

Lake Country

Village

Prospectus

HARTER, SECREST & EMERY LLP
ATTORNEYS AT LAW

BCC COPY

One HSBC Center, Suite 3550
Buffalo, New York 14203-2884
716-853-1616

111 Washington Avenue, Suite 206
Albany, New York 12210-2206
518-434-4377

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS

700 MIDTOWN TOWER
ROCHESTER, NEW YORK 14604-2070
716-232-6500
FAX 716-232-2152
E-MAIL: wlaforte@hsealaw.com

5551 Ridgewood Drive, Suite 405
Naples, Florida 34108-2753
941-598-4444

6719 Winkler Road, Suite 121
Fort Myers, Florida 33919-7200
941-489-1774

Please Reply To: Rochester
Direct Dial: 716-231-1426

June 1, 2001

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

Re: Lake Country Village Homeowners Association, Inc.
City of Plattsburgh, Clinton County, New York

To Whom It May Concern:

Our office represents Lake Country Developments LLC, which is the Sponsor for Lake Country Village Homeowners Association, Inc. On behalf of our client, we hereby submit to you for filing the enclosed CPS-7 application for the above captioned property. In support of such application, enclosed please find the following items:

1. Transmittal Letter;
2. Sponsor's Certification;
3. Sponsor's Affidavit;
4. Property Management Agreement;
5. Copy of the recorded deed into Lake Country Developments LLC;
6. Copy of the proposed Deed to Lake Country Village Homeowners Association, Inc;
7. Copy of Budget with backup documentation;
8. A copy of the Declaration of Covenants, Easements, Conditions and Restrictions;
9. The Broker-Dealer Statement (Form M-10);
10. RI-1 Forms for Principals of Sponsor;

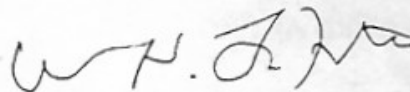
State of New York
Real Estate Financing Bureau
June 1, 2001
Page 2

11. Copy of the Site Plans for the project;
12. Escrow Agreement;
13. Dispute Resolution Form;
14. Copy of the Certificate of Incorporation and By-Laws for Lake Country Village Homeowners Association, Inc.;
15. Copy of the title report for property to be conveyed to the Lake Country Village Homeowners Association;
16. Statistical Information Card; and
17. Our firm checks for \$150.00 in payment of the CPS-7 filing fee and for \$240.00 in payment of the M-10 filing fee.

Pursuant to the procedure, it is my understanding that the application is deemed granted as of the date of this submission. If after reviewing the enclosed you should have any questions, concerns or need any additional information, please do not hesitate to contact me.

Best regards.

Very truly yours,



William N. La Forte

WNL/alc
Enclosures

bcc: Mr. G. Brent Tynan ✓
Mr. Ross Galbraith
John Niles, Esq.

HARTER, SECRET & EMERY LLP

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

Re: Lake Country Village Homeowners Association, Inc.
City of Plattsburgh, Clinton County, New York

Dear To Whom It May Concern:

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

1. Enclosed for filing is an application for CPS-7 treatment for the above-captioned property submitted under the Simplified Procedures for Homeowners Associations with a De Minimis Cooperative Interest.
2. 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.
3. 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.
4. 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 Department of Law, nor do I have actual knowledge of any material fact omitted or any untrue statement of a material fact included in the application.

The above is affirmed under penalty of perjury for the benefit of all persons to whom this Offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business law and Penal Law.

Very truly yours,



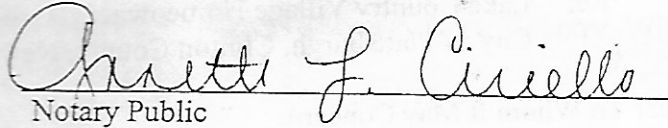
William N. La Forte

WNL/alc
Enclosures

State of New York
Real Estate Financing Bureau
June 1, 2001
Page 2

STATE OF NEW YORK)
COUNTY OF MONROE) ss:

On this 1st day of June, in the year 2001, before me, the undersigned, a Notary Public in and for said State, personally appeared WILLIAM N. LA FORTE, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

ANNETTE L. CIRIELLO
NOTARY PUBLIC, State of New York
Qualified in Monroe County
My Commission Expires December 31, 2001

May 25, 2001

State of New York
Department of Law
120 Broadway
New York, NY 10271

Re: Lake Country Village Homeowners Association, Inc.
City of Plattsburgh, Clinton County, New York

To Whom It May Concern:

We are the Sponsor and the principals of the Sponsor of the Homeowners Association for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 22, and such other laws and regulations as may be applicable, including the application pursuant to CPS-7.

We have read the entire CPS-7 application, including Sponsor's affidavit. We have investigated the facts set forth in the application and the underlying facts.

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 amenities included in the HOA and complies with the Attorney General's requirements for granting a CPS-7 application.

We certify that we shall correct any deficiencies in the original submission brought to our attention by the Department, serve such revisions on all purchasers, and offer rescission to such purchasers if required by the Department of Law.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law."

LYNN M. WARREN
Notary Public, State of New York
No. 4949180
Qualified in Clinton County
Commission Expires April 3, 2003

Sworn to before me this 25th
day of May ____, 2001.

Lynn M. Warren

Sworn to before me this ____
day of May ____, 2001.

Sworn to before me this ____
day of May ____, 2001.

Sworn to before me this 25th
day of May ____, 2001.

Lynn M. Warren

Sworn to before me this 25th
day of May ____, 2001.

Lynn M. Warren

Sworn to before me this ____
day of May ____, 2001.

Sworn to before me this ____
day of May ____, 2001.

LAKE COUNTRY DEVELOPMENTS LLC

By: [Signature]
G. Brent Tynan, President

TERRA MANAGEMENT, INC.

By: _____

QUADRA HOLDINGS, INC.

By: _____

SOUTH HORIZONS DEVELOPMENT, LLC.

By: [Signature]
G. Brent Tynan

[Signature]
G. BRENT TYNAN

ROSS H.J. GALBRAITH

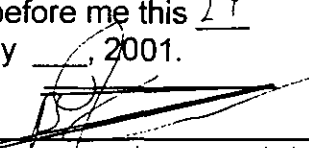
ALISTAIR J. GALBRAITH

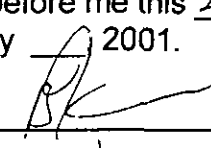
Sworn to before me this 25th
day of May ~~25~~, 2001.

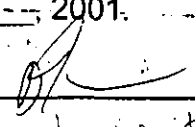
Lynn M. Warren

ALEX CHEUNG

LYNN M. WARREN
Notary Public, State of New York
No. 4949180
Qualified in Clinton County
Commission Expires April 3, 2003

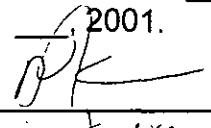
Sworn to before me this 24th
day of May , 2001.

~~(Witnessed as to execution only)~~

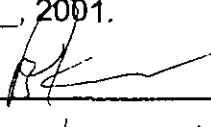
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(Witnessed as to execution only)

Sworn to before me this 24th
day of May , 2001.

(Witnessed as to execution only)


LAKE COUNTRY DEVELOPMENTS LLC

By: _____
G. Brent Tynan, President

TERRA MANAGEMENT, INC.

By:  _____


QUADRA HOLDINGS, INC.

By:  _____

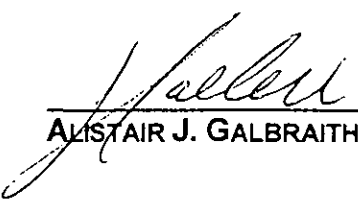
SOUTH HORIZONS DEVELOPMENT, LLC.

By: _____

G. BRENT TYNAN



ROSS H.J. GALBRAITH



ALISTAIR J. GALBRAITH

SPONSOR'S AFFIDAVIT

STATE OF NEW YORK)
COUNTY OF CLINTON) ss:

Re: LAKE COUNTRY VILLAGE HOMEOWNERS ASSOCIATION, INC.
(NAME OF DEVELOPMENT)

CITY OF PLATTSBURGH
(FULL ADDRESS OF DEVELOPMENT)

CLINTON COUNTY, NEW YORK

The undersigned, being duly sworn deposes and says:

1. We are the Sponsor and the principals of the Sponsor of
(Office of Deponent)

Lake Country Developments LLC, a New York limited liability company with an office at
(Name of Corporation) (Jurisdiction)

10 Maryland Road, Plattsburgh, New York 12903 (the "Sponsor").
(Address)

2. The names of the other officers/directors or principals of the sponsoring limited liability company who join in this application are as follows: Lake Country Developments LLC is a New York limited liability company whose members are: (1) Terra Management, Inc., a Nevada corporation whose sole officer and shareholder is Ross H. J. Galbraith; (2) Quadra Holdings, Inc., a Nevada corporation whose sole shareholder and director is Alistair J. Galbraith; and (3) South Horizons Development, LLC, a Nevada limited liability company whose members are G. Brent Tynan and Alex Cheung. The addresses for each of the entities is as follows:

- (1) Terra Management, Inc., #545 - 1130 West Pender St. Vancouver, B.C. Canada
- (2) Quadra Holdings, Inc., #545 - 1130 West Pender St. Vancouver, B.C. Canada
- (3) South Horizons Development, LLC., 1197 Eden Isle Blvd. NE #2, St. Petersburg, FL 33704

The addresses for the individuals are as follows:

- (1) G. Brent Tynan, 1197 Eden Isle Blvd. NE #2, St. Petersburg, FL 33704
- (2) Ross H. J. Galbraith, 3465 West 15th Ave., Vancouver, B.C. Canada
- (3) Alistair J. Galbraith, 2056 Nanton St., Vancouver, B.C. Canada
- (4) Alex Cheung, 1197 Eden Isle Blvd. NE #2, St. Petersburg, FL 33704

3. The Sponsor is the owner of the above captioned property. Attached hereto is a current copy of the title report indicating Sponsor as the present owner of the property.

4. The property which is to be cooperatively owned or maintained by the homeowners association ("HOA") to be established consists of:

Private cul-de-sacs and driveways and lawn areas outside the foundation walls of the Units

and outside the private fenced back yards appurtenant to each Lot

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

6. The number of homes or lots being offered in conjunction with membership in the HOA is one hundred six (106), and the assessment per lot will be approximately \$150.00 per month.

7. The Sponsor 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.

8. The Sponsor will provide to each offeree the following information:

- (a) a statement that the purchase price of the home(s) or 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;
- (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 monthly 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 by the Attorney General; and
- (h) such other information as the Department of Law may require to be presented to each offeree.

9. The Sponsor 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 issued, the Sponsor agrees to furnish a copy of such letter to all purchasers within ten (10) days of its issuance.

10. The use for which the unit(s) and property are being offered will comply with the property's certificate of occupancy, zoning, building and housing laws, rules and regulations.

11. (a) The roads, other than private cul-de-sacs and driveways serving the units, have been dedicated to the City of Plattsburgh, as the HOA will not own the roads. The City will service and maintain the roads and the Sponsor will construct the roads in compliance with all City requirements for public roads.

Attached hereto are:

- (a) A copy of the deed into the Sponsor for the lands being developed;
- (b) Certification by Sponsor and Sponsor's principals;
- (c) A copy of the Declaration of Covenants, Easements, Conditions and Restrictions, which establishes the obligations of the home or lot owners with respect to commonly owned or maintained property, if applicable.
- (d) A check in the amount required by GBL Section 352-e(7)(a) made payable to the New York State Department of Law.
- (e) A Broker-Dealer Statement (Form M-10) for the offerors accompanied by a check in the amount required by GBL Section 359-e(5).
- (f) A statistical information card available from the Department of Law.

Sworn to before me this
25th day of May, 2001.

Lynn M. Warren
Notary Public

LYNN M. WARREN
Notary Public, State of New York
No. 4949180
Qualified in Clinton County
Commission Expires April 3, 2003

LAKE COUNTRY DEVELOPMENTS LLC.

By:

G. Brent Tynan
G. BRENT TYNAN, PRESIDENT

Sworn to before me this ____
day of May ____, 2001.

TERRA MANAGEMENT, INC.

By: _____

Sworn to before me this ____
day of May ____, 2001.

QUADRA HOLDINGS, INC.

By: _____

Sworn to before me this 25th
day of May ____, 2001.

Lynn M. Warren

LYNN M. WARREN
Notary Public, State of New York
No. 4949180
Qualified in Clinton County
Commission Expires April 3, 2003

SOUTH HORIZONS DEVELOPMENT, LLC.

By: G. Brent Tynon

Sworn to before me this 25th
day of May ____, 2001.

Lynn M. Warren

G. BRENT TYNON

Sworn to before me this ____
day of May ____, 2001.

ROSS H.J. GALBRAITH

Sworn to before me this ____
day of May ____, 2001.

ALISTAIR J. GALBRAITH

Sworn to before me this 25th
day of May ____, 2001.

Lynn M. Warren

LYNN M. WARREN
Notary Public, State of New York
No. 4949180
Qualified in Clinton County
Commission Expires April 3, 2003

ALEX CHEUNG

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day of May , 2001.

[Signature]
(witness as to execution only)

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day of May , 2001.

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(witness as to execution only)

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day of May , 2001.

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(witness as to execution only)

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day of May , 2001.

TERRA MANAGEMENT, INC.

By: [Signature]

QUADRA HOLDINGS, INC.

By: [Signature]

SOUTH HORIZONS DEVELOPMENT, LLC.

By: _____

G. BRENT TYNAN

[Signature]
ROSS H.J. GALBRAITH

[Signature]
AUSTAIR J. GALBRAITH

ALEX CHEUNG

**HOMEOWNER'S ASSOCIATION
PROPERTY MANAGEMENT AGREEMENT**

Between:

Lake Country Developments, LLC (the "Manager")

and

Lake Country Village Homeowner's Association, Inc. (the "HOA")

Whereas:

The Manager and the HOA agree that the Manager shall provide homeowner's association management services to the HOA under the following terms and conditions:

1. Management Services Provided by Manager

- a) Negotiation of service contracts as required.
- b) Supervision of contracted maintenance work and services to ensure all work is performed satisfactorily and in accordance with service contracts.
- c) Maintain books and records of the HOA and ensure collection and disbursement of HOA funds in accordance with the budget.
- d) Preparation of annual budget.
- e) Financial reporting to the HOA board as requested
- f) Other activities normally related to professional HOA management

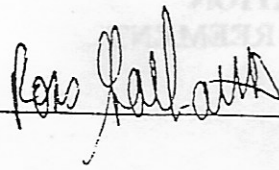
2. Management Fee

- a) A management fee of \$10 per unit per month shall be payable to the Manager on the first of each month. The monthly fee shall be calculated based on the total number of units that at the beginning of each month have been sold and transferred to purchasers. No fee shall apply to units still owned by the Declarant.

3. Term of Agreement and Early Termination

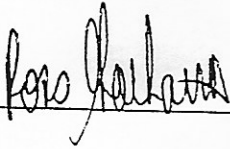
- a) Unless extended in writing, this agreement shall terminate on May 31, 2002.
- b) This agreement may be terminated by either party upon 30 days written notice.

Lake Country Developments, LLC

Per: 

May 24, 2001
Date

Lake Country Village Homeowner's Association, Inc.

Per: 

May 24, 2001
Date

RECORD AND RETURN TO:
William N. La Forte, Esq.
Harter, Secrest & Emery LLP
700 Midtown Tower
Rochester, NY 14604

TIME STAMP
FILED
2001 MAY -4 PM 12:09
CLINTON COUNTY
CLERK'S OFFICE
JOHN H. ZURLO

CLINTON COUNTY CLERK'S OFFICE

County Clerk's Recording Page

COMPLETE THIS SIDE

PARTY(IES) OF THE FIRST PART

PLATTSBURGH AIRBASE
REDEVELOPMENT CORP.

PARTY(IES) OF THE SECOND PART

LAKE COUNTRY
DEVELOPMENTS, LLC

PROPERTY LOCATION (NOT MAILING
ADDRESS)

Town
CITY of Plattsburgh
TAX MAP # 221.16-1-17.1 & 233-1-20.1

STATE OF NEW YORK
COUNTY OF CLINTON

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 FROM THIS INSTRUMENT.

John H. Zurlo
JOHN H. ZURLO, CLINTON COUNTY CLERK

FOR CLERK'S USE ONLY

DAY SHEET # _____
OF PAGES 19
INDEX Deeds
INSTRUMENT Deed
INSTRUMENT # 130858
TRANSFER TAX
R.E.T.T.# 02149
CONSIDERATION 1,731,828.00
R.E.T.T. AMOUNT 24,248.00
MORTGAGE TAX
MORTGAGE SERIAL # _____
MORTGAGE AMOUNT _____
BASIC MTG. TAX _____
SPECIAL ADDITIONAL _____
ADDITIONAL _____
TOTAL TAX _____

I HEREBY CERTIFY THAT I HAVE
RECEIVED THE ABOVE IMPOSED TAX
PAID AT THE TIME OF RECORDING.

John H. Zurlo
JOHN H. ZURLO, CLINTON COUNTY CLERK

Exhibit "A"

Legal Description
Phase I Perimeter Boundary

ALL THAT CERTAIN PIECE OR PARCEL OF LAND being part of the former Plattsburgh Air Force Base located both in the City of Plattsburgh and the Town of Plattsburgh, County of Clinton, State of New York, being more particularly described as follows: (The following description is based upon a survey map entitled LAKE COUNTRY VILLAGE PLANNED UNIT DEVELOPMENT, FORMER PLATTSBURGH AIR FORCE BASE HOUSING REDEVELOPMENT PROJECT, PHASE I PLAN, prepared by AES Northeast, PLLC, Scott B. Allen, LS, drawing originally completed March 27, 2000, last revised April 20, 2000, Sheet 3 of 6, Job #2466, filed in the Clinton County Clerk's Office as Map PL-B-127).

BEGINNING AT A POINT in the westerly bounds of U.S. Avenue which point is the northeasterly corner of lands now or formerly of Agway Petroleum Corporation by virtue of a deed dated February 7, 1986 recorded in the Clinton County Clerk's Office on March 13, 1986 in Deed Volume 660 at page 317;

Thence South $85^{\circ}55'02''$ West along the northerly bounds of said lands of Agway 300.74 feet to the northwesterly corner of lands of said Agway.

Thence South $08^{\circ}05'54''$ East along the westerly bounds of lands of said Agway 171.43 feet to a point;

Thence in a general westerly direction through the lands of the former Plattsburgh Air Force Base the following seven (7) courses and distances:

1. South $82^{\circ}42'49''$ West 222.07 feet to a point;
2. South $87^{\circ}54'37''$ West 79.97 feet to a point;
3. North $78^{\circ}20'49''$ West 154.97 feet to a point;
4. North $77^{\circ}42'01''$ West 126.16 feet to a point which lies 33 feet distant westerly from the centerline of Maine Road.
5. Northerly along a curve convex to the East, parallel with and 33 feet distant westerly from the centerline of Maine Road, having a radius of 709.87 feet, an arc distance of 54.48 feet to a point;
6. North $77^{\circ}14'10''$ West 253.36 feet;
7. South $86^{\circ}06'31''$ West 78.14 feet to a point which lies 50 feet distant easterly from the centerline of New York Road;

Thence in a general northerly direction along a series of lines parallel with and 50 feet distant easterly of the centerline of New York Road the following three (3) courses and distances:

1. Northerly along a curve convex to the East having a radius of 1,812.20 feet an arc distance of 241.48 feet;
2. North $11^{\circ}31'31''$ West 48.83 feet;
3. North $11^{\circ}25'12''$ West 297.90 feet;

Thence in a general easterly direction through the lands of the former Plattsburgh Air Force Base the following six (6) courses and distances:

1. North $78^{\circ}34'48''$ East 371.60 feet;
2. North $50^{\circ}43'04''$ East 219.94 feet;
3. North $69^{\circ}24'37''$ East 131.36 feet;

4. North 86°09'51"East 124.62 feet;
5. South 77°10'59"East 254.85 feet;
6. North 82°13'05"East 136.60 feet to a point in the westerly bounds of U.S. Avenue;

Thence South 07°46'55"East along the westerly bounds of U.S. Avenue 755.47 feet to the point or place of beginning.

Containing therein 21.714 acres of land more or less.

BEING a part of the premises conveyed by the United States to County of Clinton Industrial Development Agency by deed dated March 5, 2001, and recorded in the office of the Clinton County Clerk on March 21, 2001, instrument number 129773.

ALSO BEING a part of the premises conveyed by the County of Clinton Industrial Development Agency to Grantor by deed dated Marcy 9, 2001 and recorded in the office of the Clinton County Clerk on March 21, 2001, instrument number 129776.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge that the information provided by the signatory is true and accurate.

 10 Nov 00
MICHAEL D. SOREL, PE Date

Site Manager
AFBCA/DA Plattsburgh
Plattsburgh, New York 12903

 3/9/01
Randall Beach Date

Plattsburgh Airbase Redevelopment Corp.
Plattsburgh, New York 12901

EXHIBIT C

TITLE X LEAD-BASED PAINT DISCLOSURE STATEMENT

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

Plattsburgh Air Force Base

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller/Grantor's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check one below):

Known lead-based paint and/or lead-based paint hazards are present in the housing as identified in the Basewide Environmental Baseline Survey dated September 1994 and the Lead-Based Paint Identification Survey of High-Priority Facilities at Closure Bases, Plattsburgh AFB, New York, January 1996.

Grantor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the Grantor (check one below):

Grantor has provided the Grantee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Grantor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer/Grantee's Acknowledgment

(c) Grantee has received copies of all information listed above.

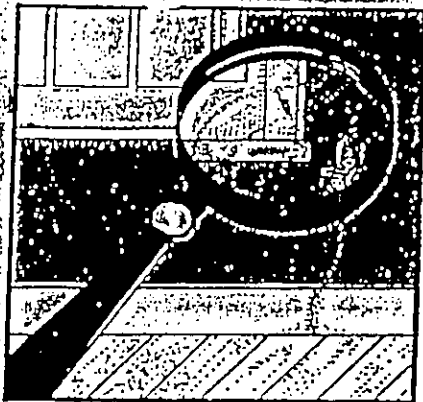
(d) Grantee has received the pamphlet Protect Your Family from Lead in Your Home.

(e) Grantee has (check one below):

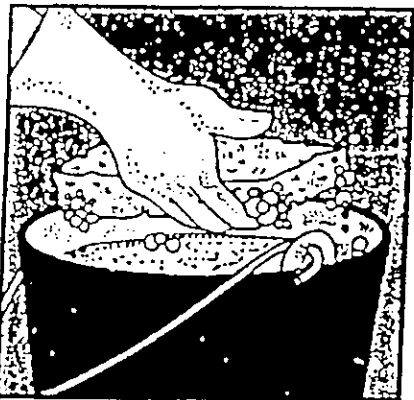
Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

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Protect Your Family From Lead In Your Home



EPA

United States
Environmental Protection
Agency



United States Consumer
Product Safety Commission

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207

EPA747-K-94-001
May 1995

OFFICE OF
PUBLIC AFFAIRS

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

By 1996, federal law will require that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS will have to disclose known information on lead-based paint hazards before leases take effect. Leases will include a federal form about lead-based paint.



SELLERS will have to disclose known information on lead-based paint hazards before selling a house. Sales contracts will include a federal form about lead-based paint in the building. Buyers will have up to 10 days to check for lead hazards.



RENOVATORS will have to give you this pamphlet before starting work.



IF YOU WANT MORE INFORMATION on these requirements, call the National Lead Information Clearinghouse at 1-800-424-LEAD.

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children that seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips with lead in them.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

**POOR QUALITY
ORIGINAL**

POOR QUALITY ORIGINAL

Lead Gets in the Body in Many Ways

1 out of every 11 children in the United States has dangerous levels of lead in the blood-stream.

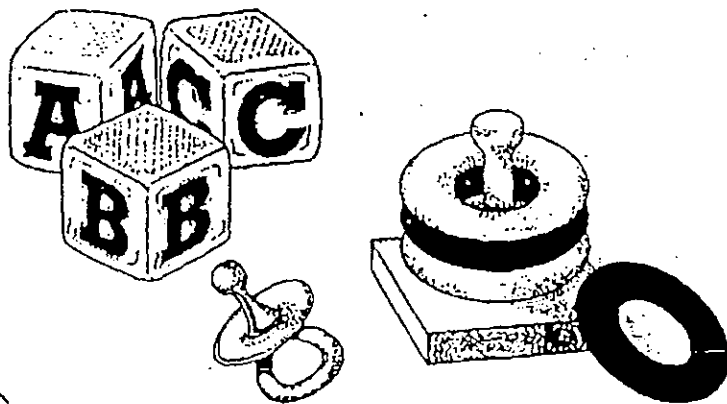
Even children who appear healthy can have dangerous levels of lead.

People can get lead in their body if they:

- ◆ Put their hands or other objects covered with lead dust in their mouths.
- ◆ Eat paint chips or soil that contain lead.
- ◆ Breathe in lead dust (especially during renovations that disturb painted surfaces).

Lead is even more dangerous to children than adults because:

- ◆ Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.
- ◆ Children's growing bodies absorb more lead.
- ◆ Children's brains and nervous systems are more sensitive to the damaging effects of lead.



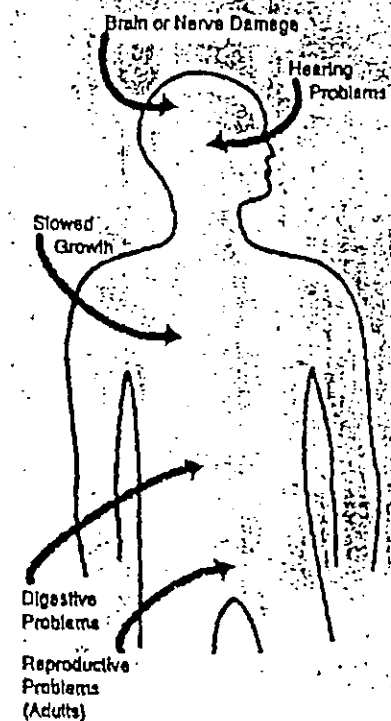
Lead's Effects

If not detected early, children with lead in their bodies can suffer from:

- ◆ Damage to the brain and nervous system
- ◆ Behavior and learning problems (such as hyperactivity)
- ◆ Slowed growth
- ◆ Hearing problems
- ◆ Headaches

Lead is also harmful to adults. Adults can suffer from:

- ◆ Difficulties during pregnancy
- ◆ Other reproductive problems (in both men and women)
- ◆ High blood pressure
- ◆ Digestive problems
- ◆ Nerve disorders
- ◆ Memory and concentration problems
- ◆ Muscle and joint pain



Lead affects the body in many ways.

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Checking Your Family for Lead

Get your children tested if you think your home has high levels of lead.

A simple blood test can detect high levels of lead. Blood tests are important for:

- ◆ Children who are 6 months to 1 year old (6 months if you live in an older building or home that might have lead in the paint).
- ◆ Family members that you think might have high levels of lead.

If your child is older than 1 year, talk to your doctor about whether your child needs testing.

Your doctor or health center can do blood tests. They are inexpensive and sometimes free. Your doctor will explain what the test results mean. *Treatment can range from changes in your diet to medication or a hospital stay.*

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. In 1978, the federal government banned lead-based paint from housing.

Lead can be found:

- ◆ In homes in the city, country, or suburbs.
- ◆ In apartments, single-family homes, and both private and public housing.
- ◆ Inside and outside of the house.
- ◆ In soil around a home. (Soil can pick up lead from exterior paint, or other sources such as past use of leaded gas in cars).

Where Lead Is Likely To Be a Hazard

Lead-based paint that is in good condition is usually not a hazard.

Peeling, chipping, chalking, or cracking lead-based paint is a hazard and needs immediate attention.

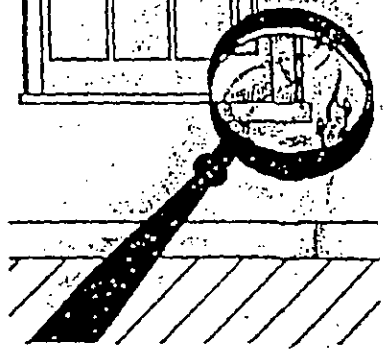
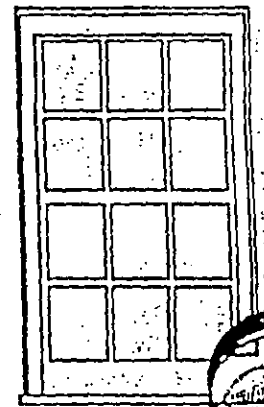
Lead-based paint may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear. These areas include:

- ◆ Windows and window sills.
- ◆ Doors and door frames.
- ◆ Stairs, railings, and banisters.
- ◆ Porches and fences.

Lead dust can form when lead-based paint is dry scraped, dry sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when people vacuum, sweep, or walk through it.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. Call your state agency (see page 12) to find out about soil testing for lead.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.



Checking Your Home for Lead

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Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home checked for lead hazards in one of two ways, or both:

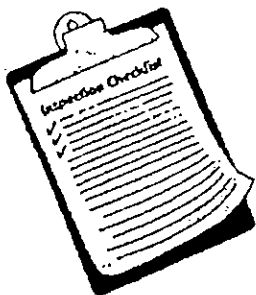
- ◆ A paint inspection tells you the lead content of every painted surface in your home. It won't tell you whether the paint is a hazard or how you should deal with it.
- ◆ A risk assessment tells you if there are any sources of serious lead exposure (such as peeling paint and lead dust). It also tells you what actions to take to address these hazards.

Have qualified professionals do the work. The federal government is writing standards for inspectors and risk assessors. Some states might already have standards in place. Call your state agency for help with locating qualified professionals in your area (see page 12).

Trained professionals use a range of methods when checking your home, including:

- ◆ Visual inspection of paint condition and location.
- ◆ Lab tests of paint samples.
- ◆ Surface dust tests.
- ◆ A portable x-ray fluorescence machine.

Home test kits for lead are available, but the federal government is still testing their reliability. These tests should not be the only method used before doing renovations or to assure safety.

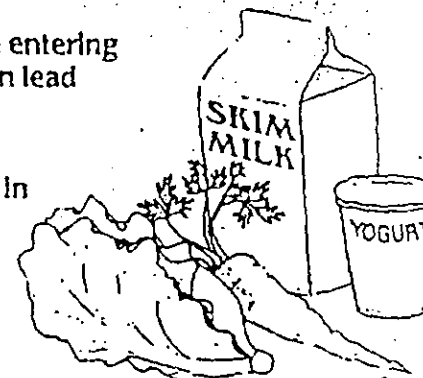


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What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:

- ◆ If you rent, notify your landlord of peeling or chipping paint.
- ◆ Clean up paint chips immediately.
- ◆ Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.
- ◆ Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.
- ◆ Wash children's hands often, especially before they eat and before nap time and bed time.
- ◆ Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- ◆ Keep children from chewing window sills or other painted surfaces.
- ◆ Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- ◆ Make sure children eat nutritious, low-fat meals high in iron and calcium, such as spinach and low-fat dairy products. Children with good diets absorb less lead.

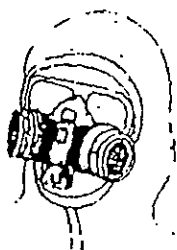


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How To Significantly Reduce Lead Hazards

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- ◆ You can temporarily reduce lead hazards by taking actions like repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will not eliminate all risks of exposure.
- ◆ To permanently remove lead hazards, you must hire a lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not enough.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. If possible, hire a certified lead abatement contractor. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Call your state agency (see page 12) for help with locating qualified contractors in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

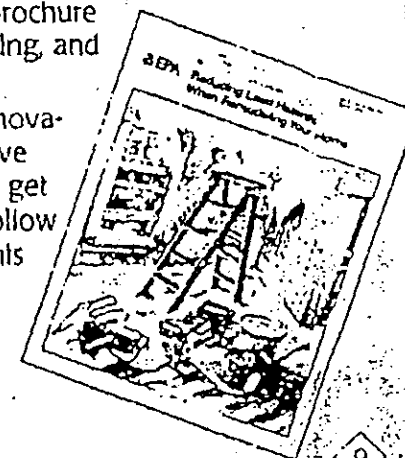
Take precautions before you begin remodeling or renovations that disturb painted surfaces (such as scraping off paint or tearing out walls):

- ◆ Have the area tested for lead-based paint.
- ◆ Do not use a dry scraper, belt-sander, propane torch, or heat gun to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- ◆ Temporarily move your family (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- ◆ Follow other safety measures to reduce lead hazards. You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

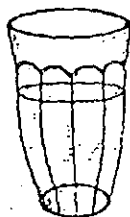


If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

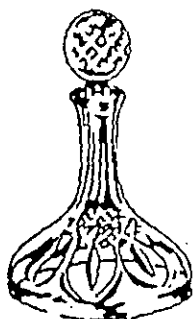


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Other Sources of Lead



While paint, dust, and soil are the most common lead hazards, other lead sources also exist.



- ◆ **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
 - Use only cold water for drinking and cooking.
 - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- ◆ **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your clothes separately from the rest of your family's.
- ◆ **Old painted toys and furniture.**
- ◆ **Food and liquids stored in lead crystal or lead-glazed pottery or porcelain.**
- ◆ **Lead smelters or other industries that release lead into the air.**
- ◆ **Hobbles that use lead, such as making pottery or stained glass, or refinishing furniture.**
- ◆ **Folk remedies that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.**

For More Information

The National Lead Information Center

Call 1-800-LEAD-FYI to learn how to protect children from lead poisoning. For other information on lead hazards, call the center's clearinghouse at 1-800-424-LEAD. For the hearing impaired, call, TDD 1-800-526-5456. (FAX: 202-659-1192, Internet: EHC@CAIS.COM).

EPA's Safe Drinking Water Hotline

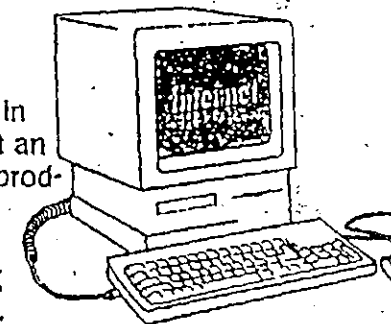
Call 1-800-426-4791 for information about lead in drinking water.

Consumer Product Safety Commission Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call 1-800-638-2772. (Internet: info@cpsc.gov). For the hearing impaired, call 1-800-638-8270.

Local Sources of Information

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State Health and Environmental Agencies

Some cities and states have their own rules for lead-based paint activities. Check with your state agency (listed below) to see if state or local laws apply to you. Most state agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards.

State/Region	Phone Number	Missouri	(314) 526-4911
Alabama	(205) 242-5661	Montana	(406) 444-3671
Alaska	(907) 465-5152	Nebraska	(402) 471-2451
Arkansas	(501) 661-2534	Nevada	(702) 687-6615
Arizona	(602) 542-7307	New Hampshire	(603) 271-4507
California	(510) 450-2424	New Jersey	(609) 633-2043
Colorado	(303) 692-3012	New Mexico	(505) 841-8024
Connecticut	(203) 566-5808	New York	(800) 458-1158
Washington, DC	(202) 727-9850	North Carolina	(919) 715-3293
Delaware	(302) 739-4735	North Dakota	(701) 328-5188
Florida	(904) 488-3385	Ohio	(614) 466-1450
Georgia	(404) 657-6514	Oklahoma	(405) 271-5220
Hawaii	(808) 832-5860	Oregon	(503) 248-5240
Idaho	(208) 332-5544	Pennsylvania	(717) 782-2884
Illinois	(800) 545-2200	Rhode Island	(401) 277-3424
Indiana	(317) 382-6662	South Carolina	(803) 935-7945
Iowa	(800) 972-2026	South Dakota	(605) 773-3153
Kansas	(913) 296-0189	Tennessee	(615) 741-5683
Kentucky	(502) 564-2154	Texas	(512) 834-6600
Louisiana	(504) 765-0219	Utah	(801) 536-4000
Massachusetts	(800) 532-9571	Vermont	(802) 863-7231
Maryland	(410) 631-3859	Virginia	(800) 523-4019
Maine	(207) 287-4311	Washington	(206) 753-2556
Michigan	(517) 335-8885	West Virginia	(304) 558-2981
Minnesota	(612) 627-5498	Wisconsin	(608) 266-5885
Mississippi	(601) 960-7463	Wyoming	(307) 777-7391

EPA Regional Offices

Your Regional EPA office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)
John F. Kennedy Federal Building
One Congress Street
Boston, MA 02203
(617) 565-3420

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)
Building 5
2890 Woodbridge Avenue
Edison, NJ 08837-3679
(908) 321-6671

Region 3 (Delaware, Washington DC, Maryland, Pennsylvania, Virginia, West Virginia)
841 Chestnut Building
Philadelphia, PA 19107
(215) 597-9800

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)
345 Courtland Street, NE
Atlanta, GA 30365
(404) 347-4727

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)
77 West Jackson Boulevard
Chicago, IL 60604-3590
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)
First Interstate Bank Tower
1445 Ross Avenue, 12th Floor, Suite 1200
Dallas, TX 75202-2733
(214) 665-7244

Region 7 (Iowa, Kansas, Missouri, Nebraska)
726 Minnesota Avenue
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)
999 18th Street, Suite 500
Denver, CO 80202-2405
(303) 293-1603

Region 9 (Arizona, California, Hawaii, Nevada)
75 Hawthorne Street
San Francisco, CA 94105
(415) 744-1124

Region 10 (Idaho, Oregon, Washington, Alaska)
1200 Sixth Avenue
Seattle, WA 98101
(206) 553-1200

CPSC Regional Offices

Eastern Regional Center
6 World Trade Center
Vesey Street, Room 350
New York, NY 10048
(212) 466-1612

Central Regional Center
230 South Dearborn Street
Room 2944
Chicago, IL 60604-1601
(312) 353-8260

Western Regional Center
600 Harrison Street, Room 245
San Francisco, CA 94107
(415) 744-2966

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Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- ◆ Get your young children tested for lead, even if they seem healthy.
- ◆ Wash children's hands, bottles, pacifiers, and toys often.
- ◆ Make sure children eat healthy, low-fat foods.
- ◆ Get your home checked for lead hazards.
- ◆ Regularly clean floors, window sills, and other surfaces.
- ◆ Wipe soil off shoes before entering house.
- ◆ Talk to your landlord about fixing surfaces with peeling or chipping paint.
- ◆ Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- ◆ Don't use a belt-sander, propane torch, dry scraper, or dry sandpaper on painted surfaces that may contain lead.
- ◆ Don't try to remove lead-based paint yourself.



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Printed on paper that contains at least 20 percent postconsumer fiber.

BARGAIN & SALE DEED

This Deed is made and entered into this 4th day of May, 2001, by and between the **PLATTSBURGH AIRBASE REDEVELOPMENT CORP.** of the City of Plattsburgh, County of Clinton, State of New York, a corporation organized under the laws of the State of New York, with offices at 426 US Oval, Plattsburgh, New York 12903 (the "Grantor") and **LAKE COUNTRY DEVELOPMENTS LLC.** of 10 Maryland Road, Plattsburgh, New York 12903 (the "Grantee").

I. CONSIDERATION AND CONVEYANCE

WITNESSETH, that the Grantor, in consideration of Ten Dollars (\$10.00), lawful money of the United States, does hereby grant and release unto the Grantee, its successors, and assigns forever, all of that certain real property located in the City of Plattsburgh, County of Clinton, State of New York, and more particularly described on:

EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

II. APPURTENANCES

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

III. COVENANT AGAINST GRANTOR

AND the Grantor covenants that it has not done or suffered anything whereby the said premises have been encumbered in any way whatever.

IV. EXCEPTIONS

EXCEPTING THEREFROM all utility systems owned by the Grantor or the City of Plattsburgh, including wire, cables, conduit, pipes, transformers, pumps, switching gear, poles, anchors, guys, towers, and appurtenant installations, structures, facilities, and equipment, reserving the right and easement in the Grantor or City of Plattsburgh to keep, operate, inspect, maintain, repair, remove, and replace such utility systems, and for ingress and egress to and from such systems. Not included in this exception are those parts of a utility system that serve only a specific building(s) or building lot(s), and that, in the practice of public utilities in the City of Plattsburgh County, New York, are usually controlled by individual realty owners and not by utility providers.

FURTHER EXCEPTING THEREFROM all that tract or parcel of land conveyed by Plattsburgh Airbase Redevelopment Corporation to The City of Plattsburgh by deed dated May 4, 2001 and recorded concurrently herewith.

V. RESERVATIONS

A. RESERVING UNTO THE GRANTOR, the United States Air Force, the United States Environmental Protection Agency ("EPA") and the State of New York (the "State"), and its and their respective officials, agents, employees, contractors, and subcontractors, the right of access to the Property (including the right of access to, and use of, utilities at reasonable cost to the Grantor),

for the following purposes, either on the Property or on adjoining lands, and for such other purposes consistent with the Installation Restoration Program ("IRP") of the United States Air Force or the Federal Facility Agreement ("FFA"), if applicable:

1. To conduct investigations and surveys, including, where necessary, drilling, soil and water sampling, testpitting, testing soil borings, and other activities related to the IRP or FFA, if applicable.
2. To inspect field activities of the Grantor, and/or the United States Air Force and its contractors and subcontractors in implementing the IRP or the FFA, if applicable.
3. To conduct any test or survey required by the EPA or the State relating to the implementation of the IRP or FFA, if applicable, or environmental conditions on the Property, or to verify any data submitted to the EPA or the State by the Grantor and/or the United States Air Force relating to such conditions.
4. To conduct, operate, maintain, or undertake any other response, corrective, or remedial action as required or necessary under the IRP or the FFA, if applicable, or the covenant of the Grantor in Section VII.D. of this Deed, but not limited to, the installation of monitoring wells, pumping wells, and treatment facilities.

B. AND FURTHER RESERVING all existing reservations, easements, restrictions, and rights, recorded or unrecorded, for public roads, highways, streets, railroads, and other rights-of-way, including but not limited to the specific easements, reservations, rights, and covenants described in this Deed, and to any matters which may be revealed by a detailed survey and a physical inspection of the Property.

VI. CONDITIONS

A. The Grantee agrees to accept conveyance of the Property subject to all covenants, conditions, restrictions, easements, rights-of-way, reservations, rights, agreements, and encumbrances, whether or not of record.

B. The Grantee acknowledges that it has inspected, is aware of, and accepts the condition and state of repair of the Property, and that the Property is conveyed, "as is," "where is," without any representation, promise, agreement, or warranty on the part of the Grantor regarding such condition and state of repair, or regarding the making of any alterations, improvements, repairs, or additions. The Grantee further acknowledges that the Grantor shall not be liable for any latent or patent defects in the Property, except to the extent required by applicable law.

VII. COVENANTS

A. Lead-Based Paint ("LBP").

1. The Property may include improvements that are presumed to contain LBP because they are thought to have been constructed prior to 1978. The Grantee hereby acknowledges the required disclosure in accordance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852d (Title X), of the presence of any known LBP and/or LBP hazards in target housing constructed prior to 1978. This disclosure includes the receipt of available records and reports pertaining to LBP and/or LBP hazards; receipt of the lead hazard information pamphlet; and inclusion of the 25 C.F.R. Subparts 35H and 745F disclosure and lead warning language in the Title X Lead-Based Paint Disclosure Statement in the contract of sale.

2. The Grantee covenants and agrees that, in any improvements on the Property defined as target housing by Title X and constructed prior to 1978, LBP hazards will be disclosed to potential occupants in accordance with Title X before use of such improvements as a residential dwelling (as defined in Title X). Further, the Grantee covenants and agrees that LBP hazards in target housing constructed prior to 1960 will be abated in accordance with Title X before use and occupancy as a

residential dwelling. "Target housing" means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than six [6] years of age resides, or is expected to reside, in such housing) or any zero-bedroom dwelling. LBP might be present in Buildings 480, 482, 490, 491, and 492. Grantee will be responsible for managing all LBP and potential LBP in compliance with NYSDEC Solid Waste Regulations and all other applicable laws and regulations.

3. The Grantee covenants and agrees that in its use and occupancy of the Property, it will comply with Title X and all applicable Federal, State, and local laws relating to LBP. The Grantee acknowledges that the Grantor assumes no liability for damages for personal injury, illness, disability, or death to the Grantee, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with LBP on the Property, whether the Grantee has properly warned, or failed to properly warn, the persons injured.

4. The Grantee hereby acknowledges that facilities on the Property have a probability of having LBP because they were constructed prior to 1978 when maximum allowable content of lead in paint was reduced. Grantee will be responsible for managing all LBP including rubblized material generated during demolition which contains LBP and potential LBP in compliance with NYSDEC Solid Waste Regulations and all other applicable laws and regulations. LBP is assumed not to be present on Miscellaneous Playground Structures 6047, 6243, and 7109 since it was constructed after 1978.

B. Asbestos-Containing Materials ("ACM"). The Grantee is warned that the Property may be improved with buildings, facilities, and equipment that may contain ACM. The Grantee covenants and agrees that in its use and occupancy of the Property, it will comply with all applicable Federal, State, and local laws relating to asbestos. The Grantee acknowledges that the Grantor assumes no liability for damages for personal injury, illness, disability, or death to the Grantee, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the Property, whether the Grantee has properly warned, or failed to properly warn, the persons injured.

C. Non-Discrimination. The Grantee covenants not to discriminate upon the basis of race, color, religion, national origin, sex, age, or handicap in the use, occupancy, sale, or lease of the Property, or in its employment practices conducted thereon. This covenant shall not apply, however, to the lease or rental of a room or rooms within a family dwelling unit, nor shall it apply with respect to religion if the Property is on premises used primarily for religious purposes. The United States of America shall be deemed a beneficiary of this covenant without regard to whether it remains the owner of any land or interest therein in the locality of the Property.

D. Environmental Covenant.

1. Pursuant to Section 120(h)(3) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9620(h)(3)), the following is notice of hazardous substances on the Property and the description of remedial action taken concerning the Property:

a. The Grantor and/or the United States Air Force has made a complete search of its files and records. Exhibit C contains a table with the name of hazardous substances stored for one year or more, or known to have been released or disposed of, on the Property; the quantity in kilograms and pounds of the hazardous substance stored for one year or more, or known to have been released, or disposed of, so, on the Property; and the date(s) that such storage, release, or disposal took place.

b. The remedial actions taken on the Property regarding hazardous substances were _____

2. The GRANTOR and/or the United States Air Force hereby covenants to the GRANTEE that all remedial action necessary to protect human health and the environment with respect to any hazardous substances remaining on the Property has been taken before the date of this Deed. Any

additional remedial action found to be necessary after the date of this Deed for contamination on the Property existing prior to the date of this Deed shall be taken by the GRANTOR and/or the United States Air Force. The foregoing covenant shall not apply in any case in which the person or entity to whom the Property, or any part thereof, is transferred is a potentially responsible party with respect to such property before the date on which such person or entity acquired an interest in such property, or is a potentially responsible party as a result of an act or omission affecting such property.

E. Hazards to Air Navigation. Prior to commencing any construction on, or alteration of, the Property, the Grantee covenants to comply with 14 C.F.R. Part 77 entitled "Objects Affecting Navigable Air Space," or under the authority of the Federal Aviation Act of 1958, as amended.

VIII. MISCELLANEOUS

The covenants contained in this Deed shall run with the land and inure to the benefit of the assigns of the GRANTOR and shall be binding upon the successors and assigns of the GRANTEE.

IX. LIST OF EXHIBITS

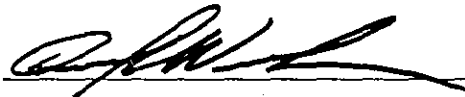
The following Exhibits are attached to and made a part of this Deed:

- A. Exhibit A - Property Description
- B. Exhibit B - Parcel Map
- C. Exhibit C - Hazardous Substance Notice

In Witness Whereof,

The party of the first part has hereunto caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officer this 4th day of May, 2001.

In Presence of



State of New York)

County of Clinton)ss.:

On this 4th day of May, 2001, before me, the subscriber, personally appeared Daniel E. Wieneke, to me known, who, being by me first duly sworn, did depose and say that he resides at City of Plattsburgh, County of Clinton, State of New York; that he is the President of the Plattsburgh Airbase Redevelopment Corporation, the corporation described in and which executed the above instrument; that he knows the seal of such corporation; that the seal affixed to the above instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation; and that he signed his name thereto by like order.



Notary Public

RANDALL S. BEACH
REGISTRATION NO. 02BE6002501
COMMISSION EXPIRES 2/01

Record and Return to:
William N. La Forte, Esq.
700 Midtown Tower
Rochester, NY 14604

WARRANTY DEED

THIS INDENTURE is made this ___ day of _____, 2001, between **Lake Country Developments LLC**, a New York corporation with an address of 10 Maryland Street, PO Box 3066, Plattsburgh, New York 12901-0298 ("Grantor") and **LAKE COUNTRY VILLAGE HOMEOWNERS ASSOCIATION, INC.**, a New York corporation with an address of 10 Maryland Street, PO Box 3066, Plattsburgh, New York 12901-0298 ("Grantee").

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

ALL THAT TRACT OR PARCEL OF LAND, as described in Schedule "A" attached hereto and made a part hereof.

THIS CONVEYANCE is made and accepted subject to covenants, easements and restrictions of record, if any, affecting the above described premises.

Consideration is less than \$100.00.

TAX ACCOUNT NO.: Part of Tax Map Nos. 221.16-1-17.1 and 233-1-20.1

PROPERTY ADDRESS: New York Road, Plattsburgh, New York

TAX MAILING ADDRESS: 10 Maryland Road, PO Box 3066, Plattsburgh, NY 12903

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:

1. The Grantee shall quietly enjoy the said premises;
2. 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.

LAKE COUNTRY DEVELOPMENTS LLC

By: _____

STATE OF NEW YORK)
COUNTY OF MONROE) ss:

On this ____ day of _____, in the year 2001, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SCHEDULE "A"

ALL THAT CERTAIN PIECE OR PARCEL OF LAND being part of the former Plattsburgh Air Force Base located both in the City of Plattsburgh and the Town of Plattsburgh, County of Clinton, State of New York, being more particularly described as follows:

Beginning at a point in the westerly bounds of U.S. Avenue which point is the northeasterly corner of lands now or formerly of Agway Petroleum Corporation by virtue of a deed dated February 7, 1986 and recorded in the Clinton County Clerk's Office on March 13, 1986 in Deed Volume 660 at page 317;

Thence South $85^{\circ} 55' 02''$ West along the northerly bounds of said lands of Agway 300.74 feet to the northwesterly corner of lands of said Agway; thence South $08^{\circ} 05' 55''$ East along the westerly bounds of lands of said Agway 171.43 feet to a point; thence in a general westerly direction through the lands of the former Plattsburgh Air Force Base the following seven (7) courses and distances:

- (1) South $82^{\circ} 42' 49''$ West, 222.07 feet to a point;
- (2) South $87^{\circ} 54' 37''$ West, 79.97 feet to a point;
- (3) North $78^{\circ} 20' 49''$ West, 154.97 feet to a point;
- (4) North $77^{\circ} 42' 01''$ West, 126.16 feet to a point which lies 33 feet distant westerly from the centerline of Maine Road;
- (5) Northerly along a curve convex to the East, parallel with and 33 feet distant westerly from the centerline of Maine Road, having a radius of 709.87 feet, an arc distance of 54.48 feet to a point;
- (6) North $77^{\circ} 14' 10''$ West, 253.36 feet;
- (7) South $86^{\circ} 06' 31''$ West, 78.14 feet to a point which lies 50 feet distant easterly from the centerline of New York Road;

Thence in a general northerly direction along a series of lines parallel with and 50 feet distant easterly of the centerline of New York Road the following three (3) courses and distances:

- (1) Northerly along a curve convex to the east having a radius of 1,812.20 feet, an arc distance of 241.48 feet;
- (2) North $11^{\circ} 31' 31''$ West, 48.83 feet;
- (3) North $11^{\circ} 25' 12''$ West, 297.90 feet;

Thence in a general easterly direction through the lands of the former Plattsburgh Air Force Base the following six (6) courses and distances:

(1) North 78° 34' 48" East, 371.60 feet;

(2) North 50° 43' 04" East, 219.94 feet;

(3) North 69° 24' 37" East, 131.36 feet;

(4) North 86° 09' 51" East, 124.62 feet;

(5) South 77° 10' 59" East, 254.85 feet;

(6) North 82° 13' 05" East, 136.60 feet to a point in the westerly bounds of U.S. Avenue;

Thence South 07° 46' 55" East along the westerly bounds of U.S. Avenue, 755.47 feet to the point or place of beginning.

EXCEPTING ALL THAT CERTAIN PIECE OR PARCEL OF LAND being part of the former Plattsburgh Air Force Base located both in the City of Plattsburgh and the Town of Plattsburgh, County of Clinton, State of New York, being more particularly described as follows:

UNITS 6001, 6002, 6005, 6006, 60008, 6010, 6010, 6012, 6014, 6016, 6017, 6201, 6204, 6205, 6208, 6209 6212, 6213, 6216, 6217, 6220, 6221, 6224, 6225, 6228, 6229, 6232, 6233, 6236, 6237, 6241, 6300, 6301, 6304, 6305 of the Lake Country Planned Unit Development as shown on a survey map entitled "Lake Country Village Planned Unit Development, Former Plattsburgh Air Force Base Housing Redevelopment Project, Phase I Plan", prepared by AES Northeast PLLC, Scott B. Allen, LS, dated March 27, 2000, Job #2466 filed in the Office of the Clinton County Clerk as Map No. PL-B-127.

FURTHER EXCEPTING ALL THAT TRACT OR PARCEL OF LAND conveyed to The City of Plattsburgh by deed dated May 4, 2001. Said parcels are known as Maryland Road, Massachusetts Street and Main Road, all as shown on a survey map entitled "Lake Country Village Planned Unit Development, Former Plattsburgh Air Force Base Housing Redevelopment Project, Phase I Plan", prepared by AES Northeast PLLC, Scott B. Allen, LS, dated March 27, 2000, Job #2466 filed in the Office of the Clinton County Clerk as Map No. PL-B-127.

Lake Country Village Homeowner's Association

SCHEDULE A

BUDGET FOR THE FIRST YEAR OF
HOA OPERATION
BEGINNING JULY 1, 2001
(Phase 1 106 units)

Projected Income

Maintenance Charges \$ 190,800
(\$1800 per home per year, payable monthly
based on 106 homes)

Projected Expenses

1	Water and sewer charges	\$ 44,520
2	Miscellaneous repairs and maintenance	\$ 10,600
3	Landscape maintenance & snow removal	\$ 57,764
4	Insurance	\$ 20,313
5	HOA management fees	\$ 12,720
6	Legal fees	\$ 500
7	Accounting & audit fees	\$ 1,500
8	Franchise Taxes	\$ 375
9	Ad Valorem Taxes	\$ 10
10	Reserves: a) roof replacement	\$ 31,050
	b) asphalt repair and replacement	\$ 3,850
	c) exterior trim painting	\$ 2,223
	d) fencing replacement	\$ 1,735
11	Office, stationery and postage	\$ 1,900
12	Contingencies	\$ 1,740
	TOTAL	\$ 190,800

Monthly fee per home 150.00

Lake Country Village

SCHEDULE A-1

Notes to Schedule A

1. Water and Sewer Charges

Water and sewer services will be billed to the HOA and are estimated based on typical residential consumption rates as provided by the City of Plattsburgh. Actual consumption rates may differ.

2. Miscellaneous building repairs and maintenance

Projected costs to the association for repairs and maintenance of the exteriors of the buildings, excluding roofing, are expected to be minimal because the buildings were renovated in the early 1990's. The budget amount is based on an estimate of \$100 per unit per year. Future year's budget amounts will be adjusted with current needs.

3. Landscape maintenance and snow removal

This estimate is based on a quote received from Yardworks Lawn Care Service of Plattsburgh, NY for both landscaping and snow removal services.

Landscaping services include spring cleanup, a fertilization program, annual pruning of trees and shrubs and 18 mowing and trimming of HOA lawns. The mowing is based on a 10-day cycle assuming a 180 day season. Additional mowings, if required, are to be billed additionally at \$1,200 each.

Snow removal services include shoveling the sidewalks leading to each unit and plowing all driveways and HOA-maintained cul-de-sacs roads, including application of calcium chloride (for ice melt) and sanding as necessary. Snow removal will begin with the accumulation of 2 inches.

4. Insurance

This estimate is based on a quote from Northern Insuring Agency, Inc of Plattsburgh, NY. Coverage provided includes real property insurance of \$6,742,000, general liability of \$1,000,000 per occurrence (\$2,000,000 aggregate), non-owned automobile liability of \$1,000,000 per occurrence, umbrella liability of \$2,000,000 per occurrence (\$2,000,000 aggregate) and directors and officers liability insurance of \$1,000,000.

5. HOA management fees

The Declarant, Lake Country Developments, LLC will provide management services to the HOA for an interim period until such time as voting control of the HOA is transferred from the Declarant to the members. The fee for these services shall be \$10 per unit per month (\$12,720 per year for Phase 1) and include supervision of contracted maintenance work and services, maintaining financial books and records needed for the collection and disbursement of Association funds, negotiation of service contracts, preparation of the annual budget and other activities normally related to professional homeowners association management. The Declarant may at any time enter into a contract for management services with a licensed property management company on behalf of the HOA provided the fee for such services shall not exceed the budgeted amount. Such a contract would be for not more than a one-year period and be cancelable with or without cause by either party upon giving 30 days written notice.

6. Legal fees

This estimate is considered as a contingency fund for routine advice or letters from counsel on matters pertaining to interpretation of the declaration or by-laws. The amount budgeted will cover only a minimal amount of legal advice.

7. Accounting & audit fees

The estimate is based on a quote from Martindale, Keysor & Co., Certified Public Accountants of Plattsburgh, NY. The service provided is for an annual audit and preparation of State and Federal tax returns for the HOA

8. Franchise Taxes

This cost is to pay for the minimum New York State franchise tax of \$375

9. Ad Valorem Taxes

The City of Plattsburgh assessor has taken the correct position that the common area associated with the HOA has minimal value and will assess at a token value of \$50. Ad Valorem taxes are therefore budgeted at a minimum amount of \$10.

10. Reserves:

a) Roof replacement

This estimate is based on a quote from Lake Champlain Roofing LLC of Plattsburgh, NY of \$200 per square (100 square feet) which includes removal and replacement of old shingles with new shingles and all debris removal. The total

square footage of roof area has been calculated by Architectural, Engineering and Land Surveying Northeast, PLLC of Plattsburgh NY (AES Northeast) at approximately 1863 squares. The calculation of the annual reserve amount is based on an estimated remaining life of the existing shingles of 12 years.

b) Asphalt repair and replacement

Maintenance and repair of the asphalt driveways and cul-de-sac road areas within the development are the responsibility of the HOA. The budgeted amount is based on sealcoating and crack filling every 3 years, resurfacing every 15 years and repaving (with excavation) 1% of the surface area every 5 years. The calculations were prepared by AES Northeast and are based on 4546.67 square yards of asphalt surface area and using costs for crack filling, sealcoating, resurfacing and repaving of \$.32, \$1.20, \$3.00 and \$70.00 per square yard respectively.

c) Exterior trim painting

This estimate, provided by AES Northeast, is for repainting of the front and back porch posts and decorative wood framing every 3 years.

d) Fence replacement

This budget item is based upon 3719 linear feet of wood fencing with an estimated remaining useful life of 15 years and a replacement cost of \$7 per linear foot. Estimates and calculations are provided by AES Northeast.

11. Office, stationery and postage

A nominal amount has been budgeted to provide necessary office supplies for communication with homeowners.

12. Contingencies

This amount may be used at the discretion of the Board to make up deficits in other items of the budget, or to pay for unanticipated or unrecognized expenses. While the budget was prepared in good faith and attempts to address all known expenses related to the operation of the HOA, this contingency category is designed to meet unanticipated costs or changes in prices.

Lake Country Village Homeowner's Association

BUDGET ESTIMATES
HOA OPERATIONS
ADDITION OF SUBSEQUENT PHASES

	PHASE 1 (106 units)	PHASES 1&2 (224 units)	PHASES 1,2&3 (324 units est.)
<u>Projected Income</u>			
Maintenance Charges	\$ 190,800	\$ 392,023	\$ 574,968
 <u>Projected Expenses</u>			
1 Water and sewer charges	\$ 44,520	\$ 94,080	\$ 136,080
2 Miscellaneous repairs and maintenance	\$ 10,600	\$ 22,400	\$ 32,400
3 Landscape maintenance & snow removal	\$ 57,764	\$ 115,528	\$ 173,292
4 Insurance	\$ 20,313	\$ 40,626	\$ 60,939
5 HOA management fees	\$ 12,720	\$ 26,880	\$ 38,880
6 Legal fees	\$ 500	\$ 500	\$ 500
7 Accounting & audit fees	\$ 1,500	\$ 2,000	\$ 2,500
8 Franchise Taxes	\$ 375	\$ 375	\$ 375
9 Ad Valorem Taxes	\$ 10	\$ 20	\$ 30
10 Reserves: a) roof replacement	\$ 31,050	\$ 65,615	\$ 94,908
b) asphalt repair and replacement	\$ 3,850	\$ 8,135	\$ 11,766
c) exterior trim painting	\$ 2,223	\$ 4,698	\$ 6,795
d) fencing replacement	\$ 1,735	\$ 3,666	\$ 5,303
11 Office, stationery and postage	\$ 1,900	\$ 4,000	\$ 6,000
12 Contingencies	\$ 1,740	\$ 3,500	\$ 5,200
TOTAL	\$ 190,800	\$ 392,023	\$ 574,968
 Monthly fee per home	\$ 150.00	\$ 145.84	\$ 147.88

Number of Units per Phase:

Phase 1: 106 units

Phase 2: 118 units

Phase 3: 100 units (estimate only, excluding possible newly constructed units)



Plattsburgh, New York

Cynthia M. Loshac-Graham
City Chamberlain

Department of Finance
8 Miller Street
Plattsburgh, New York 12901
518 - 563-7704 TEL
518 - 563-1714 FAX
cwig@getther.net

May 10, 2000

Mr. Steven McCray
AES Northeast PLLC
10 City Hall Pl. #201
Plattsburgh, NY 12901

POOR QUALITY ORIGINAL

Dear Sir:

Per our conversation on May 8th, this is to reaffirm what we discussed regarding approximate water and sewer costs for a two-family residence. Please note that these are approximations.

The average monthly water consumption would be 17,000 gallons with an approximate cost of \$30. The average sewer bill based on the same consumption would be approximately \$40 per month. Please be advised that this is not based on the actual location where water would be provided and is only an approximation of what the consumption might be.

If you have any further questions regarding the above information, please feel free to contact me at the above phone number.

Sincerely,

Eileen M. Sickles,
Customer Service

$$\begin{aligned} 2 \text{ family residence} &= \$ 70 \quad (30 + 40) \\ 1 \text{ family residence} &= \$ 35 \quad (70 \times 1/2) \\ &\times 106 \text{ units} \times 12 \text{ months} \\ &= \underline{\underline{\$ 44,520}} \end{aligned}$$

Lake Country Village Homeowner's Association

BUDGET ESTIMATES
HOA OPERATIONS
ADDITION OF SUBSEQUENT PHASES

	PHASE 1 (106 units)	PHASES 1&2 (224 units)	PHASES 1,2&3 (324 units est.)	
<u>Projected Income</u>				
Maintenance Charges	\$ 190,800	\$ 392,023	\$ 574,968	
<u>Projected Expenses</u>				
1 Water and sewer charges	\$ 44,520	\$ 94,080	\$ 136,080	35.-
2 Miscellaneous repairs and maintenance	\$ 10,600	\$ 22,400	\$ 32,400	8.30
3 Landscape maintenance & snow removal	\$ 57,764	\$ 115,528	\$ 173,292	45.41
4 Insurance	\$ 20,313	\$ 40,626	\$ 60,939	15.97
5 HOA management fees	\$ 12,720	\$ 26,880	\$ 38,880	10.-
6 Legal fees	\$ 500	\$ 500	\$ 500	.39
7 Accounting & audit fees	\$ 1,500	\$ 2,000	\$ 2,500	1.18
8 Franchise Taxes	\$ 375	\$ 375	\$ 375	.30
9 Ad Valorem Taxes	\$ 10	\$ 20	\$ 30	.01
10 Reserves: a) roof replacement	\$ 31,050	\$ 65,615	\$ 94,908	24.41
b) asphalt repair and replacement	\$ 3,850	\$ 8,135	\$ 11,766	3.03
c) exterior trim painting	\$ 2,223	\$ 4,698	\$ 6,795	1.75
d) fencing replacement	\$ 1,735	\$ 3,666	\$ 5,303	1.36
11 Office, stationery and postage	\$ 1,900	\$ 4,000	\$ 6,000	1.49
12 Contingencies	\$ 1,740	\$ 3,500	\$ 5,200	1.37
TOTAL	\$ 190,800	\$ 392,023	\$ 574,968	149.99
Monthly fee per home	\$ 150.00	\$ 145.84	\$ 147.88	

Number of Units per Phase:

Phase 1: 106 units

Phase 2: 118 units

Phase 3: 100 units (estimate only, excluding possible newly constructed units)



Plattsburgh, New York

Cynthia M. Loser-Gralum
City Chamberlain

Department of Finance
8 Miller Street
Plattsburgh, New York 12901
518 - 563-7704 TEL
518 - 563-1714 FAX
cunig@geaier.net

May 10, 2000

**POOR QUALITY
ORIGINAL _____**

Mr. Steven McCray
AES Northeast PLLC
10 City Hall Pl. #201
Plattsburgh, NY 12901

Dear Sir:

Per our conversation on May 8th, this is to reaffirm what we discussed regarding approximate water and sewer costs for a two-family residence. Please note that these are approximations.

The average monthly water consumption would be 17,000 gallons with an approximate cost of \$30. The average sewer bill based on the same consumption would be approximately \$40 per month. Please be advised that this is not based on the actual location where water would be provided and is only an approximation of what the consumption might be.

If you have any further questions regarding the above information, please feel free to contact me at the above phone number.

Sincerely,

Eileen M. Sickles,
Customer Service

2 family residence = \$ 70 (30+40)
1 family residence = \$ 35 (70 x 1/2)
x 106 units x 12 months
= \$ 44,520

YARDWORKS

Lawn Care Service
4425 RT#9
PLATTSBURGH, NY 12901

Proposal

604-664-0823

*Yes
copy*

TEL (518) 561-3051
FAX (518) 566-0683

Lake Country Village Home Owners Association, Inc
PO Box 3066
Plattsburgh, NY 12901

Phone 563-2346
Date: 05-02-01
Job Location:
PAFB

We hereby submit specifications and estimates for:

2001 - 2002 Maintenance Contract

- 1) Spring Cleanup - Raking of lawns, cleaning of all flower beds, sweeping of all sidewalks and debri removal - Spring 2002 \$3,745.00
- 2) Annual fertilization program to include 3 step program through out the season w/time release fertilizers \$2,350.00
- 3) Annual spring pruning of trees and shrubs around 106 units w/debri removal - Spring 2002. \$3,800.00
- 4) Mowing and trimming of all lawn areas in Phase One to include common areas; the mowing and trimming will be done on a ten day cycle of 180 days for a total of 18 mows. Any mows above the 18 will be billed separately. \$21,600.00
- 5) Snow removal of entire Phase One to include driveways, walkways, 2480 linear ft of common sidewalks and all cul de sacs to include ice melt and sanding when needed. Snow removal will begin with the accumulation of 2 inches unless other arrangements have been made. \$22,490.00

Sub-total \$53,985.00
Sales Tax \$3,778.95
Total \$57,763.95 *

We Propose hereby to furnish material and labor - complete in accordance with above specifications - the sum of Fifty-Seven Thousand Seven Hundred Sixty-Three and 95/100 ***
***** dollars (\$57763.95).

Payment to be made as follows: Billed in 12 payments beginning May 1st, 2001 and ending April 1st, 2002 in the amount of \$4813.66 per month.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature: _____

Note: This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of Proposal:

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Signature: _____

Date of Acceptance: _____

Signature: _____

Yardworks Lawn Care Service Proposal

Spring Cleanup	\$ 3,745.00
Fertilization Program	\$ 2,350.00
Annual Pruning	\$ 3,800.00
Mowing 25 weeks: 180 Days \$1200 per mow: 10 Days Cycle	\$ 21,600.00
Snow Removal	\$ 22,490.00

Total	\$ 53,985.00
-------	--------------

7% Tax	\$ 3,778.95
--------	-------------

Net	\$ 57,763.95
-----	--------------

Per Unit Per Month	\$ 45.41
--------------------	----------

**STAMP TO
AVOID IMAGE
DELETION**

Lake Country Village Homeowners Association

Subject	Amount	Coverage Form	Deductible	Year 1 (1/1/98)
Real Property	\$6,742,000	Special	\$1,000	\$10,675
General Liability	\$1,000,000 Occ./ \$2,000,000 Agg.	Comprehensive	None	\$6,047
Non-Owned/Hired Auto Liability	\$1,000,000 Occ.	Comprehensive	None	\$180
Umbrella Liability*	\$2,000,000 Occ./ \$2,000,000 Agg.	Comprehensive	None	\$1,750
Directors & Officers Liability**	\$1,000,000	Broad	\$1,000	\$1,661
TOTAL				\$ 20,313

*This Umbrella does not go over Directors & Officers coverage.

**\$2,000,000 Option is \$673 additional premium.

General Liability costs are estimated on 106-unit first year average at replacement cost. Umbrella at \$15,000,000 is \$3,105; \$250,000,000 is \$4,876. This Umbrella is excess over the Directors & Officers coverage.



Real Property: Special building form. A form which provides All Risk coverage on commercial buildings, subject to certain exclusions (such as earthquake, flood & mechanical breakdown). It is the broadest coverage available on buildings.

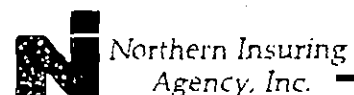
General Liability: A form of insurance designed to protect owners and operators of businesses from a wide variety of liability exposures. These may include liability arising out of accidents resulting from the premises or the operations, operations completed, contractual liability.

Nonownership Auto Liability: Insurance protection against any liability that might arise when one of the townhouse owners drive their car on the Townhouse Association's behalf.

Hired Auto Liability: Autos leased, hired, rented or borrowed by the Townhouse Association.

Umbrella: A coverage affording high limit coverage in excess of the limits of the General Liability, Nonownership Auto Liability and Hired Auto Liability (and in some cases Directors & Officers Liability). These additional coverages are usually subject to a substantial self-insured retention.

Directors & Officers Liability: Insurance that protects directors and officers from liability claims arising out of alleged errors in judgement, breaches of duty and wrongful acts related to their organizational activities.



**HOMEOWNER'S ASSOCIATION
PROPERTY MANAGEMENT AGREEMENT**

Between:

Lake Country Developments, LLC (the "Manager")

and

Lake Country Village Homeowner's Association, Inc. (the "HOA")

Whereas:

The Manager and the HOA agree that the Manager shall provide homeowner's association management services to the HOA under the following terms and conditions:

1. Management Services Provided by Manager

- a) Negotiation of service contracts as required.
- b) Supervision of contracted maintenance work and services to ensure all work is performed satisfactorily and in accordance with service contracts.
- c) Maintain books and records of the HOA and ensure collection and disbursement of HOA funds in accordance with the budget.
- d) Preparation of annual budget.
- e) Financial reporting to the HOA board as requested
- f) Other activities normally related to professional HOA management

2. Management Fee

- a) A management fee of \$10 per unit per month shall be payable to the Manager on the first of each month. The monthly fee shall be calculated based on the total number of units that at the beginning of each month have been sold and transferred to purchasers. No fee shall apply to units still owned by the Declarant.

3. Term of Agreement and Early Termination

- a) Unless extended in writing, this agreement shall terminate on May 31, 2002.
- b) This agreement may be terminated by either party upon 30 days written notice.

Lake Country Developments, LLC

Per: *Ross Galbraith*

May 24, 2001
Date

Lake Country Village Homeowner's Association, Inc.

Per: *Ross Galbraith*

May 24, 2001
Date

**STAMP TO
AVOID IMAGE
DELETION**

HARTER, SECREST & EMERY LLP

ATTORNEYS AT LAW

One HSBC Center, Suite 3550
Buffalo, New York 14203-2884
716-853-1616

111 Washington Avenue, Suite 206
Albany, New York 12210-2206
518-434-4377

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS

700 MIDTOWN TOWER
ROCHESTER, NEW YORK 14604-2070
716-232-6500
FAX 716-232-2152
E-MAIL: wlaforte@hselaw.com.

5551 Ridgewood Drive, Suite 405
Naples, Florida 34108-2753
941-598-4444

6719 Winkler Road, Suite 121
Fort Myers, Florida 33919-7200
941-489-1774

Please Reply To: Rochester
Direct Dial: 716-231-1426

May 31, 2001

Lake Country Developments LLC
10 Maryland Drive, PO Box 3066
Plattsburgh, New York 12901-0298
ATTN: Ross Galbraith

Re: Lake Country Village Homeowners Association, Inc.

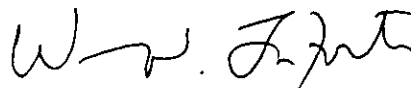
Dear Ross:

You have asked us for an estimate as to what the legal fees might be for the first year of operation for Lake Country Village Homeowners Association, Inc. Based upon our experience with new homeowner associations, we would estimate that legal fees would not exceed \$500.00 for any fiscal year of the Association.

If you need any additional information, please do hesitate to contact me.

Best regards.

Very truly yours,



William N. La Forte

WNL/ac



RICK N. MARTINDALE, CPA
ERIC M. KEYSOR, CPA
KEVIN W. ROBER, CPA
BRIAN T. TOUBIGNANT, CPA

April 19, 2001

Mr. Ross Galbreth
Lake Country Developments, LLC
426 US Oval, Room 119
Plattsburgh, NY 12903

Dear Ross:

Per your request, this letter summarizes our estimates on auditing and tax services as we have recently discussed.

We will perform an audit of the homeowners' association and prepare the annual Federal and New York State tax filings. We anticipate that the first year will have less activity than future years as the units begin to sell. Therefore, we estimate our services for the first year to be \$1,000 to \$1,500. Once Phase I is completed, our services will approximate \$2,500 and will gradually increase to approximately \$3,500 once Phase III is complete. This is based upon an increased transaction level with the growth of houses sold. It also anticipates adequate records and no unusual events or occurrences. Should anything like this develop, we would alert you immediately and discuss the effects on these estimates.

We would be glad to discuss this letter and any other matters with you at any time.

Very truly yours,

MARTINDALE KEYSOR & CO., PLLC

Rick N. Martindale, CPA

RNM/ju



Plattsburgh, New York

Debra M. Peda
Assessor

Office of Assessment
41 City Hall Place
Plattsburgh, New York 12901
518-563-7708

May 14, 2001

Lake Country Development, LLC
Attn: Brent Tynan
PO Box 3066
Plattsburgh, NY 12901-0298

Re: Homeowner's Association

Dear Mr. Tynan:

A separate "parcel" will be described, mapped and assessed to the Homeowner's Association. This will include all land and exterior common elements. A token value of \$50 will be placed on this parcel as it is heavily encumbered by multiple owners as well as the constraints set forth in your townhome development plan.

If you require any further assistance please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Debra M. Peda".

Debra M. Peda
City Assessor

LAKE CHAMPLAIN ROOFING LLC
P O BOX 2004
PLATTSBURGH, NEW YORK 17901
(518) 562-9956
(518) 563-7647 fax

MARCH 27, 2001

SELECT PROPERTY GROUP
P O BOX 161
BLD 22 426 US OVAL RM 119
PLATTSBURGH, NEW YORK

ATTN: BOB WICHTOWSKI

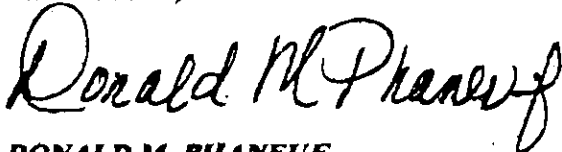
ON THE WEEK OF MARCH 12, 2001 I DID A BRIEF INSPECTION ON THE SHINGLE ROOFS ON THE SELECT PROPERTY GROUP HOMES. I WAS TOLD THAT IN 1992 THE ROOFS WERE INSTALLED. THIS BEING THE CASE THERE SHOULD BE 10-12 YEARS OF LIFE LEFT IN THE ROOFS.

I WOULD BE WILLING TO CONTRACT ANY REPAIRS NEEDED WITH SELECT GROUP OR GIVE ANY NEW OWNER SELECT GROUP SPECIAL RATES. MY USUAL RATE FOR REPAIR IS \$42.00 AN HOUR PER MAN. FOR THIS PROJECT I WOULD BE HAPPY TO REDUCE THE RATE TO \$35.00 AN HOUR PER MAN.

AT TODAYS RATE THE CHARGE PER SQUARE (100 SQUARE FEET) OF REPLACEMENT OF SHINGLE IS \$200.00. THIS INCLUDES RIPPING, ALL UNDER LAMENTS, NEW SHINGLE AND ALL DEBRIS REMOVAL.

IF I MAYBE OF ANY FURTHER SERVICE, PLEASE DO NOT HESITATE TO CALL.

SINCERELY,



DONALD M. PHANEUF

Estimate for Roor Replacement Cost: Phase One

Remaining Life

12 Years see roofing estimate

Estimated Roof Area (incl. Garage, ext. Porch, & Overhang)

Type I: 12 Units	1205 sq. ft x 12 Units x 1.1 for Roof Pitch Adj.	15906	sq. Ft.
Type II: 44 Units	1485 sq. ft x 44 Units x 1.1 for Roof Pitch Adj.	71874	sq. Ft.
Type III: 14 Units	1218 sq. ft. x 14 Units x 1.1 for Roof Pitch Adj.	18757	sq. Ft.
Type IV: 36 Units	2015 sq. ft. x 36 Units x 1.1 for Roof Pitch Adj.	79794	sq. Ft.
Total		186331	sq. Ft. 1863 Squares

Cost of Roof Replacement

calculations do not factor in inflation:

\$200 (per Square) x 1863 Squares see roofing estimate	\$	372,600	
Divide Replacement Cost by 12 Years	\$	<u>31,050.00</u>	<i>per year</i>
Divide Annual Cost by 12 Months	\$	2,587.50	<i>per month</i>
Divide by 106 Units	\$	24.41	<i>monthly contribution per unit</i>

SELECT GROUP
 PARC HOUSING PROJECT
 PHASE 1

ASPHALT MAINTENANCE RESERVES

units	area of asphalt
6008,6010,6012,6014,6006	155.56 SY
6009,6209,6225	266.67 SY
6016,6204,6228,6224,6213,6002,6304	777.78 SY
6236,6232,6241,6237	444.44 SY
6001,6005,6201,6205,6301,6305,6212	1166.67 SY
6300,6017,6229,6233,6217,6221,6208	1166.67 SY
6220,6216	568.89 SY

phase 1 total 4546.67 square yards

cost of sealcoating	\$ 1.20 per sy
cost of resurfacing	\$ 3.00 per sy
cost of crack cleaning/filling	\$ 0.32 per sf
cost of excavation/repaving	\$ 70.00 per sy

YEARS BETWEEN SEALCOATING/CRACK FILLING	3 yr
ANNUAL AMOUNT	\$ 2,487.07 2303.64 *
PER UNIT	\$ 23.56 21.73

YEARS BEFORE RESURFACING/ REPLACEMENT	15 yr
--	-------

COST OF EXCAVATION/ REPAVING OF 1% OF AREA EVERY FIVE YEARS	\$ 636.53 *
AREA RESERVE PER UNIT	\$ 6.01

ANNUAL RESERVE AMOUNT (resurfacing)	\$ 909.33 *
PER UNIT	\$ 8.58

TOTAL RESERVE PER UNIT FOR SEALCOATING AND REPLACEMENT	\$ 38.14
--	----------

Total annual reserve amount \$ 3849.50 *

SELECT GROUP
 PARC HOUSING PROJECT
 PHASE 1

EXTERIOR TRIM PAINTING RESERVES

				COST PER LF			TOTAL
	I.f. of 6x6	I.f. of 2x6	I.f. of 2x8	\$0.85	\$0.85	\$0.85	
QUAD UNITS							
front and back porch posts	40			\$ 34.00	\$ -	\$ -	\$ 34.00
back porch decorative framing		180	144	\$ -	\$ 153.00	\$ 122.40	\$ 275.40
DUPLEXES							
front and back porch posts	40			\$ 0.85			\$ 34.00
TOTAL RESERVE AMOUNT	\$6,669.10						
YEARS BETWEEN PAINTINGS	3						
PER UNIT	\$20.97						

$\div 3 \text{ years} = \underline{\underline{\$ 2223 \text{ per year}}}$

SELECT GROUP
 PARC HOUSING PROJECT
 PHASE 1

FENCE REPLACEMENT RESERVES

unit type	exterior unit fence length	interior unit fence length	# of bldgs	total lf fence
1 (quad)	39	15	3	324
2 (quad)	33	37	11	1540
3 (quad)	40	25	3	390
4 (duplex)	40	0	18	1440
bldg 2012 (half-quad)	12.5	0	1	25
phase 1 total				3719 linear feet
cost of installed fence				\$ 7.00 per lf
cost of toal replacement				\$ 26,033.00

REMAINING USEFUL LIFE

15 years

ANNUAL RESERVE AMOUNT

\$ 1,735.53 per year

PER UNIT

\$ 16.37

**DECLARATION
OF
COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS**

THIS DECLARATION, made the ____ day of May, 2001, by LAKE COUNTRY DEVELOPMENTS, LLC, a New York limited liability company with its principal office located at 10 Maryland Road, P.O. Box 3066, Plattsburgh, New York 12901-0298 (hereinafter called "Declarant").

WHEREAS, Declarant is the owner of certain real property in the City of Plattsburgh, Clinton County, New York, more particularly described in Schedule "A" attached hereto and which is known as Lake Country Village and which is being developed by the Declarant as the Lake Country Village Homeowners Association; and

WHEREAS, the Declarant wishes to provide for the preservation of the values and the amenities in this community and for the maintenance of the buildings and the open spaces and desires to subject the real property described in Schedule "A" to the covenants, conditions, easements and restrictions hereinafter set forth, which is and are for the benefit of the Property and each Owner therein; and

WHEREAS, the Declarant has deemed it desirable for the preservation of the values and amenities in this community to create an Association to which should be delegated the power to maintain and administer the Property with the power to enforce the covenants and restrictions and to collect and disburse the assessments and charges hereinafter created; and

WHEREAS, the Declarant has incorporated Lake Country Village 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, Declarant hereby declares that all of the real estate described in Schedule "A" shall be held, sold, conveyed and occupied subject to the following covenants, conditions, easements and restrictions which are for the purpose of protecting the value and desirability of, and which shall run with the Property, and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and which shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Lake Country Village Homeowners Association, Inc., its successors and assigns.

Section 2. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area shall be conveyed to the Association prior to the conveyance of the first unit in this project. The Common Area shall be comprised of all of the Property but excluding the Lots.

Section 3. "Declarant" shall mean and refer to Lake Country Developments, LLC, its successors and assigns if such successor or assign shall acquire more than one undeveloped Lot from Declarant for the purpose of development.

Section 4. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions, Easements and Restrictions as it may be from time to time be amended or extended as provided herein.

Section 5. "Lot(s)" shall mean and refer to any plot(s) of land shown upon any recorded subdivision map or resubdivision map of the Property, with the exception of the Common Area. The Lot to be owned by each Owner shall be the area shown on the subdivision map.

Section 6. "Property" shall mean and refer to that certain real property described in Schedule "A", and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 7. "Owner" shall mean and refer to the record Owner, whether it be one or more persons or entities, of a fee simple title to any Lot which is part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

ARTICLE II

PROPERTY RIGHTS

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

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

(b) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes

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

(c) the right of the individual Owners to the exclusive use of the driveway which services their unit and any parking spaces which may be provided for Owners upon the Common Area.

(d) the right of invitees and business visitors of any Owner for ingress and egress over those portions of the Common Area that lie within private roadways.

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

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, that Owner's right of enjoyment to the Common Area to family members, tenants or contract purchasers who reside on an Owner's Lot.

Section 3. Rights of Association. In accordance with the Certificate of Incorporation and with respect to the Common Area owned by the Association, the Association shall have the right:

(a) to promulgate and enforce reasonable rules and regulations relating to the use, operation, and maintenance of the Association property, and to levy fines for the infraction thereof, in the discretion of the Association; and

(b) to grant easements or rights-of-way, with or without consideration, to any public or private utility, cable television company, governmental agency or political subdivision.

ARTICLE III

EASEMENTS

Section 1. Easements for Utilities. An Easement is hereby granted to the Association and to all utility companies over and through the Lots for the purpose of maintaining, repairing and replacing gas lines, electric, and cable TV and telephone wires which connect and pass through Units and which connect to boiler rooms and gas meters. Declarant reserves the right to grant easements, both temporary and permanent, to all public authorities and utility companies over any part of the Property until closing has occurred on the last Lot, in the Property, or the last Lot in the overall Project if Additional Properties are bought within the Association by the Declarant as set forth in Article X hereof. However, any such easement shall be located within the Common Area.

Section 2. Association Easements. An easement is hereby granted to the Association, its officers, agents, and employees, including employees of any management company having a contract with the Association, over all of the Common Area, to perform the duties of maintenance and repair to the Common Area and to the exterior of the buildings, to maintain any utilities for which an easement has been granted and to prevent damage to the Common Area. An easement is hereby reserved to Declarant, its invitees and guests to enter the Common Area during the period of construction and sale of the Property to show the Lots for sale and to maintain the Common Area and to perform such operations as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of Lots, including, without limitation, a business office, sales office, storage area, construction

yard, signs and model units, provided that this does not unreasonably obstruct access by Owners in the Association.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

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

Section 2. Voting Rights. The Association shall have two classes of voting membership. Class A members shall be all members with the exception of the Declarant, and any other person or entity which acquires title to all or a substantial portion of the Property for the purpose of developing thereon a residential community. Each Class A member shall be entitled to only one vote regardless of the number of Lots owned. When more than one (1) person holds an interest in any one Lot, such persons together shall constitute an organization which shall be one member entitled to cast one vote. The vote for such Lot shall be exercised as the persons who constitute the organization shall among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot. Each person who is a part of such organization shall severally be entitled to the other rights and subject to the other obligations of membership. Class B members shall be the Declarant or its successors or assigns, and the Declarant shall be entitled to one vote for each Lot owned. The Class B membership shall cease and be converted into Class A membership on January 1, 2003, or when all of the Lots within the Association have closed and record

title transferred, whichever is earlier, unless this date has been extended because the Declarant has brought within the Association Additional Properties as set forth in Article X hereof. Prior to such date, as it may be extended, Class A members shall not be entitled to vote for membership on the Board of Directors.

ARTICLE V

COVENANT FOR ASSESSMENTS

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

Each Owner of a Lot by acceptance of a deed for such Lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay as of the date of transfer of title to the Owner, annual maintenance assessments or charges, such assessments to be established and collected as hereinafter provided. The annual maintenance assessments, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them, although the lien for any unpaid assessments shall remain a lien against the Lot, as set forth in Article V, Section 4 hereof.

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

Section 3. Due Dates for Annual Assessment. The Board of Directors shall fix the amount of the annual assessment against each Lot at least forty-five (45) days in advance of the start of the Association's fiscal year. Written notice of the annual assessment shall be sent to every Owner subject thereto. Unless the Board otherwise provides, one-twelfth (1/12th) of the annual maintenance assessment shall be due on the first day of each month. The Association or the Managing Agent shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association or the Managing Agent setting forth whether the assessments on a specified Lot have been paid. Each Owner shall pay a prorated share of one-twelfth (1/12) of the monthly assessment at the time of acceptance of the deed.

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

behalf of the Owners, shall have the power to bid for an interest foreclosed at a foreclosure sale and may acquire such interest to hold, lease, mortgage or convey the same. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of the Lot.

Section 5. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage on a Lot. Sale or transfer of any Lot shall not affect the lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereon.

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

ARTICLE VI

COMMON AREA MAINTENANCE

Section 1. Common Area Maintenance. The Association, as deemed necessary in the exercise of its reasonable judgment, shall keep in good repair and shall maintain the Common Area, the building roofs and building exteriors, and all landscaped areas in good repair, and shall repair and replace the gas pipelines within the interior walls of units.

The Declarant shall maintain, repair and replace all pipes, wires and conduits located in the Common Area for which a utility company or other entity is not responsible. The Association shall also be responsible for proper maintenance of all

shrubbery, trees, and other plantings installed by the Association within the Common Area. The Association shall be responsible for maintaining in good repair the walkways, driveways, cul-de-sacs and private roads located within the Common Area.

No plantings or alterations may be made to the Common Area by an individual Owner, including the cutting or pruning of trees or shrubs in such Common Area (even if branches or roots overhang or enter upon an Owner's Lot), except with the express written consent of the Board of Directors of the Association.

Section 2. Repairs and Maintenance Which Are Not the Responsibility of the Association. Any maintenance, repair, or replacement necessary to preserve the appearance and value of the Property but which is occasioned by a negligent or willful act or omission of an Owner (including any family member, tenant, guest or invitee of the Owner) or the Declarant shall be made at the cost and expense of such Owner or the Declarant, as the case may be. If such maintenance, repair, or replacement is performed by the Association, it shall not be regarded as a common expense, but rather shall be considered an expense attributable to the specific Lot and such cost shall be added to that Owner's assessment and shall constitute a lien on the Lot to secure the payment thereof. Maintenance of the Lot and the interior of the unit, including all plumbing and HVAC mechanicals, shall not be provided by the Association, and shall be the responsibility of the Lot Owner, and shall be performed by each Owner in a prudent manner so as not to cause damage to adjacent units.

ARTICLE VII

RENTAL OF UNITS

Section 1. Renting of Units. Lots in this Association may be rented to an individual or individuals but such rental must be for a minimum period of 30 days. An Owner of a Lot who enters into such a rental agreement shall provide notice thereof to the Association prior to the Tenant taking occupancy. However, an Owner is prohibited from renting his Lot for a period of two (2) years from the date the Owner takes record title to the Lot.

Any tenant of an Owner who conducts himself in such a manner as to be a nuisance to the other Owners in the Association or who does not abide by the rules and regulations of the Association may have their lease with an Owner terminated by the Association upon not less than ten (10) days notice to the Owner and the Owner's tenant.

ARTICLE VIII

ALTERATION OF UNITS AND RESTRICTIONS ON THE USE OF UNITS

Section 1. Alteration to Improvements. No exterior alteration, addition or modification to the buildings, including windows, exterior doors and garage doors, may be made by an Owner or his successor without first obtaining the prior written approval of the Board of Directors which, in its discretion, may require such reasonable plans and specifications before reviewing any such request for alteration.

Section 2. Advertising and Signs. Except for signs erected by or with the permission of the Declarant in connection with the initial development and sale of Lots, no additional sign or other advertising device of any nature shall be placed for display to

the public on any Lot or other portion of the Property, except temporary signs placed in building windows advertising the property for sale .

Section 3. Animals Including Birds and Insects. No animals of any kind shall be raised, bred or kept in any unit or lot except that dogs and cats (or other domesticated household animals may be kept inside the unit, provided that they are not kept, bred or maintained for commercial purposes. The Board of Directors may set reasonable rules and regulations regarding pets. The Board of Directors of the Association may, from time to time, (i) impose reasonable rules and regulations setting forth the type and number of animals, including birds, reptiles and insects and (ii) prohibit certain types of animals, including birds, reptiles or insects entirely. Notwithstanding the above, the Board of Directors of the Association shall have the right to require any Owner (or any tenant of any Owner, or any family member or guest of any Owner or tenant) to dispose of any animal, including birds, reptiles or insects, if, in the opinion of the Board of Directors, acting in its sole discretion, such animal is creating a nuisance because, but not limited to, the Owner does not clean up after the animal, the animal is too noisy, or the animal is not leashed or properly controlled, or if the animal could pose a threat to the health or safety of the Association members.

Section 4. Plantings, Screening and Fences. Any plantings, fence enclosures, or walls initially developed on a Lot or other portion of the Property shall not be removed , replaced or repainted or altered as to color with other than a similar type of planting, fence, or wall except with the permission of the Board of Directors or the Architectural Committee if one has been appointed. Except for the foregoing, no fence, wall, or planting outside of the foundation of a unit, except for the existing fenced back yard which lies outside of the foundation, of any kind shall be planted, installed, or

erected upon a Lot or other portion of the Property unless approved by the Board of Directors or the Architectural Committee if one has been appointed. Notwithstanding the foregoing, no fence, wall, or planting shall be maintained so as to obstruct sight lines for vehicular traffic.

Section 5. Garbage and Refuse Disposal. Except for building materials during the course of construction or repair of any approved improvements, no lumber, metals, bulk materials, wood piles, rubbish, refuse, garbage, trash or other waste material (all of which are referred to hereinafter as "Trash") shall be kept, stored, or allowed to accumulate outdoors. All such trash shall be kept within the Owner's garage or the Owner's Lot. Trash containers may be placed in the open within 24 hours of a scheduled pick-up, at such place designated by the Board of Directors or the Architectural Committee so as to provide access to persons making such pick-up. The Board of Directors or the Architectural Committee may, in its discretion, adopt and promulgate reasonable rules and regulations relating to size, shape, color and type of containers permitted and the manner of storage of the same on any portion of the Property.

Section 6. No Above Surface Utilities Without Approval. Except for electric transformers and connecting terminals, and pylons erected by cablevision or telephone companies, no new facilities, including without limitation, poles and wires for the transmission of electricity or telephone messages, and water, gas, sanitary, and storm sewer drainage pipes and conduits shall be placed or maintained above the surface of the ground on any portion of the Property without the prior written approval of the Board of Directors or the Architectural Committee.

Section 7. Noxious or Offensive Activities. No noxious or offensive activity shall be carried out upon any portion of the Property, nor shall anything be done thereon that may be or become a nuisance or annoyance in the area or to the residents or Owners thereof. The emission of smoke, soot, fly ash, dust, fumes, herbicides, insecticides, and other types of air pollution or radioactive emissions or electro-magnetic radiation disturbances, shall be controlled so as not to (i) be detrimental to or endanger the public health, safety, comfort, or welfare, (ii) be injurious to property, vegetation, or animals, (iii) adversely affect property values or otherwise produce a public nuisance or hazard, or (iv) violate any applicable zoning regulation or other governmental law, ordinance, or code.

Section 8. Dwelling in Other Than Residential Units. No temporary building, trailer, recreational vehicle, basement, tent, shack, barn, outbuilding, shed, garage, or building in the course of construction, or other temporary structure shall be used, temporarily or permanently, as a dwelling on any Lot or other portion of the Property except with the consent of the Board of Directors.

Section 9. Television and Radio Antennas. No outside television or radio antennas, nor any satellite dish or disc, shall be erected on any Lot or other portion of the Property except with the consent of the Board of Directors or the Architectural Committee.

Section 10. Residential Use Only. Except as provided in Section 11 below, the Property shall be used only for residential purposes and purposes incidental and accessory thereto except that so long as the Declarant holds for sale any Lot on the Property, the Declarant may use one or more Lots or other portions of the Property for model homes and/or a real estate office.

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

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

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

Section 14. Oversized, Commercial, of Unlicensed Vehicles. Unless used in connection with the construction or sale of Lots by the Declarant, or maintenance of the Property, or unless otherwise consented to by the Board of Directors, the following shall not be permitted to remain overnight on the Property:

- (a) commercial vehicles of a weight of one and a half (1-1/2) tons or more
- (b) unlicensed or inoperative motor vehicles of any type.

Section 15. Clotheslines. No outdoor drying or airing of any clothing or bedding shall be permitted on the Property unless authorized by the Board of Directors or the Architectural Committee.

Section 16. Pools. No inground or above ground pool shall be permitted anywhere on the Property.

ARTICLE IX

INSURANCE AND CASUALTY DAMAGE

Section 1 Fire and Casualty Insurance. The Association will obtain and maintain in force and effect a policy of fire and other casualty insurance, in an amount, and with such coverage, as are acceptable to the Association, and with coverage adequate to cover the full replacement cost of any repair or reconstruction work on all the buildings on the Property. An annual evaluation shall be made by the Board of Directors to determine the adequacy of the insurance. Each Owner will be issued a certificate from the master policy which will indicate the amount of coverage on an Owner's unit and will name the Owner and the Association as the insured. The premium for this casualty insurance shall be billed to the Association and the cost thereof shall be included in the annual assessment to the Owners.

In the event of damage or destruction by fire or other casualty insured against to any unit of the Owner, the Association shall receive the proceeds of such insurance, and make such proceeds available to the Owner for repair or replacement of the Owner's unit. The Owner shall, upon receipt of notification of the availability of insurance proceeds, repair or rebuild such damaged or destroyed portions of the exterior of the Owner's unit in a good workmanlike manner substantially the same

as the original plans and specifications of said property. If the Owner refuses or fails to repair or rebuild the exterior of the unit within thirty (30) days, the Association may repair or rebuild such exterior, paying for the same from the insurance proceeds, and shall deliver to the Owner any excess insurance proceeds.

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

Section 2. Liability Insurance. The Association shall obtain and keep in full force and effect a policy of general liability insurance on the Common Area. The premium for this insurance shall be billed to the Association and the cost thereof shall be included in the annual assessment to the Owners.

Each Owner should maintain a policy covering their contents, personal property and for liability for injury occasioned to persons on an Owner's property. The insurance maintained by the Association will not cover an Owner's personal property nor will it insure for an Owner's personal liability.

ARTICLE X

ADDITIONAL PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Additions to the Property by the Declarant. Declarant, its successors or assigns, shall have the sole and absolute right, without the need for the consent of the members of the Association, for a period of fifteen (15) years following the date this instrument is filed in the Clinton County Clerk's Office, to bring within the

scheme of this Declaration additional Properties to be developed substantially similar to the Property contained herein (hereinafter referred to as Additional Properties). However, neither Declarant nor its successors and assigns shall be bound to make such additions. Such additions shall be made by the Declarant filing in the Clinton County Clerk's Office a Supplemental Declaration with respect to the Additional Properties, which shall extend the scheme of this Declaration to such Properties. Such Supplemental Declaration may contain additions and modifications to the covenants and restrictions contained in this Declaration so long as they are not inconsistent with the scheme of this Declaration.

Section 2. Additions to the Property by the Association. Annexation of additional property by other than the Declarant shall require the assent of two-thirds of both classes of members at a meeting duly called for this purpose on the same notice and in the same manner as is required for meetings and voting by the By-Laws.

Section 3. New Lots from the Common Area. The Declarant shall have the sole and absolute right to create new and additional Lots from the Common Area for sale to third party purchasers upon receiving any and all municipal approvals that may be necessary to create such New Lots ("New Lots"). In such event, that portion of the Common Area which will comprise the New Lots will be conveyed to the Declarant for no consideration upon request by the Declarant. The Declarant shall pay all of the closing costs in connection with such conveyance.

ARTICLE XI

GENERAL PROVISIONS

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

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

Section 3. Enforcement. The Association, or any Owner, shall have the right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this ___ day of _____, 2001.

LAKE COUNTRY DEVELOPMENTS, LLC

By: _____
G. BRENT TYNAN, PRESIDENT

STATE OF NEW YORK)
COUNTY OF CLINTON) ss:

On this ___ day of _____, in the year 2001, before me, the undersigned, a Notary Public in and for said State, personally appeared **G. BRENT TYNAN**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SCHEDULE "A"

DESCRIPTION

**STAMP TO
AVOID IMAGE
DELETION**

**Legal Description
Phase I Perimeter Boundary**

ALL THAT CERTAIN PIECE OR PARCEL OF LAND being part of the former Plattsburgh Air Force Base located both in the City of Plattsburgh and the Town of Plattsburgh, County of Clinton, State of New York, being more particularly described as follows (the following description is based upon a survey map entitled LAKE COUNTRY VILLAGE PLANNED UNIT DEVELOPMENT, FORMER PLATTSBURGH AIR FORCE BASE HOUSING REDEVELOPMENT PROJECT, PHASE I PLAN, prepared by AES Northeast, PLLC, Scott B. Allen, LS, drawing originally completed March 27, 2000, last revised April 20, 2000, Sheet 3 of 5, Job #2466).

BEGINNING AT A POINT in the westerly bounds of U.S. Avenue which point is the northeasterly corner of lands now or formerly of Agway Petroleum Corporation by virtue of a deed dated February 7, 1986 recorded in the Clinton County Clerk's Office on March 13, 1986 in Deed Volume 660 at page 317;

Thence South $85^{\circ}55'02''$ West along the northerly bounds of said lands of Agway 300.74 feet to the northwesterly corner of lands of said Agway.

Thence South $08^{\circ}05'55''$ East along the westerly bounds of lands of said Agway 171.43 feet to a point;

Thence in a general westerly direction through the lands of the former Plattsburgh Air Force Base the following seven (7) courses and distances:

1. South $82^{\circ}42'49''$ West 222.07 feet to a point;
2. South $87^{\circ}54'37''$ West 79.97 feet to a point;
3. North $78^{\circ}20'49''$ West 154.97 feet to a point;
4. North $77^{\circ}42'01''$ West 126.16 feet to a point which lies 33 feet distant westerly from the centerline of Maine Road.
5. Northerly along a curve convex to the East, parallel with and 33 feet distant westerly from the centerline of Maine Road, having a radius of 709.87 feet, an arc distance of 54.48 feet to a point;
6. North $77^{\circ}14'10''$ West 253.36 feet;
7. South $86^{\circ}06'31''$ West 78.14 feet to a point which lies 50 feet distant easterly from the centerline of New York Road;

Thence in a general northerly direction along a series of lines parallel with and 50 feet distant easterly of the centerline of New York Road the following three (3) courses and distances:

1. Northerly along a curve convex to the East having a radius of 1,812.20 feet an arc distance of 241.48 feet;
2. North $11^{\circ}31'31''$ West 48.83 feet;
3. North $11^{\circ}25'12''$ West 297.90 feet;

Thence in a general easterly direction through the lands of the former Plattsburgh Air Force Base the following six (6) courses and distances:

1. North $78^{\circ}34'48''$ East 371.60 feet;
2. North $50^{\circ}43'04''$ East 219.94 feet;
3. North $69^{\circ}24'37''$ East 131.36 feet;
4. North $86^{\circ}09'51''$ East 124.62 feet;
5. South $77^{\circ}10'59''$ East 254.85 feet;
6. North $82^{\circ}13'05''$ East 136.60 feet to a point in the westerly bounds of U.S. Avenue;

Thence South $07^{\circ}46'55''$ East along the westerly bounds of U.S. Avenue 755.47 feet to the point or place of beginning.

Containing therein 21.714 acres of land more or less.

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

Check or money order for filing fee, payable to New York State Department of Law, must be attached. Filing fee, which is good for four years, is \$200 plus \$10 for each partner, proprietor, principal, officer or director.

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.

Remit to: Real Estate Financing Bureau, N.Y.S. Department of Law, 120 Broadway, New York, N.Y. 10271

Name of Registrant Lake Country Developments LLC

Address 10 Maryland Road, Plattsburgh, New York 12903

Other offices, if any _____

1. Registrant is a corporation
 general partnership
 limited partnership
 other, specify limited liability company

Organized under the laws of the State 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 or homeowners association 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 or homeowners association which gave rise to this filing. Lake Country Village Homeowners Association, Inc.

5. Registrant intends to offer
 stock of cooperative housing corporation
 condominium units (including stock of or membership in condominium associations or corporations)
 homeowners association interests in real estate.

6. The offering will be made in
 New York State only
 New York and other states: specify Vermont and Canada

7. The offering will be made by
 officers, directors and employees of registrant
 selling agent. If so, give name(s) and address(es):

8. Has issuer, 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 sales person 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 practice 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 [X]

H. has an offering of securities within the last three years or been an officer, director, principal or partner of any entity which had an offering of securities within the last three years Yes [] No [X]

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: G. Brent Tynan Title: President

Home Address: 1197 Eden Isle Blvd. NE #2
St. Petersburg, FL 33704 Phone: (727) 827-1568

Place of Birth: Vancouver, B.C. Canada Date of Birth: May 26, 1955

Social Security No.: 589-69-8806 Other home address for past ten years:

1560 Gulf Blvd., Clearwater FL 33703 (10/96-3/98)

30B Hoi Yat Court, Ap Lei Chau, Hong Kong (12/94-10/96)

2241 Dunbar St., Vancouver, B.C. Canada (9/78-12/94)

Complete employment and business affiliation record for the past five years: include periods of self employment and unemployment. Include all corporations and 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

B. Name: Ross H. J. Galbraith Title: Vice President
 Home Address: 3465 W. 15th Ave Phone: 604-669-5822 ext. 16
Vancouver, BC
 Place of Birth: Victoria B.C. Date of Birth: Jan 1, 1961
 Social Security No.: 716 518 543 (Canada) Other home address for past ten years:
806-522 Aberly Road, Vancouver, B.C. (1990-1993)

Complete employment and business affiliation record for the past five years: include periods of self employment and unemployment. Include all corporations and 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
01 1995	05 1996	SELF-EMPLOYED 545 1130 W Pender Vancouver	PRINCIPAL
03 2000	06 2001	T.R. HOUSING CORP 1400-1130 W. Pender Vancouver	Shareholder Director President
03 1999	12 1999	GOLD RIVER HOUSING CORP. 1400-1130 W. Pender Vancouver	Shareholder Director
03 1998	12 1998	MASSETT HOUSING CORP. 1400-1130 W. Pender Vancouver	Shareholder Director
06 1996	12 1997	Fairways at Royal Oak L.C. 105-D 1880 Knox McRae Dr., Titusville, FL.	Member Manager

C. Name: Alistair J. Galbraith Title: None
 Home Address: 2056 Nanton Ave. Phone: 604-669-5822 ext 16
Vancouver, B.C.
 Place of Birth: Kelowna, B.C. Date of Birth: Feb 17, 1930
 Social Security No.: 700 997 059 (Canada) Other home address for past ten years:
None

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

FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION		POSITION HELD
		Name	Address	
01 1975	06 2000	SELF EMPLOYED	545-1130 W Pender Vancouver	Principal
03 2000	06 2001	T.R. HOUSING CORP	✓ ✓	N.P. shareholder Director
03 1999	12 1999	GOLD RIVER HOUSING CORP	1400-1130 W Pender Vancouver	Shareholder Director
03 1998	12 1998	MASSETT HOUSING CORP	✓ ✓	Shareholder Director
06 1996	12 1997	FAIRWAY & AT ROYAL OAK L.C.	105-D 1880 Knox McRae Dr Titusville FL.	Member of LLC

D. Name: Alex Cheung Title: _____
 Home Address: _____ Phone: _____
 Place of Birth: _____ Date of Birth: _____
 Social Security No.: _____ Other home address for past ten years:

C. Name: Alistair J. Galbraith Title: _____
 Home Address: _____ Phone: _____
 Place of Birth: _____ Date of Birth: _____
 Social Security No.: _____ Other home address 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 and other entities where person holds or held a substantial equity or controlling interest.


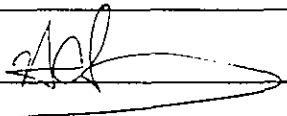
FROM Mo. Yr.	TO Mo. Yr.	EMPLOYER OR BUSINESS AFFILIATION Name Address	POSITION HELD

D. Name: Alex Cheung Title: Renovations Manager
 Home Address: 1197 Eden Isle Blvd. NE #2
St. Petersburg, FL 33704 Phone: (727) 827-1568
 Place of Birth: Hong Kong Date of Birth: August 16, 1966
 Social Security No.: 590-65-4036 Other home address for past ten years:
1560 Gulf Blvd., Clearwater, FL 33703 (10/96-3/98)
30B Hoi Yat Court, Ap Lei Chau, Hong Kong (6/94-10/96)
3813 West 38th Ave., Vancouver, B.C. Canada (to 6/94)

Complete employment and business affiliation record for the past five years: include periods of self employment and unemployment. Include all corporations and 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
10/1996	Present	Self Employed	
6/1994	10/1996	Ronald Lu & Assoc., Wanchai, Hong Kong	Architect

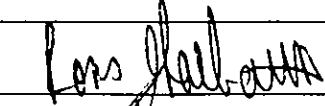
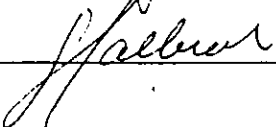
11. The undersigned constitute all proprietors, officers, directors, principals or partners of the registrant. Each hereby states and represents that all statements contained herein are true and correct and understands that any false statement shall constitute a violation of Article 23-A of the General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

<u>SIGNATURE</u>	<u>NAME AND TITLE</u> (PLEASE TYPE OR PRINT)	<u>DATE</u>
	<u>G. Brent Tynan, President</u>	<u>5/25/01</u>
	<u>Ross H. J. Galbraith</u>	
	<u>Alistair J. Galbraith</u>	
	<u>Alex Cheung, Renovations Manager</u>	<u>5/25/01</u>

Complete employment and business affiliation record for the past five years: include periods of self employment and unemployment. Include all corporations and 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 states and 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.

<u>SIGNATURE</u>	<u>NAME AND TITLE</u> (PLEASE TYPE OR PRINT)	<u>DATE</u>
 	G. Brent Tynan President	_____
_____	Ross H. J. Galbraith	May 24, 2001
_____	Alistair J. Galbraith	May 24, 2001
_____	Alex Cheung	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

REGISTRANT INFORMATION FORM (Form RI-1)

TO: ATTORNEY GENERAL STATE OF NEW YORK
[X] REAL ESTATE FINANCING BUREAU OR
[] INVESTOR PROTECTION BUREAU(PLEASE TYPEWRITE OR PRINT LEGIBLY)

1. Tynan G. Brent
Last Name First Name Middle Name

2. 1197 Eden Isle Blvd. NE #2 FL St. Petersburg 33704
Residence Address State City Zip Code

3. (a) (727) 827-1568 (b) (518) 563-2346
Residence Phone Business Phone

4. (a) Vancouver, B.C. Canada (b) May 26, 1955
Place of Birth Date of Birth

5. 589-69-8806
Social Security Number

6. Name of Issuer: Lake Country Village Homeowners Association, Inc.

7. Have you ever used or been known by any other name? Yes () No (XX)

8. Have you or has any business entity under your control or in which you were a principal shareholder (10% or more) or in which you held a substantial equity or controlling interest (10% or more) or of which you were an officer, director, general partner, trustee or principal:

a) ever been convicted of any crime (other than minor traffic violations) or is any such charge presently pending? Yes () No (XX)

b) ever been the subject of any injunction, cease and desist order, assurance of discontinuance, suspension or restraining order, revocation of a license to practice a trade, occupation or profession, denial of an application to obtain or renew same, any stipulation or consent to desist from any act or practice, any disciplinary action by any court or administrative agency, or is any action or proceeding seeking such relief presently pending? Yes () No (XX)

c) ever made an assignment for the benefit of creditors, been the subject of a receivership or bankruptcy proceeding, reorganized in bankruptcy, or been adjudged a bankrupt? Yes () No (XX)

d) ever had a judgment entered against you or it which is presently unsatisfied? Yes () No (XX)

9. Are you or is any business entity under your control or in which you were a principal shareholder (10% or more) or in which you held a substantial equity or controlling interest

(10% or more) or of which you were an officer, director, general partner, trustee or principal, a party in any litigation or administrative proceeding in which it is alleged that you or it committed fraud or otherwise violated any provision of the Martin Act or any other securities laws?

Yes () No (XX)

10. If the answer to 7, 8 (a) through (d), or 9 is "YES" state full particulars, including dates, nature of proceeding, title and location of public authority, circumstances and final disposition. If there is insufficient space below, complete response on an attached, sworn statement.

11. List all professional, business or occupational licenses or registrations which you now hold, have held, or have applied for:

NONE

12. The following is my complete employment record including periods of self-employment and unemployment for the past five years:


FROM		TO		Name and Address of Employer	Type of Business	Position Held
Mo.	Yr.	Mo.	Yr.			
12	86	Present		Self Employed	Real Estate Development	Principal

13. The following is a complete record of my business affiliations for the past five years, including all entities not listed in 12 above, under my control or in which I was a principal shareholder (10% or more) or in which I held a substantial equity or controlling interest (10% or more) or of which I was an officer, director, general partner, trustee or principal.

FROM		TO		Name and Address of Entity	Type of Business	Affiliation/ Position
Mo.	Yr.	Mo.	Yr.			
04	2000	05	2001	T.R Housing Corp 545 - 1130 West Pender St. Vancouver, B.C. Canada	Real Estate Development & Marketing	Shareholder
03	1999	12	1999	Gold River Housing Corp. 1400-1130 West Pender St Vancouver, B.C. Canada	Real Estate Development & Marketing	Shareholder & Director
03	1998	12	1998	Masset Housing Corp. 1400 - 1130 West Pender St. Vancouver, B.C. Canada	Real Estate Development & Marketing	Shareholder & Director
06	1996	12	1997	Fairways at Royal Oak LLC 105D - 1880 Knox McRae Dr. Titusville FL 32780	Real Estate Development & Marketing	Member of LLC and Manager

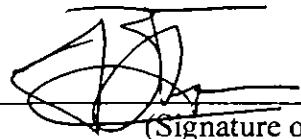
DATED: May 25, 2001

Signature: _____


G. BRENT TYNAN

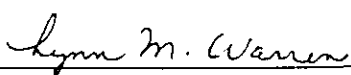
STATE OF NEW YORK)
COUNTY OF CLINTON) ss:

G. BRENT TYNAN, being duly sworn, deposes and says that I am the person described in and who signed the above registrant information form. I have read the questions and answers and information supplied, and they are true, accurate and complete.



(Signature of Affiant)
G. BRENT TYNAN

Sworn to before me this
25th day of May, 2001.



(Notary Public)

LYNN M. WARREN
Notary Public, State of New York
No. 4949180
Qualified in Clinton County
Commission Expires April 3, 2003

(Notary signature and legible official stamp)

REGISTRANT INFORMATION FORM (Form RI-1)

TO: ATTORNEY GENERAL STATE OF NEW YORK
 REAL ESTATE FINANCING BUREAU OR
 INVESTOR PROTECTION BUREAU(PLEASE TYPEWRITE OR PRINT LEGIBLY)

1. Galbraith Ross H. J.
 Last Name First Name Middle Name
2. 3465 W. 15th Avenue Vancouver B.C. CANADA V6R 2Z2
 Residence Address State City Zip Code
3. (a) 604-730-0313 (b) 604-669-5822 ext. 16
 Residence Phone Business Phone
4. (a) Victoria B.C. (b) Jan 1, 1961
 Place of Birth Date of Birth
5. 716 518 543 (CANADA)
 Social Security Number
6. Name of Issuer: Lake Country Village Homeowners Association, Inc.
7. Have you ever used or been known by any other name? Yes () No (XX)
8. Have you or has any business entity under your control or in which you were a principal shareholder (10% or more) or in which you held a substantial equity or controlling interest (10% or more) or of which you were an officer, director, general partner, trustee or principal:
 - a) ever been convicted of any crime (other than minor traffic violations) or is any such charge presently pending? Yes () No (XX)
 - b) ever been the subject of any injunction, cease and desist order, assurance of discontinuance, suspension or restraining order, revocation of a license to practice a trade, occupation or profession, denial of an application to obtain or renew same, any stipulation or consent to desist from any act or practice, any disciplinary action by any court or administrative agency, or is any action or proceeding seeking such relief presently pending? Yes () No (XX)
 - c) ever made an assignment for the benefit of creditors, been the subject of a receivership or bankruptcy proceeding, reorganized in bankruptcy, or been adjudged a bankrupt? Yes () No (XX)
 - d) ever had a judgment entered against you or it which is presently unsatisfied? Yes () No (XX)
9. Are you or is any business entity under your control or in which you were a principal shareholder (10% or more) or in which you held a substantial equity or controlling interest (10% or more) or of which you were an officer, director, general partner, trustee or principal, a party in any litigation or administrative proceeding in which it is alleged that you or it committed fraud or otherwise violated any provision of the Martin Act or any other securities laws? Yes () No (XX)
10. If the answer to 7, 8 (a) through (d), or 9 is "YES" state full particulars, including dates, nature of proceeding, title and location of public authority, circumstances and final disposition. If there is insufficient space below, complete response on an attached, sworn statement.

11. List all professional, business or occupational licenses or registrations which you now hold, have held, or have applied for:

NONE

12. The following is my complete employment record including periods of self-employment and unemployment for the past five years:

FROM		TO		Name and Address of Employer	Type of Business	Position Held
Mo.	Yr.	Mo.	Yr.			
01	1995	05	2001	Self-employed 545-1130 W. Pender St. Vancouver, B.C.	Real Estate Dev.	Principal

13. The following is a complete record of my business affiliations for the past five years, including all entities not listed in 12 above, under my control or in which I was a principal shareholder (10% or more) or in which I held a substantial equity or controlling interest (10% or more) or of which I was an officer, director, general partner, trustee or principal.

FROM		TO		Name and Address of Entity	Type of Business	Affiliation/Position
Mo.	Yr.	Mo.	Yr.			
04	2000	05	2001	T.R. Housing Corp 545-1130 W Pender Vancouver	Real Estate Deval. & Marketing	President, Shareholder
03	1999	12	1999	Gold River Housing Corp. 1400-1130 W. Pender Vancouver	✓ ✓	Director, Shareholder
05	1998	12	1998	Mossett Housing Corp. 1400-1130 W. Pender Vancouver	✓ ✓	Director, Shareholder
06	1996	12	1997	Fairway of Royal Oak, LLC 105-D 1280 Knox McRae Dr Titusville FL	✓ ✓	Member, Manager

DATED: May 24, 2001

Signature: _____

Ross H. J. GALBRAITH

STATE OF NEW YORK
COUNTY OF CLINTON) ss:

ROSS H. J. GALBRAITH, being duly sworn, deposes and says that I am the person described in and who signed the above registrant information form. I have read the questions and answers and information supplied, and they are true, accurate and complete.

Ross H. J. Galbraith
(Signature of Affiant)

ROSS H. J. GALBRAITH

Sworn to before me this
24 day of May, 2001.

[Signature]
(Notary Public)

(Notary signature and legible official stamp)

REGISTRANT INFORMATION FORM (Form RI-1)

TO: ATTORNEY GENERAL STATE OF NEW YORK
 REAL ESTATE FINANCING BUREAU OR
 INVESTOR PROTECTION BUREAU(PLEASE TYPEWRITE OR PRINT LEGIBLY)

1. Galbraith Alistair J.
 Last Name First Name Middle Name

2. 2056 Norton Avenue Vancouver B.C. V6T 2Y2
 Residence Address State City Zip Code

3. (a) 604-261-9338 (b) 604-669-5822 ext. 14
 Residence Phone Business Phone

4. (a) Kelowna, B.C. (b) Feb 17, 1930
 Place of Birth Date of Birth

5. 700 997 059
 Social Security Number

6. Name of Issuer: Lake Country Village Homeowners Association, Inc.

7. Have you ever used or been known by any other name? Yes () No (XX)

8. Have you or has any business entity under your control or in which you were a principal shareholder (10% or more) or in which you held a substantial equity or controlling interest (10% or more) or of which you were an officer, director, general partner, trustee or principal:

a) ever been convicted of any crime (other than minor traffic violations) or is any such charge presently pending? Yes () No (XX)

b) ever been the subject of any injunction, cease and desist order, assurance of discontinuance, suspension or restraining order, revocation of a license to practice a trade, occupation or profession, denial of an application to obtain or renew same, any stipulation or consent to desist from any act or practice, any disciplinary action by any court or administrative agency, or is any action or proceeding seeking such relief presently pending? Yes () No (XX)

c) ever made an assignment for the benefit of creditors, been the subject of a receivership or bankruptcy proceeding, reorganized in bankruptcy, or been adjudged a bankrupt? Yes () No (XX)

d) ever had a judgment entered against you or it which is presently unsatisfied? Yes () No (XX)

9. Are you or is any business entity under your control or in which you were a principal shareholder (10% or more) or in which you held a substantial equity or controlling interest (10% or more) or of which you were an officer, director, general partner, trustee or principal, a party in any litigation or administrative proceeding in which it is alleged that you or it committed fraud or otherwise violated any provision of the Martin Act or any other securities laws? Yes () No (XX)

10. If the answer to 7, 8 (a) through (d), or 9 is "YES" state full particulars, including dates, nature of proceeding, title and location of public authority, circumstances and final disposition. If there is insufficient space below, complete response on an attached, sworn statement.

11. List all professional, business or occupational licenses or registrations which you now hold, have held, or have applied for:

NONE

12. The following is my complete employment record including periods of self-employment and unemployment for the past five years:

FROM		TO		Name and Address of Employer	Type of Business	Position Held
Mo.	Yr.	Mo.	Yr.			
01	1995	05	2001	Self-employed 545-1130 W. Pender St. Vancouver, BC.	Real Estate Development	Principal

13. The following is a complete record of my business affiliations for the past five years, including all entities not listed in 12 above, under my control or in which I was a principal shareholder (10% or more) or in which I held a substantial equity or controlling interest (10% or more) or of which I was an officer, director, general partner, trustee or principal.

FROM		TO		Name and Address of Entity	Type of Business	Affiliation/ Position
Mo.	Yr.	Mo.	Yr.			
04	2000	05	2001	T.R. Housing Corp. 545-1130 W. Pender St. Vancouver	Real Estate Development & marketing	V.P., Shareholder
03	1999	12	1999	Gold River Housing Corp. 1400-1130 W. Pender St. Vancouver	✓ ✓	Director, shareholder
03	1998	12	1998	Masset Housing Corp 1400-1130 W. Pender St. Vancouver	✓ ✓	Director, shareholder
06	1996	12	1997	Fairways at Royal Oak LLC 105-D 1830 Knox McRae Dr. Titusville, FL	✓ ✓	Member of LLC

DATED: May 24, 2001

Signature: _____

Alistair J. Galbraith
ALISTAIR J. GALBRAITH

STATE OF NEW YORK)
COUNTY OF CLINTON) ss:

ALISTAIR J. GALBRAITH, being duly sworn, deposes and says that I am the person described in and who signed the above registrant information form. I have read the questions and answers and information supplied, and they are true, accurate and complete.

(Signature of Affiant)

ALISTAIR J. GALBRAITH

Sworn to before me this
24 day of May, 2001.

(Notary Public)

(as to execution only)

(Notary signature and legible official stamp)

REGISTRANT INFORMATION FORM (Form RI-1)

TO: ATTORNEY GENERAL STATE OF NEW YORK
[X] REAL ESTATE FINANCING BUREAU OR
[] INVESTOR PROTECTION BUREAU(PLEASE TYPEWRITE OR PRINT LEGIBLY)

1.	<u>Cheung</u>	<u>Alex</u>	<u>Chi Kin</u>	
	Last Name	First Name	Middle Name	
2.	<u>1197 Eden Isle Blvd. NE #2</u>	<u>FL</u>	<u>St. Petersburg</u>	<u>33704</u>
	Residence Address	State	City	Zip Code
3.	(a) <u>(727) 827-1568</u>	(b) <u>(518) 563-2346</u>		
	Residence Phone	Business Phone		
4.	(a) <u>Hong Kong</u>	(b) <u>August 16, 1966</u>		
	Place of Birth	Date of Birth		
5.	<u>590-65-4036</u>			
	Social Security Number			

6. Name of Issuer: Lake Country Village Homeowners Association, Inc.

7. Have you ever used or been known by any other name? Yes () No (XX)

8. Have you or has any business entity under your control or in which you were a principal shareholder (10% or more) or in which you held a substantial equity or controlling interest (10% or more) or of which you were an officer, director, general partner, trustee or principal:

a) ever been convicted of any crime (other than minor traffic violations) or is any such charge presently pending? Yes () No (XX)

b) ever been the subject of any injunction, cease and desist order, assurance of discontinuance, suspension or restraining order, revocation of a license to practice a trade, occupation or profession, denial of an application to obtain or renew same, any stipulation or consent to desist from any act or practice, any disciplinary action by any court or administrative agency, or is any action or proceeding seeking such relief presently pending? Yes () No (XX)

c) ever made an assignment for the benefit of creditors, been the subject of a receivership or bankruptcy proceeding, reorganized in bankruptcy, or been adjudged a bankrupt? Yes () No (XX)

d) ever had a judgment entered against you or it which is presently unsatisfied? Yes () No (XX)

9. Are you or is any business entity under your control or in which you were a principal shareholder (10% or more) or in which you held a substantial equity or controlling interest

(10% or more) or of which you were an officer, director, general partner, trustee or principal, a party in any litigation or administrative proceeding in which it is alleged that you or it committed fraud or otherwise violated any provision of the Martin Act or any other securities laws?

Yes () No (XX)

10. If the answer to 7, 8 (a) through (d), or 9 is "YES" state full particulars, including dates, nature of proceeding, title and location of public authority, circumstances and final disposition. If there is insufficient space below, complete response on an attached, sworn statement.

(Continued on other side)

11. List all professional, business or occupational licenses or registrations which you now hold, have held, or have applied for:

NONE

12. The following is my complete employment record including periods of self-employment and unemployment for the past five years:

FROM		TO		Name and Address of Employer	Type of Business	Position Held
Mo.	Yr.	Mo.	Yr.			
10	96	Present		Self Employed	Real Estate Development	
06	94	10	96	Ronald Lu & Assoc. Wanchai, HONG KONG	Architect	

13. The following is a complete record of my business affiliations for the past five years, including all entities not listed in 12 above, under my control or in which I was a principal shareholder (10% or more) or in which I held a substantial equity or controlling interest (10% or more) or of which I was an officer, director, general partner, trustee or principal.

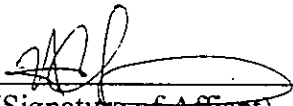
FROM		TO		Name and Address of Entity	Type of Business	Affiliation/ Position
Mo.	Yr.	Mo.	Yr.			
10	96	Present		South Horizons Development LLC 1197 Eden Isle Blvd NE #2, St. Petersburg, FL 33704	Real Estate Development	Member/ Manager

DATED: May 25, 2001

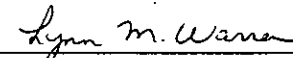
Signature: 
ALEX CHEUNG

STATE OF NEW YORK)
COUNTY OF CLINTON) ss:

ALEX CHEUNG, being duly sworn, deposes and says that I am the person described in and who signed the above registrant information form. I have read the questions and answers and information supplied, and they are true, accurate and complete.


(Signature of Affiant)
ALEX CHEUNG

Sworn to before me this
25 day of May, 2001.

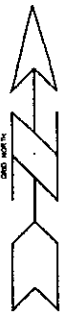

(Notary Public)

LYNN M. WARREN
Notary Public, State of New York
No. 4949180
Qualified in Clinton County
Commission Expires April 3, 2003

(Notary signature and legible official stamp)

POOR QUALITY ORIGINAL

UNIT KEY	
1a	Two story 2 bdrm. and unit
1b	Interior unit
2a	Large two story 3 bdrm. and unit
2b	Interior unit
2c	end unit with attached storage building
3a	Medium two story 3 bdrm. and unit
3b	Interior unit
4a	Single story 3 bdrm. and unit

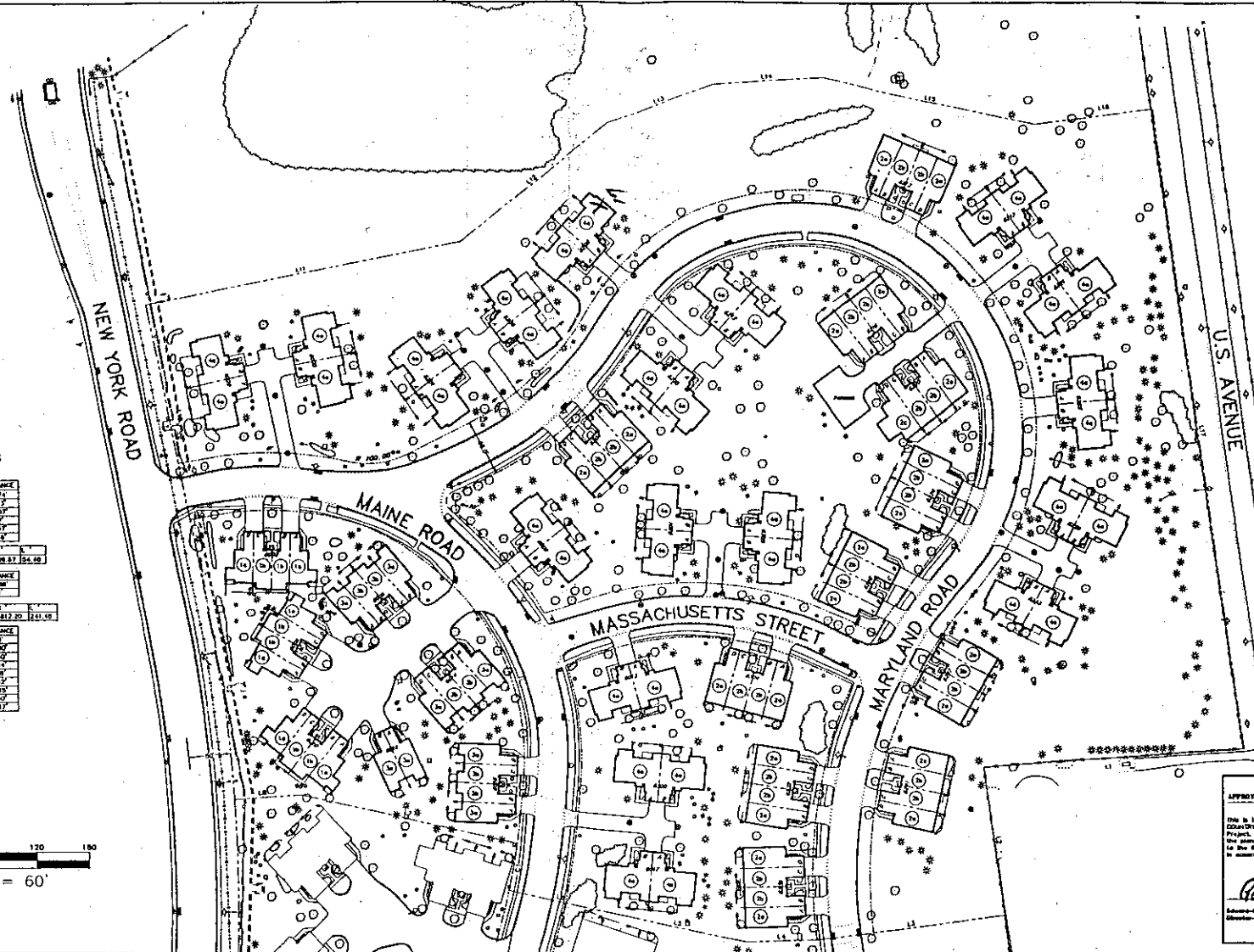
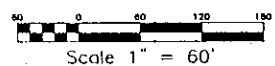


PHASE I PERIMETER BOUNDS 21.714 ACRES

NUMBER	DIRECTION	DISTANCE
L1	S 02°52'00" W	300.74
L2	S 06°55'00" W	771.47
L3	S 27°42'00" W	223.07
L4	S 87°25'00" W	18.87
L5	N 89°25'00" W	154.87
L6	N 77°25'00" W	170.87

NUMBER	DIRECTION	DISTANCE
C1	N 12°04'00" E	27.23
C2	N 87°25'00" W	180.87
C3	N 07°42'00" W	182.20
C4	N 07°42'00" W	241.48

NUMBER	DIRECTION	DISTANCE
L7	N 11°21'00" W	94.42
L8	N 11°21'00" W	187.84
L9	N 36°31'00" W	171.50
L10	N 36°31'00" W	171.50
L11	N 30°23'00" W	119.34
L12	N 45°24'00" W	125.38
L13	N 46°09'00" W	131.87
L14	S 27°10'00" W	154.89
L15	N 82°12'00" W	134.62
L16	S 07°48'00" W	125.97



APPROVAL OF PLANNING COUNTY HEALTH DEPARTMENT:

This is to certify that the proposed arrangements for water supply and sewage disposal for LAKE COUNTRY VILLAGE Planned Unit Development, Former Plattsburgh Air Force Base Housing Redevelopment Project, in the City of Plattsburgh were reviewed on 11/16/01 in accordance with the plans on file in the office of the Clinton County Department of Health. Consent is hereby given for the filing of the map as shown and no other action is required of the Clinton County Clerk, in accordance with the provisions of Article 8 of the Clinton County Sanitary Code, by

Paula Collins LaCombe
 Paula Collins LaCombe
 Director of Environmental Health Acting Dir. of Public Health

LEGEND

-	Sign	*	Gate sign
==	Double sign	---	Underground cable/tier
○	Manhole	—	Catch basin
○	Utility pole	—	Concrete gutter
○	Fire hydrant	—	Sidewalk
○	Utility pole with lighting	—	Fencing
○	Utility pole with gas wire	—	Various forms of vegetation
○	Utility box	—	Field
		—	Unit boundary
		—	Approximate location of gas line

ADDITIONAL NOTES

1. Reproduction or copying of this document may be a violation of copyright law unless permission of the author and/or copyright holder is obtained.

2. The location of underground arrangements or attachments are not shown herein and shall remain to be indicated. If any underground arrangements or attachments exist at the location, the representations or attachments are not covered by surveyor's certificate.

DATE THIS DRAWING WAS ORIGINALLY COMPLETED: June 21, 2000

REVISIONS

NO.	DATE	DESCRIPTION
1	April 30, 2000	Revised perimeter boundary to match sheet 2.

2025 N. YORK FILE LICENSE NO. 62008



LAKE COUNTRY VILLAGE

PLANNED UNIT DEVELOPMENT
 FORMER PLATTSBURGH AIRFORCE BASE
 HOUSING REDEVELOPMENT PROJECT

PHASE I PLAN

EAST SIDE OF NEW YORK ROAD
 CITY OF PLATTSBURGH, CLAYTON COUNTY, NEW YORK

DRAWN BY: S. Allen DRAWN AT: 1" = 60 FT.

AES Northeast
 Architecture, Engineering and Land Surveying Northeast, PLLC

ESCROW AGREEMENT

AGREEMENT made this ___ day of June, 2001, between LAKE COUNTRY DEVELOPMENTS LLC ("Sponsor"), as Sponsor of the Offering Plan and CLUTE, CLUTE & THOMPSON, LLP ("Escrow Agent"), as Escrow Agent.

WHEREAS, Lake Country Developments LLC is the Sponsor of an Offering Plan to convert to cooperative ownership, the premises located in the City of Plattsburgh, Clinton County, New York, which premises are known as Lake Country Village Homeowners Association, Inc.; and

WHEREAS, MICHAEL C. THOMPSON, ESQ., or any partner of Escrow Agent, is authorized to act as an Escrow Agent hereunder in accordance with General Business Law ("GBL") 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, Sponsor desired that Escrow Agent act as Escrow Agent for deposits and payments by purchasers and subscribers, pursuant to the terms of this Agreement.

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

- 1.1 Sponsor and Escrow Agent hereby establish an escrow account with Escrow Agent for the purposes of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with Evergreen Bank, N.A. at its branch located at 714 Route 3, Plattsburgh, New York 12901. The account number is _____.
- 1.2 The name of the account is Lake Country Village Homeowners Association, Inc., Escrow Account.
- 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 order, wire transfers, or other instruments which identify the payor, shall be deposited in the Escrow Account. All instruments shall be made payable to, or endorsed by the purchaser or subscriber to the order of **LAKE COUNTRY VILLAGE ESCROW ACCOUNT**, for the Lake Country Village Homeowners Association, Inc. Offering Plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five (5)

business days following receipt of such instrument by Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

- 2.2 Within ten (10) business days after tender of the deposit submitted with the 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 does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission shall 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 352-h.
- 3.2 Escrow Agent shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both Sponsor and purchaser or (b) a determination of the Attorney General, or (c) a judgment or 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 by 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. RECORDKEEPING.

- 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 OBLIGATIONS OF ESCROW AGENT.

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

6. RESPONSIBILITIES OF SPONSOR.

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

7. 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 all 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 the GBL 352-e(2-b) and the Attorney General's regulations constitutes the entire agreement between the parties with respect to the subject matter hereof.

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

ESCROW AGENT:

CLUTE, CLUTE & THOMPSON, LLP

BY: _____
MICHAEL C. THOMPSON, PARTNER

SPONSOR:

LAKE COUNTRY DEVELOPMENTS LLC

BY: _____

Dispute Resolution

APPLICATION TO THE ATTORNEY GENERAL
FOR A DETERMINATION ON THE
DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: Address of Building
Name of Project
File Number: _____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name _____
of Applicant

2. Address _____
of Applicant

3. Name, Address and Telephone Number
of Applicant's Attorney (if any). _____

4. This is an application for
 return of downpayment
 forfeiture of downpayment
 other: _____

5. The project is a conversion of occupied premises
 newly constructed or rehabilitated
 vacant (as is)

6. The project is structured as
 a cooperative
 a condominium
 a homeowners association
 a timeshare
 other: _____

7. Name and Address of Sponsor: _____

8. Name and Address of Escrow Agent: _____

9. If downpayments are maintained in an escrow account:
- (a) Name of account _____
 - (b) Name and address of bank _____
 - (c) Account Number (if known) _____
 - (d) Initial interest rate (if known) _____

10. If downpayments have been secured by bonds:
- (a) Name and address of bond issuer or surety: _____

 - (b) Copy of bond included in this application: (DO NOT SEND ORIGINAL BOND.) If not included, explain:

11. If downpayments have been secured by a letter of credit:
- (a) Name and address of bank which issued the Letter of Credit:

 - (b) Date of expiration of the Letter of credit, if known:

12. Plan information:
- (a) Date of filing of plan: _____
 - (b) Plan
 - has been declared effective.
Approximate date: _____
 - has not been declared effective

(c) If effective, the plan

- has closed or the first unit has closed
Approximate date: _____
- has not closed
- don't know

(d) Downpayments are secured by

- escrow account
- Bonds
- letter of credit

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed:

(c) Date (s) of downpayments(s): _____

(d) Total amount of downpayments (s) _____

(e) Names and address of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional Sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note You are required to mail a copy of this Application to all other affected parties.

**STAMP TO
AVOID IMAGE
DELETION**

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A misdemeanor under Section 175.30 and/or Section 201.45 of the Penal Law.

Signature: _____ Date: _____

Name
(Printed): _____

Telephone Home: _____ Business
: _____

Mailing Address: _____

FILING RECEIPT

=====

ENTITY NAME: LAKE COUNTRY VILLAGE HOMEOWNERS ASSOCIATION, INC.

DOCUMENT TYPE: INCORPORATION (NOT-FOR-PROFIT) TYPE: A COUNTY: CLIN

SERVICE COMPANY: ACCELERATED INFORMATION & DOCUMENT FIL SERVICE CODE: 24

=====

FILED:02/15/2001 DURATION:PERPETUAL CASH#:010215000562 FILM #:010215000533

ADDRESS FOR PROCESS

EXIST DATE

THE CORPORATION
426 US OVAL
PLATTSBUGH, NY 12903

SUITE 119

02/15/2001

REGISTERED AGENT



FILER	FEES	100.00	PAYMENTS	100.00
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KHRISTINE E. PEACOCK	FILING	75.00	CASH	0.00
ACCELERATED INFO & DOC FILING, INC.	TAX	0.00	CHECK	0.00
90 STATE STREET, SUITE 836	CERT	0.00	CHARGE	0.00
ALBANY, NY 12207	COPIES	0.00	DRAWDOWN	100.00
	HANDLING	25.00	BILLED	0.00
			REFUND	0.00

CERTIFICATE OF INCORPORATION

OF

**LAKE COUNTRY VILLAGE
HOMEOWNERS ASSOCIATION, INC.**

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

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

1. The name of the corporation is **Lake Country Village Homeowners Association, Inc.** (the "Corporation").
2. The purposes for which the Corporation is to be formed are to maintain real property and to provide maintenance, preservation and architectural control of the residence lots and common areas within the Lake Country Village Subdivision located in the City of Plattsburgh, Clinton County, New York; to promote and protect the interests, health, safety and welfare of the residents within the above property and any additions thereto; and to enforce all covenants, conditions, easements, restrictions and agreements relating to or affecting said property.

In addition to the foregoing corporate purposes, the Corporation may do any other act or thing incidental to or in connection with the foregoing purposes or in the advancement thereof, and to do lawfully all and everything necessary, suitable and proper for the attainment of any of these purposes, the accomplishment of any of these objects, or the furtherance of any of the powers hereinabove set forth; and to have, enjoy and exercise all of the rights, powers, privileges and exemptions which are now or may hereinafter be conferred upon not-for-profit corporations organized under the laws of the State of New York, as they now exist or may be amended or supplemented and to do lawfully all and everything necessary, suitable

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

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

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

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

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

5. The Secretary of State of the State of New York is hereby designated as the agent of the Corporation upon whom process in any action or proceeding against it may be served. The post office address to which the Secretary of State shall mail a copy of process against the Corporation which may be served upon the Secretary of State is 426 US Oval, Suite 119, Plattsburgh, New York 12903.

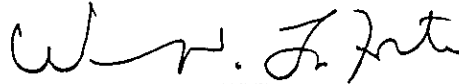
6. The names and addresses of the initial directors of the Corporation are:

G. Brent Tynan P.O. Box 76270
St. Petersburg, FL 33734

Ross Galbraith 1130 West Pender Street, Suite 1400
Vancouver, B.C.
Canada V6E 4A4

Alistair Galbraith 1130 West Pender Street, Suite 1400
Vancouver, B.C.
Canada V6E 4A4

IN WITNESS WHEREOF, this Certificate has been signed by the subscriber this
15 day of February, 2001 and the subscriber does by his signature hereto affirm the truth
of the statements contained herein under penalties of perjury.



William N. La Forte, Incorporator
700 Midtown Tower
Rochester, New York 14604

BY-LAWS
OF
LAKE COUNTRY VILLAGE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Lake Country Village Homeowners Association, Inc. (hereinafter referred to as the "Association"). The principal office of the Association shall be located at 426 US Oval, Suite 119, Plattsburgh, Clinton County, New York 12903, but meetings of Members and Directors may be held at such other places within the State of New York as may be designated by the Board.

ARTICLE II

DEFINITIONS

Section 1. "Association" means Lake Country Village Homeowners Association, Inc. and its successors and assigns.

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

Section 3. "Common Area" shall mean all real property owned by the Association for the Common use and enjoyment of the Owners.

Section 4. "Declarant" means Lake Country Developments LLC, a New York limited liability company, and its successors and assigns if it acquires more than one undeveloped Lot for the purposes of development.

Section 5. "Declaration" means the Declaration of Covenants, Conditions, Easements and Restrictions applicable to the Property as recorded in the office of the Clerk of the County of Clinton.

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

Section 7. "Lot" means any plot of land shown upon any recorded subdivision map or resubdivision map of the Property (as defined below).

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

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

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

ARTICLE III

MEMBERSHIP AND VOTING

Members of the Association shall be divided into two classes for purposes of voting. Class T Members shall be all Owners, with the exception of the Declarant. Class T Members shall be entitled to one vote for each membership. When more than one person holds an interest in any Lot, all such persons shall be Class T Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one membership. The Class A Member shall be the Declarant, which shall be entitled to one vote. Class A membership shall cease on July 1, 2003 or when Ninety percent (90%) of the Lots have been transferred, whichever is earlier. Until then, Class T Members shall not be entitled to vote for the election of members to the Board. The first meeting of Class T Members for the purpose of electing Directors shall be held within thirty (30) days from the transfer by the Declarant of the Lot which, when added to the lots which have previously closed, constitute Ninety percent (90%) of the Lots as originally shown on the subdivision map or within thirty (30) days from July 1, 2003, whichever is earlier.

ARTICLE IV

MEETINGS OF MEMBERS

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

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

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

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

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

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

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

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

ARTICLE V

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a Board of not less than three (3) nor more than five (5) Directors, all of whom shall be Members of the Association. The initial Directors of the Association named in the Certificate of Incorporation shall serve until their successors are elected at the first meeting of the Class T Members.

Section 2. Term. Directors shall be divided into two classes as nearly equal in number as possible, for purposes of staggering their terms of office. At the first meeting of Members, which shall be held not later than six (6) months from the transfer of the first Lot, the Members shall elect either two (2) or three (3) Directors for a term of one (1) year and either one (1) or two (2) Directors for a term of two (2) years. Thereafter, the Members shall elect either two (2) or three (3) Directors in even numbered years for two (2) year terms and either one (1) or two (2) Directors in odd numbered years for two (2) year terms.

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

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

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

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

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

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

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

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

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

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

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

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

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

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

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

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

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

(i) approve the annual budget as prepared by the Treasurer.

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE VII

OFFICERS AND THEIR DUTIES

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

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

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

Section 4. Special Appointments. The Board may elect by majority vote such other officers as the affairs of the Association may require, each of whom shall hold office for such

period, have such authority, and perform such duties as the Board may from time to time determine.

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

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

Section 7. Duties. The duties of the officers are as follows:

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

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

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

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

ARTICLE VIII

COMMITTEES

The Board may appoint a Nominating Committee. The Board may also appoint an Architectural and Property Review Committee of no less than three (3) nor more than five (5) Directors and may grant authority to them to approve, approve with conditions, or disapprove any application received, or to make recommendations to the Board, as provided in the Declaration. In addition, the Board shall appoint such other committees as deemed appropriate in carrying out its purposes.

ARTICLE IX

BOOKS AND RECORDS

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

ARTICLE X

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from such date at the legal rate of interest, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and the interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. In addition, the Association has the right to levy a late charge on delinquent accounts five (5) days after the assessment is due.

ARTICLE XI

CORPORATE SEAL

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

ARTICLE XII

TENANTS

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

ARTICLE XIII

INDEMNIFICATION

Section 1. Each person who was or is made a party to or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "Proceeding"), by reason of the fact that he or his testator or intestate (a) is or was a Director or officer of the Association or (b) is or was a Director or officer of the Association who serves or served, in any capacity, any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise at the request of the Association (hereinafter an "indemnitee"), shall be indemnified and held harmless by the Association against all expense, liability and loss, including ERISA excise taxes or penalties, judgments, fines, penalties, amounts paid in settlement (provided the Board of Directors shall have given its prior consent to such settlement, which consent shall not be unreasonably withheld by it) and reasonable expenses, including attorneys' fees, suffered or incurred by such indemnitee in connection therewith and such indemnification shall continue as to an indemnitee who has ceased to be a Director or officer and shall inure to the benefit of the indemnitee's heirs and fiduciaries; provided, however, that no indemnification may be made to or on behalf of any Director or officer if his acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or otherwise disposed of, or he personally gained in fact a financial profit or other advantage to which he was not legally entitled. Notwithstanding the foregoing, except as contemplated by Section 3 of this Article, the Association shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Association.

Section 2. All expenses reasonably incurred by an indemnitee in connection with a threatened or actual proceeding with respect to which such indemnitee is or may be entitled to indemnification under this Article shall be advanced to him or promptly reimbursed by the Association in advance of the final disposition of such proceeding, upon receipt of an undertaking by him or on his behalf to repay the amount of such advances, if any, as to which he is ultimately found not to be entitled to indemnification or, where indemnification is granted, to the extent such advances exceed the indemnification to which he is entitled. Such person shall cooperate in good faith with any request by the Association that common counsel be used by the parties to an action or proceeding who are similarly situated unless to do so would be inappropriate due to an actual or potential conflict of interest.

Section 3.

(a) Not later than thirty (30) days following final disposition of a proceeding with respect to which the Association has received written request by an indemnitee for indemnification pursuant to this Article or with respect to which there has been an advancement of expenses pursuant to Section 12 of this Article, if such indemnification has not been ordered by a court, the Board of Directors shall meet and find whether the indemnitee met the standard of conduct set forth in Section 1 of this Article, and, if it finds that he did, or to the extent it so finds, shall authorize such indemnification.

(b) Such standard shall be found to have been met unless (i) a judgment or other final adjudication adverse to the indemnitee established that the standard of conduct set forth in Section 1 of this Article was not met, or (ii) if the proceeding was disposed of other than by judgment or other final adjudication, the Board of Directors finds in good faith that, if it had been disposed of by judgment or other final adjudication, such judgment or other final adjudication would have been adverse to the indemnitee and would have established that the standard of conduct set forth in Section 1 of this Article was not met.

(c) If the Board of Directors fails or is unable to make the determination called for by paragraph (a) of this Section 3, or if indemnification is denied, in whole or part, because of an adverse finding by the Board of Directors, or because the Board of Directors believes the expenses are unreasonable for which indemnification is requested, such action, inaction or inability of the Board of Directors shall in no way affect the right of the indemnitee to make application therefor in any court having jurisdiction thereof. In such action or proceeding, or in a suit brought by the Association to recover an advancement of expenses pursuant to the terms of an undertaking, the issue shall be whether the indemnitee met the standard of conduct set forth in Section 1 of this Article, or whether the expenses were reasonable, as the case may be (not whether the finding of the Board of Directors with respect thereto was correct). If the judgment or other final adjudication in such action or proceeding establishes that the indemnitee met the standard set forth in Section 1 of this Article, or that the disallowed expenses were reasonable, or to the extent that it does, the Board of Directors shall then find such standard to have been met or the expenses to be reasonable, and shall grant such indemnification, and shall also grant to the indemnitee indemnification of the expenses incurred by him in connection with the action or proceeding resulting in the judgment or other final adjudication that such standard of conduct was met, or if pursuant to such court determination such person is entitled to less than the full amount of indemnification denied by the Association, the portion of such expenses proportionate to the amount of such indemnification so awarded. Neither the failure of the Board of Directors to have made timely a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in Section 1 of this Article, nor an actual determination by the Board of Directors that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct. In any suit brought by the indemnitee to enforce a right to indemnification or by the Association to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to indemnification, under this Article or otherwise, shall be on the Association.

(d) A finding by the Board of Directors pursuant to this Section 3 that the standard of conduct set forth in Section 1 of this Article has been met shall mean a finding (i) by the Board of Directors acting by a quorum consisting of Directors who are not parties to such proceeding or (ii) if such a quorum is not obtainable, or if obtainable, such a quorum so directs, by the Board of Directors upon the written opinion of independent legal counsel that indemnification is proper in the circumstances because the applicable standard of conduct has been met, or by the members upon a finding that such standard of conduct has been met.

Section 4. Contractual Article. The rights conferred by this Article are contract rights which shall not be abrogated by any amendment or repeal of this Article with respect to events

occurring prior to such amendment or repeal and shall, to the fullest extent permitted by law, be retroactive to events occurring prior to the adoption of this Article. No amendment of the Not-for-Profit Corporation Law, insofar as it reduces the permissible extent of the right of indemnification of an indemnitee under this Article, shall be effective as to such person with respect to any event, act or omission occurring or allegedly occurring prior to the effective date of such amendment irrespective of the date of any claim or legal action in respect thereto. This Article shall be binding on any successor to the Association, including any corporation or other entity which acquires all or substantially all of the Association's assets.

Section 5. Non-exclusivity. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which any person covered hereby may be entitled other than pursuant to this Article. The Association is authorized to enter into agreements with any such person provided rights to indemnification or advancement of expenses in addition to the provisions therefor in this Article, and the Association's members and its Board of Directors are authorized to adopt, in their discretion, resolutions providing any such person with any such rights.

Section 6. Insurance. The Association may maintain insurance, at its expense, to protect itself and any Director, officer, employee or agent of the Association or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Association would have the power to indemnify such person against such expense, liability or loss under this Article or applicable law.

Section 7. Indemnification of Employees and Agents of the Association. The Association may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and the advancement of expenses to any employee or agent of the Association with the same scope and effect as provided in this Article to Directors and Officers of the Association.

ARTICLE XIV

AMENDMENTS

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

ARTICLE XV

CONSTRUCTION AND INTERPRETATION

Section 1. The Association shall have the right to construe and interpret the provisions of these By-Laws and in the absence of an adjudication by a court of competent jurisdiction to the contrary, its construction or interpretation shall be final and binding as to all persons or property benefitted or bound by the provisions hereof.

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

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


CERTIFICATION

I, the undersigned, do hereby certify:

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

THAT the foregoing By-Laws of said Association were duly adopted by Unanimous Written Consent of the Board of Directors on the 15th day of February, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 15th day of February, 2001.




Ross Galbraith, Secretary

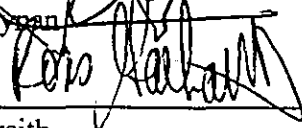
LAKE COUNTRY VILLAGE HOMEOWNERS ASSOCIATION, INC.

ACCEPTANCE OF DIRECTORSHIP

Each of the undersigned hereby agrees to serve as a director of LAKE COUNTRY VILLAGE HOMEOWNERS ASSOCIATION, INC., a New York not-for-profit corporation, as of the 15th day of February, 2001.



G. Brent Tynan



Ross Galbraith



Alistair Galbraith



CERTIFICATE OF TITLE

*First American Title Insurance Company
Of New York*

Title No.: 066-CL-01 0128

First American Title Insurance Company Of New York ("the Company") certifies to Lake Country Village Homeowners Association, Inc.

that an examination of title premises described in Schedule A has been made in accordance with its usual procedure and agrees to issue its standard form of title insurance policy authorized by the Insurance Department of the State of New York, in the amount set forth herein, insuring the interest set forth herein, and the marketability thereof, in the premises described in Schedule A, after the closing of the transaction in conformance with the requirements and procedures approved by the Company and after the payment of the premium and fees associated herewith excepting (a) all loss or damage by reason of the estates, interests, defects, objections, liens, encumbrances and other matters set forth herein that are not disposed of to the satisfaction of the Company prior to such closing or issuance of the policy (b) any question or objection coming to the attention of the Company before the date of closing, or if there be no closing, before the issuance of the policy.

This Agreement to insure shall terminate (1) if the prospective insured, his or her attorney or agent makes any untrue statement with respect to any material fact or suppresses or fails to disclose any material fact or if any untrue answers are given to material inquiries by or in behalf of the Company; or (2) upon the issuance of title insurance in accordance herewith. In the event that this Certificate is endorsed and redated by an authorized representative of the Company after the closing of the transaction and payment of the premium and fees associated herewith, such "redated" Certificate shall serve as evidence of the title insurance issued until such time as a policy of title insurance is delivered to the insured. Any claim made under the redated Certificate shall be restricted to the conditions, stipulations and exclusions from coverage of the standard form of title insurance policy issued by the Company.

COUNTERSIGNED:

Paul Berndt

AUTHORIZED SIGNATORY



FIRST AMERICAN TITLE INSURANCE COMPANY
OF NEW YORK

BY:

James M. DeLorenzo

PRESIDENT

CLOSING REQUIREMENTS

1. **CLOSING DATE:** In order to facilitate the closing of title, please notify the closing department at least 48 hours prior to the closing, of the date and place of closing, so that searches may be continued.
2. **PROOF OF IDENTITY:** Identity of all persons executing the papers delivered on the closing must be established to the satisfaction of the Company.
3. **POWER OF ATTORNEY:** If any of the closing instruments are to be executed pursuant to a Power of Attorney, a copy of such Power should be submitted to the Company prior to closing. THE IDENTITY OF THE PRINCIPAL EXECUTING THE POWER AND THE CONTINUED EFFECTIVENESS OF THE POWER MUST BE ESTABLISHED TO THE SATISFACTION OF THE COMPANY. The Power must be in recordable form.
4. **CLOSING INSTRUMENTS:** If any of the closing instruments will be other than commonly used forms or contain unusual provisions, the closing can be simplified and expedited by furnishing the Company with copies of the proposed documents in advance of closing.
5. **LIEN LAW CLAUSE:** Deeds and mortgages must contain the covenant required by Section 13 of the Lien Law. The covenant is not required in deeds from referees or other persons appointed by a court for the sole purpose of selling property.
6. **REFERENCE TO SURVEYS AND MAPS:** Closing instruments should make no reference to surveys or maps unless such surveys or maps are on file.
7. **INTERMEDIARY DEEDS:** In the event an intermediary will come into title at closing, other than the ultimate insured, the name of such party must be furnished to the Company in advance of closing so that appropriate searches can be made and relevant exceptions considered.

MISCELLANEOUS PROVISIONS

1. THIS CERTIFICATE IS INTENDED FOR LAWYERS ONLY. YOUR LAWYER SHOULD BE CONSULTED BEFORE TAKING ANY ACTION BASED UPON THE CONTENTS HEREOF.
2. THE COMPANY'S CLOSER MAY NOT ACT AS LEGAL ADVISOR FOR ANY OF THE PARTIES OR DRAW LEGAL INSTRUMENTS FOR THEM. THE CLOSER IS PERMITTED TO BE OF ASSISTANCE ONLY TO AN ATTORNEY.
3. If the insured contemplates making improvements to the property costing more than twenty per centum of the amount of insurance to be issued hereunder, we suggest that the amount of insurance be increased to cover the cost thereof; otherwise, in certain cases the insured will become a co-insurer.
4. Our policy will except from coverage any state of facts which an accurate survey might show, unless survey coverage is ordered. When such coverage is ordered, this certificate will set forth the specific survey exceptions which we will include in our policy. Whenever the word "trim" is used in any survey exceptions from coverage, it shall be deemed to include, roof cornices, mouldings, belt courses, water tables, keystones, pilasters, portico, balcony all of which project beyond the street line.
5. Our examination of the title includes a search for any unexpired financing statements which affect fixtures and which have been properly filed and indexed pursuant to the Uniform Commercial Code in the office of the recording officer of the county in which the real property lies. No search has been made for other financing statements because we do not insure title to personal property. We will on request, in connection with the issuance of a title insurance policy, prepare such search for an additional charge. Our liability in connection with such search is limited to \$1,000.00.
6. This company must be notified immediately of the recording or the filing, after the date of this certificate, of any instrument and of the discharge or other disposition of any mortgage, judgment, lien or any other matter set forth in this certificate and of any change in the transaction to be insured or the parties thereto. The continuation will not otherwise disclose the disposition of any lien.
7. If affirmative insurance is desired regarding any of the restrictive covenants with respect to new construction or alterations, please request such insurance in advance of closing as this request should not be considered at closing.
8. If it is discovered that there is additional property or an appurtenant easement for which insurance is desired, please contact the Company in advance of closing so that an appropriate title search may be made. In some cases, our rate manual provides for an additional charge for such insurance.



First American Title Insurance Company of New York

Title No.: 066-CL-01 0128

Effective Date: May 10, 2001

Date of Report: March 7, 2001

Proposed Insured: Lake Country Village Homeowners Association, Inc.

Amount of Insurance: Fee: \$
 Mortgage: \$
 Other: \$

THIS COMPANY CERTIFIES that a good and marketable title to the premises described in Schedule A, subject to the liens, encumbrances and other matters, if any, set forth in this certificate may be conveyed and/or mortgaged by:

LAKE COUNTRY DEVELOPMENTS LLC.

Source of Title: Quit Claim Deed dated given by Plattsburgh Airbase Development Corporation to Lake Country Developments LLC and recorded May 4, 2001 in Instrument #130858.

PROPERTY ADDRESS: NEW YORK ROAD, PLATTSBURGH, NY



First American Title Insurance Company of New York

Title No.: 066-CL-01 0128

SCHEDULE A

ALL THAT CERTAIN PIECE OR PARCEL OF LAND being part of the former Plattsburgh Air Force Base located both in the City of Plattsburgh and the Town of Plattsburgh, County of Clinton, State of New York, being more particularly described as follows:

Beginning at a point in the westerly bounds of U.S. Avenue which point is the northeasterly corner of lands now or formerly of Agway Petroleum Corporation by virtue of a deed dated February 7, 1986 and recorded in the Clinton County Clerk's Office on March 13, 1986 in Deed Volume 660 at page 317;

Thence South 85° 55' 02" West along the northerly bounds of said lands of Agway 300.74 feet to the northwesterly corner of lands of said Agway; thence South 08° 05' 55" East along the westerly bounds of lands of said Agway 171.43 feet to a point; thence in a general westerly direction through the lands of the former Plattsburgh Air Force Base the following seven (7) courses and distances:

- (1) South 82° 42' 49" West, 222.07 feet to a point;
- (2) South 87° 54' 37" West, 79.97 feet to a point;
- (3) North 78° 20' 49" West, 154.97 feet to a point;
- (4) North 77° 42' 01" West, 126.16 feet to a point which lies 33 feet distant westerly from the centerline of Maine Road;
- (5) Northerly along a curve convex to the East, parallel with and 33 feet distant westerly from the centerline of Maine Road, having a radius of 709.87 feet, an arc distance of 54.48 feet to a point;
- (6) North 77° 14' 10" West, 253.36 feet;
- (7) South 86° 06' 31" West, 78.14 feet to a point which lies 50 feet distant easterly from the centerline of New York Road;

Thence in a general northerly direction along a series of lines parallel with and 50 feet distant easterly of the centerline of New York Road the following three (3) courses and distances:



First American Title Insurance Company of New York

Title No.: 066-CL-01 0128

SCHEDULE A CONTINUED

(1) Northerly along a curve convex to the east having a radius of 1,812.20 feet, an arc distance of 241.48 feet;

(2) North 11° 31' 31" West, 48.83 feet;

(3) North 11° 25' 12" West, 297.90 feet;

Thence in a general easterly direction through the lands of the former Plattsburgh Air Force Base the following six (6) courses and distances:

(1) North 78° 34' 48" East, 371.60 feet;

(2) North 50° 43' 04" East, 219.94 feet;

(3) North 69° 24' 37" East, 131.36 feet;

(4) North 86° 09' 51" East, 124.62 feet;

(5) South 77° 10' 59" East, 254.85 feet;

(6) North 82° 13' 05" East, 136.60 feet to a point in the westerly bounds of U.S. Avenue;

Thence South 07° 46' 55" East along the westerly bounds of U.S. Avenue, 755.47 feet to the point or place of beginning.

EXCEPTING ALL THAT CERTAIN PIECE OR PARCEL OF LAND being part of the former Plattsburgh Air Force Base located both in the City of Plattsburgh and the Town of Plattsburgh, County of Clinton, State of New York, being more particularly described as follows:

UNITS 6001, 6002, 6005, 6006, 60008, 6010, 6010, 6012, 6014, 6016, 6017, 6201, 6204, 6205, 6208, 6209, 6212, 6213, 6216, 6217, 6220, 6221, 6224, 6225, 6228, 6229, 6232, 6233, 6236, 6237, 6241, 6300, 6301, 6304, 6305 of the Lake Country Planned Unit Development as shown on a survey map entitled "Lake Country Village Planned Unit Development, Former Plattsburgh



First American Title Insurance Company of New York

Title No.: 066-CL-01 0128

SCHEDULE A CONTINUED

Air Force Base Housing Redevelopment Project, Phase I Plan", prepared by AES Northeast PLLC, Scott B. Allen, LS, dated March 27, 2000, Job #2466 filed in the Office of the Clinton County Clerk as Map No. PL-B-127.

FURTHER EXCEPTING ALL THAT TRACT OR PARCEL OF LAND conveyed to The City of Plattsburgh by deed dated May 4, 2001. Said parcels are known as Maryland Road, Massachusetts Street and Main Road, all as shown on a survey map entitled "Lake Country Village Planned Unit Development, Former Plattsburgh Air Force Base Housing Redevelopment Project, Phase I Plan", prepared by AES Northeast PLLC, Scott B. Allen, LS, dated March 27, 2000, Job #2466 filed in the Office of the Clinton County Clerk as Map No. PL-B-127.

FOR CONVEYANCE ONLY: The policy to be issued under this report will insure title to such buildings and improvements erected on the premises which by law constitute real property. TOGETHER with all the right, title and interest of the party of the first part, of, in and to the land lying in the street in front of adjoining said premises.



First American Title Insurance Company of New York

Title No.: 066-CL-01 0128

SCHEDULE B - SECTION I

MATTERS TO BE DISPOSED OF ON OR BEFORE CLOSING

1. Rights of tenants or persons in possession, if any.
2. Returns, if any, of title search continuation since May 10, 2001 to date of closing.
3. Future installments of special assessments for improvements, if any.
4. New York Real Property Tax Law Section 302 and 520 may affect the real estate tax liability if the premises described in Schedule A have a tax exemption.
5. Mortgage made by Lake Country Developments LLC to Evergreen Bank, N.A. for \$1,600,000.00 and interest, dated May 4, 2001 and recorded May 4, 2001 in Instrument #130889.
6. Assignment of Contracts from Lake Country Developments LLC to Evergreen Bank, N.A. recorded May 4, 2001 in Instrument #130890.
7. UCC-1 Financing Statement Filed May 4, 2001 , File #01-1093 Given By Lake Country Developments LLC (Debtor) To Evergreen Bank, N.A. (Creditor).
8. Building Loan Agreement filed May 4, 2001 For \$1,600,000.00 Between Lake Country Developments LLC (Lender) and Evergreen Bank, N.A. (Borrower).
9. The following endorsement(s) are to be added to the final owner's policy:
10. Questions regarding this report should be directed to Paul E. Berndt, Esq., title examiner at 716-232-6500.



First American Title Insurance Company of New York

Title No.: 066-CL-01 0128

SCHEDULE B - SECTION II

EXCEPTIONS WHICH WILL APPEAR IN TITLE POLICY

1. Easement to City of Plattsburgh by instrument recorded in Liber 444 of Deeds, at page 345 on March 13, 1961.
2. Easement granted to New York State Electric & Gas Corporation recorded in Instrument #130823.
3. Snow Removal and Easement Agreement to City of Plattsburgh by instrument recorded in Liber 474 of Deeds, at page 49 on April 1, 1964.

This policy insures that said easement and the exercise of the rights thereunder will not interfere with the use or maintenance of the improvements on the insured premises.

4. Restrictions as contained in deed recorded in Instrument #130858.
5. Rights of others to the use of Main Road, Massachusetts Street and Maryland road.
6. This policy insures that the improvements shown on a survey map made by ASS Northeast dated March 27, 2000 and last revised April 20, 2000, are located wholly within the perimeter of the insured premises.

*First American Title Insurance Company
of New York*

THE ALTA OWNER'S POLICY (10/17/92), WITH NEW YORK ENDORSEMENT (9/1/93), CONTAINS THE FOLLOWING INSURANCE COVERAGE AND EXCLUSIONS FROM COVERAGE.

OWNER'S COVERAGE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, First American Title Insurance Company of New York, a New York Corporation, herein called the Company, insures, as Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. Any statutory lien for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

EXCLUSIONS FROM OWNER'S COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

- 1.(a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of operation of federal bankruptcy, state insolvency similar creditors' rights laws that is based on: (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure (a) to timely record the instrument of transfer; or (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

SPECIAL NEW YORK OWNER'S PROVISIONS

If the recording date of the instruments creating the insured interest is later than the policy date, such policy shall also cover intervening liens or encumbrances, except real estate taxes, assessments, water charges and sewer rents.

First American Title Insurance Company of New York

THE ALTA LOAN POLICY (10/17/92), WITH NEW YORK ENDORSEMENT (9/1/93), CONTAINS THE FOLLOWING INSURANCE COVERAGE AND EXCLUSIONS FROM COVERAGE.

LOAN COVERAGE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, First American Title Insurance Company of New York, a New York Corporation, herein called the Company, insures, as Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Any statutory lien for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy;
8. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, or in the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

EXCLUSIONS FROM LOAN COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under
- (c) resulting in no loss or damage to the insured claimant;
- (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material); or
- (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness to comply with applicable doing business law of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws that is based on: (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination or (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure (a) to timely record the instrument of transfer, or (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

SPECIAL NEW YORK LOAN PROVISIONS

If the recording date of the instruments creating the insured interest is later than the policy date, such policy shall also cover intervening liens or encumbrances, except real estate taxes, assessments, water charges and sewer rents.

STATISTICAL RECORD

Inc.

FOR OFFICE USE ONLY

NAME OF PROJECT Lake Country Village Homeowners Association,

DEPOSIT \$ _____

ADDRESS 1 New York Road

REC./DATE _____

BALANCE \$ _____

CITY Plattsburgh COUNTY Clinton STATE NY ZIP 12901-0298

REC./DATE _____

INIT.PP \$ _____

SPONSOR Lake Country Developments LLC

PP on Accep _____

Date _____

ADDRESS 10 Maryland Street, PO Box 3066, Plattsburgh, NY

_____ CPS-1 (or 3)

Atty _____

Date Acc _____

SPONSOR'S ATTORNEY Harter, Secrest & Emery LLP

Rec. No. _____

BY: William N. La Forte TEL. NO. 716-232-6500

KEY DATES:

ADDRESS 700 Midtown Tower, Rochester, New York 14604

PLAN REC'D _____

Check One: _____ Check One: _____

ASSIG _____

TO _____

WITHDRAWN/NOT ACC _____

_____ Pt 17 (Coop) _____

_____ Pt 20 (NC/Vac Condo) _____

Type

_____ Pt 18 (Occ. Coop) _____

_____ Pt 21 (NC/Vac Coop) _____

ABAND _____

_____ Pt 19 (Condo) _____

_____ Pt 22 (Homeowners) _____

ACC _____

x Other CPS-7 Application

EFF _____

BUILDING INFORMATION

Check One:

- Coop
- Condo
- Condo/Coop
- HOA
- Timeshare
- HPD
- Loft
- Other GPS-7
Specify

Check Type:

- Vacant
- NC
- Rehab
- Conversion
- Evic
- Split
- Non-Evic

No. Units:

- Resid 106
- RC
- RS
- Comm
- Prof
- Resort
- Other
- Total 106

Existing Use:

- Resid
- Commercial
- Loft (Mfg)
- Office
- SRO
- Public Bldg:
school, hosp. etc.
- Other
Specify