

DECLARATION OF COVENANTS, RESTRICTIONS
EASEMENTS, CHARGES AND LIENS

Declaration made as of this day of , 199 ,
by Baker Firestone Limited Partnership, a New York limited partnership with offices
at 485 Washington Avenue, Pleasantville, New York 10570, hereinafter referred to
as "Developer" or "Declarant."

W I T N E S S E T H:

WHEREAS, Developer is the owner of the real property described in Article II
Section 1 of this Declaration and shown on the filed map of the Property which
Declarant desires to develop as a residential community with various permanent
open spaces including a Restricted Open Space Area and Forever Green Space
Area and other common facilities for the benefit of said Community; and

WHEREAS, Developer desires to provide for the preservation of the values
and amenities in said Community and for the maintenance of the open spaces and
other common facilities; and, to this end, desires to subject the real property
described in Article II Section 1 to the covenants, restrictions easements, charges
and liens, hereinafter set forth, each and all of which is and are for the benefit of said
Community and each Owner thereof; and

WHEREAS, The Developer owns, and the real property described in Article II,
Section 1 is part of, approximately 69.81 acres on which the Developer has the right,
but not the obligation, to develop additional Phases of attached and semi-attached
Homes; and

WHEREAS, Developer has deemed it desirable, for the efficient preservation
of the values and amenities in said Community to create an agency to which should
be delegated and assigned the powers of maintaining and administering the
Community property and improvements and administering and enforcing the
covenants and restrictions and collecting and disbursing the assessments and
charges hereinafter created; and

WHEREAS, Developer has incorporated Watch Hill Homeowners
Association, Inc. under the Not-For-Profit Corporation laws of the State of New York
for the purpose of exercising the aforesaid functions;

NOW THEREFORE, the Developer, for itself, its successors and assigns,
declares that the real property described in Article II, Section 1 is and shall be held,
transferred, sold, conveyed and occupied subject to the covenants, restrictions,
easements, charges and liens (sometimes referred to as "covenants and
restrictions") hereinafter set forth.

ARTICLE I. DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration shall, unless the context otherwise prohibits, have the meanings set forth below:

(a) "Association" shall mean and refer to Watch Hill Homeowners Association, Inc., a New York Not-for-Profit corporation.

(b) "The Board" shall mean and refer to the Board of Directors of the Association.

(c) "By-Laws" shall mean and refer to the By-Laws governing the operation of the Association, the form of which is set forth in Exhibit B hereto.

(d) "Common Expenses" shall mean and refer to those expenses (including reserves) which are incurred or assessed by the Association in fulfilling its awful Responsibilities (herein sometimes referred to as "Assessment").

(e) "Common Properties" or "Common Areas" shall mean and refer to certain areas of land excluding the residential lots in Phase I and the developable areas for future construction of subsequent phases as shown on the Filed Map of the Property in the Westchester County Clerk's Office and including, without limitation, the internal roadways, all parking areas located outside of the individual Lots, any sidewalks located outside the individual Lots, the Drainage System, the Sanitary Sewage System, a Forever Green Area, a Restricted Open Area, the Underground Utilities and any other Common Area that may be brought into the Association pursuant to Article II, Section 2 hereof.

(f) "Declaration" shall mean and refer to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, as the same may, from time to time, be amended.

(g) "Developer" or "Declarant" shall mean and refer to Baker Firestone Limited Partnership, a limited partnership and its successors and assigns, if such successors and assigns should acquire an undeveloped or developed but unsold portion of the Properties from the Developer for the purpose of development including, without limitation, any mortgagee which has foreclosed or acquired by other means the interest of the Developer.

(h) "Development" or "Community" shall mean Watch Hill, a residential home development being constructed on The Properties which will initially consist of 34 Homes and may, at Developer's sole discretion, include up to an additional 119 Homes in future Phases as provided in Article II, Section 2 hereof.

(i) "Drainage System" shall mean and refer to a system of catch basins and drain piping leading to a storm water basin in connection with the storm water collection system.

(j) "Filed Map" shall mean and refer to the map for the Watch Hill Planned Unit Development as filed in the Westchester County Clerk's Office.

(k) "Forever Green Space Area" shall mean and refer to the areas of land located within the Common Area to be left in their natural state as shown on the Filed Map and upon which no improvements of any type may be constructed except stabilization of rock faces.

(l) "Home" shall mean and refer to all units of residential housing situated upon the Lots on the Properties.

(m) "Homeowner" or "Owner" shall mean and refer to the record owner of fee simple title to any Home, including the Developer with respect to any Unsold Home. Every Homeowner shall be treated for all purposes as a single owner for each Home held, irrespective of whether such ownership is joint, in common or tenancy by the entirety. Where such ownership is joint, in common or tenancy by the entirety, such collective ownership shall constitute one (1) Member.

(n) "Lot" shall mean and refer to any plot, pieces or parcels of land intended for residential uses shown on the Filed Map of The Properties filed in the Westchester County Clerks Office and any other plots, pieces or parcels of land intended for residential uses that may be located on the Phased Property and as may hereinafter be brought within the scheme of the Declaration as provided for in Article II Section 2 hereof.

(o) "Member" shall mean and refer to each holder of a membership interest in the Association, as such interest is set forth in Article III. Each Member shall be entitled to one (1) vote.

(p) "Party Fence" shall mean and refer to the entire fence, all or a portion of which is used for separation of each adjoining Lot, situate or intended to be situate, on the boundary line between adjoining Lots.

(q) "Party Roof" shall mean and refer to the entire roof from front to rear which is used to envelop or separate each adjoining Home, situate or intended to be situate, on the boundary line between adjoining Homes.

(r) "Party Wall" shall mean and refer to the entire wall, from front to rear, all or a portion of which is used for support or separation of each adjoining Home, situate or intended to be situate, on the boundary line between adjoining Homes.

(s) "Permitted Mortgage" shall mean and refer to any first mortgage covering a Home or Homes or a mortgage encumbering an Unsold Home then owned by Developer or its designee.

(t) "Permitted Mortgagee" shall mean and refer to the holder of a Permitted Mortgage.

(u) "Phased Property" shall mean and refer to the developable areas for Phase II and III shown on the Filed Map which Developer may elect to bring into the Association pursuant to Article II, Section 2 hereof which Developer intends to develop as two (2) additional Phases consisting of 50 Homes and the Common Area thereof located on approximately 9 acres in Phase II and 69 Homes and the Common Area thereof located on approximately 9 acres in Phase III and which will consist of a total of approximately 18± acres and contain a maximum of an additional 119 Homes.

(v) "The Properties" shall mean and refer to all such Properties described in Article II Section 1 and all such Properties which may be brought within the scheme of the Declaration pursuant to Article II, Section 2 hereof.

(w) "Recreation Facilities" shall mean and refer to the pool and pool cabana that will be constructed by the Developer in the Common Area of Phase III of the Phased Property and which will be owned, operated and maintained by the Association as part of the Common Area of the Association.

(x) "Restricted Open Space Area" shall mean and refer to the areas of land located within the Common Area as shown on the Filed Map and upon which no dwelling units or parking areas shall be permitted, but which may contain approved roadways, utilities and appurtenances thereto.

(y) "Sanitary Sewage System" shall mean and refer to sanitary piping and any other equipment for sewage collection located on the Common Area to be connected to the Town of Greenburgh Department of Public Works Sewer System.

(z) "Supplementary Declaration" shall mean and refer to a Supplementary Declaration of Covenants, Restrictions, Easements, Charges and Liens which is to be recorded in the Westchester County Clerk's Office in order to bring the Phased Property within the scheme of the Declaration, pursuant to Article II, Section 2.

(aa) "Underground Utilities" shall mean and refer to those Underground Utilities located in the Development, the Restricted Open Space Area and the Forever Green Space Area, if permitted, which utilities shall include water, electric, gas, sanitary and storm pipes, lines and wires. Said Underground Utilities shall not include any telephone or cable lines.

(bb) "Unsold Home" shall mean and refer to any Homes or Lots owned by the Developer and any successors or assigns, other than a Home used for personal occupancy of the Developer and any of its successors or assigns, until such time as the same have been sold.

ARTICLE II. PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Properties. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is all that certain plot, piece or parcel of land situate, lying and being in the Town of Greenburgh, County of Westchester and State of New York, being more particularly bounded and described in Exhibit "A" annexed hereto. The Properties will initially contain a total of 34 Homes and the Common Areas.

Section 2. Additions to the Properties. The Developer shall have the right, at its sole option, to annex and bring within the scheme of this Declaration all or any portion of the Phased Property and Recreation Facilities in any configuration in future stages of development so that such property shall become subject to the terms and conditions of this Declaration. Additional Properties brought within the scheme of the Declaration may contain no more than 119 Homes.

The Developer, its successors and assigns, shall not be obligated to bring the proposed additional property within the scheme of this Declaration except for the Recreational Facilities.

Except for Recreation Facilities, the additions authorized under this subsection shall be made by the Developer prior to the conveyance of any Home within the additional Properties, without the consent of the Association or its Members, by the recording in The Westchester County Clerk's Office of a Supplementary Declaration of Covenants, Restrictions, Easements, Charges and Liens with respect to the additional Property which shall extend the scheme of the covenants, restrictions, easements, charges and liens of this Declaration to such Properties.

The Recreation Facilities shall be conveyed to the Association upon their completion and compliance with all municipal requirements and a Supplementary Declaration shall be filed in the Westchester County Clerk's Office at such time.

Such Supplementary Declaration may contain such complimentary additions and modifications of this Declaration as may be necessary to reflect the different character, if any, of the added Property as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the Covenants, Restrictions, Easements, Charges and Liens establishing this Declaration within the Properties.

Upon the filing of a Supplementary Declaration and conveyance of a Home and Lot, the Homeowner of any such Home and Lot shall become a Member of the Association.

The provisions of this Article II, Section 2 may not be amended without the written consent of Developer or its successors and assigns.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. The Association shall have one class of membership interest. The Homeowner of a Home, Lot or Unsold Home on the Properties subject to this Declaration shall be a Member.

Section 2. Voting Rights. Each Member is entitled to one vote irrespective of the number of Homes, Lots or Unsold Homes owned by a Member. When more than one person or entity holds such interest in the membership, the one vote attributable to such membership shall be exercised as such persons mutually determine but not more than one vote may be cast with respect to any such Member. For purposes of this section the word "Home" shall have the same meaning as "Lot" and therefore if there is no Home constructed on a particular Lot in the Development, the Owner of such Lot will still be considered a Member entitled to cast the one vote as set forth above. No Member shall split or divide its votes on any motion, resolution or ballot. For the purposes of this section the Developer shall have one (1) vote for all Unsold Homes it retains.

Section 3. Transfer of Membership. Membership in the Association shall be appurtenant to, and may not be transferred, except in conjunction with the lawful sale or conveyance of a Home or Lot. No Owner shall be permitted to sell or convey his or her Home or Lot unless and until he or she shall have paid in full to the Board all unpaid Common Expenses and other amounts required by the Board to be paid and assessed by the Board against such Home or Lot. Upon such sale or conveyance, the seller of such Home shall relinquish his or her membership in the Association and the purchaser of such Home shall automatically become a Member, subject to this Declaration, the By-Laws and the Rules and Regulations.

ARTICLE IV. PROPERTY RIGHTS IN THE PROPERTIES

Section 1. Members' Easement of Enjoyment. Subject to the provisions of Section 3, every Member and its permitted lessees and occupants of Homes, and their respective family members and guests shall have a right and easement of enjoyment in and to the Common Areas and such easement shall be appurtenant to and shall pass with the title to every Home.

Except as otherwise specifically provided in this Declaration, the By-Laws or the rules and regulations promulgated by the Board, the Board may not impose any limitations upon the use and enjoyment of the Common Areas by Members and the permitted lessees and occupants of Homes, and their respective family members. The Board may establish a limitation on guest privileges by guests of Members or permitted lessees or occupants of Homes and the Board may establish a limitation on the use of the Common Areas for a party, meeting or other similar event. Except as otherwise specifically provided in this Declaration or in the By-Laws, the Board may not impose any fee for the use and enjoyment of the Common Areas by Members or permitted lessees or occupants of Homes and their respective family members, other than assessments against a Member's Home unless the Common Areas are used for a party, meeting or other similar event.

Section 2. Title to Common Properties. Prior to conveyance of title to the first Home in Phase I and the first Home in any Phased Property, the Developer shall convey to the Association legal title to the Common Area in Phase I and the Common Area in the Phased Property, except the Recreational Facilities subject, however, to the following covenant which shall be deemed to run with the land and shall be binding upon the Properties and the Association, its successors and assigns:

In order to preserve and enhance the property values and amenities of the Development, the Common Areas and all facilities now or hereafter built or installed thereon shall at all times be maintained in good repair and condition and shall be operated in accordance with high standards. The maintenance and repair of the Common Areas shall include, but not be limited to, the maintenance, repair of damage and replacement to the internal roadways; any sidewalks located outside of the individual lots; guest parking areas; any Recreation Facilities; the Drainage System; Sanitary Sewage System; Forever Green Space Area; Restricted Open Space Area; Underground Utilities; outdoor lighting located outside of the individual lots; fences located outside the individual lots and which are part of the Common Area; landscape maintenance as required of the Common Area only; maintenance and repair of all facilities owned by the Association, including replacement, of any roofs, if necessary; snow removal of the internal roadways, snow removal of the guest parking areas, and snow removal of any walkways located in the Common Areas, and refuse removal for the Homes and Common Areas, if the Town of Greenburgh does not provide for such refuse removal.

Each Owner of a home will be solely responsible for the maintenance, repair and replacement of the roof of the Homeowner's home; maintenance, repair and replacement of all interior and exterior portions of the Homeowner's home; landscape maintenance of the Homeowner's lot and snow removal, maintenance, repair and replacement of all driveways, and walks located within the Homeowner's lot or for the Homeowner's exclusive use.

Notwithstanding the above the Association may provide all or a portion of the excluded services or provide all or a portion of such services as an additional expense to only those Home Owners who desire such services, upon the approval of a majority of the Board of Directors, and with the consent of the Developer, as long as the Developer has five (5%) percent or more of the Unsold Homes for all Phases.

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

Section 3. **Extent of Members' Easements.** The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to promulgate rules and regulations for the use and enjoyment of the Common Areas; and

(b) The right of the Association, as provided in its By-Laws to suspend the enjoyment rights of any Member for a period during which any assessment remains unpaid and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

(c) The right of the Association to dedicate or transfer all or any part of the Common Areas, to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by Members and their mortgagees entitled to cast sixty six and two-thirds (66 2/3%) percent of the eligible votes has been recorded agreeing to such dedication, transfer, purpose or condition and unless written notice of the action is sent to every Member at least ninety (90) days in advance of any action taken; and

(d) The right of the Developer and of the Association to grant and reserve easements and rights-of-way, in, through, under, over, upon and across The Properties, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, gas and other utilities, and the right of the Developer to grant and reserve easements and rights-of-way, in, through, under, over, upon and across The Properties for the completion of the Developer's work under Section 1 of Article V; and

(e) The terms of the By-Laws and any rules and regulations promulgated by the Board of Directors regarding The Properties, any Recreation Facilities and Common Areas; and

(f) The right of the Developer to use the Common Areas or to permit the Common Areas to be used by Developer's designee or any prospective purchaser of a Home or any tenants of Unsold Homes, without charge, in accordance with and subject to this Declaration, the By-Laws and any rules and regulations promulgated by the Board. In addition, Developer shall have the right, at any time when there shall be any Unsold Homes, to use the Common Areas, without charge, for exhibitions or other promotional functions with respect to Developer's sales programs, in accordance with and subject to this Declaration, the By-Laws, and the rules and regulations; and

(g) The right of the Developer for itself and any subsequent owner or owners of the Phased Property, use and enjoyment of the Common Areas, subject to the terms of this Declaration, the By-Laws and any rules and regulations promulgated by the Board; and

(h) The reservation of the right of the Developer to build a road subject to local municipal approval, in any Restricted Open Space Area or Forever Green Area, subsequent to the Restricted Open Space Area or Forever Green Space Area being transferred to the Association.

The provisions of Article IV, Section 3 may not be amended without the written consent of the Developer or its successors and assigns.

ARTICLE V. DEVELOPMENT OF WATCH HILL

Section 1. Watch Hill. Developer intends to build 34 Homes, roadways, and other improvements to the Common Areas on a portion of land comprising part of The Properties (Phase I) and consisting of approximately 2.2 acres comprising the individual lots and approximately 48.5 acres containing the Common Area and may construct up to 119 additional Homes, roadways and additional improvements to future Common Areas including Recreational Facilities on the Phased Property.

Section 2. Easement. Developer does hereby establish and create for the benefit of the Association and for all Homeowners from time to time of Homes subject to this Declaration and its permitted lessees and occupants of Homes and their respective family members and guests and does hereby give, grant and convey to each of the aforementioned, the following easements, licenses, rights and privileges:

(i) Right-of-way for ingress and egress by vehicles or on foot, in, through, over, under, upon and across the streets, roads, and all walks in The Properties (as shown on the Filed Map and any changes for the Phased Property as they may be built or relocated in the future) for all purposes;

(ii) Rights to connect with, maintain and make use of utility lines, wires, pipes, conduits, cable television lines, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of The Properties.

Section 3. Reservation of Easements. Developer reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under, upon and across The Properties, for the purpose of completing all construction and work under Section 1 above and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over, upon and across The Properties, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, gas and other utilities and for any other materials or services necessary for the completion of the work. Developer also reserves the right to connect with maintain and make use of the utility lines, wires, pipes, conduits, cable television lines, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of The Properties. In addition Developer and any Selling Agent retained by Developer reserves the right to continue to use The Properties and any sales offices, maintenance building, model Homes, Unsold Homes, signs, Recreation Facilities and parking spaces located on The Properties in its efforts to market Homes constructed on The Properties for so long as there are any Unsold Homes remaining in any Phase of the Development. Developer further reserves the right to maintain upon the Properties such facilities as may be required, convenient or incidental for the completion of its work under Section 1 above including, without limitation, a business office, storage area, construction trailers, construction equipment and supplies, for so long as there are any Unsold Homes remaining in any Phase of the Development. This Paragraph may not be amended without the written consent of Developer.

Section 4. Encroachments on Lots or Common Area. In the event that any portion of any roadway, walkway, parking area, driveway, patio, deck, water lines, sewer lines, drainage lines, electric and gas meters, utility lines, sprinkler system, building or any other structure as originally constructed by Developer encroaches on any Home or Lot or the Common Areas, it shall be deemed that the Homeowner of such Home or Lot or the Association has granted a perpetual easement to the Homeowner of the adjoining Lot or the Association as the case may be for continuing maintenance and use of such encroaching roadway, walkway, driveway, patio, deck, water lines, sewer lines, drainage lines, electric and gas meters, utility lines, sprinkler system, building or structure. The foregoing shall also apply to any replacements of any such roadway, walkway, driveway, patio, deck, water lines, sewer lines, drainage lines, electric and gas meters, utility lines, sprinkler system, building or structure if same are constructed in substantial conformance to the original. The encroachment for sewer lines, water lines and utility lines shall also apply to sewer and utility lines which may run under the Home or building and utility lines which run through the attic area of the Home or building. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of these covenants and restrictions.

Section 5. Easement for Emergency Access. Developer does hereby establish an easement of ingress and egress over the roadways, walkways, driveways, parking areas and all other Common Areas in the Development for the benefit of all emergency vehicles and personnel including but not limited to police, fire, and medical purposes.

Section 6. Easement for Repair. The Board, Managing Agent, if any, manager or employee of the Association and any other person authorized by any of the foregoing, shall have, and the Common Areas shall be subject to, an easement in, to and through the Common Areas or any portion thereof in favor of the foregoing persons, (a) to operate, maintain, repair, alter, rebuild, restore and replace any of the Common Areas, including, without limitation, the maintenance of any sign identifying the Association located at the entrance thereto and any advertising and/or directional signs and (b) to perform any of their respective duties in accordance with the By-Laws.

Section 7. Easement for Completion. Each Member hereby grants a right of access to his Home to Developer or its designee, and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change including, without limitation, the correction of any construction defects being performed or to be performed by or on behalf of Developer with respect to the Common Areas and/or the Homes.

Section 8. Rights of Access in Favor of the Association. Each Member shall afford to the Association, any Managing Agent and/or any other person authorized by any of the foregoing a right of access to his or her Home on reasonable notice at reasonable hours, on any day except Sundays and holidays (except that in an emergency situation such notice need not be given) for the purposes of: (a) making inspections of, or removing violations noted or issued by any governmental authority against any other Home; (b) curing defaults hereunder, or violations of any rules and regulations promulgated by the Board of Directors and committed by such Member; (c) correcting any conditions originating in or on his or her Home and threatening another Lot or all or any portion of the Property; (d) installing, operating, maintaining, repairing, altering, rebuilding, restoring and/or replacing any personal property and fixtures located in, over, under, through adjacent to, or upon his or her Lot or elsewhere on The Properties and existing for the common use of two or more Homes, of one or more Homes and the Common Area, of two or more Members and/or of one or more Members and the Association including without limitation all systems, apparatus, mechanisms, devices, machinery, motors, pumps, controls, tanks, tank assemblies, installations, shut off valves, other valves, panels, relays, electric distribution facilities, wiring, wireways, switches, circuit breakers, transformers, fittings, lighting fixtures, other fixtures, bulbs, signs, meters, meter assemblies, pipelines, conduits, cables, shafts, pits, raps, fences,

storm drains, drains, catch basins and fitters; (e) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Home and (f) for the purposes of performing any work required by Article IX of this Declaration.

Section 9. Future Easements. Developer shall retain the right, so long as there are any Unsold Homes on the Properties, to place any easements in, to or under The Properties which Developer shall deem necessary for the benefit of the Association and its Members.

ARTICLE VI. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation. The Developer, for each Unsold Home and Lot then subject to the Declaration of Covenants, Restrictions, Easements, Charges and Liens owned by it within The Properties, hereby covenants and each Homeowner of any Home by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association such Common Expenses as are fixed by the Association's Board of Directors and assessed to the Homeowners as hereinafter provided. All sums assessed by the Association but unpaid, together with such interest thereon and the cost of collection thereof as is hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property owned by such Homeowner against which each such Common Expenses is made. Each such assessment, together with interest thereon and cost of collection thereof, as hereinafter provided shall be a personal obligation of the person who was the Homeowner of such property at the time when the Common Expenses fell due.

Section 2. Purpose of the Assessment. The Common Expenses levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in The Properties as a Development and in particular for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas and of the Homes situated upon The Properties, including, without limiting the foregoing, the payment of taxes (if any), insurance thereon, and repair, replacement and additions thereto, and the cost of labor, equipment, materials, services, management and supervision thereof.

Section 3. Common Expenses. The Association's Board of Directors shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Association and shall send a copy of the budget and any supplement to the budget to each Homeowner prior to assessing the Homeowner's thereon. The Board shall determine the total amount required, including the operational items such as insurance, repairs, reserves, maintenance and other operating expenses, as well as charges to cover any deficits from prior years and capital improvements

approved by the Board. The total annual requirements and any supplemental requirements shall be allocated between, assessed to, and paid by the Homeowners as follows:

Each Homeowner shall pay a portion of said requirements, the numerator of which shall be one (1) and the denominator of which shall be equal to the number of Homes and Lots on The Properties subject to this Declaration. The Developer's obligation for such Common Expense on Unsold Homes or Lots subject to this Declaration will be limited to the difference between the actual operating costs of the Association, including reserves on the Common Areas, and on Homes or Lots to which title has been conveyed and the Common Expense levied on Homeowners who have closed title on their Homes. In no event, however, will the Developer be required to make a deficiency contribution in an amount greater than it would otherwise be liable for if it were paying full assessments on Unsold Homes or Lots for the Unsold Homes or Lots then subject to the Declaration of Covenants and Restrictions. In addition, pursuant to the requirements of the Town of Greenburgh Developer shall be responsible for paying the monthly maintenance charges for all unconveyed Homes having a Certificate of Occupancy. The sum due the Association from each individual Homeowner shall constitute a Common Expense of the Board of Directors and unpaid Common Expenses shall constitute liens on the individual Homes and the personal obligation of the Homeowner, subject to foreclosure as hereinafter provided.

Section 4. Due Dates; Duties of the Board of Directors. All Common Expenses shall be payable monthly in advance as ordered by the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the Common Expenses against each Home and shall prepare a roster of the Homes and Common Expenses applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Homeowner. Upon the written request of a Homeowner or a Permitted Mortgagee, the Board shall promptly furnish such Homeowner or his Permitted Mortgagee with a written statement of the unpaid charges due from such Homeowner.

Section 5. Effect of Non-Payment of Assessment, The Personal Obligation of the Homeowner; The Lien, Remedies of the Association. If a Common Expense is not paid on the date when due, as fixed by the Board of Directors, then such Common Expense shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Homeowner's Home which shall bind such property in the hands of the Homeowner, his heirs, devisees, personal representatives and assigns. Such lien shall be prior to all other liens except: (a) tax or assessment liens on the Home by the taxing subdivision of any governmental authority, including but not limited to State, County, Village, and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering the Home. The personal obligation of the Homeowner who was the

Homeowner of the Home when the Common Expense fell due to pay such Common Expense, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

In the event any Homeowner fails to make payment of a Common Expense, the Homeowner who owns such Home shall be obligated to pay (a) a "late charge" of \$.04 for each \$1.00 of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) interest at the rate of 2% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (less any "late charges" theretofore collected on such amounts) computed from the due date thereof, and (c) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any Managing Agent in any proceeding brought to collect such unpaid Common Expense or in an action to foreclose the lien on such Homeowner's Home arising from said unpaid Common Expense in the manner permitted by applicable law. All such "late charges", interest and expenses shall be added to and shall constitute Common Expenses payable by such Homeowner. The Board (on behalf of the Homeowners) shall have the right to bring an action to foreclose a lien on a Homeowner's Home in the event such Homeowner is in default in the payment of Common Expenses. A suit to recover a money judgment for unpaid Common Expenses shall be maintainable, at the option of the Board, without foreclosing or waiving the lien securing such charges. In the event of a foreclosure sale of a Home by a Permitted Mortgagee or by the Board of its lien on any Home for unpaid Common Expenses, if the net proceeds of the foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred therewith) shall be insufficient for the payment of such unpaid charges, or if a Home is acquired by a mortgagee or purchaser in foreclosure, the owner of such Home prior to foreclosure sale shall remain liable for the payment of all unpaid Common Expenses which accrued prior to such sale.

ARTICLE VII. ARCHITECTURAL CONTROL

No building, deck, patio, fence, wall or other structure, or change or alteration to the exterior of the Homes or color of the Homes or in the landscaping shall be commenced, erected, replaced, repaired or maintained upon The Properties, nor shall any exterior addition to, or change or alteration thereto, be made until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association or by an architectural or landscaping committee composed of three or more representatives appointed by the Board as detailed in Article XIV, Section 3 of the Association By-Laws. In the event said Board, or its designated committee fails to approve or disapprove such design and location within sixty (60) days after said plans and specifications have been

submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The provisions of this Paragraph shall not apply to Developer.

ARTICLE VIII. PARTY WALLS, PARTY ROOFS OR PARTY FENCES

Section 1. General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Article VIII, the general rule of law regarding Party Walls, Party Roofs or Party Fences and liability for property damage due to negligence or willful acts or omissions, shall apply to each Party Wall, Party Roof and Party Fence which is built as part of the original construction of the Homes upon The Properties and any replacement thereof.

In the event that any portion of any structure, as originally constructed by Developer, including any Party Wall, Party Roof or Party Fence, shall protrude over an adjoining Home, Lot or any portion of the Common Area such structure or Party Wall, Party Roof or Party Fence shall not be deemed to be an encroachment upon the adjoining Homes, Lot or Common Area and affected Owners shall neither maintain any action for the removal of a Party Wall, Party Roof or Party Fence or projection, nor any action for damages. In the event there is a protrusion as described in the immediately preceding sentence, it shall be deemed that said Homeowners have granted perpetual easements to the adjoining Homeowner or Homeowners for continuing maintenance and use of the projection or Party Wall, Party Roof or Party Fence. The foregoing shall also apply to any replacements of any structures, Party Walls, Party Roofs or Party Fence if same are constructed in conformance with the original structure or Party Wall, Party Roof or Party Fence constructed by Developer. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of these covenants and restrictions.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a Party Wall, Party Roof or Party Fence shall be shared equally by the Homeowners who make use of the Party Wall, Party Roof or Party Fence.

Section 3. Destruction by Fire or Other Casualty. If a Party Wall, Party Roof or Party Fence is destroyed or damaged by fire or other casualty, and such damage is not otherwise covered by insurance as set forth in Article X, any Homeowner who has used the Party Wall, Party Roof or Party Fence must restore it, and if the other Homeowners thereafter make use of the Party Wall, Party Roof or Party Fence, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Homeowners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provisions of this Article, a Homeowner who by his negligent or willful act causes the Party Wall, Party Roof or Party Fence to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements.

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

Section 6. Arbitration. In the event of any dispute arising concerning a Party Wall, Party Roof or Party Fence, or under the provisions of this Article, each party shall choose one arbitrator from the American Arbitration Association, and such arbitrator shall choose one additional arbitrator, and the decision shall be made by a majority vote of all the arbitrators. The decision of the arbitrators shall be binding and conclusive upon the parties. The cost of such arbitration shall be shared by both parties. However, any party to the dispute shall thereafter have the right to institute any action or proceeding, at law or equity, which he deems necessary or desirable to appeal this decision.

ARTICLE IX. EXTERIOR MAINTENANCE

Section 1. Exterior Maintenance. The Association will be responsible for the maintenance, repair and replacement of all facilities owned by the Association; maintenance, repair and replacement of the roadways and guest parking areas located in the Common Area; maintenance, repair and replacement of the Underground Utilities; snow removal of the roadways and guest parking areas located in the Common Area and refuse removal if not provided by the Town of Greenburgh, other municipal agency or the individual responsibility of each Home Owner.

Each Homeowner will be solely responsible for the maintenance, repair and replacement of the roof of the Homeowner's home, maintenance, repair and replacement of all interior and exterior portions of the homeowner's home; landscape maintenance of the owner's lot and snow removal, repair maintenance and replacement of all driveways and walks located within the Homeowner's lot or for the Homeowner's exclusive use.

Section 2. Disrepair of Lots. In the event the Homeowner of any Home in The Properties shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors of the Association, including but not limited to the situation where such maintenance, repair and replacement functions are not otherwise directed by the provisions of this Declaration to be performed by the Association, upon direction of the Board of Directors, it shall have the right, through its agents and employees to enter upon the Lot upon which said Home is located and to repair, maintain and restore the Lot and

the Home and any other improvements erected thereon or to take whatever legal action it may deem necessary. The cost of such maintenance, repair and replacement shall be added to and become part of the assessments to which such Home is subject.

ARTICLE X. INSURANCE

Section 1. Common Areas/Master Policy. (a) The Board shall be required to obtain and maintain, to the extent obtainable and to the extent determined by the Board to be appropriate, the following insurance: (i) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the insurable parties of the Common Areas, together with all service machinery contained therein and covering the interests of the Association, the Board and all Members, as their respective interests may appear, in an amount equal to the full replacement value of all Common Areas and appurtenances thereto (exclusive of any foundation and footings, if any), without deduction for depreciation; (ii) workers' compensation and New York State disability benefits insurance for any employees; (iii) fidelity insurance covering all officers, Board members, directors and employees of the Association and of the managing agent or agents who handle funds of the Association; (iv) directors' and officers' errors and omissions insurance; and (v) such other insurance as the Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne equally by the Members.

(b) The Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Common Areas and in such limits as the Board may from time to time determine, covering (i) the Board, any managing agent appointed by the Board, each Board member and each Association Member and any lessee, occupant and family member. The Board shall also be required to obtain and maintain, on behalf of the Board, fidelity insurance covering the Board, the Managing Agent, if any, each Board member and each officer of the Association and each employee of the Association employed as such.

(c) Members shall not be prohibited from carrying other insurance for their own benefit, at their own expense, and the Board shall not be prohibited from carrying additional insurance, provided that any such policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Member.

(d) The Board of Directors shall have the discretion of placing a Master Policy on all Homes located on the premises in lieu of each Homeowner securing their own. In such event the cost of such insurance shall be a Common Expense.

Section 2. Insurance Policies to be Carried by the Members. In the event the Board of Directors does not secure a Master Policy then each Member shall be required to maintain the following insurance:

(a) Each Member will be required to maintain an "All Risk" property policy on his or her Home, with an insurance company acceptable to the homeowners Association in an amount equal to full replacement value of the Home (exclusive of any foundation and footing) without deducting for depreciation, which policy shall contain if available (i) waivers of subrogation of any defense based upon co-insurance or other insurance or invalidity arising out of acts of the insured or a pro rata reduction of liability; (ii) shall name the Board of Directors or Association as an additional insured and (iii) a provision that such policy may not be either cancelled or substantially modified except upon at least thirty (30) days prior written notice to all of the insured including the Association. Copies of these policies must be maintained with the Managing Agent, if any, or by the Board and shall be sent with proof of payment of the premiums at least thirty (30) days prior to the expiration of then current policies. Any repair or reconstruction of the exterior of any Home must be performed in a good and workmanlike manner and shall conform as nearly as possible to the original plans and specifications. The plans and specifications for repair or reconstruction to the exterior of any Home must be submitted to and approved in writing by the Board.

(b) Each Member will be required to maintain an individual liability policy with an insurance company acceptable to the Homeowners Association covering occurrences on his or her Home, including the Home constructed thereon. The policy must provide for coverage of the first \$300,000 of any judgement (or the first \$300,000 of a settlement in lieu of judgment) recovered against the Association as a result of an occurrence on the Owner's Home or such other amount as the Board shall from time to time determine and must name the Association and the Managing Agent, if any as additional insured. Such policy shall also provide medical payments coverage in the amount of \$2,000. Additionally, if available without special premium the policy shall contain (i) waivers of subrogation of any defense based upon co-insurance or other insurance or invalidity arising out of acts of the insured or a pro rata reduction of liability and (ii) a provision that such policy may not be either cancelled or substantially modified except upon at least thirty (30) days' prior written notice to all of the insured including the Association. Copies of these policies must be maintained with the Managing Agent, if any, or by the Board and shall be sent with proof of payment of the premiums at least thirty (30) days prior to the expiration of then current policies. Each such policy must provide for at least thirty (30) days written notice to the Managing Agent and the Board before the policy may be cancelled.

(c) If the insurance provided under this Section has not otherwise been adequately obtained by each Homeowner, as determined by the Board of Directors, then the Board may obtain such insurance coverage. Such insurance shall be sufficient to cover the full replacement cost or necessary repair or reconstruction

work. The purpose of such insurance will be to protect, preserve and provide for the continued maintenance and support of separately owned Homes which shall include common Party Walls, connected exterior roofs and other parts of the overall structure. Insurance obtained by the Board of Directors shall be written in the name of the Association as Trustee for the benefit of each Homeowner. Premiums for insurance obtained by the Board of Directors, as provided hereinabove, shall not be a part of the Association Common Expense but shall be an individual assessment payable in accordance with the provisions of Article VI of this Declaration.

Section 3. Repair or Reconstruction after Fire or Other Casualty. (a) Common Area. In the event that the Common Area or any part thereof is damaged or destroyed by fire or other casualty the Board will arrange for the prompt repair and restoration thereof and the Board, or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If the insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be borne equally by all Homeowners as a Common Expense or shared equally by all Homeowners, except that the amount of any surplus payable to any Member pursuant to this Section 3 shall be lessened by the amount of any unpaid Common Area Common Expense against such Homeowner.

(b) Homeowner. If no cleanup, repair or rebuilding of a Home has been contracted for, or otherwise substantially started by the Homeowner, with the cooperation of the Board of Directors within thirty (30) days of the receipt of the insurance proceeds, the Board of Directors shall have the right but not the obligation to initiate the clean up, repair or rebuilding of the damaged or destroyed portions of the structure and/or exterior of the Home, in a good and workmanlike manner in conformance with the original plans and specifications. The Board of Directors may advertise for sealed bids from any licensed contractors and may then negotiate with said contractors. The contractor or contractors selected to perform the work shall provide full performance and payment bonds for such repair or rebuilding. In the event the insurance proceeds are insufficient to fully pay the costs of repairing and/or rebuilding the damaged or destroyed portions in a good and workmanlike manner, the Board of Directors may levy a special assessment against the Homeowner in whatever amount sufficient to make up the deficiency. Until such time as the special assessment is paid, the Board of Directors may borrow funds or impose a special Common Expense against the Association Homeowners to pay for such reconstruction and cleanup. The cost of such borrowing including interest, legal fees, etc., shall be paid by the Homeowner. If the insurance proceeds exceed the cost of repairing and/or rebuilding, such excess shall be paid over to the respective Homeowner and/or Homeowner's mortgagee in such portions as shall be independently determined by those parties. The Board of Directors shall have the right to enter in and on the Homeowners Lot or Home to effectuate necessary repairs.

ARTICLE XI. USE OF PROPERTY

The use of a Home by a Member or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and any rules and regulations of the Association as they may be added to or promulgated by the Board of Directors and the following covenants and restrictions:

(a) The Home and area restricted to the Member's use shall be maintained in good repair and overall appearance.

(b) Any Member who mortgages or sells his Home shall immediately notify the Board of Directors providing the name and address of his mortgagee or new Homeowner.

(c) The Board of Directors shall, at the request of the mortgagee of the Home, report any delinquent assessments due from the Owner of such Home.

(d) No nuisances shall be allowed upon The Properties nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(e) No improper, offensive or unlawful use shall be made of The Properties nor any part thereof, and all valid laws, zoning ordinances, the regulations of all governmental bodies having jurisdiction thereof, shall be observed.

(f) Regulations promulgated by the Board of Directors concerning the use of The Properties shall be observed by the Members.

(g) The Common Expenses shall be paid when due.

(h) All dogs, cats, and other pets must be leashed and shall not be permitted to run loose. Homeowners shall be responsible for picking up and disposing of their pet's waste and for any damage caused by their pets to The Properties. No cages or "runs" shall be constructed on a Lot or the Common Areas.

(i) No resident of the Community shall post any signs, advertisements or posters of any kind including "for sale" or "for rent" signs in or on The Properties, except as authorized and approved by the Board of Directors.

(j) No fence or gate shall be erected on The Properties without adhering to the architectural standard developed by the Board of Directors or

the Architectural Committee, other than as provided in the original construction by the Developer.

(k) No television or radio antenna or any other type of receiving or transmitting antenna or structure including a satellite dish shall be erected on the exterior of a Home or on any Lot or the Common Area.

(l) No Homeowner shall move, remove, add or otherwise change the landscaping on the Common Area or on his Lot without the consent of the Board of Directors or any Architectural Committee.

(m) No Home Owner shall paint the exterior surfaces of windows, exterior façade of the Home, walls or doors opening out of his Home without the consent of the Board of Directors or any Architectural Committee.

(n) No person shall park an automobile, boat, trailer, off-track vehicle, camper, bus, truck, snowmobile or other commercial or recreational vehicle (collectively "Vehicles") or otherwise obstruct any resident's use of ingress or egress to any driveway, garage or parking space nor may any Vehicle be parked on the Common Areas except in designated parking areas. The driveway in front of each garage is restricted in use to the owner of the Home in which such garage is located.

(o) No repair of a Vehicle as referred in (n) above shall be made in any of the roadways, driveways or parking areas of the Development, nor shall such areas be used for storage or overnight parking of any Vehicle as referred to in (n) above, except for a Members automobile, without the written permission of the Board.

(p) No Home Owner shall install or permit to be installed any window mounted, or through the wall mounted air conditioning unit in his Home.

(q) No person shall be permitted to use any Recreational Facilities of the Association except in accordance with the rules and regulations established by the Association's Board of Directors.

(r) No Home Owner shall make or permit any disturbing noises in any building or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Homeowners.

(s) The Common Area shall not be obstructed, littered, defaced or misused in any manner.

(t) No interior alterations to a Home are permitted which would impair the structural soundness of any Party Walls, reduce the levels of fire safety in

neighboring Homes, or diminish the heat and sound insulation between Homes.

(u) It is prohibited to hang garments, rugs, etc., or to string clothes lines on any portion of the Home, Lot, or Common Area.

(v) No Homeowner may install a storm door on his Home other than a style, color and make approved by the Board of Directors.

(w) Every Member shall be liable for any and all damage to the Common Area and the property of the Association, which shall be caused by said Member, its permitted lessees and occupants of Homes, their respective family members and guests and such other person for whose conduct the Member is legally responsible.

(x) No Homeowner, lessee or occupant of a Home shall change or alter any garage door opener frequency code.

(y) No alcoholic beverages may be sold in any of the Units or in the Recreational Facilities.

(z) Each Member, Home Owner and their permitted lessees and occupants of the Home shall be solely responsible to maintain and keep in good repair the driveway and any walkways located within each lot or for the exclusive use of each Member, Home Owner or permitted lessee and occupant.

(aa) Each Member, Home Owner and their permitted lessees and occupants of the Home shall be solely responsible to maintain the lawn and landscape located within their lot or for their exclusive use and to maintain the lawn and landscape in a neat, well kept and harmonious condition and overall appearance.

(bb) Each Member, Home Owner and their permitted lessees and occupants shall be solely responsible to repair, maintain and replace the roof of their Home and to keep the roof in a good, well kept condition.

(cc) Nothing shall be done or kept on the Association Property which will increase the rate of insurance of the Common Areas or contents thereof without the prior written consent of the Board. No Member shall permit anything to be done or kept on The Properties which will result in the cancellation of insurance on the Common Areas or which would be in violation of any law.

(dd) No Members shall conduct any group tour or exhibition of all or any portion of the Common Area without the prior consent of the Board or the Managing Agent.

(ee) Developer shall have the right to display signs for promotional, sales, exhibit and administrative purposes upon any portion of the Common Areas or upon any Unsold Home until the last Unsold Home within The Properties is sold and conveyed. Developer shall have the right, the foregoing notwithstanding, to place permanent signs on Homes of its choice, at sites chosen by Developer. Developer shall also have the right to install fencing and walls on the Homes at perimeter sites chosen by Developer. No Homeowner (other than Developer) or tenant or other person on the premises shall remove, alter, change, interfere with or tamper with, in any way, said signs, walls or fences, which shall be maintained in good condition by the Association and its Board of Directors. The cost of such maintenance shall be treated as a Common Expense.

(ff) The Board shall have the power to make such rules and regulations as may be necessary to carry out the intent of these use restrictions, and shall have the right to bring lawsuits to enforce the rules and regulations promulgated by it. The Board shall further have the right to levy fines for violations of such regulations or the provisions of this Declaration or the By-Laws. For each day a violation continues after notice it may be considered a separate violation. Any fine so levied shall be considered as a Common Expense levied against a particular Homeowner involved, and collection may be enforced by the Board in the same manner as the Board is entitled to enforce collection of other assessments. Fines may be levied against a Homeowner's tenant, and the Homeowner shall be jointly and severally liable with his tenant for the payment of same. In the event the Association institutes legal action for the collection of any fines, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Association plus interest and costs of suit.

The foregoing provisions shall not apply to Developer unless required: (a) to comply with applicable municipal laws or regulations, or (b) to remedy any notice of violation.

XII. LEASING RESTRICTIONS

Section 1. Leasing Requirements. Except as noted in Sections 3 and 4, every lease on every Home in the Development is subject to the following rules and regulations, regardless of whether stated in the lease: (a) the lease must be in writing; (b) the lease must be for the entire Home; (c) the lease must be for a minimum period of not less than twelve (12) months. Renewals can be longer, but not less than twelve (12) months; (d) the use of the premises is subject to the

Declaration, the By-Laws and the rules and regulations of the Development; (e) within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the lease, must be furnished to the Managing Agent or if no Managing Agent to an officer or director of the Association; (f) the Home cannot be used as a motel or hotel or otherwise for transient tenants; (g) if any Homeowner (landlord) or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including any rules and regulations, the Association may bring an action in its own name or in the name of the Homeowner, or both, to have the tenant evicted or to recover damages, or both. If the court finds that the tenant is or has violated any of the provisions of the Declaration, the By-Laws of the Association or the rules and regulations, the court may find the tenant guilty of forcible detainer despite the facts that the homeowner is not a party to the action and/or that the tenant is not otherwise in violation of tenant's lease or other rental agreements with the Homeowner. For purposes of granting the forcible detainer against the tenant, the court may consider the Homeowner a person in whose name a contract (the lease or rental agreement) was made for the benefit of another (the Association). The remedy provided by this subsection is not exclusive and is in addition to any other remedy or remedies available to the Association. If permitted by present or future law, the Association may recover all of its costs, including court costs and reasonable attorney's fees, and these costs shall be a continuing lien on the Home that shall bind the home in the hands of the then Homeowner and the Homeowner's successors and assigns. The Association shall give the tenant and the Homeowner written notice of the nature of the violation of the rules, and thirty (30) days from the mailing of the notice in which to cure the violation before the Association may file for eviction.

Section 2. Tenant Bound by Declaration. By becoming a tenant, each tenant agrees to be bound by the Declaration, By-Laws and the other rules and regulations of the Association, and recognizes and accepts the right and the power of the Association to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the other rules and regulations of the Association.

Section 3. Lenders. To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Homes in the Development, only subsection (d) and (e) of Section 1 of this Article XII shall apply to a first mortgage lender who has title to the Home through (a) foreclosure of its first mortgage on the Home; or (b) a deed in lieu of foreclosure of its first mortgage on the Home. Any subsequent purchaser from the first mortgage lender is subject to all the terms of Article XII.

Section 4. Developer. The terms of this Article XII shall not be applicable to the Developer.

ARTICLE XIII. DEVELOPER'S RIGHT TO CHANGE SITE PLAN

Section 1. Right to Change Site Plan. Developer reserves the right to make minor revisions of boundary lines and road lines from those shown on the site plan in order to preserve the natural topography of all or any portion of The Properties and to adjust the size of the Lots to accommodate the improvements on all or any portion of The Properties now or hereafter constructed. The rights reserved to Developer hereunder shall include, but not be limited to, the right (i) of a reversion of title to insubstantial portions of the Common Areas to be conveyed to the Association for the purpose of adding such portions to one or more of the Lots; (ii) to change in an insubstantial manner, the location of Lots not yet conveyed by Declarant and the Common Areas and any Recreational Facilities and the location of the improvements thereon; and (iii) to change in an insubstantial manner, the location of a road or roads.

Section 2. Procedure to Change Site Plan. The Association hereby consents (and the deeds conveying the Common Areas to the Association shall similarly provide) that the Site Plan may be amended to effectuate any of the provisions contained in Section 1 above, without any further covenants and that the Association will, if requested, execute, acknowledge and deliver, without charge, a deed or deeds reconveying to Developer or to an Owner any land theretofore conveyed to the Association, so that a revision or correction deed or deeds conforming to an amended site plan may be delivered. The deeds conveying the Homes to Homeowners may also provide that the site plan may be amended accordingly for the above purposes without any consent on their part being required, and that the acceptance of a deed shall be deemed a consent to such future amendment or amendments of the site plan, and that such Homeowners covenant that they will, nevertheless, if requested, execute, acknowledge and deliver, without charge, any written consent to such amendment or amendments of the site plan and further, if requested, execute, acknowledge and deliver without charge, a deed or deeds reconveying to Developer or the Association any land theretofore conveyed to the Homeowner so that a revision or correction deed or deeds conforming to an amended site plan may be delivered. Irrespective of the foregoing, the recording by or on behalf of Developer of an amended site plan to delineate any or all of the changes provided for in this Article XIII shall be deemed a modification of any prior instruments whereby Developer conveyed title to any or all of the Common Areas to the Association.

The provisions of Article XIII, Sections 1 and 2 may not be amended without the written consent of the Developer, its successors or assigns.

ARTICLE XIV. GENERAL PROVISIONS

Section 1. Beneficiaries of Easements, Rights and Privileges. The easements, licenses, rights or privileges established, created and granted by this Declaration shall be for the benefit of and restricted solely to, the Developer, the Association and the Owners of Lots, Unsold Homes and Homes constructed on The

Properties; and any Owner may also grant the benefit of such easement, license, right or privilege to his tenants and guests and their immediate families for the duration of their tenancies or visits, subject in the case of the Common Areas to the rules and regulations of the Board of Directors, but the same is not intended nor shall it be construed as creating any rights in or for the benefit of the general public.

Section 2. Duration and Amendment. The covenants and restrictions of this Declaration shall run with, and bind the land, and shall inure to the benefit of, and be enforceable by the Association, any Member, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, until December 31, 2060, unless otherwise expressly limited herein, after which time, said covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by sixty six and two thirds (66-2/3) of the Members, then subject to the Declaration, has been recorded, agreeing to change said covenants and restrictions in whole or in part. Notwithstanding the foregoing, the easements, licenses, rights and privileges established and created with respect to the Properties by Section 2 of Article V shall be perpetual, run with the land, and shall survive any destruction, reconstruction and relocation of the physical structure, unless said provision is abrogated by the unanimous written consent of all the Members.

Unless specifically prohibited or different requirements are provided herein, this Declaration may be amended by an instrument signed by Members holding not less than sixty-six and two-thirds (66 2/3) of then existing membership. Any amendment must be properly recorded to be effective.

Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from this Declaration, the By-Laws or any rules and regulations shall be effective in any way against Developer or its designee or any Unsold Home, as long as the Developer owns an Unsold Home on The Properties, unless Developer has given its prior written consent thereto.

Developer hereby reserves the right to amend, modify, add to or delete from this Declaration at any time without the requirement of obtaining the approval, consent or signature of the Board or any Members for the purpose of making any technical corrections or additions or any other changes that do not materially and adversely affect the Owners and their respective Permitted Mortgagees. Such amendment, modification, addition, or deletion of, to or from this Declaration, duly executed, in form for recording, shall be recorded by Declarant against the Property and theretofore subject to this Declaration.

Section 3. Disposition of Assets Upon Dissolution of Association. Upon dissolution of the Association, its real and personal assets, including the Common Areas, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In the event such dedication is refused

acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. No such disposition of the Association properties shall be effective to divest or diminish any right or title to any Member vested in him under the licenses, covenants and easements of this Declaration or under any subsequently recorded covenants, deeds or other documents applicable to the Properties, except as may be otherwise provided in this Declaration or said covenants, deeds or other documents, as the case may be, nor shall any other party under any such deeds, covenants or other documents be deprived of any rights thereunder on account of such disposition.

Section 4. Notices. Any notice required to be sent to any Member or Homeowner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by certified mail return receipt requested, postpaid, to the last known address of the person who appears as Member or Homeowner on the records of the Association at the time of such mailing.

Section 5. Administration. The administration of the Association shall be in accordance with the provisions of the Association By-Laws which are made a part of this Declaration and attached hereto as Exhibit "B".

Section 6. Severability. Invalidation of any of the covenants, limitations or provisions of this Declaration by judgment or court order shall in no way affect any of the remaining provisions hereof and the same shall continue in full force and effect.

Section 7. Lease of Common Area. In the event the Association intends to lease any portion of the common area, the lease must first be submitted for approval to the office of the Town Attorney and the Planning Board of the Town of Greenburgh for the purpose of their examination of the relationship of the lease to the Association with regard to rights of use and access by the Home Owner in and to the common area.

Section 8. Town of Greenburgh Emergency Maintenance Rights.

(a) In the event that the Association or any successor organization, shall at any time after establishment of the planned unit development fail to maintain the common property in reasonable order and condition in accordance with the plan, the Town of Greenburgh may serve written notice upon such organization or upon the residents and the owners of the planned unit development, setting forth the manner in which the organization has failed to maintain the common property in reasonable condition and said notice shall include a demand that such deficiencies of maintenance be cured within thirty (30) days thereof and shall state the date and place of a hearing thereon which shall be held within fourteen (14) days of the notice. At such hearing, the Town of Greenburgh may modify the terms of the original notices as to the deficiencies and may give an extension of time within which they shall be cured. If the deficiencies set forth in the original notice or in the

modifications thereof shall not be cured within said thirty (30) days of any extension thereof, the town, in order to preserve the taxable values of the properties within the planned unit development and to prevent the common property from becoming a public nuisance, may enter upon said common open space and maintain the same for a period of one (1) year. Said entry and maintenance shall not vest in the public any rights to use the common open space except when the same is voluntarily dedicated to the public by the residents and owners and accepted by the Town Board after public hearing thereon. Before the expiration of said year, the municipality shall, upon its initiative or upon request of the organization theretofore responsible for the maintenance of the common property, call a public hearing upon notice to such organization or to the residents and owners of the planned unit development to be held by the town, at which hearing such organization or the residents and owners of the planned unit development shall show cause why such maintenance by the Town of Greenburgh shall not at the election of the Town of Greenburgh, continue for the succeeding year. If the town shall determine that such organization is ready and able to maintain said common property in reasonable condition, it shall cease to maintain said common property at the end of said year. If the town shall determine such organization is not ready and able to maintain said common property, it may continue to maintain said property for the next succeeding year, subject to a similar hearing and determination in each year thereafter.

(b) The cost of such maintenance by the town shall be assessed, equally, against the properties within the planned unit development that have a right to enjoyment of the common property and shall become a tax lien on said properties. The municipality, at the time of entering upon said common property for the purpose of maintenance, shall file a notice of such lien in the office of the County Clerk upon the properties affected by such lien within the planned unit development.

Section 9. Special Rights of Declarant. Notwithstanding anything to the contrary contained herein so long as there are any Unsold Homes, Developer and any designee of Developer shall have the right, without requiring the consent of either the Association or any other Member(s), and without charge or limitation, to: (a) have its employees, contractors, subcontractors and sales agents present on The Properties and on the Unsold Homes; (b) erect and maintain signs and other promotional materials (including, without limitation, "For Sale", and "For Rent" signs), in connection with the promotion, sale, leasing, management, or operation of the Unsold Homes, (c) use any one or more Homes or Unsold Homes as; (i) model homes, (ii) offices for the promotion, sale, rental, management and/or operation of the Unsold Homes, (iii) offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Developer with respect to the Common Areas and/or the Homes or Unsold Homes; and/or (iv) for any other purpose; and (d) do and cause to be done all of the things that are necessary, desirable, or appropriate (including, without limitation, the use of the Common Areas and the Unsold Homes) for the purpose of: (i) the promotion, sale, rental, management and/or operation of the Unsold Homes; (ii) the performance and

completion of installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Developer with respect to the Common Areas and/or (iii) the exercise performance and discharge of Developer's other rights and obligations under this Declaration, the By-Laws or the rules and regulations. In no event, however, shall Developer or such designee be entitled to use any portion of the Common Areas in such a manner as will unreasonably interfere with the use of the same or of any Home for its permitted purposes. The provisions of this Article XIV Section 9 may not be amended without the written consent of the Developer or its successors or assigns.

BAKER FIRESTONE LIMITED PARTNERSHIP
A Limited Partnership

By: BAKER COMPANIES, INC.
General Partner

By: _____
(Vice) President