property is presently undeveloped land. There are no lawsuits, administrative proceedings, litigation or other proceedings, the outcome of which may materially affect the offering, the Property or Sponsor's capacity to perform all of its obligations to the Homeowners Association or the appointment of the Homeowners Association.
4. The property which is to be cooperatively owned or maintained by the Homeowners Association ("HOA") to be established consists of: vacant undeveloped lands

Those premises and improvements described and shown at Exhibits A-1 aforementioned and B-1 (being respectively, the legal description and copy of the approved subdivision development map ("Map") and the portions of the property shown as roads and easements/rights of way on the Map. The premises to be cooperatively maintained by the HOA are the vacant "Green" areas shown on the approved subdivision plan. As indicated in the Declaration, the Homeowner's Association is intended to own and maintain the same with no major improvements or restricted facilities. The number of lots subject to the HOA will consist as of Single Family Dwelling Lots. The HOA will be responsible for insuring the open "Green Areas" which may be used by Association Members for passive recreational purposes.

5. This development and the amenities contained in the Property to be cooperatively maintained by the HOA complies with the Attorney General's requirements for CPS-7 treatment.

6. The condition of the Property presently is vacant. There are no lawsuits, administrative proceedings, litigation or other proceedings the outcome of which may materially affect the offering, the property, or Sponsor's capacity to perform all of its obligations to the HOA or the operation of the HOA.
7. The number of lots being offered in conjunction with membership in the HOA is one hundred thirteen (113) Lots and the annual assessment per Lot will be approximately \$12.50 which includes liability insurance.
8. The Sponsor/Offerors will comply with the Escrow and Trust Fund provisions of GBL Section 352-E (2-b) and Section 352-h and of the regulations adopted by the Attorney General in Part 22, and will hold down payments for the purchase of the property in Trust for the benefit of the Purchasers. Such funds will not be commingled with the moneys of the Offeror(s) until actually employed in connection with the consummation of the transaction.
9. That the Sponsor/Offerors will provide to each Offeree the following information:
 - A. A statement that the Purchase Price of the Lot(s) includes the cost of membership, if any, in the HOA;
 - B. If Applicable, a copy of any mortgage or ground lease that will remain on HOA property after transfer to the Association (if any);
 - C. If applicable, a copy of any contract between the Sponsor and the HOA;
 - D. If applicable, a copy of the proposed Deed of HOA property from the Sponsor to the HOA;
 - E. If applicable, a copy of the recorded Deed to the HOA property by which the Sponsor derived title or a copy of the Contract of Sale between the Owner and the Sponsor if the Sponsor is the Contract Vendee;
 - F. If applicable, the estimated or annual assessment and the proposed budget prepared in compliance with the requirements set forth in 13 NYCRR Section 22.3(g) including back-up documentation for all budget items associated with maintenance of the common amenities. If the project is built in phases, both a budget for the initial phase and a budget for all phases should be submitted. As an alternative to including back-up documentation, a certification of the adequacy of the budget in conformity with the requirements set forth in 13 NYCRR Section 22.4(d), may be provided;
 - G. Disclosure of the Escrow Account as required by Section 22.3(k)(2) including the form for Dispute Resolution provided for by the Attorney General; and
 - H. Such other information as the Office of the Attorney General may require to be presented to each Offeree.

10. Sponsor/Offeror(s) agrees to furnish to each Offeree a complete copy of the application for CPS-7 treatment and a copy of the letter granting such treatment prior to accepting any down payment. If the letter granting such treatment has not yet been issued, the Sponsor shall agree to furnish a copy of such letter to all Purchasers within Ten (10) days of issuance.
11. The use for which the properties are being offered will comply with the property's Zoning, Building and Housing Laws, Rules and Regulations.
12. The private road is not subject to an offer of dedication to the Town and will be maintained by the Association. The Sponsor will bear the initial costs of completing the private road.
13. That if the facts or circumstances contained in the Application underlying the granting of the CPS-7 Application change, the Sponsor will cease sales and submit a Supplemental Affidavit providing all the facts constituting such change. If the changes are material and adverse, an offer of Recession will be granted, sales may recommence upon advice of the Department of Law. Such Supplemental Affidavit will be furnished to each Offeree and each prior Purchaser whether or not such Purchaser has closed and taken Title.

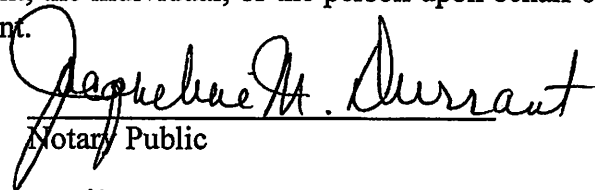
KRDD CLAY, LLC


By: **KENNETH RAYMOND**, Sponsor


By: **DEAN DEVITO**, Sponsor

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

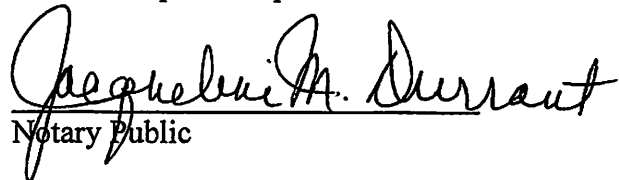
On the 17th day of March, 2014, before me, the undersigned, a notary public in and for said State, personally appeared **KENNETH RAYMOND**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.


Notary Public

JACQUELINE M. DURRANT
Notary Public, State of New York
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Commission Expires September 20, 2017

STATE OF New York)
COUNTY OF Albany) SS.:

On the 17th day of March, 2014, before me, the undersigned, a notary public in and for said State, personally appeared **DEAN DEVITO**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.


Notary Public

JACQUELINE M. DURRANT
Notary Public, State of New York
Qualified in Albany County
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Commission Expires September 20, 2017

EXHIBIT C

SITE PLAN

THIRTY NINTH STREET CHURCH
BOOK 1868 OF RECORDS, PAGE 145

- LEGEND:**
- indicates utility path, under or overhead lines
 - indicates post hole/light structure
 - indicates gas main, gas valve or gas line marker
 - indicates water main, water valve or hydrant
 - indicates storm sewer, catch basin or manhole
 - indicates sanitary sewer, cover, vent, cleaned or ventless
 - indicates underground electric line or number
 - indicates underground telephone cable or line
 - indicates underground telephone line, number or line
 - indicates main water
 - indicates the 100% limit of easement front
 - indicates all the rights to street corners
 - indicates perforated pipe and joint drain
 - indicates mail box
 - indicates existing 100-year Storm Flood Channel marker

NOTES:

1. Total Area Shown: 23.26 Acres (76,400 sq. ft.) (includes existing & highway easements)

2. Total Area Shown to be 23.26 Acres

3. Subdivision to be 100' WIDE (20' EASEMENT)

4. The Parcel No. 1-121

5. The Parcel No. 1-122

6. The Parcel No. 1-123

7. The Parcel No. 1-124

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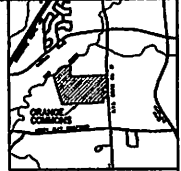
179. The Parcel No. 1-296

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181. The Parcel No. 1-298

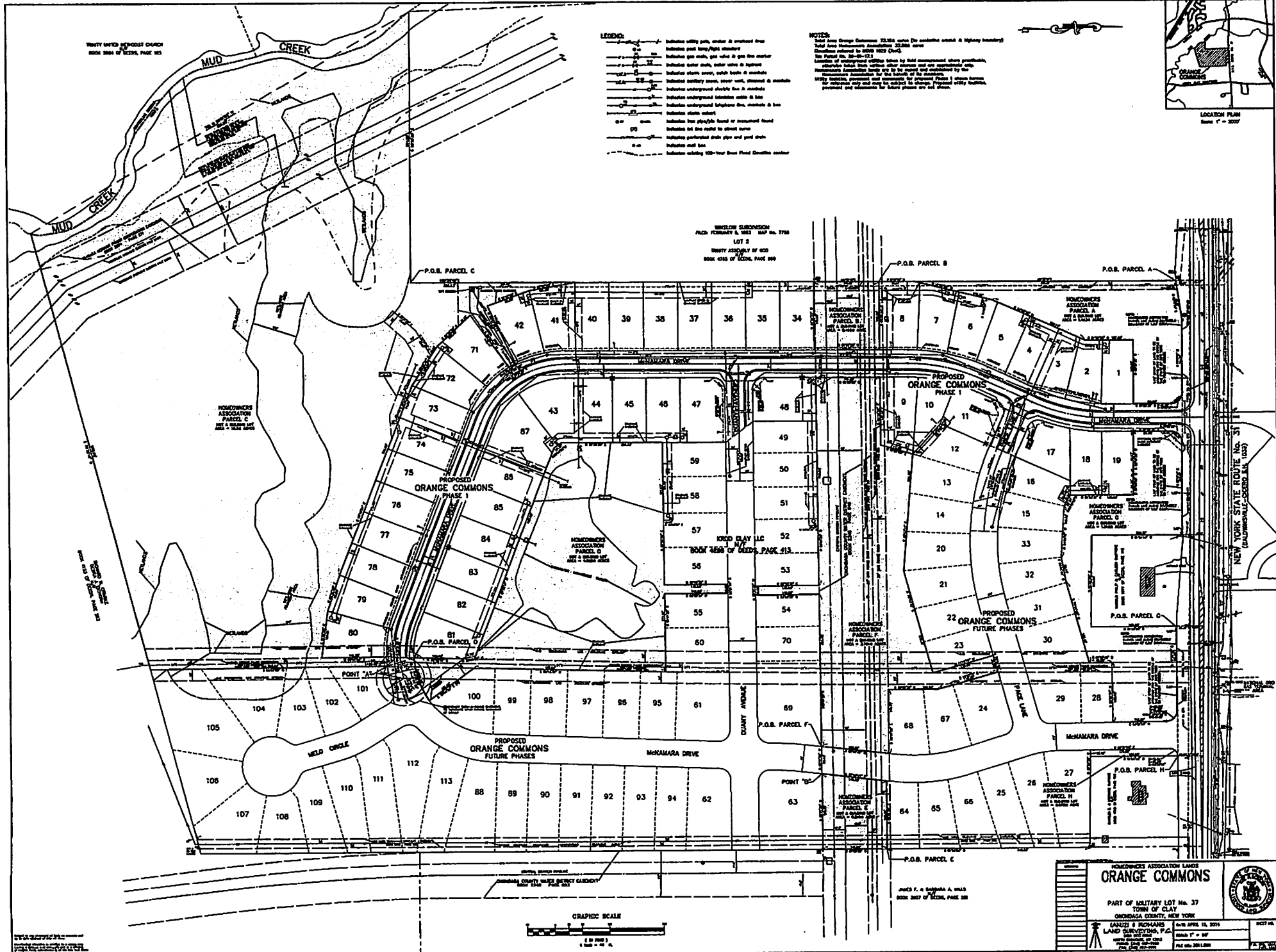
182. The Parcel No. 1-299

183. The Parcel No. 1-300



LOCATION PLAN
Scale 1" = 200'

WELSH SUBDIVISION
FILED FEBRUARY 6, 1963 MAP No. 778
LOT 2
THIRTY NINTH STREET CHURCH
BOOK 4765 OF RECORDS, PAGE 889



HOMESOWNERS ASSOCIATION LANDS
ORANGE COMMONS

PART OF MILITARY LOT No. 37
TOWN OF CLAY
ORANGE COUNTY, NEW YORK

LANUZZI & RICHMOND
LAND SURVEYING, P.C.
100 WEST MAIN
ORANGE COUNTY, NEW YORK
PHONE 331-1234
FAX 331-1234

DATE: APRIL 15, 2016
SCALE: 1" = 60'
SHEET NO. 1 OF 1

JAMES F. & SARAH A. WELSH
BOOK 3827 OF RECORDS, PAGE 288

EXHIBIT "D"
**DECLARATION OF COVENANTS, RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS**

**ORANGE COMMONS
HOMEOWNERS ASSOCIATION, INC.**

DECLARANTS:

**KRDD CLAY, LLC
621 Columbia Street
Cohoes, New York 12047**

Date of Declaration - _____, 2014

**PAUL J. CURTIN, JR., ESQ.
CURTIN & DEJOSEPH, P.C.
42 Albany Street
Cazenovia, New York 13035**

Attorney for Sponsor

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**DECLARATION OF COVENANTS, RESTRICTIONS
EASEMENTS, CHARGES AND LIENS**

DECLARATION, made this ____ day of _____, 2014, by **KRDD CLAY, LLC**, a limited liability company organized and existing under the Laws of the State of New York, with offices located at 621 Columbia Street, Cohoes, New York 12047, hereinafter referred to as "Sponsor", hereinafter referred to as Owner/Sponsor.

WITNESSETH:

WHEREAS, the Sponsor is the owner of the real property described in Schedule A of this Declaration and desires to develop thereon a residential community (hereinafter the "Community"), together with common lands and facilities for the sole use and benefit of the Owners of such properties and their customers, employees, business invitees and guests; and

WHEREAS, Sponsor desires to provide for the preservation of the value of and amenities in said Community and for the maintenance of said common lands and facilities and, to this end, desires to subject the real property referred to in Schedule A, attached hereto, to the Covenants, Restrictions, Easements, Charges and Liens as hereinafter set forth, each and all of which is and are for the benefit of said property and each Owner thereof; and

WHEREAS, Sponsor has deemed it desirable for the efficient preservation of the value and amenities in said community to create an agency to which will be delegated and assigned the powers of maintaining and administering the community property and facilities and administering and enforcing the Covenants and Restrictions

WHEREAS, Sponsor has incorporated **ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC.**, under the Not-For-Profit Corporation Law of the State of New York for the purpose of exercising the aforesaid functions;

NOW, THEREFORE, Sponsor, for itself, its successors and assigns, declares that the real property referred to in Schedule A attached hereto and forming a part hereof, is and shall be, held, transferred, sold, conveyed, and occupied subject to the Covenants, Restrictions, Easements, Charges and Liens (hereinafter referred to as Covenants and Restrictions) hereinafter set forth, and the same shall be binding on all parties having any right, title or interest in the described Properties or any part hereof their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

Article I Definitions

The following words when used in this Declaration or Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

- (A) **"Association"** shall mean and refer to Orange Commons Estates Homeowners Association, Inc., a New York Not-For-Profit Corporation, its successors and assigns.
- (B) **"The Properties"** shall mean and refer to all property, including lots and common areas, which is subject to this Declaration and which is described in Schedule A.
- (C) **"Common Areas"** shall mean and refer to those areas of land, shown on any subdivision map of the Properties or by any other means so designated. Such areas are intended to be devoted to the common use and enjoyment of the members of the Association as herein defined.
- (D) **"Lots"** shall mean and refer to all situated upon the Properties but not upon the Common Areas. The term "Lot" shall encompass the lot upon which any such Building is constructed together with all other improvements situated thereon.
- (E) **"Owner"** shall mean and refer to the record owner of the fee simple title to any Lot, including the Sponsor with respect to an unsold Lot. Every Owner shall be treated for all purposes as a single owner for each Lot held, irrespective of whether such ownership is joint, in common, or tenancy by the entirety. Where such ownership is joint, in common or tenancy by the entirety, majority vote of such Owners shall be necessary to cast any vote to which such Owners are entitled.
- (F) **"Member"** shall mean and refer to all those Owners who are members of the Association, as provided in Article III hereof.
- (G) **"Use and Occupancy"** shall mean and refer to use, in accordance with the applicable zoning regulations of the Town of Clay.
- (H) **"Sponsor"** shall mean and refer to **KRDD CLAY, LLC**, and its successors and assigns, if such successors and assigns should acquire an undeveloped portion of the Properties for purpose of development.

Article II
Property Subject to This Declaration
Withdrawals From and Additions Thereto

Section 1 - Existing Property.

The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is all that certain tract or parcel of land, together with improvements thereon, situate, lying and being in the Town of Clay, County of Onondaga, and State of New York, being more particularly described on Schedule A annexed to and made a part of this Declaration.

Section 2 - Additions to the Properties by the Association.

Annexation of any other additional property not referenced in this Article shall require the assent of Eighty percent (80%) of the Class A Members and the assent of the Class B Members, if any, at a meeting duly called for this purpose, at which a quorum shall be present, written notice of which shall be sent to all Members no less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The presence of Members or of proxies entitled to cast fifty-one percent (51%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting another meeting may be called, subject to the notice requirements set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 3 - Mergers.

Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligation of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the Covenants and Restrictions established by this Declaration with the Properties, together with covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the Covenants established by the Declaration with the Properties, except as hereinafter provided. A merger will require the same vote as an addition to the Properties as in Section 2 above.

Article III
Membership and Voting Rights in the Association

Section 1 - Membership.

Every person who is a record Owner (as defined in Article I) of any 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: Class A Members shall be all Owners and individuals who buy Lots for the purpose of constructing their own Building thereon except the Sponsor and any other person or entity which acquires title to all or any Portion of the Properties for the purpose of constructing thereon buildings for other than their own use. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership by Section 1 of this Article III.

CLASS B: The Class B Member shall be the Sponsor and its successors and assigns and any other person or entity which acquires title to all or any portion of the Properties for the purpose of construction thereon a Building other than for their own use. The Class B Member shall be entitled to one (1) vote regardless of the number of lots owned.

When a Purchaser of an individual Lot takes title thereto from the Sponsor, he becomes a Class A Member and the membership of the Sponsor with respect to such Lot shall cease.

Article IV Property Rights in the Common Areas

Section 1 - Members' Easements of Enjoyment.

Subject to the provisions of Section 3 of this Article IV, every Member shall have the right and easement of enjoyment in and to the Common Areas and such easement shall be appurtenant to and shall pass with the title of every Lot.

Section 2 - Title to Common Areas.

Sponsor hereby covenants for itself, its successors and assigns, that it will convey legal title to the Common Areas to the Association free and clear of all liens and encumbrances, except those created by or pursuant to this Declaration, subject, however, to the following covenant, which shall be deemed to run with the land and shall be binding upon the Sponsor, the Association, and their successors and assigns:

In order to preserve and enhance the property values and amenities (of) the community, the Common Areas and all facilities now or hereafter built or installed thereon, shall at all times be maintained in good repair and condition, and shall be operated in accordance with high standards. The maintenance of the Common Areas shall be limited to the vacant land.

This Section shall not be amended, as provided for in Article X, Section 2, so as to reduce or eliminate the obligation for maintenance and repair of the Common Areas.

Section 3 - Extent of Members' Easements.

The rights and easements of enjoyment created hereby shall be subject to the following:

- (A) The right of the Association, as provided in its By-Laws to suspend the enjoyment of the rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations (but in no event shall any such suspension preclude ingress or egress by the Member or his customers, employees, business invitees or guests to and from his Building).
- (B) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by Members entitled to cast two-thirds of the votes of the Class A membership and the vote of the Class B Member(s), if any, has been recorded, agreeing to such dedication, transfer, purpose or condition and unless written notice of the action is sent to every Member at least sixty (60) days in advance of any action taken, except as provided for in subparagraph (e) below and Article V, Section 2 hereof.
- (C) The right of the Association, in accordance with the Articles and By-Laws, to borrow money for the purpose of improving the Common Areas and in furtherance thereof to mortgage all or a portion of the Common Areas provided that the rights of any mortgage in the Common Areas shall be subordinate to the rights of the owners hereunder.
- (D) The right of the Association to take such steps as are reasonably necessary to protect the Common Areas against foreclosure.
- (E) The right of the Sponsor and of the Association to grant and reserve easements and rights-of-way, in, through, under, over and across the Common Areas, for the installation maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, electricity, fuel oil, gas, and other utilities, and the right of the Sponsor to grant and reserve easements and rights-of-way, in, through, under, over, upon and across the Common Areas for the completion of the Sponsor's development, the marketing of the Lots, and for the operation and maintenance of the Common Areas.

Section 4 - Delegation of Use.

Any Member may delegate, in accordance with the By-Laws and the Rules and Regulations of the Association, his right of enjoyment to the Common Areas and facilities to their employees, guests, customers, business invitees, tenants, or contract purchasers who use or occupy the property.

Article V
Development and Easements

Section 1 - Limitation on Development.

Sponsor shall in no event develop more than One Hundred Thirteen (113) Unit/Lots on the Property.

Section 2 - Reservation of Easements.

Sponsor reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Areas, for the purpose of completing the construction and sale of no more than One Hundred Thirteen (113) Unit/Lots on the Properties. Towards this end, the Sponsor reserves the right to grant and reserve easements and rights-of-way in, through, over, under and across the Common Areas for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, electricity, fuel, oil, gas and other utilities and for any other materials or services necessary for the completion of the development work. The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales offices in and about the Properties, and shall have the right and privilege to have their representatives, employees and agents present on the Properties to utilize the Common Areas, and without limitation, to do any and all things necessary and incident to the sale of the Lots, without charge or contribution. The Sponsor or its designated Builders shall have the right to continue to employ signs of its choice upon the Properties in its efforts to market and sell the Lots.

Section 3 - Easements in Favor of Association and Owners.

Sponsor does hereby establish and create for the benefit of the Association and for all Owners of Lots located on the Properties the following easements, licenses, rights and privileges:

- (i) Right of ingress and egress to the nearest public highway over and through all roads walkways and driveways on the Common Areas, and if there are no roads, walkways or driveways leading from a Lot to a public highway.
- (ii) Right to connect with and make use of utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other portions of the Common Areas.
- (iii) The Sponsor and each owner shall have an easement over Association Property and over the property of adjacent lot owners for the performance of routine maintenance on an owner's Lot or Building, provided however, the right of entry shall be exercised upon reasonable notice to the adjoining lot owner, except in the case of an emergency, shall be limited to reasonable times, and shall be exercised so as not to impair the use or enjoyment of the adjacent owner. The easement area shall be limited to that area reasonably necessary to effect repairs and maintenance of the owner's Lot or Building erected thereon.

Article VI
Completion, Maintenance and Operation of
Common Areas and Covenant for Assessments Therefor

Section 1 - Completion of Common Areas by Sponsor.

Prior to the conveyance of title to each Lot, the Sponsor shall complete the construction of the streets and roadways directly serving said Lots.

Section 2 - Assessments. Liens and Personal Obligations Therefor.

- (a) Sponsor, for each Lot owned by it within the Properties, hereby covenants, and each subsequent Owner of any such Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance shall be deemed to covenant and agree, to pay to the Association:
 - (i) Annual assessments or charges; (ii) special assessments for capital improvements; (iii) special assessments, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as are hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as are hereinafter provided, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment became due.
- (b) The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety and welfare of the Owners of the Properties, and in particular, for the improvement and maintenance of properties and the buildings thereon, as well as services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas including, but not limited to, the payment of taxes and insurance thereon, and repair, replacement and additions thereto, the cost of labor, equipment, materials, management and supervision thereof, the cost of lawn and landscaping maintenance and maintenance of the drainage system, driveway maintenance all as contemplated by an Offering Plan, dated _____, 2014 of the Association, all of which obligations the Association hereby assumes as of the date of conveyance of title of the Common Areas by Sponsor. Sponsor shall have no obligation to operate or maintain the Common Areas after their conveyance to the Association.
- (c) At the Closing of Title to each Lot/Home, a Purchaser shall be required to contribute One Hundred Dollars (\$100.00) to the Working Capital of the Association. Such contribution shall also be required of all subsequent Purchasers

of Lots/Homes, which are resold. While the Sponsor is in control of the Board, it may not use the Working Capital Fund to reduce the projected annual charges of the Association.

Section 3 - Amount and Payment of Annual Assessment.

The annual assessment for each home shall be determined by dividing the total annual budget by the number of lots actually developed, or homes constructed thereon, whichever is greater.

The Board of Directors may in all instances increase the annual assessment to an amount no greater than ten percent (10%) of the annual assessment for the year immediately preceding and, further provided that the Association may increase the maximum of the assessments above such amount, so long as any such change shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose. Written notice shall be sent to all Members not less than ten (10) days nor more than thirty (30) days in advance of the meeting, setting forth the purpose of the meeting. Should an Owner elect to contract with the Association to maintain the landscaping surrounding his Building or to receive other services, the limitations set forth herein shall not apply.

If the number of Lots located on the Properties shall be diminished by condemnation or other governmental taking or reduced by Sponsor or increased by annexation of additional properties, all in accordance with the terms of this Declaration, the fraction shall be changed to such denominator as equals the resulting number of Lots or Homes after receipt of such notice from the Sponsor or such condemnation or other taking or annexation or reduction.

For the first ten (10) years after closing of title to a Lot and irrespective of any assessment surplus which may exist during any fiscal year of the Association, no part of any of the Association assessments shall be used for any purposes other than as set forth in the first Association budget and no other capital improvements or new services shall be supplied by the Association without the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than ten (10) days nor more than thirty (30) days in advance of the meeting, setting forth the purpose of the meeting. Notwithstanding the foregoing, Sponsor may not exercise its veto power over the Board to reduce the Level of Services Described in the Offering Plan, prevent capital repairs or prevent expenditures required to comply with applicable laws or regulations.

This Section shall not be amended as provided in Article X, Section 1 to reduce or eliminate the obligation to fix the assessment at an amount sufficient to properly maintain and operate the Properties.

Section 4 - Sponsor's Obligation.

Notwithstanding anything to the contrary contained in this Declaration or the By-Laws, the Sponsor's covenant and obligation to pay assessments shall be limited to the lesser of the following sums:

- (a) Sponsor will be obligated for Association charges including supplementary charges on all unsold lots; or
- (b) Sponsor will be obligated for the difference between the actual Association expenses including reserve 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 lots or homes as projected on Schedule "A" of the Offering Plan.

As long as the Sponsor has unsold lots, which are offered for sale pursuant to this Offering Plan, Sponsor shall amend the Plan whenever there is a change in the Budget or when one (1) year has passed since the last Budget was updated. Sponsor will include the prior years certified financial statements as such are provided pursuant to the terms of this Offering Plan.

Section 5 - Special Assessments for Capital Improvements.

In addition to the annual assessments and special assessments authorized by Section 3 of this Article VI, the Association may levy, in any assessment year, a special assessment (which must be fixed at a uniform rate for all Lots in the same class) applicable to that year only, in an amount no higher than the maximum annual assessment then permitted to be levied hereunder for the purpose of defraying, in whole or in part, the cost of any construction, unexpected repair or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto or for a purpose otherwise authorized hereunder, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than ten (10) days nor more than thirty (30) days in advance of the meeting setting forth the purpose of the meeting. The due date of any specified assessment shall be fixed in the Resolution authorizing such assessment. Notwithstanding the foregoing, Sponsor may not exercise its veto power over the Board to reduce the level of services described in the Offering Plan, prevent capital repairs or prevent expenditures required to comply with applicable laws or regulations.

Section 6 - Quorum For Any Action Authorized Under Sections 3 and 5.

The quorum required for any action of the Members of the Association, authorized by Sections 3 and 5 of this Article VI shall be as follows:

At the first meeting called, as provided in Sections 3 and 5 of this Article VI, the presence at the meeting of Members or of proxies, entitled to cast fifty-one (51%) percent of all of the votes of each class of Membership, shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 3 and 5, and the required quorum at the preceding meeting, shall be one-half of the required quorum at the preceding meeting, provided that such subsequent meeting shall not be held more than sixty (60) days following the preceding meeting.

Section 7 - Duties of the Board of Directors.

The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by the Owners. Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall, upon written demand at any time, furnish to any Owner liable for said assessment, or his mortgagee, a certificate in writing, signed by an officer of the Association or by the Association's managing agent, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8 - Effect of Non-Payment of Assessment; The Personal Obligation of the Member; The Lien; Remedies of Association.

If an assessment is not paid on the date when due, as fixed by the Board of Directors, then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Member's Lot which shall bind such property in the hands of the Member, his heirs, devisees, personal representatives and assigns. Such lien shall be prior to all other liens except: (a) tax or assessment liens on the Lot by the taxing subdivision of any governmental authority, including but not limited to State, County and School District taxing agencies; and (b) all sums unpaid on any institutional first mortgage of record encumbering the Lot. The personal obligation of the Member who was the Owner of the Lot when the assessment fell due to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

In the event an assessment is not paid on the date when due, the Board of Directors may, at its sole option, declare the assessment on said Member's Lot for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default, the

Board shall send notice to the delinquent Member giving him a five day grace period in which to make his payment. The Board may charge the delinquent Member a fee of not more than twenty dollars (\$20.00) per month to cover the additional burden to the Board occasioned by the lack of timely payment. Interest at the highest legal rate may also be collected by the Board on the assessment from its due date to the date payment is actually received from the Member. If any sum, charge or assessment shall remain unpaid for thirty (30) days after the giving of notice by the Board that the payment is overdue, the Board may, after fifteen (15) days notice to the Owner's mortgagee, if any, then proceed to foreclose the lien encumbering the Lot, in the same manner as the foreclosure of a mortgage. In the event the Member does not pay the assessment required to be paid by him within thirty (30) days of its due date, said sum shall bear interest at the highest legal rate from its due date and said Member shall be liable for the Association's reasonable costs and reasonable attorney's fees incurred by it incident to collection or enforcement of such lien.

Each Member, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default, regardless of the harshness of the remedy available to the Association, and regardless of the availability of other, equally adequate legal procedures. It is the intent of all Members to give the Association a method and procedure which will enable it at all times to operate on a business-like basis, to collect those monies due and owing it from the Members and to preserve each Member's right to enjoy their Lot and Buildings constructed thereon free from unreasonable restraint.

Section 9 - Exempt Property.

The following properties subject to this Declaration shall be exempted from the assessments, charges and liens created herein: (a) all properties dedicated to and accepted by a governmental body, agency or authority, and devoted to public use: (b) all Common Areas as defined in Article I, hereof.

Article VII Architectural Control

No building, fence, wall, deck or other structure or change in landscaping, shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition or change (including staining or painting a color other than the original colors of the Buildings, including roof color, material and structure) or alteration thereto be made until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three or more representatives appointed by the Board. The provisions of this Article VII shall not apply to the original construction on the Lots presently planned for development by the Sponsor on the Properties.

Article VIII Use of Property

The Use of a Lot by a Member or Tenant, its successor and/or assign, shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Directors and the following covenants and restrictions:

- (a) The Lot and the Building constructed thereon as well as the area restricted to the Member's use shall be maintained in good repair and overall appearance.
- (b) Any Member who mortgages his Lot, as improved, shall notify the Board of Directors providing the name and address of his mortgagee. Any mortgage of a Lot, as improved, shall be subordinate to this Declaration.
- (c) The Board of Directors shall, at the request of the mortgagee of the Lot, report any delinquent assessments due from the Owner of such Lot.
- (d) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to other Members, Owners or occupants or which interferes with the peaceful possession and proper use of the property by its Members, Owners or occupants.
- (e) No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.
- (f) Regulations promulgated by the Board of Directors concerning the use of the property shall be observed by the Members, provided, however, that copies of such regulations are furnished to each Member prior to the time the said regulations become effective.
- (g) The maintenance fees and special assessments shall be paid when due.
- (h) Use of the Lots and Buildings built thereon shall be consistent with approved uses within the zoning classification approved by the Town of Clay.
- (i) Except for any signage that may be used or employed by Sponsor, its successor or assign, during the course of development, or initial construction of Buildings within the Homeowners' Association, all Building signage must be reviewed and approved by either the Sponsor or the Architectural Control Committee as the case may be, and further, it must conform with the sign ordinance of the Town of Clay. There shall be no "for sale" signs on property, in windows or on any elevation of any structure.

- (j) Other than domesticated pets, no animals, livestock or poultry of any kind shall be raised, bred or kept in any Lot or Building. Pet owners shall be responsible to maintain and control their pets so that they shall not become a nuisance or disrupt neighbors quiet enjoyment of their property.
- (k) No fence, inclusive of an "invisible fence" for pets shall be erected on any parcel or attached to the exterior of any Building without the consent of the Sponsor or the Board, except for those to be erected by Sponsor for aesthetic purposes.
- (l) There shall be no obstruction of the Common Areas nor shall anything be stored in the Common Areas without the prior written consent of the Board of Directors.
- (m) Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls or doors of a Building and no awning or canopy shall be affixed to or placed upon the exterior walls or doors, roof or any part thereof, or exposed on or at any window, without the prior written consent of the Board of Directors.
- (n) No Owner or occupant, or any of his agents, servants, employees, licensees or visitors shall at any time bring into or keep in his Building any inflammable, combustible or explosive fluid, material, chemical or substance other than normal household or cleaning supplies.
- (o) No Owner or occupant or any of his agents, servants, employees, licensees or visitors shall store any boat, trailer, camping vehicle, unregistered motor vehicle, farm equipment, heavy truck or commercial vehicles other than non-commercial pick-up trucks or other like recreational vehicles on the Common Areas or in the driveways servicing his Lot. No person shall park a vehicle or otherwise obstruct the ingress or egress to cruising lanes or parking areas.
- (p) Garbage, trash and refuse shall be stored in containers in areas out of public view and designated by Sponsor.
- (q) No Owner, guest or invitee shall use or employ the drainage detention basin within the Association Property for any recreational purpose whatsoever.

Article IX
Exterior Maintenances

Section 1 - Exterior Maintenance.

The Association shall not provide maintenance to Buildings located on Lots.

Article X General Provisions

Section 1 - Beneficiaries of Easements, Rights and Privileges.

The easements, licenses, rights and privileges established, created and granted by this Declaration shall be for the benefit of, and restricted solely to the Association and the Owners of Buildings constructed on the Properties, and any Owner may grant the benefit of such easement, license, right or privilege to his tenants, guests for the duration of their tenancies or visits, subject in the case of the Common Areas to the Rules and Regulations of the Board of Directors, but the same is not intended nor shall it be construed as creating any rights in or for the benefit of the general public.

Section 2 - 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, any Member, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, until December 31, 2044, unless otherwise expressly limited herein, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by eighty (80%) percent of the Owners has been recorded, agreeing to change said covenants and restrictions in whole or in part. Provided, however, that no such agreement to change shall be effective unless made and recorded three (3) years in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken. Notwithstanding the foregoing, the easements, licenses, rights and privileges established and created with respect to the Common Areas by Section Article V shall be perpetual, run with the land and shall survive any destruction, reconstruction and relocation of the physical structures, unless said provision is abrogated by the unanimous written consent of all the Owners. Unless specifically prohibited herein, the provisions of this Declaration may be amended by an instrument signed by Members holding not less than ninety (90%) percent of the votes of the Membership at any time until December 31, 2024 and thereafter by an instrument signed by Members holding not less than eighty (80%) percent of the votes of the Membership. Any amendment must be properly recorded to be effective.

Section 3 - Disposition of Assets Upon Dissolution of Association.

Upon dissolution of the Association, its real and personal assets, including the Common Areas, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. No such disposition of the Association properties shall be effective to divest or diminish any right or title of any Member vested in him under the licenses, covenants and easements of this Declaration, or under any subsequently recorded covenants and deeds applicable to the Properties, unless made in accordance with the provisions of this Declaration or said covenants and easements as stated herein.

Section 4 - Notices.

Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly delivered when (i) mailed post-paid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing; or (ii) personally delivered to such Member or Owner.

Section 5 - Administration.

The administration of the Association shall be in accordance with the provisions of the Association By-Laws which are made a part of this Declaration and attached hereto as Schedule "C".

Section 6 - Severability.

Invalidation of any of the covenants, limitations or provisions of this Declaration by judgment or court order shall in no way affect any of the remaining provisions hereof, and the same shall continue in full force and effect.

The Owner hereby consents to the recording of this Declaration of Covenants, Restrictions, Easements, Charges and Liens, as well as the By-Laws of Orange Commons Homeowners Association, Inc., and the imposition of same upon the land and improvements described herein.

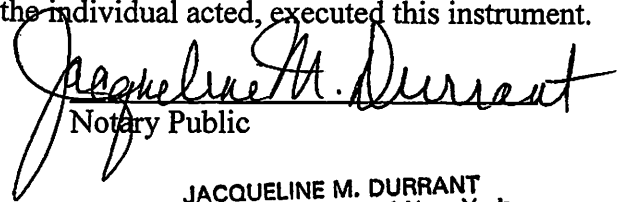
KRDD CLAY, LLC

By: 
KENNETH RAYMOND, Member

By: 
DEAN DEVITO, Member

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

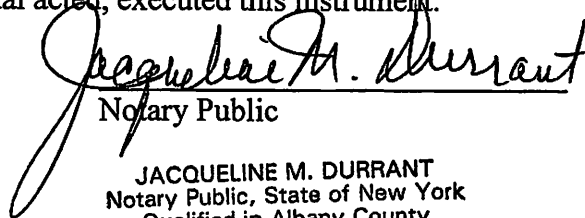
On the 17th day of March, 2014, before me, the undersigned, a notary public in and for said State, personally appeared **KENNETH RAYMOND**, member of **KRDD CLAY, LLC**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.


Notary Public

JACQUELINE M. DURRANT
Notary Public, State of New York
Qualified in Albany County
Reg. No. 01DU6030654
Commission Expires September 20, 2017

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

On the 17th day of March, 2014, before me, the undersigned, a notary public in and for said State, personally appeared **DEAN DEVITO**, member of **KRDD CLAY, LLC**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.


Notary Public

JACQUELINE M. DURRANT
Notary Public, State of New York
Qualified in Albany County
Reg. No. 01DU6030654
Commission Expires September 20, 2017

**LEGAL DESCRIPTION OF
THE PROPERTIES OF
ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC.**

All those tracts or parcels of land situate in the Town of Clay, County of Onondaga and State of New York, being part of Military Lot No. 37 in said Town, being part of lands conveyed to KRRD Clay LLC by deed recorded in the Onondaga County Clerk's Office in Book 4898 of Deeds at page 413, being Homeowners Association Parcels A, B, C, D, E, F, G and H of Orange Commons according to a map of said tract made by Ianuzi & Romans Lands Surveying, P.C. dated April 15, 2014, bounded and described as follows:

PARCEL A

Beginning at the intersection of the easterly boundary of the Winslow Subdivision according to a map of said tract filed in the Onondaga County Clerk's Office February 5, 1993 as Map No. 7755 with the southerly boundary of a 1.00 foot wide strip of land to be acquired for the People of the State of New York to prohibit access to New York State Route No. 31 (Baldwinsville-Cicero S.H. 1039) as proposed on said map of Orange Commons, said point being S 01°30'40" W along said easterly boundary of the Winslow Subdivision, a distance of 1.01 feet from its intersection with the southerly boundary of said New York State Route No. 31; running thence easterly along said southerly boundary of the 1.00 foot wide strip of land to be acquired for the People of the State of New York, parallel with said southerly boundary of New York State Route No. 31, the following courses and distances: 1) N 82°47'54" E, 87.57 feet; 2) S 88°12'19" E, 164.76 feet to a point in the small curve situate at the intersection of a westerly boundary of McNamara Drive as proposed on said map of Orange Commons with said southerly boundary of New York State Route No. 31; thence easterly, southeasterly and southerly following said small curve to the right having a radius of 25.00 feet, an arc distance of 32.04 feet to a point of tangency in said westerly boundary of McNamara Drive; thence S 01°29'31" W along said westerly boundary of McNamara Drive, a distance of 84.08 feet to the northerly boundary of Lot 1 as proposed on said map of Orange Commons; thence N 88°19'30" W along said northerly boundary of Lot 1, a distance of 140.00 feet to the northwesterly corner thereof; thence S 01°29'26" W along the westerly boundary of said Lot 1 and westerly boundary of Lot 2 as proposed on said map of Orange Commons, a distance of 107.53 feet to an angle point in said boundary of Lot 2; thence S 24°50'36" W along the northwesterly boundary of said Lot 2 and along the northwesterly boundaries of Lots 3, 4, 5 and 6 as proposed on said map of Orange Commons, a distance of 222.17 feet to an angle point in said boundary of Lot 6; thence S 15°03'03" W along the westerly boundary of said Lot 6 and along the westerly boundaries of Lots 7 and 8 as proposed on said map of Orange Commons, a distance of 176.31 feet to the aforementioned easterly boundary of the Winslow Subdivision; thence N 01°30'40" E along said easterly boundary of the Winslow Subdivision, a distance of 578.12 feet to the point of beginning, containing 1.453 acres of land, more or less.

PARCEL B

Beginning at the intersection of the easterly boundary of said Winslow Subdivision with the southerly boundary of Lot 8 as proposed on said map of Orange Commons, said point being S 01°30'40" W along said easterly boundary of the Winslow Subdivision, a distance of 656.47 feet from its intersection with the southerly boundary of said New York State Route No. 31; running thence S 88°29'22" E along said southerly boundary of Lot 8, a distance of 149.99 feet to a westerly boundary of McNamara Drive as proposed on said map of Orange Commons; thence S 01°30'38" W along said westerly boundary of McNamara Drive, a distance of 144.12 feet to the northerly boundary of Lot 34 as proposed on said map of Orange Commons; thence N 88°29'22" W along said northerly boundary of Lot 34, a distance of 149.99 feet to said easterly boundary of the Winslow Subdivision; thence N 01°30'40" E along said easterly boundary of the Winslow Subdivision, a distance of 144.13 feet to the point of beginning, containing 0.496 acre of land, more or less.

PARCEL C

Beginning at the southeasterly corner of said Winslow Subdivision; running thence N 01°30'40" E along the easterly boundary of said Winslow Subdivision, a distance of 361.23 feet to its intersection with the northerly boundary of Lot 41 as proposed on said map of Orange Commons, said point being the northwesterly corner of said Lot 41; thence S 08°44'40" E along the westerly boundary of said Lot 41, a distance of 101.95 feet to the northwesterly corner of Lot 42 as proposed on said map of Orange Commons; thence S 18°18'49" E along the westerly boundary of said Lot 42, a distance of 98.50 feet to the southwesterly corner thereof; thence N 65°27'46" E along the southeasterly boundary of said Lot 42, a distance of 140.07 feet to a southwesterly boundary of said McNamara Drive; thence southeasterly along said southwesterly boundary of McNamara Drive, following a curve to the left having a radius of 230.00 feet, a chord bearing of S 28°56'00" E, a chord distance of 17.60 feet, an arc distance of 17.60 feet to the northwesterly boundary of Lot 71 as proposed on said map of Orange Commons; thence S 55°15'52" W along said northwesterly boundary of Lot 71, a distance of 142.14 feet to the westerly corner thereof; thence S 41°20'53" E along the southwesterly boundary of said Lot 71, a distance of 100.45 feet to the westerly corner of Lot 72 as proposed on said map of Orange Commons; thence S 55°45'36" E along the southwesterly boundary of said Lot 72, a distance of 101.61 feet to the westerly corner of Lot 73 as proposed on said map of Orange Commons; thence S 67°01'11" E along the southwesterly boundary of said Lot 73, a distance of 74.66 feet to the westerly corner of Lot 74 as proposed on said map of Orange Commons; thence S 67°10'54" E along the southwesterly boundary of said Lot 74 and along the southwesterly boundaries of Lots 75, 76, 77 & 78 as proposed on said map of Orange Commons, a distance of 369.25 feet to the southwesterly corner of Lot 79 as proposed on said map of Orange Commons; thence S 69°45'42" E along the southerly boundary of said Lot 79, a distance of 82.00 feet to the southwesterly corner of Lot 80 as proposed on said map of Orange Commons; thence S 81°07'58" E along the southerly boundary of said Lot 80, a distance of 104.01 feet to the southeasterly corner thereof; thence N 00°47'09" E along the easterly boundary of said Lot 80, a distance of 141.29 feet to a southerly boundary of said McNamara Drive; thence easterly along said southerly boundary of McNamara Drive, following a curve to the left having a radius of 240.00 feet, a chord bearing of N 87°01'27" E, a chord distance of 20.04 feet, an arc distance of 20.05 feet to the westerly boundary of Lot 101 as proposed on said map of Orange Commons, said point being designated as Point "A" for future reference; thence S 00°47'09" W along said westerly boundary of Lot 101 and along the westerly boundaries of Lots 102, 103, 104 and 105 as proposed on said map of Orange Commons, a distance of 518.98 feet to a northerly boundary of lands conveyed to Richard W. Grimble and Debra J. Eichorn by deed recorded in the Onondaga County Clerk's Office in Book 4153 of Deeds at page 203; thence S 76°35'10" W along said northerly boundary of lands conveyed to Grimble and Eichorn, a distance of 985.95 feet to the centerline of Mud Creek, said centerline of Mud Creek also being the northeasterly boundary of lands conveyed to Trinity United Methodist Church by deed recorded in the Onondaga County Clerk's Office in Book 2984 of Deeds at page 185; thence northwesterly along said centerline of Mud Creek, as it winds and turns, a distance of about 1060 feet to the southerly boundary of the aforementioned Winslow Subdivision, said point being N 28°51'05" W, a distance of 961.20 feet from the terminus of the last described course; thence S 88°28'20" E along said southerly boundary of the Winslow Subdivision, a distance of 594.00 feet to the point of beginning, containing 19.9 acres of land, more or less.

PARCEL D

Beginning at the intersection of the northerly boundary of McNamara Drive with the easterly boundary of Lot 81 as proposed on said map of Orange Commons, said point being N 15°21'35" W, a distance of 61.24 feet from Point "A" as referred to in the above described Parcel C; running thence N 02°48'41" E along said easterly boundary of Lot 81, a distance of 102.03 feet to an angle point therein; thence N 08°03'02" W continuing along said easterly boundary of Lot 81, a distance of 33.75 feet to the northeasterly corner thereof; thence N 67°22'11" W along the northeasterly boundary of said Lot 81 and along the northeasterly boundaries of Lot Nos. 82, 83, 84, 85 86 and 87 as proposed on said map of Orange Commons, a distance of 487.02 feet to an angle point in said

northeasterly boundary of Lot 87; thence N 36°44'06" W continuing along said northeasterly boundary of Lot 87, and along the northeasterly boundary of Lot 43 as proposed on said map of Orange Commons, a distance of 20.37 feet to an angle point in said boundary of Lot 43; thence N 01°30'38" E along the easterly boundary of said Lot 43 and along the easterly boundaries of Lots 44, 45 and 46 as proposed on said map of Orange Commons, a distance of 222.13 feet to the southwesterly corner of Lot 59 as proposed on said map of Orange Commons; thence S 89°01'29" E along the southerly boundary of said Lot 59 and along the southerly boundaries of Lots 58, 57 and 56 as proposed on said map of Orange Commons, a distance of 311.63 feet to the southeasterly corner of said Lot 56; thence N 00°58'31" E along the easterly boundary of said Lot 56, a distance of 140.00 feet to the southerly boundary of Duany Avenue as proposed on said map of Orange Commons; thence S 89°01'29" E along said southerly boundary of Duany Avenue, a distance of 20.00 feet to the westerly boundary of Lot 55 as proposed on said map of Orange Commons; thence S 00°58'31" W along said westerly boundary of Lot 55, a distance of 140.00 feet to the southwesterly corner thereof; thence S 89°01'29" E along the southerly boundary of said Lot 55 and along the southerly boundary of Lot 60 as proposed on said map of Orange Commons, a distance of 171.16 feet to the westerly boundary of Lot 95 as proposed on said map of Orange Commons; thence S 02°48'41" W along said westerly boundary of Lot 95 and along the westerly boundaries of Lots 96, 97, 98, 99 and 100 as proposed on said map of Orange Commons, a distance of 421.66 feet to an angle point in said boundary of Lot 100; thence S 33°59'32" E along the southwesterly boundary of said Lot 100, a distance of 121.49 feet to a northwesterly boundary of the aforementioned McNamara Drive; thence southwesterly and westerly along said northwesterly and northerly boundaries, respectively, of McNamara Drive following a curve to the right having a radius of 180.00 feet, an arc distance of 100.55 feet to the point of beginning, containing 4.029 acres of land, more or less.

PARCEL E

Beginning at the intersection of the westerly boundary of lands conveyed to James F. and Barbara A. Mills by deed recorded in the Onondaga County Clerk's Office in Book 3907 of Deeds at page 281 with the southerly boundary of Lot 64 as proposed on said map of Orange Commons, said point being S 01°26'00" W along said westerly boundary of lands conveyed to Mills, a distance of 446.85 feet from its intersection with the southerly boundary of lands conveyed to Charles E. and Lorraine DeRycke by deed recorded in the Onondaga County Clerk's Office in Book 1709 of Deeds at page 165; running thence S 01°26'00" W along said westerly boundary of lands conveyed to Mills, a distance of 141.98 feet to the northerly boundary of Lot 63 as proposed on said map of Orange Commons; thence N 89°01'29" W along said northerly boundary of Lot 63, a distance of 166.15 feet to an easterly boundary of said McNamara Drive, said point being designated as Point "B" for future reference; thence N 07°49'47" E along said easterly boundary of McNamara Drive, a distance of 143.00 feet to said southerly boundary of Lot 64; thence S 89°01'29" E along said southerly boundary of Lot 64, a distance of 150.22 feet to the point of beginning containing 0.516 acre of land, more or less.

PARCEL F

Beginning at the intersection of a westerly boundary of said McNamara Drive with the northerly boundary of Lot 69 as proposed on said map of Orange Commons, said point being N 89°01'29" W, a distance of 60.43 feet from Point "B" as referred to in the above described Parcel E; running thence N 89°01'29" W along said northerly boundary of Lot 69 and along the northerly boundaries of Lots 70 and 54 as proposed on said map of Orange Commons, a distance of 334.72 feet to the northwesterly corner of said Lot 54; thence S 00°58'31" W along the westerly boundary of said Lot 54, a distance of 140.00 feet to the northerly boundary of said Duany Avenue; thence N 89°01'29" W along said northerly boundary of Duany Avenue, a distance of 20.00 feet to the easterly boundary of Lot 53 as proposed on said map of Orange Commons; thence N 00°58'31" E along said easterly boundary of Lot 53, a distance of 140.00 feet to the northeasterly corner thereof; thence N 89°01'29" W along the northerly boundary of said Lot 53 and along the northerly

boundaries of Lots 52, 51, 50, 49 and 48 as proposed on said map of Orange Commons, a distance of 453.93 feet to an easterly boundary of said McNamara Drive; thence N 01°30'38" E along said easterly boundary of McNamara Drive, a distance of 141.99 feet to the southerly boundary of Lot 9 as proposed on said map of Orange Commons; thence S 88°29'22" E along said southerly boundary of Lot 9, a distance of 147.46 feet to the southeasterly corner thereof; thence N 17°57'05" E along the easterly boundary of said Lot 9, a distance of 73.58 feet to the northeasterly corner thereof, said point being the southwesterly corner of Lot 13 as proposed on said map of Orange Commons; thence S 83°43'14" E along the southerly boundary of said Lot 13 and along the southerly boundaries of Lots 14 and 20 as proposed on said map of Orange Commons, a distance of 256.29 feet to the southwesterly corner of Lot 21 as proposed on said map of Orange Commons; thence N 75°44'43" E along the southerly boundary of said Lot 21 and along the southerly boundaries of Lots 22 and 23 as proposed on said map of Orange Commons, a distance of 232.16 feet to the southeasterly corner of said Lot 23; thence N 14°15'17" W along the easterly boundary of said Lot 23, a distance of 138.00 feet to the southerly boundary of Pace Lane as proposed on said map of Orange Commons; thence N 75°44'43" E along said southerly boundary of Pace Lane, a distance of 38.00 feet to the westerly boundary of Lot 24 as proposed on said map of Orange Commons; thence S 14°15'17" E along said westerly boundary of Lot 24 and along the westerly boundary of Lot 67 as proposed on said map of Orange Commons, a distance of 136.97 feet to an angle point in said westerly boundary of Lot 67; thence S 00°58'31" W continuing along said westerly boundary of Lot 67 and along the westerly boundary of Lot 68 as proposed on said map of Orange Commons, a distance of 110.24 feet to the southwesterly corner of said Lot 68; thence S 89°01'29" E along the southerly boundary of said Lot 68, a distance of 140.70 feet to the aforementioned westerly boundary of McNamara Drive; thence S 07°49'47" W along said westerly boundary of McNamara Drive, a distance of 150.07 feet to the point of beginning, containing 3.701 acres of land, more or less.

PARCEL G

Beginning at the intersection of the easterly boundary of lands conveyed to the Harold Philip and Earleen DeRycke by deed recorded in the Onondaga County Clerk's Office in Book 1977 of Deeds at page 118 with the southerly boundary of a 1.00 foot wide strip of land to be acquired for the People of the State of New York to prohibit access to said New York State Route No. 31 as proposed on said map of Orange Commons, said point being S 01°26'00" W along said easterly boundary of lands conveyed to DeRycke, a distance of 1.00 foot from its intersection with the southerly boundary of said New York State Route No. 31; running thence S 88°39'40" E along said southerly boundary of the 1.00 foot wide strip of land to be acquired for the People of the State of New York, parallel with said southerly boundary of New York State Route No. 31, a distance of 191.66 feet to a point in the small curve situate at the intersection of a westerly boundary of said McNamara Drive with said southerly boundary of New York State Route No. 31; thence easterly, southeasterly and southerly following said small curve to the right having a radius of 25.00 feet, a chord bearing of S 35°46'30" E, a chord distance of 29.83 feet, an arc distance of 31.96 feet to a point of tangency in said westerly boundary of McNamara Drive; thence S 00°51'03" W along said westerly boundary of McNamara Drive, a distance of 118.57 feet to the northerly boundary of Lot 28 as proposed on said map of Orange Commons; thence N 89°08'57" W along said northerly boundary of Lot 28, a distance of 132.00 feet to the northwesterly corner thereof; thence S 01°43'46" W along the westerly boundary of said Lot 28, a distance of 49.98 feet to the northerly boundary of Lot 30 as proposed on said map of Orange Commons; thence S 75°44'43" W along said northerly boundary of Lot 30 and along the northerly boundary of Lot 31 as proposed on said map of Orange Commons, a distance of 183.42 feet to the northeasterly corner of Lot 32 as proposed on said map of Orange Commons; thence S 80°04'55" W along the northerly boundary of said Lot 32, a distance of 56.17 feet to the northeasterly corner of Lot 33 as proposed on said map of Orange Commons; thence N 84°39'57" W along the northerly boundary of said Lot 33 and along the northerly boundary of Lot 15 as proposed on said map of Orange Commons, a distance of 112.12 feet to the northeasterly corner of Lot 16 as proposed on said map of Orange Commons; thence N 58°46'18" W along the northeasterly boundary of said Lot 16, a distance of 27.34 feet to the southeasterly corner of Lot 18 as proposed

on said map of Orange Commons; thence N 01°29'31" E along the easterly boundary of said Lot 18 and along the easterly boundary of Lot 19 as proposed on said map of Orange Commons, a distance of 139.59 feet to the northeasterly corner of said Lot 19; thence westerly along the northerly boundary of said Lot 19 the following courses and distances: 1) N 87°50'00" W, 48.34 feet; 2) N 88°19'30" W, 91.67 feet to an easterly boundary of said McNamara Drive; thence N 01°29'31" E along said easterly boundary of McNamara Drive, a distance of 83.69 feet to a point of curvature of a small curve; thence northerly, northeasterly and easterly following said small curve to the right having a radius of 25.00 feet, an arc distance of 32.31 feet to the southerly boundary of a 1.00 foot wide strip of land to be acquired for the People of the State of New York to prohibit access to said New York State Route No. 31 as proposed on said map of Orange Commons; thence S 88°12'19" E along said southerly boundary of the 1.00 foot wide strip of land to be acquired for the People of the State of New York, parallel with said southerly boundary of New York State Route No. 31, a distance of 210.24 feet to the westerly boundary of the aforementioned lands conveyed to DeRycke; thence S 01°26'00" W along said westerly boundary of lands conveyed to DeRycke, a distance of 200.51 feet to the southwesterly corner thereof; thence S 87°50'00" E along the southerly boundary of said lands conveyed to DeRycke, a distance of 200.00 feet to the southeasterly corner thereof; thence N 01°26'00" E along the easterly boundary of said lands conveyed to DeRycke, a distance of 188.86 feet to the point of beginning, containing 1.912 acres of land, more or less.

PARCEL H

Beginning at the intersection of the southerly boundary of said New York State Route No. 31 with the westerly boundary of lands conveyed to Charles E. and Lorraine DeRycke by deed recorded in the Onondaga County Clerk's Office in Book 1709 of Deeds at page 165; running thence S 01°26'00" W along said westerly boundary of lands conveyed to DeRycke, a distance of 194.00 feet to the southwesterly corner thereof; thence N 87°50'00" W along the westerly prolongation of the southerly boundary of said lands conveyed to DeRycke, said southerly boundary and westerly prolongation being the northerly boundary of Lot 27 as proposed on said map of Orange Commons, a distance of 15.16 feet to an easterly boundary of said McNamara Drive; thence N 00°51'03" E along said easterly boundary of McNamara Drive, a distance of 176.65 feet to a point of curvature of a small curve; thence northerly, northeasterly and easterly following said small curve to the right having a radius of 16.99 feet, an arc distance of 26.83 feet to the point of beginning, containing 0.070 acre of land, more or less.

Subject to any easements and restrictions of record and any future easements and restrictions required for Orange Commons.

EXHIBIT E
ATTORNEY TRANSMITTAL LETTER

CURTIN & DEJOSEPH, P.C.

Paul J. Curtin, Jr.
Christina F. DeJoseph

Attorneys at Law
42 Albany Street
Cazenovia, New York 13035
(315) 815-4221 FAX: (315) 815-4314
www.curtinlawpc.com

_____, 2014

Investment Protection Bureau
Real Estate Financing Section – 23rd Floor
120 Broadway
New York, New York 10271

Re: *Application for CPS-7 Treatment*
Orange Commons Homeowners Association, Inc.

Ladies and Gentlemen:

I am the attorney who prepared the CPS-7 Application for the captioned property. I affirm as follows:

Enclosed for filing is an application for CPS-7 treatment for the captioned property submitted under the simplified procedure for Homeowners Associations with a Deminimis cooperative interest.

I am fully familiar with the provisions of Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 22.

I have prepared the Application based on information from the Sponsor. I expressly disclaim any responsibility to have made an independent inspection of the property or investigation of the information furnished to me by the Sponsor. I have no actual knowledge of any violation of Article 23-A of the General Business Law or Part 22 of the Regulations promulgated by the Office of the Attorney General, nor do I have actual knowledge of any material fact omitted or any untrue statement of a material fact included in the Application.

This is hereby signed and affirmed under penalty of perjury.

Very truly yours,

CURTIN & DeJOSEPH, P.C.

Paul J. Curtin, Jr.

PJC/jmm

EXHIBIT "F"

**STATE OF NEW YORK DEPARTMENT OF LAW
BUREAU OF REAL ESTATE FINANCING
SPONSORS AND SELLING AGENTS BROKER DEALER STATEMENT**

Out-of-state or foreign firms must attach a certified copy of a designation for the service of process from the Secretary of State.

Attach additional sheets if space provided is inadequate. For assistance in completing form, call Real Estate Financing Bureau: (212) 416-8106.

A check or money order for the filing fee must accompany this statement. Filing fee, which is good for four years, is \$200 plus \$10 each per partner, proprietor, principal, officer or director, payable to N.Y. S. Department of Law, 120 Broadway - 23rd floor, New York, N.Y. 10271.

Name of Registrant KRDD Clay, LLC Telephone No.: 518-785-9000

Address 621 Columbia Street

Street City State Zip

Other offices, if any Cohoes, New York 12047

1. Registrant is a corporation
 general partnership
 limited partnership
 sole proprietor
 limited liability company
 other: specify _____

Organized under the laws of New York

2. Registrant is a sponsor.
 selling agent. If a licensed real estate broker, give state license number and expiration date _____
 holder of unsold shares of a cooperative corporation.
 purchaser for investment or resale of unsold shares of a cooperative corporation.
 seller of interests in a homeowners association.
 other: specify _____

3. If registrant is a new or substitute sponsor of a cooperative, condominium, homeowners association, timeshare or a holder of unsold shares of a cooperative corporation, has this been disclosed in an offering plan or amendment?
Yes No

4. Address, and name, if any, of cooperative, condominium, homeowners association or timeshare which gave rise to this filing.
Orange Commons Homeowners Association Inc.

5. Registrant intends to offer or sell
 stock of cooperative housing corporation

- condominium units (including stock of or membership in condominium associations or corporations)
- homeowners association interests in real estate.
- timeshare interest

6. The offering or selling will take place in

- New York State only
- New York and other states: specify _____

7. The offering will be made by

- officers, directors and employees of registrant
- selling agent. If so, give name(s) and address(es): Prime Properties Syracuse

LLC d/b/a Coldwell Banker Prime Properties 6800 East Genesee Street Fayetteville, NY 13066

8. Has registrant, any officer, director, principal or partner ever

- A. been suspended or expelled from membership in any securities exchange, association of securities dealers or investment advisors or counsel? Yes No
- B. had a license or registration as a dealer, broker, investment advisor or salesperson denied, suspended or revoked? Yes No
- C. been enjoined or restrained by any court or agency from:
 - 1. the issuance, sale or offer for sale of securities? Yes No
 - 2. rendering securities advice or counsel? Yes No
 - 3. handling or managing trading accounts? Yes No
 - 4. continuing any practices in connection with securities? Yes No
- D. been convicted of any crime? Yes No
- E. used or been known by any other name? If "yes," give other name(s)..... Yes No
- F. been the subject of any professional disciplinary proceeding? Yes No
- G. been adjudged a bankrupt or made a general assignment for benefit of creditors or been an officer, director or principal or any entity which was reorganized in bankruptcy, adjudged a bankrupt or made a general assignment for benefit of creditors? Yes No
- H. had an offering or selling of securities within the last three years or been an officer, director, principal or partner of any entity which had sold or offered securities within the last years Yes No

If any answer to "A," "B," "C," "D," "E," "F," "G," "H," is "Yes," attach statement of full particulars, giving date, nature of offense, title and location of agency or court involved, circumstances and final disposition.

9. List names and residence addresses of all securities salespersons (if none, so indicate).

None

10. Provide the following information for each proprietor, officer, director, principal or partner.

A. Name: Kenneth M. Raymond Jr. Title: Managing Partner
Home Address: 31 Schuyler Road Loudonville NY Phone: 518-785-9000
Place of Birth: New York Date of Birth: 10/22/1947
Social Security No.: 086-36-5116 Other home addresses for past ten years:

Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD
2000	Current	Self Employed - Real Estate Developer	Managing Partner

B. Name: Dean M. DeVito Title: Managing Partner
 Home Address: 6264 Empire Circle Schenectady Phone: 518-785-9000
 Place of Birth New York Date of Birth: 7/31/1962
 Social Security No.: 070-62-7682 Other home addresses for past ten years:

Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD
2000	Current	Self Employed - Real Estate Developer	Managing Partner

C. Name: _____ Title: _____
 Home Address: _____ Phone: _____
 Place of Birth: _____ Date of Birth: _____
 Social Security No.: _____ Other home addresses for past ten years: _____

Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD

D. Name: _____ Title: _____

Home Address: _____ Phone: _____

Place of Birth: _____ Date of Birth: _____

Social Security No.: _____ Other home addresses for past ten years: _____

Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD

E. Name: _____ Title: _____

Home Address: _____ Phone: _____

Place of Birth: _____ Date of Birth: _____

Social Security No.: _____ Other home addresses for past ten years: _

Complete employment and business affiliation record for the past five years. Include periods of self-employment and unemployment. Include all corporations or other entities where person holds or held a substantial equity or controlling interest.

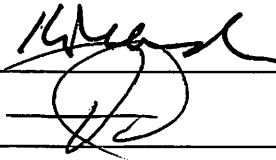
FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD

11. The undersigned constitute all proprietors, officers, directors, principals or partners of the registrant. Each hereby represents that all statements contained herein are true and correct and understands that any false statement shall constitute a violation of Article 23-A of the General Business Law.

SIGNATURE

NAME AND TITLE (PLEASE TYPE OR PRINT)

DATE



KENNETH RAYMOND, Member

3-16-14

DEAN DEVITO, Member

3-16-14

EXHIBIT G

STATISTICAL RECORD

NAME OF PROJECT Orange Commons Homeowners Association, Inc.

ADDRESS Town of Clay, Onondaga County

CITY Liverpool COUNTY Onondaga STATE NY ZIP 13090

SPONSOR KRDD Clay, LLC
(LIST INDIVIDUAL PRINCIPALS ON BACK OF CARD)

ADDRESS 621 Columbia Street, Cohoes, New York 12047

SPONSOR'S ATTORNEY (Firm) Curtin & DeJoseph, P.C.
BY Paul J. Curtin, Jr., Esq. (315) 815-4221
TEL. NO. 815-4221

ADDRESS 42 Albany Street, Cazenovia, New York 13035
CHECK APPLICABLE ITEMS:

- Pt 17 (Coop)
- Pt 18 (Occ. Coop)
- Pt 19 (Condo)
- Pt 20 (NC/Vac Condo)
- Other _____
- Pt 21 (NC/Vac Coop)
- Pt 22 (Homeowners)
- Pt 23 (Occ. Condo)
- Pt 24 (Timeshare)

File NO: _____
FOR OFFICE USE ONLY

DEPOSIT \$ _____
 REC./DATE _____
 BALANCE \$ _____
 REC./DATE _____
 INIT. PP \$ _____
 PP on Accep. _____
 Date _____
 CPS-1 Date _____
 CPS-7 Date _____
 Atty. _____
 Date Acc. _____
 Rec. No. _____

KEY DATES:
PLAN REC'D _____
ASSIGNED TO: _____

REJECTED: _____
 WITHDRAWN: _____
 ABANDONED: _____
 ACCEPTED: _____
 EFFECTIVE: _____
 NO. OF UNITS SOLD: _____

BUILDING INFORMATION

Check Applicable Items:	Check Type:	No. Units:	Existing Use:
<input type="checkbox"/> Coop	- Res. Conver.:	Comm _____	Commercial _____
<input type="checkbox"/> Condo	Non Evic. _____	Parking _____	Loft (Mfg) _____
<input type="checkbox"/> Condo/Coop	Evic. _____	Prof. _____	Office _____
<input type="checkbox"/> Continuing Care Retirement	Prof. _____	Resort _____	Prof. Bldg _____
<input type="checkbox"/> Community	- Res. Vacant:	Resid. _____	Residential _____
<input checked="" type="checkbox"/> HOA	New Const. <input checked="" type="checkbox"/> _____	RC _____	SRO _____
<input type="checkbox"/> Sponsored by HPD (NYC)	Rehab. _____	RS _____	School, Hosp. _____
<input type="checkbox"/> Loft	- Comm.: _____	Non-reg. _____	Other: _____
<input type="checkbox"/> PHFL:	Occ. _____	Storage _____	Specify _____
<input type="checkbox"/> Mitchell Lama: Art. 2	Prof. _____	Other: _____	
<input type="checkbox"/> Redevelopment Co:	Vacant _____		
<input type="checkbox"/> Art. 5	- Other: _____	Total _____	
<input type="checkbox"/> HDFC: Art. 11	Specify _____		
<input type="checkbox"/> Timeshare			
<input type="checkbox"/> Other: _____			
Specify _____			

LIST ALL INDIVIDUALS WHO ARE PRINCIPALS OF THE SPONSOR
(PLEASE PRINT OR TYPE)

<u>Kenneth Raymond</u>	<u>Dean DeVito</u>	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

EXHIBIT "H"
TITLE REPORT

CHICAGO TITLE INSURANCE COMPANY

LOAN COMMITMENT

SCHEDULE A

<u>Title Number</u>	<u>Date of Commitment</u>	<u>Amount of Insurance</u>
TBA	_____, 2014	\$_____.00

1. Name of Insured:

ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC.

2. The estate or interest in the land described or referred to in this Commitment and covered herein is:

FEE SIMPLE

3. Title to the estate or interest in the land is vested in:

KRDD CLAY, LLC

4. The land referred to in this Commitment is known as:

Address:

City/Town: CLAY

County: ONONDAGA

State: New York Lot No.:

Subdivision: ORANGE COMMONS

SEE SCHEDULE A-5 ATTACHED HERETO

THIS COMMITMENT VALID ONLY IF SCHEDULE B IS ATTACHED.

SCHEDULE A-5

ALL THAT TRACT OR PARCEL OF LAND, situate in the Town of Clay, County of Onondaga and State of New York, being part of Farm Lot No. 37 in said Town of Clay, bounded and described as follows: Beginning at the northeast corner of Subdivision No. 1 of said Farm Lot No. 37 in the center of the highway extending from Euclid, New York to Clay, New York; thence along the center of said highway N. 87° 50' W., eighteen (18) chains and seventy-seven (77) links to the northeast corner of premises formerly owned or occupied by James H. Barrus; thence along the east line of the premises of said James H. Barrus S. 2° W. twenty-six (26) chains and thirty-eight (38) links to the southeast corner of the premises of said James H. Barrus; thence westerly nine (9) chains to the center of Mud Creek; thence southeasterly along the center of Mud Creek as it winds and turns, twelve (12) chains; thence N. 77° E. twenty-one(21) chains and twenty-five (25) links to the west line of Subdivision No. 4; thence along said subdivision line and the east line of said Subdivision No. 1 N. 2° E. thirty-three(33) chains and twenty-five (25) links to the place of beginning, containing seventy and sixty-one hundredths (70.61) acres of land, more or less, and being the same premises described and conveyed and intended to be described and conveyed by a deed from John Flagler and Rebecca Flagler, his wife, to Charles Dederick dated April 13, 1866 and recorded in the Onondaga County Clerk's Office on the 10th day of July, 1866 in Book 160 of Deeds at Page 484&c.

LOAN COMMITMENT

SCHEDULE B

Title Number: TBA
Loan

EXCEPTIONS FROM COVERAGE

The policy will not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of:

1. Continuation of the Abstract of Title to the date of the policy.
2. The lien of any unpaid sewer or water rents or charges.
3. The rights of tenants or others in possession, if any.
4. The lien of the 2014 Town and County taxes and 2013/14 School Taxes, if unpaid.

Authorized Signatory
Paul J. Curtin, Jr., Esq.

EXHIBIT I

**-COPY OF PROPOSED DEED FOR COMMON AREA-
WARRANTY DEED WITH LIEN COVENANT**

THIS INDENTURE, made the _____ day of _____, 2014.

BETWEEN: KRDD CLAY, LLC, a limited liability company formed under the laws of the State of New York with its address at 621 Columbia Street, Cohoes, New York 12047 (hereinafter referred to as "Grantor"),

AND: ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC., a New York corporation, whose address is c/o 42 Albany Street, Syracuse, New York 13202 (hereinafter referred to as "Grantee").

WITNESSETH, that the Grantor, in consideration of One and 00/100 Dollar (\$1.00) and other good and valuable consideration paid by the Grantee, hereby grants and releases unto the Grantee, the heirs or successors and assigns of the Grantee forever,

ALL THAT CERTAIN PIECE OR PARCEL OF LAND situate in the Town of Clay, County of Onondaga and State of New York, being part of Lot 37 in said Town and being more particularly shown on a map prepared by Ianuzi & Romans Land Surveying, P.C., dated _____, 20__ and revised to _____, 20__, said map being entitled "Orange Commons", said map being filed in the Onondaga County Clerk's Office on the ___ day of _____, 20__ as Map No. _____.

SUBJECT to easements, covenants and restrictions of record, if any.

BEING part of the same property conveyed to Grantor by Warranty Deed dated July 13, 2005 and recorded on August 11, 2005 in the Onondaga County Clerk's Office in Book 4898 of Deeds at Page 413&C.

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

TO HAVE AND TO HOLD the premises herein granted unto the Grantee, the heirs or successors and assigns of the Grantee forever.

AND the Grantor covenants as follows:

FIRST.-The Grantee shall quietly enjoy the said premises;

SECOND.-The Grantor will forever warrant the title to said premises.

THIS deed is subject to the trust provisions of Section 13 of the Lien Law. The words "Grantor" and "Grantee" shall be construed to read in the plural whenever the sense of this deed so requires.

IN WITNESS WHEREOF, the Grantor has executed this deed the day and year first above written.

In presence of: **KRDD CLAY, LLC**

By: KENNETH RAYMOND
Its: Member

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

On the ____ day of _____, 20____, before me, the undersigned, a notary public in and for said State, personally appeared **KENNETH RAYMOND**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity and that by his/her/their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

RECORD & RETURN TO:

CURTIN & DEJOSEPH, P.C.
Paul J. Curtin, Jr., Esq.
42 Albany Street
Cazenovia, New York 13035
Tel.: (315) 815-4221

EXHIBIT J

-COPY OF RECORDED DEEDS TO SPONSOR-

ONONDAGA COUNTY CLERK'S OFFICE
M. ANN CIARPELLI - COUNTY CLERK
401 Montgomery St - Room 200
Syracuse NY 13202

BOOK 4 898 PAGE 4 13

Phone: 315-435-2226
Fax: 315-435-3455

Submitted by: CMS
Document type: DEED
Grantor: RAY AND BLOOMFIELD
Grantee: KRDD CLAY LLC
Legal desc: CLA L37
Prop addr: STATE ROUTE 31

Receipt: 453058 LM
Instrument: 1010905
Book/Page: 04898/0413
Date filed: 08/11/2005 at 03:03PM
Updated: 08/15/2005 LV
Record and return to:
KRDD CLAY LLC
12 CENTURY HILL DR
LATHAM NY 12110

RECORDING FEES

Addl pages: 2 x 3.00 \$ 6.00
Addl names: x \$
Addl refs: x \$
Misc: \$
Basic: \$ 8.50
=====

Total: \$ 14.50

MISCELLANEOUS FEES

RMI: \$ 20.00
TP 584: \$ 5.00
RP5217: \$ 165.00
Affts: \$

=====
Total: \$ 190.00

MORTGAGE TAX

Mortgage: \$
Basic: \$
Insurance fund: \$
Net add: \$
Misc: \$

=====
Total: \$

DEED TRANSFER TAX

Consideration: \$ 450,000.00
Transfer tax: \$ 1,800.00
SWIS: 3124
Map #: 059-01-17.1

=====
TOTAL PAID: \$2,004.50
Control no: 623

WARNING - This sheet constitutes the Clerk's endorsement, required by Section 319 of the Real Property Law of the State of New York. Do not detach.
Taxes imposed on this instrument at time of recording were paid.
Certain information contained in this document is not verified by this office.

M. ANN CIARPELLI
Onondaga County Clerk



D 0 4 8 9 8 0 4 1 3

WARRANTY DEED WITH LIEN COVENANT

ATR: KRDD Clay LLC
12 Century Hill Dr
Latham, NY 12110

CAUTION: THIS AGREEMENT SHOULD BE PREPARED BY AN ATTORNEY AND REVIEWED BY ATTORNEYS FOR SELLER AND PURCHASER BEFORE SIGNING.

THIS INDENTURE, made the 1st day of July, in the year Two thousand and Five between RAY AND BLOOMFIELD, a New York Partnership, of 10573 Pineada Circle, Boynton Beach, Florida, 33436 party of the first part, and ~~MAILED 11/11/05~~, with offices at 12 Century Hill Drive, Latham, New York, 12110 party of the second part, *KRDD CLAY LLC

WITNESSETH, that the party of the first part, in consideration of One dollar and other good and valuable consideration, lawful money of the United States, paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Clay, County of Onondaga and State of New York, being part of Farm Lot No. 37 in said Town of Clay, bounded and described as follows: Beginning at the northeast corner of Subdivision No. 1 of said Farm Lot No. 37 in the center of the highway extending from Euclid, New York to Clay, New York; thence along the center of said highway N. 87° 50' W. eighteen (18) chains and seventy-seven (77) links to the northeast corner of premises formerly owned or occupied by James H. Barrus; thence along the east line of the premises of said James H. Barrus S. 2° W. twenty-six (26) chains and thirty-eight (38) links to the southeast corner of the premises of said James H. Barrus; thence westerly nine (9) chains to the center of Mud Creek; thence southeasterly along the center of Mud Creek as it winds and turns, twelve (12) chains; thence N. 77° E. twenty-one (21) chains and twenty-five (25) links to the west line of Subdivision No. 4; thence along said subdivision line and the east line of said Subdivision No. 1 N. 2° E. thirty-three (33) chains and twenty-five (25) links to the place of beginning, containing seventy and sixty-one hundredths (70.61) acres of land, more or less, and being the same premises described and conveyed and intended to be described and conveyed by a deed from John Flagler and Rebecca Flagler, his wife, to Charles Dederick dated April 13, 1866 and recorded in Onondaga County Clerk's Office on the 10th day of July, 1866, in Book 160 of Deeds, page 484&c.

EXCEPTING AND RESERVING THEREFROM, ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Clay, County of Onondaga, New York, being part of Farm Lot 37 in said Town and being part of Subdivision No. 1 of said Farm Lot and being more particularly bounded and described as follow: Beginning at the northeast corner of Subdivision No. 1 of said Farm Lot 37 in the center of the highway leading from Clay Corners to Cicero; thence along the centerline of said highway No. 87° 50' W. 200 feet to a point; thence S. 1° 07' W. 250 feet; thence S. 87° 50' E. 200 feet to the east line of said Subdivision No. 1; thence N. 1° 07' E. 250 feet to the place of beginning.

ALSO, EXCEPTING AND RESERVING THEREFROM, ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Clay, County of Onondaga, New York, being part of Farm Lot 37 in said Town and being part of Subdivision No. 1 of said Farm Lot and being more particularly bounded and described as follows: Beginning at a point in the centerline of the highway leading from Clay Corners to Cicero also known as Route No. Thirty-one (31) which point of beginning is located No. 87° W 486.60 feet as measured along said center line from the intersection of said centerline with the east line of Subdivision No. 1 on Farm Lot 37; thence N. 87° 50' W. along said centerline 200.0 feet; thence S. 1° 07' W. 250.0 feet; thence S. 87° 50' E. 200.0 feet; thence N. 1° 07' E. 250.0 feet to the place of beginning.

Subject to easements and restrictions of record.

Grantor represents and warrants that at the time of conveyance of the premises herein by deed dated July 28, 1999, recorded in the Onondaga County Clerk's Office on August 26, 1999 in Book 4348 of Deeds, page 158&c. Grantor was a New York partnership despite the lack of any indication of such partnership being set forth in said deed, which was a scrivener's error.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof,

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

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

15:03 08/11/05 1010905 LM DB-04898P-413

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

AND the party of the first part covenants as follows:

FIRST. That the party of the second part shall quietly enjoy the said premises:

SECOND. That said party of the first part will forever warrant the title to said premises.

The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

RAY AND BLOOMFIELD

By: Maury Ray
Maury Ray

STATE OF CONNECTICUT)

) ss: Westfield

COUNTY OF HARTFORD)

On the 13th day of July in the year 2005 before me, the undersigned, personally appeared MAURY RAY personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument and that such individual made such appearance before the undersigned in Westfield, CT, Hartf. Cty
(city, county and state)

Maria M. Nugent
Notary Public

MARIA M. NUGENT,
NOTARY PUBLIC
MY COMMISSION EXPIRES NOV. 30, 2005

EXHIBIT K

**ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC.
-PROPOSED ANNUAL BUDGET-**

ANNUAL INCOME (113 TOTAL LOT)

\$12.50 per Annum;

(or) \$1.04 per month =

TOTAL ANNUAL BUDGET: \$1,412.50

<u>UNRESTRICTED EXPENSES</u>	<u>PER LOT MONTHLY</u>	<u>PER LOT YEARLY</u>	<u>ANNUAL TOTAL</u>
1. Professional Fees	\$0.44	\$5.31	\$600.00
2. Miscellaneous	\$0.05	\$0.55	\$62.50
3. Insurance	<u>\$0.55</u>	<u>\$6.64</u>	<u>\$750.00</u>
TOTALS	\$1.04	\$12.50	\$1,412.50

**NOTES TO EXHIBIT K
-PROPOSED BUDGET-**

1. Professional Fees: This estimate includes the yearly tax return by CPA and potential legal services needed.
2. Insurance: This estimate is based upon a quote received from Delmonico Insurance Agency, which will include \$1,000,000.00 general liability, \$1,000,000.00 umbrella and \$1,000,000.00 Directors and Officers Insurance as required.

DELMONICO INSURANCE AGENCY

Business & Family Insurance

July 9, 2013

Shulman Curtin Grundner & Regan, PC
Attn: Paul Curtin
250 South Clinton, Suite 502
Syracuse, NY 13202

RE: Orange Commons HOA, Inc.

Dear Paul:

Based on the information that you supplied me we have come up with an estimated premium of \$750 for \$1,000,000 of General Liability. This is to protect the 10 acres of undeveloped land in the Town of Clay.

If I can help in any way please feel free to contact me.

Sincerely,



Joseph E. Delmonico

EXHIBIT L

CONTRACT OF SALE

AGREEMENT, made and dated this _____ day of _____ 20__ between:

The Seller: _____

_____, New York _____
Phone No.: (____) _____ Fax No.: (____) _____

The Buyer: _____ Phone - Home: (____) _____
_____ Office: (____) _____
_____ Fax: (____) _____

Address: _____ E-Mail: _____

Buyer's Attorney: _____ Phone: _____

Address: _____ Fax: _____

- 1) **PREMISES:** Seller agrees to sell and convey, and Purchaser agrees to purchase: ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, situate, lying and being in the Town of Clay, County of Onondaga, and State of New York known as Lot No. ___ on a Map entitled Orange Commons, filed in the Office of the Onondaga County Clerk, Syracuse, New York.
- 2) Seller shall erect a one-family attached dwelling of frame construction (party walls of fire-retardant construction in accordance with New York State standards all other exterior of frame and vinyl and aluminum siding and trim construction) substantially similar in appearance to Lot _____ of Orange Commons, Town of Clay, County of Onondaga and State of New York located at [insert model home address] _____. Purchaser represents that the premises are purchased for use and occupancy as Purchaser's residence. Seller reserves the right to (a) make changes and substitutions of materials, appliances, quality, (b) determine the exterior color and design, reversal of layout, location of building, grading, elevation of plots, foundations and street, and location and design of walks and landscaping; and (c) determine whether trees and shrubs currently on the premises are to be removed.
- 3) **INCLUDED:** Included in this sale are the following: (a) Seeding of the entire plot, except areas to be otherwise landscaped and areas to be left as is and all selections and options as same are set forth on the Contract Addenda attached hereto and made a part of this contract. Title to all items of personal property shall be delivered free of all encumbrances.

- 4) **SELECTIONS:** In cases where Purchaser is given a right of selection, same shall be made from Seller's samples within (10) ten days of written notice and if Purchaser fails to comply, Seller's selections shall be final. Purchaser's right of selection shall not apply to items installed or, in production.
- 5) **NOT INCLUDED:** Except as specifically included in Paragraph 3, all items displayed in or about the models and model home sites are for exhibit purposes and are not included in this sale. Without limitation, the following are excluded unless specifically included above as an optional extra: (a) wallpaper, (b) washing machine, (c) dryer, (d) furniture, furnishings, drapes and window coverings, (e) interior lighting fixtures, except wall and ceiling lights, for which an allowance will be given.
- 6) **PURCHASE PRICE:** The price is payable as follows: The purchase price is _____ (\$_____). On the signing of this contract, the receipt whereof is hereby acknowledged of a Five Thousand and 00/100 (\$5,000.00) deposit payable to _____, Esq., Escrow Agent for **KRDD CLAY, LLC** (if by check, subject to collection); upon delivery of deed, by cash, good certified check, bank check and/or the proceeds of the mortgage loan.

- Escrow on deposit per Section 17 of this Contract shall be held at Chase Savings Bank.

- 7) **MORTGAGE:** (a) Purchaser shall make proper and truthful application to lending institution designated or approved by Seller and promptly furnish verification of bank accounts and employment and any other instruments or information required in processing a contract. Failure to comply with any of the foregoing shall be a material breach of contract; (b) the loan shall be secured, by a conventional first mortgage in the amount of \$_____ to run for a period of _____ years, and to bear interest at the rate of _____ percent per annum or at the prevailing interest rate permitted at the time of closing title, and to contain such privilege of prepayment as may be required by law. This Purchase Offer shall be null and void after sixty (60) days from date of this Contract of Sale in the event a mortgage commitment is not obtained from a lending institution and a written copy of said commitment given to Sponsors. If the loan is approved in a reduced amount and the reduction is not more than \$2,500.00, Purchaser shall accept same and shall pay the difference at the closing so that the purchase price will not vary; (c) The mortgage shall be payable in monthly installments which shall include amortization of principal, interest, taxes, fire and other hazard insurance premiums, mortgage insurance premiums, if any, and such other items as may be required by the lending institution unless waived, and if this contract is executed by one individual, Purchaser agrees to obtain the execution by his or her spouse, if any, of all such instruments; (d) if Purchaser has complied with his obligations, but the lending institution does not approve the mortgage loan application, the down payment shall be returned to Purchaser, whereupon this contract shall be null and void and neither party shall have any further rights or liabilities as against the other, except the Seller reserves the right, on reasonable notice, to grant the mortgage loan itself on the same terms and conditions. Upon issuance of a written mortgage commitment, Purchaser shall immediately deliver the same to Seller's attorney together with an additional deposit representing 10% of the

Purchase Price, the same to be held by Seller's attorney, _____, Esq. as Escrow Agent, as provided for above, at Paragraph 6.

- 8) **CLOSING PAYMENTS:** (a) Purchaser shall pay the costs, fees, charges and expenses of title examination and policy to insure the mortgagee, mortgagee's attorney's fees, if any, for the preparation of mortgage instruments and closing, mortgage, taxes, recording fees of the mortgage instruments, survey and other charges by the lending institution for services actually rendered for inspection, appraisal and credit approval. (b) Purchaser shall pay Seller the apportioned amounts found to be due at title closing for (1) taxes on lien year basis; (2) common charges, fees, and assessments of ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC. and (3) insurance premiums on policies obtained by Seller, which policies shall be transferred to Purchaser. If the premises are affected by a special assessment concerning any matter which Seller is obligated to provide, then all installments, whether due and payable before or after delivery of deed, shall be paid by Seller at closing without apportionment to Purchaser. (c) If required by the Lender, Purchaser shall make the required deposits with the Lending institution for future payments of taxes and insurance premiums, and, if collected by the lending institution, for common charges, fees and assessments of the Homeowners Association. (d) Purchaser shall also make the following additional payments at the closing: Reserve fund payment of \$100.00 to ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC. (e) Purchaser understands that title insurance to protect his interest in the property may be purchased, at his option, from the title company at additional cost.
- 9) **TITLE:** Purchaser shall accept a marketable title such as Seller's title company will insure. Seller will provide a preliminary title insurance commitment through the title insurance company of its choice with the premium for such insurance to be paid by Purchaser. The deed shall be a Warranty Deed with Lien Covenant so as to convey premises to Purchaser in fee simple, free of all encumbrances except as herein stated. The deed shall contain the covenant required by Section 13(5) of the Lien Law, and shall grant sufficient easements for ingress and egress. This Agreement is made and title to the premises shall be conveyed, subject to (a) ordinances and regulations of competent municipal or other governmental authorities, (b) easements for screening and planting and for sewer, water, gas, fuel line, drainage, electric, CATV, telephone and other similar utilities, if any, granted or to be granted, (c) covenants, agreements, declarations, and restrictions, or record affecting the premises, provided same do not prohibit the erection and maintenance of the structures herein, (d) the rights of others to use of common walks, walls, areas, and the like, (e) any state of facts an accurate survey may show, encroachments of stoops, areaways, steps, trim and cornices if any, and (g) unpaid taxes or liens, provided the title company shall insure against collection of same from premises. Title to streets and road widenings is reserved by the Seller to the municipal authority having jurisdiction over same and/or ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC. and for granting of easements for utilities.

- 10) **HOMESOWNERS ASSOCIATION:** The Seller has exhibited and delivered to the Purchaser, and Purchaser has read and agrees to be bound by the proposed Declaration of Covenants, Restrictions, Easements, Charges and Liens, By-Laws and Cooperative Policy Statement #7 (CPS-7) of the Association, (and the Exhibits attached thereto), as the same may from time to time be amended, all of which are incorporated by reference and made a part of this Agreement with the same force and effect as if set forth in full herein. With the purchase of his home, the Purchaser acknowledges that he will automatically thereby become a member of the Association, subject to its rules and regulations and liable for its assessments. Pursuant to regulation this Agreement is being executed more than 72 business hours after the receipt by Purchaser of a copy of the Cooperative Policy Statement #7 (CPS-7).
- 11) **SUBORDINATION:** Purchaser agrees that all terms and provisions of this contract are and shall be subject and subordinate to the lien of any building loan mortgage heretofore and hereafter made, and any advances, heretofore or hereafter made thereon, and any payments or expenses heretofore or hereafter made or incurred pursuant to the terms thereof or incidental thereto or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances, payments and expenses are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments.
- 12) **TERMINATION:** If for any cause beyond its reasonable control, Seller is unable to deliver the premises in accordance with the provisions of this contract, then in any such event, Seller's sole liability shall be limited to the return of Purchaser's down payment and the net bulk rate cost of title examination actually charged to Purchaser, and upon the return of said sums, this contract shall be null and void and neither party shall have any further rights or liabilities as against the other. Purchaser's down payment and the net bulk rate cost of examination of title, as aforesaid are hereby made liens against the premises, but such liens shall terminate upon any default by Purchaser if Purchaser defaults or becomes unwilling or unable to complete this transaction in accordance with the provisions of this contract, and Seller is not in default, then upon five (5) days written notice, Seller may cancel this contract. Upon such cancellation Seller may, at its option, either (a) retain Purchaser's down payment and all sums paid to Seller for additional work not specified herein, as liquidated damages and not as penalty and remedies it might otherwise have, including, without limitation, the right to specific performance, or (b) avail itself of any and all legal or equitable rights and remedies it may have as a result of Purchaser's default, including, without limitation, the right to specific performance. All of the foregoing shall apply irrespective of whether construction has commenced and regardless of any sale of the property subsequent to Purchaser's default.

- 13) **POSSESSION:** No work shall be installed, supplied or performed by any person not employed by or under this contract to Seller, and Purchaser shall in no event take possession of the premises prior to title closing. If Purchaser violates this paragraph, Seller shall have the right to dispossess him from the premises by Summary Proceeding, but such proceedings shall not constitute a waiver by Seller of any other rights or remedies it may have at law or in equity by reason of the breach. Seller assumes the risk of loss or damage to the premises by fire or other causes until delivery of the deed, provided Purchaser complies with this paragraph.
- 14) **CLOSING:** Closing of title shall occur at Seller's Attorney's office or at an office designated by the lending institution at 10:00 A.M. on or about _____, 20___, or at another date and time designated by Seller upon five (5) days written notice mailed to Purchaser. If all necessary reports and approvals or any installation of public or private utilities under the control of unrelated third parties have not been obtained by the date set for the closing of title, then title closing may be adjourned by Seller to a date not beyond one (1) month after said dwelling shall be ready for occupancy and all necessary reports, approvals, and instruments shall have been issued. Seller will deliver at or after closing of title such appropriate certificate covering occupancy. In the event the dwelling is not completed on the date set by Seller for closing of title, same shall, neither by appropriate escrow arrangement, or by letter agreement to survive title closing, agree to complete any open items within sixty (60) days after closing, weather and circumstances permitting.
- 15) **GUARANTEE:** Seller guarantees a Builder's Warranty against defective workmanship and materials for a period of one (1) year from the date of closing of title or of Purchaser's occupancy, whichever first occurs. Seller's liability is expressly limited to correcting the defect and damage. These guarantees are specifically limited to the named Purchaser only and are not transferable; they are expressly in lieu of any other guarantee or warranty, express or implied, including any warranty of merchantability; they shall survive delivery of the deed without the necessity for the execution of any further instrument; and they shall be void if Purchaser misuses; abuses or otherwise interferes with or changes Seller's original construction or installations. Notwithstanding anything contrary in this contract, Purchasers shall agree to be bound by and provided with a copy of the "Home Builders of C.N.Y. Standards of Performance and Warranty Booklet," which each party will acknowledge to in writing at a time prior to closing. In no event shall there be any sums "held back" for unfinished items at closing unless the municipality has not issued a temporary, conditional or permanent Certificate of Occupancy.
- 16) **GENERAL:** This writing states that the entire agreement and neither party is relying upon any statement or matter, whether oral, written, visual, or otherwise, not specifically contained herein. This contract may not be modified, nor may any provision be waived, except by similarly executed written instrument. Purchaser shall not record this contract not assign same or any of his rights hereunder. Seller's obligations hereunder may be assumed by an assignee in complete substitution to Seller. The word "Purchaser" and the pronoun therefor as used herein shall be construed as masculine, feminine, or neuter, or in the singular or plural, as the sense

requires. The captions are for convenience only and in no way affect, define, or limit the scope of any part of this Agreement. Delivery or acceptance of the Deed shall constitute full compliance with all of Seller's obligations hereunder, except as to those matters contained in written agreement, which by its terms survives title closing. None of the terms hereof, except those specifically made to survive title closing, or relating to matters to be performed subsequent thereto, shall survive such closing. Trial by jury in any action, proceeding or counterclaim arising out this Agreement or in any way connected with this sale is waived by both parties. This Agreement shall bind the inure to the benefit of both parties, their respective heirs, executors, administrators, successors, and lawful assigns. Any conflict of terms between the CPS-7 and this Contract of Sale, will be resolved according to the terms of the CPS-7.

- 17) TRUST FUNDS: Such funds will be held as trust funds pursuant to Section 352(h) and Section 352(e)(2) of the General Business Law, in a special interest bearing escrow account entitled, "Paul J. Curtin, Jr., Esq., ORANGE COMMONS Escrow Account" and will be deposited within five (5) business days by the Escrow Agent (Paul J. Curtin, Jr., Esq.) at Chase Bank, Syracuse, New York and written notice shall be given to the Purchaser within ten (10) business days after such deposit has been made. Such deposit, together with the interest accumulated thereon, shall remain the property of the Purchaser except as otherwise provided herein.

"YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE ESCROW AGENT TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT THE ESCROW AGENT MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

Such advance shall be retained in the Escrow Account until the trust is terminated either by the Escrow Agent's performance of the terms of the Contract of Sale, or by default of the Purchaser excusing the Escrow Agent's performance of the terms of the Contract of Sale, or by release or discharge of the Escrow Agent's liability to refund such advance to the Purchaser, or upon transfer of Title of the real property to the Purchaser.

- 18) The Buyer represents that Buyer has not dealt with any other Broker in this purchase other than _____.
- 19) This contract is contingent upon approval by Buyer's Seller's attorney within five (5) business days from receipt as to all terms except the Purchase Price described in Section 6 above. Failure to provide either the Listing Agent, Selling Agent, Attorney for other party, or the other party with an attorney's disapproval of this contract within 5 business days shall be deemed to constitute approval of the terms of the contract by the attorney for the party who does not respond within such time frame.

20) ESCROW DEPOSIT RELEASE: Pursuant to the Disclosure of the Escrow Agreement Section 3, Subsection 3.2, (and under General Business law §352-h), it is hereby agreed that the release of any deposits from the Paul J. Curtin, Jr., Esq., ORANGE COMMONS Escrow Account shall occur at the time of closing unless the plan is not consummated pursuant to the terms contained in the Cooperative Policy Statement.

THE ATTORNEY REPRESENTING THE SELLER OR ANY LENDER REPRESENTS SUCH PARTIES ONLY AND NOT THE PURCHASER. THEREFORE, THE PURCHASER MAY RETAIN INDEPENDENT COUNSEL AT HIS OWN EXPENSE IN ORDER TO PROTECT HIS INTEREST.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written, it being understood that this Agreement shall not be binding on Seller unless and until one of the Sellers has signed below.

PURCHASERS:

Witness Dated (SS. # _____ - _____ - _____) L.S.

Witness Dated (SS. # _____ - _____ - _____) L.S.

SELLER: _____, LLC:

Witness Dated By: _____

SELLER'S ATTORNEY:

Paul J. Curtin, Jr., Esq.
Curtin & DeJoseph, P.C.
42 Albany Street
Cazenovia, New York 13035
Tel: (315) 815-4221
Fax: (315) 815-4314
E-Mail: pcurtin@curtinlawpc.com

PURCHASER'S ATTORNEY:

Tel: _____
Fax: _____
E-Mail: _____

APPROVED AS TO FORM:

DATE: _____
L.S. _____, ESQ.

APPROVED AS TO FORM:

DATE: _____
L.S. _____, ESQ.

EXHIBIT M

DISCLOSURE OF THE ESCROW AGREEMENT

The Escrow, Trust Fund is subject to numerous requirements as set forth below.

(1) The account. All deposits, down payments, or advances made by purchasers prior to closing of each individual transaction must be placed within five (5) business days after the agreement is signed by all necessary parties, in Paul J. Curtin, Jr., Esq.'s segregated special Escrow Account in Oneida Savings Bank at its offices located at 48 Albany Street, in Cazenovia, New York. Said account is covered by Federal Bank Deposit Insurance. Paul J. Curtin, Jr., Esq. (hereinafter "the Escrow Agent") may create a Master Escrow Account with a Sub-Account for each purchaser. Funds from this account may be released only by the signature of the Escrow Agent. Funds must be placed in an interest-bearing account, with all interest credited to the Purchaser, unless the Purchaser defaults and the plan is consummated. The interest rate to be earned shall be the prevailing rate. No fees of any kind may be deducted from the account. **KRDD CLAY, LLC** shall bear any administrative cost for maintenance of the account.

(2) Payments. All funds received from purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payer, shall be made payable to or endorsed by the purchaser to the order of the Escrow Agent.

(3) The Escrow Agent. The Escrow Agent is an attorney admitted to practice in the State of New York. The Escrow Agent is independent of **KRDD CLAY, LLC**. The Escrow Agent will comply with the Appellate Division rules for the preservation of client funds of the Judicial Department having jurisdiction over the Escrow Agent. Only the Escrow Agent shall be a signator on the account and only he shall be authorized to release funds. The Escrow Agent conducts business at Curtin & DeJoseph, P.C., 42 Albany Street, Cazenovia, New York 13035. His telephone number is (315) 815-4221.

(4) Escrow Agreement. **KRDD CLAY, LLC** shall not indemnify The Escrow Agent. Termination of the Escrow Agreement between the Escrow Agent and **KRDD CLAY, LLC** are set forth below as stated in the Escrow Agreement:

7. TERMINATION OF AGREEMENT

7.1 This Agreement shall remain in effect unless and until it is cancelled, by either: (a) Written notice given by KRDD CLAY, LLC to the Escrow Agent of cancellation of designation of the Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

The resignation of the Escrow Agent upon giving notice to KRDD CLAY, LLC of their desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

7.2 *Upon termination of the duties of the Escrow Agent as described in paragraph 7.1 above, the Escrow Agent shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by the Escrow Agent to the new escrow agent.*

The Escrow Agent will not represent **KRDD CLAY, LLC** in any lawsuit. There will be no compensation by **KRDD CLAY, LLC** to Oneida Savings Bank and The Escrow Agent will not be compensated for acting as Escrow Agent.

(5) Notification to Purchaser. Within ten (10) business days after tender of the deposit submitted with the purchase agreement, The Escrow Agent shall notify the purchaser that such funds have been deposited in Oneida Savings Bank. The Escrow Agent shall also provide the account number and the initial interest rate. If the purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, they may cancel the purchase and rescind within 90 days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted in accordance with these regulations and requisite notice was timely mailed to the purchaser.

(6) Escrow Revisions. Before funds are transferred to a new Escrow Account, or if the Escrow Agent is replaced, the plan will be amended to provide the same full disclosure with respect to the new account, the Escrow Agent, and the Escrow Agreement as was originally provided. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to the provisions of paragraph (4) of this subdivision *et seq.*

(7) Release of Funds. The requirements and procedures for the release of the escrowed funds are set forth below as they appear in the Escrow Agreement:

3. RELEASE OF FUNDS

3.1 *The Escrow Agent shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve KRDD CLAY, LLC of their fiduciary obligations pursuant to GBL Section 352-h.*

3.2 *The Escrow Agent shall contained to hold the funds in escrow until otherwise directed in (a) writing signed by both Sponsor and purchaser; or (b) a determination of the Attorney General; or (c) a judgment order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.*

3.3 *KRDD CLAY, LLC shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan; or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.*

3.4 If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent shall not pay the funds to KRDD CLAY, LLC until Escrow Agent has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to KRDD CLAY, LLC unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified the Escrow Agent in accordance with such provisions.

(8) Disputes. In the event of a dispute, KRDD CLAY, LLC shall apply and the purchaser or the Escrow Agent, holding the down payments in escrow may apply to the Attorney General for a determination on the disposition of the down payment and any interest earned thereon. A copy of such form may be found attached to this Exhibit. The party applying shall contemporaneously send to all other parties a copy of such application.

Pending the determination of the Attorney General to grant or deny the application, KRDD CLAY, LLC, the purchasers, and the Escrow Agent shall abide by any interim directive issued by the Attorney General.

If the application permitting release of funds is granted, the deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.

The Attorney General shall act upon the application within thirty (30) days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.

If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the deposit and any interest earned thereon shall: (a) both KRDD CLAY, LLC and the purchaser direct payment to a specified party in accordance with a written direction signed by both KRDD CLAY, LLC and the purchaser; (b) a judgment or order of a court of competent jurisdiction is served on The Escrow Agent, or (c) the Escrow Agent deposits the disputed amount into court.

In no event shall the Escrow Agent release funds in dispute, other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General, by order or judgment of a court of competent jurisdiction, or by written agreement of the sponsor and the purchaser.

(9) Exhibits to CPS-7. Copies of the forms provided by Oneida Savings Bank for opening the Escrow Account will be provided upon first deposit.

(10) Records on file. The Escrow Agent shall maintain all records concerning the Escrow Account for seven (7) years after release of the funds. Upon the dissolution of any law firm which was the escrow agent the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of them or by the successor firm and shall notify the Department of Law of such transfer.

(11) Review and audit. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

(12) Waiver void. Any provision of any contract or agreement, whether oral or in writing, by which a purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void.

(13) Trust obligation of KRDD CLAY, LLC. Nothing contained herein shall diminish or impair KRDD CLAY, LLC, statutory obligations to each purchaser pursuant to General Business Law §352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transaction with such purchaser. Consummation of the Plan does not relieve _____ of its obligations pursuant to General Business Law §352-h. Funds from the Escrow Account remain property of the purchaser until employed in connection with the consummation of the transaction. Such funds shall not be a part of the estate of KRDD CLAY, LLC or the Escrow Agent upon any bankruptcy, incapacity or death. Please see the attached Dispute Resolution form provided by the Attorney General. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approved in writing the use of such alternate form of security.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to Paul J. Curtin, Jr. as Escrow Agent for KRDD CLAY, LLC. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five business days following receipt of such instrument by the Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to the Escrow Agent pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, the Escrow Agent shall notify the purchaser of the deposit of such funds in the bank indicated in the Offering Plan, provide the account number, and disclose the initial interest rate. If the purchaser has not received notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the subscriber or purchaser.

3. RELEASE OF FUNDS

- 3.1. The Escrow Agent shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve KRDD CLAY, LLC of their fiduciary obligations pursuant to GBL Section 352-h.
- 3.2. The Escrow Agent shall contained to hold the funds in escrow until otherwise directed in (a) writing signed by both Sponsor and purchaser; or (b) a determination of the Attorney General; or (c) a judgment order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.
- 3.3. KRDD CLAY, LLC shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan; or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.
- 3.4. If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent shall not pay the funds to KRDD CLAY, LLC until Escrow Agent has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to KRDD CLAY, LLC, unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified the Escrow Agent in accordance with such provisions.

4. RECORD KEEPING

- 4.1. The Escrow Agent shall maintain all records concerning the escrow account for seven (7) years after release of the funds.
- 4.2. The Escrow Agent, shall make available to the Attorney General, upon his request, all books and records of his relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLGATIONS OF ESCROW AGENT

- 5.1. A fiduciary relationship shall exist between the Escrow Agent and Purchasers, and he acknowledges his fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR

- 6.1. KRDD CLAY, LLC agree that Sponsor and their agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to the Escrow Agent.

6.2. KRDD CLAY, LLC agree that it shall not interfere with Paul J. Curtin, Jr.'s performance of his fiduciary duties and compliance with the Attorney General's regulations.

7. DISPUTES

- 7.1. In the event of a dispute, KRDD CLAY, LLC shall apply and the Purchaser of the ESCROW AGENT who is holding the down payments in escrow may apply to the Attorney General for a determination on the disposition of the down payment and any interest earned thereon. A copy of such form may be found as "Exhibit N – The party applying shall contemporaneously send to all other parties a copy of such application.
- 7.2. Pending the determination of the Attorney General to grant or deny the application, KRDD CLAY, LLC, the Purchaser, and the ESCROW AGENT shall abide by any interim directive issued by the Attorney General.
- 7.3. If the application permitting release of funds is granted, the deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.
- 7.4. The Attorney General shall act upon the application within 30 days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.
- 7.5. If the application seeking release of funds is denied, The Escrow Agent shall continue to hold the deposit and any interest earned thereon until: (a) both KRDD CLAY, LLC and the Purchaser direct payment to a specified party in accordance with a written direction signed by both KRDD CLAY, LLC and the Purchaser; (b) a judgment or order of a court or competent jurisdiction is served on the Escrow Agent or (c) the Escrow Agent deposits the disputed amount into court.
- 7.6. In no event shall the Escrow Agent release funds in dispute, other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General, by order or judgment of a court of competent jurisdiction, or by written agreement of the sponsor and the purchaser.

8. TERMINATION OF AGREEMENT

- 8.1. This Agreement shall remain in effect unless and until it is cancelled, by either:
- (a) Written notice given by KRDD CLAY, LLC to the Escrow Agent of cancellation of designation of the Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(b) The resignation of The Escrow Agent upon giving notice to KRDD CLAY, LLC of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(c) All shares or units offered pursuant to the Plan have been sold and sales transactions have been consummated.

8.2 Upon termination of the duties of the Escrow Agent as described in paragraph 7.1 above, the Escrow Agent shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by the Escrow Agent to the new escrow agent.

9. SUCCESSORS AND ASSIGNS

9.1. This Agreement shall be binding upon Sponsor and the Escrow Agent and their successors and assigns.

10. GOVERNING LAW

10.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

11. ESCROW AGENT'S COMPENSATION

11.1 KRDD CLAY, LLC agrees that the Escrow Agent's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to the Escrow Agent, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

12. SEVERABILITY

12.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.


13. ENTIRE AGREEMENT

13.1 This Agreement, read together with General Business Law Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as to the day and year first written above.

ESCROW AGENT:

CURTIN & DEJOSEPH, P.C.

By: 
PAUL J. CURTIN, JR., ESQ.

SPONSOR:

KRDD CLAY, LLC

By: 
KENNETH RAYMOND, Member

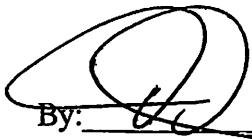
By:  member
DEAN DEVITO, Member

EXHIBIT N

ESCROW AGREEMENT

AGREEMENT made this ____ day of _____, 2014 between **KRDD CLAY, LLC** (collectively hereinafter referred to as "Sponsor") as Sponsor of the Offering Plan and **Paul J. Curtin, Jr. Esq.** ("Escrow Agent") as Escrow Agent.

WHEREAS, **KRDD CLAY, LLC** is the Sponsor of an CPS-7 for Homeowners Association with a de minimis interest for premises located at _____ in the Town of Clay, New York, which premises are known as **ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC.**; and

WHEREAS, **Paul J. Curtin, Jr., Esq.** is authorized to act as an Escrow Agent hereunder in accordance with General Business Law ("GBL") Section 3 52-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as Escrow Agent for deposits and payments by purchasers and subscribers, pursuant to the term of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

- 1.1 Sponsor and Escrow Agent hereby establish an escrow account with Escrow Agent for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with **ONEIDA SAVINGS BANK** its branch located at 48 Albany Street, Cazenovia, New York 13035. The account number is _____.
- 1.2 The name of the account is **Paul J. Curtin, Jr., Esq., Escrow Account for KRDD CLAY, LLC.**
- 1.3 Escrow Agent is the sole signatory on the account.
- 1.4 The escrow account shall be an interest-bearing account as disclosed in the Offering Plan.
- 1.5 The escrow account is (is not) an IOLA established pursuant to Judiciary Law 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

- 2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser or subscriber to the order of **PAUL J. CURTIN, JR., ESQ.** as Escrow Agent for **KRDD CLAY, LLC**. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.
- 2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the Offering Plan, provide the account number, and disclose the initial interest rate. If the purchaser has not received notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the subscriber or purchaser.

3. RELEASE OF FUNDS

- 3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.
- 3.2 ESCROW AGENT shall be contained to hold the funds in escrow until otherwise directed in (a) writing signed by both Sponsor and purchaser; or (b) a determination of the Attorney General; or (c) a judgment order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.
- 3.3 SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan; or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.
- 3.4 If there is no written agreement between the parties to release the escrowed funds, Escrow Agent shall not pay the funds to SPONSOR until ESCROW AGENT has

given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4. RECORD KEEPING

- 4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven (7) years after release of the funds.
- 4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.
- 4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLGATIONS OF ESCROW AGENT

- 5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.
- 5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR

- 6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.
- 6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT

- 7.1 This Agreement shall remain in effect unless and until it is cancelled, by either:
 - (a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All shares or units offered pursuant to the Plan have been sold and sales transactions have been consummated.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow agent.

8. SUCCESSORS AND ASSIGNS

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION

10.1 SPONSOR agrees that ESCROW AGENT's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. SEVERABILITY

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.


12. ENTIRE AGREEMENT

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as to the day and year first written above.

ESCROW AGENT:

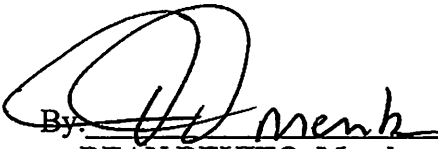
CURTIN & DEJOSEPH, P.C.

By: 
PAUL J. CURTIN, JR., ESQ.

SPONSOR:

KRDD CLAY, LLC

By: 
KENNETH RAYMOND, Member

By: 
DEAN DEVITO, Member

**EXHIBIT "O"
BY-LAWS OF**

ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC.

CURTIN & DEJOSEPH, P.C.
Attorney for Sponsor

Paul J. Curtin, Jr., Esq.

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**BY-LAWS OF
ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC.**

A New York Not-For-Profit Corporation

**Article I
Name, Location and Principal Office**

These are the By-Laws of **ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC.**, hereinafter referred to as the "Association". The principal office of the Association shall be located in the Town of Clay, County of Onondaga and State of New York.

**Article II
Definitions**

The following words when used in these By-Laws shall, unless the context otherwise prohibits, have the meanings set forth below:

- (a) **"Association"** shall mean and refer to **ORANGE COMMONS HOMEOWNERS ASSOCIATION, INC.**, a New York Not-For-Profit corporation.
- (b) **"Sponsor"** shall mean and refer to **KRDD CLAY, LLC**, and its successors and assigns, if such successors and assigns should acquire an undeveloped portion of the Properties for the purpose of development.
- (c) **"Declaration"** shall mean and refer to the Declaration of Covenants, Restrictions, Easements, Charges and Liens applicable to the Properties made by **KRDD CLAY, LLC** and recorded among the land records in the office of the Clerk of Onondaga County, New York on _____, 2014.
- (d) **"The Properties"** shall mean and refer to all those lands described in and subject to the Declaration.
- (e) **"Common Areas"** shall mean and refer to all those areas of land, including the facilities constructed thereon, described in and shown upon the Site Plan attached to and forming a part of the Declaration, devoted to the common use and enjoyment of the Members.
- (f) **"Member"** shall mean and refer to each member of one of the two classes of membership interests in the Association; as such interests are set forth in Article VI of these By-Laws.
- (g) **"Lot"** shall mean and refer to all building lots situated upon the Properties, but not upon the Common Areas. The term "Lot" shall also encompass the lot upon which any such unit of residential housing is constructed.

- (h) **"Owner"** shall mean and refer to the record owner of fee simple title to any Lot, including the Sponsor with respect to an unsold Lot. Every Lot Owner shall be treated for all purposes as a single owner for each Lot held, irrespective of whether such ownership is joint, in common, or tenancy by the entirety. Where such ownership is joint, in common or tenancy by the entirety, majority vote of such owners shall be necessary to cast any vote to which such owners are entitled.
- (i) **"Board"** shall mean and refer to the Board of Directors of the Association, as such Board of Directors are defined in Article VIII of these By-Laws.

Article III Purpose

This Association is formed to own, operate, manage and control the Common Area, as an automatic Homeowners Association for the benefit of its Members as herein defined.

Article IV Applicability

All present and future Members, lessees, tenants, their guests, licensees, agents, employees and any other person or persons that shall be permitted to use the Common Areas shall be subject to these By-Laws and to the rules and regulations issued by the Association to govern the conduct of its Members.

Article V Use of Facilities

The Common Areas shall be limited to the use of the Members and their guests, licensees, agents, employs and other similar business invitees. In the event that a Member shall lease or permit another to occupy his Lot, however, the lessee or occupant shall, at the option of the Member, be permitted to enjoy the use of the Common Areas in lieu of and subject to the same restrictions and limitations as said Member. Any Member, lessee or occupant entitled to the use of the Association facilities may extend such privileges to such Member's successor, assign, tenant, guests, employees or other similar business invitee.

Article VI Membership and Voting Rights

Section 1 - Membership.

The Association shall have two classes of membership interests as follows:

CLASS A Members shall be all Owners and individuals who buy lots for the purpose of constructing their own residential dwelling thereon, excepting Sponsor and excepting any other person or entity which acquires title to all or any portion of the Properties for the purposes of constructing thereon buildings other than for their own use. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Section 1 of Article III of the Declaration.

CLASS B The Class B Member shall be the sponsor and its successors and assigns and any other person or entity which acquires title to all or any portion of the Properties for the purpose of constructing thereon a Building other than for their own use. The Class B Member shall be entitled to one (1) vote for each lot in which it owns an interest, provided that upon the happening of either of the following events, whichever first occurs, the Class B membership shall cease and be converted to Class A membership.

- (a) When the total number of Lots for which title has been closed equals 57.
- (b) On the twelfth (12th) anniversary date of the closing of the first Lot.

When a purchaser of an individual Lot takes title thereto from the Sponsor, he becomes a Class A Member and the membership of Sponsor with respect to such Lot shall cease. Membership shall be appurtenant to and may not be separated from ownership of any Lot, which is subject to assessment.

Section 2 - Suspension of Membership.

The rights of membership are subject to the payment of periodic assessments levied by the Board of Directors, the obligation of which assessments is imposed against each Member and becomes a lien upon the property of any Owner against which such assessments are made and provided for by Article VI of the Declaration. During any period in which a Member shall be in default in the payment of any assessment levied by the Association, the Member's right to the use of the Common Areas may be suspended by the Board of Directors until such assessment has been paid. Such rights of a Member may also be suspended, after notice and a hearing before a committee of the Board, for a period not to exceed thirty (30) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Areas. In no event, however, shall any such suspension preclude ingress or egress by the Member or his guests to and from his Lot. Following the cessation and conversion of the Class B Membership to Class A Memberships, such suspension may also include any voting rights to which the Member would otherwise be entitled.

Article VII
Quorum, Proxies and Waivers

Section 1 - Quorum.

So many Members as shall represent at least fifty-one (51%) percent of the total authorized votes of each class of membership, present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the Association for the transaction of business, except as otherwise provided by Statute, by the Declaration, the Certificate of Incorporation of the Association or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Association, the Members entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented and the required quorum at each subsequent meeting shall be one-half (1/2) of the required quorum for the preceding meeting provided that the subsequent meeting be called within forty-five (45) days following the preceding meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 2 - Vote Required to Transact Business.

When a quorum is present at any meeting, the vote of a majority of the Members present in person or represented by written proxy shall decide any question brought before such meeting. Any such vote shall be binding upon all Members, unless the question is one upon which, by express provision of the Statute, Declaration, Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 3 - Right to Vote.

Members shall be entitled to vote either in person or by proxy at any meeting of the Association. Any such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 4 - Proxies.

All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 5 - Tenants.

Notwithstanding any other provisions of these By-Laws, in the event a Class A Member shall lease or permit another to occupy his Lot and structure located thereon (but see Article XV) and elects to permit the lessee or occupant to enjoy the use of the Common Areas in lieu of the Member himself, the Member may not permit the lessee or occupant to exercise his right to vote for the duration of the lease or permitted occupancy.

Section 6 - Waiver and Consent.

Whenever the vote of the membership at a meeting is required or permitted by Statute or by any provision of the Declaration, Certificate of Incorporation or of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of the membership may be dispensed with if all Members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 7 - Place of Meeting.

Meetings shall be held at such suitable place convenient to the Members as may be designated by the Board of Directors and designated in the notices of such meetings.

Section 8 - Annual Meetings.

The annual meeting of the membership of the Association shall be held on such date as is fixed by the Board of Directors. At such meeting there shall be elected by ballot of the membership a Board of Directors in accordance with the requirements of Article VIII of these By-Laws. The Members may also transact such other business as may properly come before the meeting.

Section 9 - Special Meetings.

It shall be the duty of the President to call a special meeting of the Association, if so directed by the Board of Directors, or upon the presentation to the Secretary of a petition signed by a majority of the Members.

Section 10 - Notice of Meetings.

It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Member entitled to vote pursuant to Section 5 of this Article, at least ten (10) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 11 - Order of Business.

The order of business at all meetings shall be as follows:

- (a) Roll Call
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of minutes of preceding meeting
- (d) Report of officers
- (e) Report of committees
- (f) Appointment of inspectors of election (in the event there is an election)
- (g) Election of Directors (in the event there is an election)
- (h) Unfinished business

- (i) New business

Article VIII
Board of Directors

Section 1 - Number and Term.

The number of Directors which shall constitute the whole Board shall not be less than three, and not more than five. An initial Board consisting of three Directors shall be designated by the Sponsor to serve until the first annual meeting of the Association. At the first annual meeting of the Association which shall be held on the earlier of (a) six (6) months after the first closing of title to a Lot; or (b) after title to seven (7) Lots have closed. The Members shall vote for and elect five (5) Directors. The term of office of two (2) of the Directors shall be fixed for three (3) years: the term of office of two (2) of the Directors shall be fixed for two (2) years: and the term of office for one (1) of the Directors shall be fixed for one (1) year. Separate ballots shall be conducted for each of the three terms of office. Each Owner shall be entitled to cast one vote on each ballot for each Lot he owns. The nominees on each of the ballots receiving the highest number of votes on their ballot shall constitute the duly elected Board of Directors. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. Notwithstanding the foregoing, to assure the Sponsor minimum representation on the Board of Directors after it turns over control of the Board to the Owners independent of the Sponsor, Sponsor shall have the right to designate two (2) members of the Board of Directors so long as it owns ten (10%) percent or more of the Lots in number, and one (1) member of the Board of Directors so long as the Sponsor continues to own one (1) or more Lots. As required by law, each Director shall be at least eighteen (18) years of age. The size of the Board and method of electing Directors as specified herein may not be changed by an amendment to these By-Laws prior to December 31, 2034 without the approval of each class of membership.

Section 2 - Cumulative Voting.

In any election of Directors, each Member shall be entitled to as many votes as shall equal the number of Directors to be elected and a Member may cast all of such votes for a single Director or may distribute them among two or more Directors as he sees fit.

Section 3 - Vacancy and Replacement.

If the office of any Director, becomes vacant by reasons of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors though less than a quorum, at a special meeting of Directors duly called for this purpose, shall choose a successor, who shall hold office for the unexpired term in respect of which such vacancy occurred and until his successor is duly elected and qualified. In the event a Director designated by the Sponsor dies, resigns, retires, is removed or disqualified, however, the Sponsor shall have the right to designate another Director as his successor.

Section 4 - Removal.

Directors may be removed for cause by an affirmative vote of a majority of the Members. No director may be removed but for cause, however, if the votes cast against his removal would be sufficient to elect him cumulatively at an election at which the same total number of votes were cast and the entire Board were then being elected. No Director, other than a designee of the Sponsor, shall continue to serve on the Board if, during his term of office, he shall cease to be either a Member or occupant entitled to the use of the Common Areas.

Section 5 - Powers.

- (a) The property and business of the Association shall be managed by its Board of Directors, which may exercise all such powers of the Association and do all such lawful acts and things as are not by Statute, Declaration, Certificate of Incorporation or by these By-Laws, directed or required to be exercised or done by the Members or Owner's personally. These powers shall specifically include, but not be limited to the following items:
1. To determine and levy monthly assessments ("Association Assessments") to cover the cost of operating and maintaining the Common Areas payable in advance. Subject to the qualifications set forth in the Declaration, the Board of Directors may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses.
 2. To collect, use and expend the assessments collected to maintain, care for and preserve the Common Areas.
 3. To make repairs, restore or alter any of the Common Areas after damage or destruction or as a result of condemnation or eminent domain proceedings.
 4. To make repairs or restore the exterior of any Buildings and to impose a Special Assessment upon Owners for the costs incurred by the Association in performing said repairs.
 5. To open bank accounts on behalf of the Association and to designate the signatories to such bank accounts.
 6. To insure and keep insured the Lots and the Common Areas in accordance with Article XII of these By-Laws.
 7. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from Members for violations of the house rules or rules and regulations herein referred to.
 8. To make reasonable rules and regulations and to amend the same from time to time. Such rules and regulations and amendments thereto shall be binding upon

the Members when the Board has approved them in writing and delivered a copy of such rules and all amendments to each Member.

9. To employ workmen and to purchase supplies and equipment, to enter into contracts to provide maintenance and other services and generally to have the powers of Directors in connection with the matters hereinabove set forth.
 10. To bring and defend actions by or against more than one Member and pertinent to the operation of the Association.
 11. To bring tax assessment review proceedings on behalf of all of the Members.
- (b) The Board of Directors may, by resolution or resolutions, passed by a majority of the whole Board, designate one or more committees, each of such committees to consist of at least three (3) Directors or Members one of whom shall be a Director, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Association and may have power to sign all papers which may be required, provided the said resolution or resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Committees established by resolution of the Board of Directors shall keep regular minutes of their proceedings and shall report the same to the Board as required.

Section 6 - Compensation.

Directors and Officers, as such shall receive no compensation for their services.

Section 7 - Meetings.

- (a) The first meeting of each Board newly elected by the Members shall be held immediately upon the adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the annual meeting of the Association Members and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall be set.
- (b) Regularly scheduled meetings of the Board may be held without special notice.
- (c) Special meetings of the Board may be called by the President on two (2) days' notice to each Director either personally or by mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) Directors.
- (d) At all meetings of the Board, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of a three-fifths (3/5) or greater majority of the Directors present at any meeting at which there is a quorum shall

be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present.

- (e) Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 8 - Annual Statement.

The Board of Directors shall furnish to all Members and shall present annually (within four (4) months following the end of the fiscal year) and when called for by a vote of the Members at any special meeting of the Members, a full and clear statement of the business conditions and affairs of the Association, including a balance sheet and profit and loss statement which, so long as Sponsor is in control of the Board, shall be verified by an independent public accountant and a statement regarding any taxable income attributable to the Members, if any, and a notice of the holding of the annual meeting of the Association Members.

Section 9 - Fidelity Bonds.

Unless all Association funds are handled solely by an independent managing agent, the Board of Directors shall require that all officers and employees of the Association handling or responsible for such funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be an expense of the Association.

Section 10 - Management Agent.

The Board of Directors may employ for the Association a management agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including but not limited to all of the delegable duties of the Board listed in this Article.

Article IX Officers

Section 1 - Elective Officers.

The officers of the Association shall be chosen by the Board of Directors and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also choose one or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be either members of the Board of Directors or Members of the Association. Two or more offices may not be held by the same person.

Section 2 - Election.

The Board of Directors, at its first meeting after each annual meeting of Association Members, shall elect a President, a Vice President, a Secretary and a Treasurer. Only the President must be a member of the Board of Directors.

Section 3 - Appointive Offices.

The Board may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4 - Term.

The officers shall hold office for the term to which they are elected and appointed and until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5 - The President.

The President shall be the chief executive officer of the Association; he shall preside at all meetings of the Association Members and the Board of Directors, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Association, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a corporation organized under the Not-For-Profit Corporation Law of the State of New York.

Section 6 - The Vice President.

The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized under the Not-For-Profit Corporation Law of the State of New York.

Section 7 - The Secretary.

The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all meetings of Association Members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of Association Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or by the President, under whose supervision he shall be.

Section 8 - The Treasurer.

The Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Association including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors.

He shall disburse the funds of the Association as he may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Directors, at the regular meeting of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association.

He shall keep detailed financial records and books of account of the Association, including a separate account for each Member, which among other things, shall contain the amount of each assessment, the date when due, the amounts thereon and the balance remaining unpaid.

Section 9 - Agreements, etc.

All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Directors.

Article X Notices

Section 1 - Definition.

Whenever under the Provisions of the Declaration or of these By-Laws. notice is required to be given to the Board of Directors or to any Director or Association Member, it shall not be construed to mean Personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a post-paid sealed wrapper, addressed to the Board of Directors, such Director, or Member at such address as it appears on the books of the Association.

Section 2 - Service of Notice-Waiver.

Whenever any notice is required to be given under the provisions of the Declaration. or of these By-Laws, a waiver thereof, in writing, signed by the Person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

Article XI Assessments and Finances

Section 1 - Creation of the Lien and Personal Obligation of Assessments.

The creation of the lien and personal obligation of assessments is governed by Section 2 of Article VI of the Declaration.

Section 2 - Purpose of Assessments.

The purpose of assessments is as specified in Section 2 of Article VI of the Declaration.

Section 3 - Basis of Assessments.

The basis of the assessments is as specified in Section 3 of Article VI of the Declaration.

Section 4 - Date of Commencement of Assessments - Due Dates.

The date of commencement and the due dates of assessments are as specified in Section 3 of Article VI of the Declaration.

Section 5 - Effect of Non-Payment of Assessment; Remedies of the Association.

The effect of non-payment of assessments and the remedies of the Association shall be as specified in Section 8 of Article VI of the Declaration.

Section 6 - Subordination of Lien to Mortgages.

The lien of the assessments provided for herein shall be subordinated pursuant to the provisions of Section 8 of Article VI of the Declaration. For purposes of such provision an "institutional first mortgage" shall mean a first mortgage granted by a federal or state savings and loan association, savings bank or commercial banks, life insurance company, union pension fund, trust company, agency of the United States Government or of the State of New York, or other similar institutional lender or a purchase money mortgage granted by the Sponsor.

Section 7 - Checks.

All checks or demands for money and notes of the Association shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 8 - Operating Account.

There shall be established and maintained a cash deposit account to be known as the "Operating Account", into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all members. Disbursements from said account shall be for the general needs of the operation including, but not limited to wages, repairs, betterments, maintenance, and other operating expenses of the community.

Section 9 - Other Accounts.

The Board shall maintain any other accounts it shall deem necessary to carry out its purposes.

Article XII Insurance

Section 1 - Coverage.

To the extent available, the Board of Directors shall obtain and maintain insurance coverage as set forth in Sections 2, 3 and 4 hereof. All insurance affecting the Association Property shall be governed by the provisions of this Article. Premiums for all such insurance obtained by the Board of Directors shall be paid for by the Association. The Lot Owners shall obtain insurance for property loss and liability from their own insurance carriers.

Section 2 - Liability Insurance.

The Board of Directors shall obtain and maintain public liability insurance for bodily injury and property damage on and to the Properties in such limits as the Board of Directors may from time to time determine, insuring the Association, the Board of Directors, the Manager (at the discretion of the Board of Directors) and each member with respect to his liability arising from membership in the Association, or ownership, maintenance or repair of the Properties which is the responsibility of the Association, including, without limitation, liability arising from construction operations. Such liability insurance shall also cover cross liability claims among the insured's and the Association. The Board of Directors may review such limits annually. The insurance provided under this Section shall include, without limitation, the following provisions:

- (a) That the insurance shall not be affected or diminished by any act or neglect of any Member or any occupants or Owners of any improvements when such act or neglect is not within the control of the Association;
- (b) That the insurance shall not be affected or diminished by failure of any Member or any occupants or owners of any improvements to comply with any warranty or condition when such failure to comply is not within the control of the Association; and
- (c) Waivers by the insurer of rights of subrogation, other than those based on fraud or criminal acts.

Section 3 - Workman's Compensation Insurance.

To the extent obtainable, the Board of Directors shall obtain and maintain adequate Workman's Compensation Insurance.

Section 4 - Other Insurance.

The Board of Directors is authorized to obtain and maintain such other insurance as it may from time to time deem appropriate.

Article XIII
Damage to or Destruction of the Properties

INTENTIONALLY OMITTED.

Article XIV
Amendments

Except as otherwise specifically provided, these By-Laws may be altered, amended or added to at any duly called meeting of Association Members, provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by vote of eighty percent (80%) percent of a quorum of Members present in person or proxy; and (3) that any matter stated herein to be or which is in fact governed by the Declaration applicable to the Properties may not be amended except as provided in said Declaration. No amendment, however, shall affect or impair the validity or priority of the Members' interests and the interests of holders of a mortgage encumbering a Members Lot and Building located thereon. All amendments hereto shall be recorded in the Onondaga County Clerk's Office but failure to record any such amendment shall not affect its validity, application or enforceability as to any Member or mortgagee who was a Member or mortgagee on the date of the adoption of such amendment, provided such Member or mortgagee received proper notice of said meeting containing a full statement of the proposed amendment. The Board of Directors shall properly give notice to the Trustee of any amendment to any provision of the Declaration and By-Laws.

Article XV
Selling, Leasing and Gifts of Lots

Section 1 - Selling and Leasing Lots.

No Owner other than the Sponsor or its designee may sell his Lot or Lease his Lot with improvements thereon without complying with the following provisions:

Any Lot may be conveyed or leased by a Member free of any restrictions except that no Member shall convey, mortgage, pledge, hypothecate, sell or lease his Lot unless and until all unpaid Association expenses assessed against the Lot shall have been paid as directed by the Board of Directors. Such unpaid Association expenses, however, may be paid out of the proceeds from the sale of a Lot, or by the Grantee. Any sale or lease of a Lot or unit in violation of this Section shall be voidable at the election of the Board of Directors. Upon the written request of a Member or his mortgagee, the Board or its designee shall furnish a written statement of the unpaid charges due from such Member which shall be conclusive evidence of the payment of amounts assessed prior to the date of the statement but unlisted thereon. A reasonable charge may be made by the Board for the issuance of such statements.

Each Owner shall have the right to mortgage his Lot, with improvements thereon, without restriction, provided that any such mortgage covering a Lot shall be substantially in the form of the New York Statutory Form Mortgage, except for such changes or additions as may be

required in order to permit a particular bank, trust company, insurance company, savings and loan association or institutional or non-institutional lender to make the mortgage loan, and provided that the Board is notified in writing of the mailing of such mortgage.

The provisions of this Section shall not apply to the acquisition of a Lot by an institutional mortgagee who shall acquire title to such Lot by foreclosure or by deed in lieu of foreclosure. In such event, the unpaid assessments against the Lot which were assessed and became due prior to the acquisition of title to such Lot by such mortgagee shall be deemed waived by the Association and shall be charged to all other Members of the Association as a common expense. The provisions of this Section shall, however, apply to any assessments which are assessed and become due after the acquisition of title to such Lot by the mortgagee and to any purchaser from such mortgagee.

Whenever the term "Lot" is referred to in this Section, it shall include the Building, the Member's interest in the Association and the Member's interest in any Lots acquired by the Association.

Section 2 - Gifts, etc.

Any Member may convey or transfer his Lot by gift during his lifetime or devise his Lot by Will or pass the same by intestacy without restriction.

Article XVI General Provisions

Section 1 - Fiscal Year.

The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

Section 2 - Seal.

The Association seal shall have inscribed thereon the name of the Association and the year of its incorporation under the laws of the State of New York. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 3 - Architectural Control.

Except for original construction which shall be approved by the Architectural Committee composed of Kenneth Raymond, Dean Devito and/or their appointed successors, no building, wall or other structure, or change in landscaping, shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration thereto be made until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three or more representatives appointed by the Board.

Section 4 - Examination of Books and Records.

Each Member, or their respective representatives, shall be entitled to a reasonable examination of the books and records of the Association at any time upon reasonable notice to its Board of Directors. Such examination shall be conducted, at the discretion of the Board of Directors, at the principal office of the Association or at the office of the Board's duly designated management agent. The Declaration, 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.

Section 5 - Construction.

Whenever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural; whenever the context so requires.

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

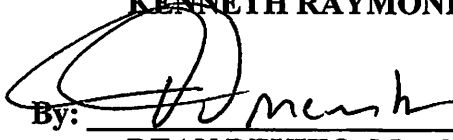
Section 6 - Severability.

Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

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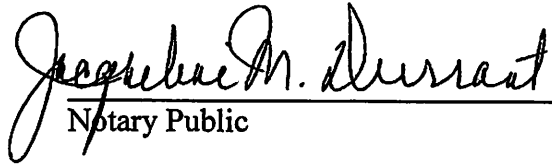
KRDD CLAY, LLC

By: 
KENNETH RAYMOND, Member

By: 
DEAN DEVITO, Member

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

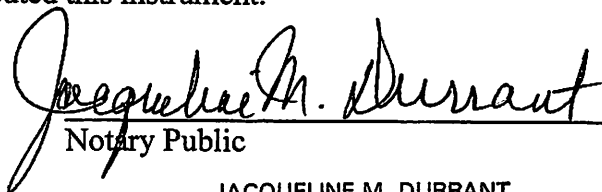
On the 17th day of March, 2014, before me, the undersigned, a notary public in and for said State, personally appeared **KENNETH RAYMOND**, Member of **KRDD CLAY, LLC** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.


Notary Public

JACQUELINE M. DURRANT
Notary Public, State of New York
Qualified in Albany County
Reg. No. 01DU6030654
Commission Expires September 20, 2017

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

On the 17th day of March, 2014, before me, the undersigned, a notary public in and for said State, personally appeared **DEAN DEVITO**, Member of **KRDD CLAY, LLC** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.


Notary Public

JACQUELINE M. DURRANT
Notary Public, State of New York
Qualified in Albany County
Reg. No. 01DU6030654
Commission Expires September 20, 2017