

DECLARATION OF CONDOMINIUM

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED IN THE
TOWN OF AMENIA, DUTCHESS COUNTY
STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

DECLARANT: Silo Ridge Ventures, LLC
5021 Route 44
Amenia, New York 12501

DATE OF DECLARATION:

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TABLE OF CONTENTS

Page

FIRST:	SUBMISSION OF PROPERTY.....	1
SECOND:	DESCRIPTION OF PROPERTY.....	1
THIRD:	DEFINITIONS.....	1
FOURTH:	CONDOMINIUM.....	5
FIFTH:	COMMON ELEMENTS.....	6
SIXTH:	EASEMENTS.....	8
SEVENTH:	SERVICE OF PROCESS.....	10
EIGHTH:	PERCENTAGE OF COMMON INTEREST.....	10
NINTH:	ADMINISTRATION.....	11
TENTH:	AMENDMENTS AND WITHDRAWAL.....	11
ELEVENTH:	SUBJECT TO DECLARATION, BY-LAWS, ETC.....	14
TWELFTH:	COMMON CHARGES.....	14
THIRTEENTH:	HOMES ACQUIRED BY THE BOARD OF MANAGERS.....	15
FOURTEENTH:	ENCROACHMENTS.....	16
FIFTEENTH:	HOMEOWNERSHIP.....	16
SIXTEENTH:	CONVEYANCE OF A HOME.....	16
SEVENTEENTH:	COVENANT OF FURTHER ASSURANCES.....	16
EIGHTEENTH:	COVENANTS AND RESTRICTIONS.....	18
NINETEENTH:	SPECIAL RIGHTS OF DECLARANT.....	20
TWENTIETH:	FIRST LIEN HOLDERS' RIGHTS.....	22
TWENTY-FIRST:	INVALIDITY.....	23
SCHEDULE A		
EXHIBIT A	Legal Description	
EXHIBIT B	By-Laws of Condominium	

PLAN OF CONDOMINIUM HOMEOWNERSHIP

**DECLARATION OF SILO RIDGE CONDOMINIUM 1
PURSUANT TO ARTICLE 9-B OF THE REAL
PROPERTY LAW OF THE STATE OF NEW YORK**

In the Town of Amenia, Dutchess County, State of New York on this ____ day of _____, 20____, Silo Ridge Ventures LLC, a _____limited liability company organized and existing under the laws of the State of ____, with an office located at 5021, Route 44, Amenia, New York 12501, hereinafter referred to as the “Declarant” or “Sponsor” represented in this Declaration by _____, who is fully empowered and qualified to execute this Declaration on behalf of the corporation does hereby state:

FIRST: SUBMISSION OF PROPERTY.

By this Declaration the Declarant submits the property described in this Declaration, including the land and the Buildings and all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith, to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: DESCRIPTION OF PROPERTY.

The Declarant owns all that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Amenia, Dutchess County, State of New York, and more particularly bounded and described on Exhibit A annexed hereto and made a part hereto.

THIRD: DEFINITIONS.

The following words as hereinafter referred to shall be defined as follows:

1. “Association” – Silo Ridge Homeowners Association, Inc., a Not-for-Profit Corporation organized to own and maintain certain Association Common Area facilities.
2. “Common Area” or “Association Common Properties” - The land and improvements which will be owned by the Association.
3. “Board of Directors” - The governing body of the Homeowners Association responsible for its affairs.

4. "Board of Managers" - The governing body of the Condominium responsible for its affairs.
5. "Building" – A structure containing two (2) or more Homes.
6. "By-Laws" - The documents governing the operation of the Condominium and the Association respectively.
7. "Club" - Silo Ridge Golf and Membership Club, Inc., a New York not-for-profit corporation, which shall own and operate the Club Property. The Club will be privately owned and the Board of Managers of the Condominium may not have any impact on its daily operations.
8. "Club Property" - The real property owned by the Club or its successors or assigns plus all of the recreational and social facilities constructed thereon, which will be operated by the Club or its successors or assigns and commonly known as the Silo Ridge Golf & Membership Club, including without limitation, the golf course, the golf clubhouse, golf practice facilities, and any other recreational or other facilities offered by the Club. THE CLUB PROPERTY IS NOT SUBJECT TO THIS DECLARATION OF CONDOMINIUM AND IS NOT COMMON AREA OF THE ASSOCIATION OR A COMMON ELEMENT OF THE CONDOMINIUM.
9. "Common Charges" - Each Home's proportionate share of the Common Expenses of the Condominium in accordance with the Home's Percentage of Common Interest in the Condominium.
10. "Common Elements" - All portions of the Condominium, other than the Homes. Common Elements are divided into General Common Elements which are Common Elements shared by all Homeowners and Limited Common Elements which are Common Elements that are irrevocably restricted for the exclusive use of an individual Homeowner.
11. "Common Expense" - (a) Expenses of operation of the Condominium, and (b) All sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.
12. "Common Maintenance Charges" or "Maintenance Charges" - Each Homeowner's proportionate share of the expenses of the Association.
13. "Community", "Development" or "Properties" - As used herein includes Silo Ridge Condominium I, Silo Ridge Homeowner's Association and any condominium and/or other permissible type of Community located in a

Subsequent Phase that is subject to the Declaration of Covenants and Restrictions. .

14. "Condominium I" - Silo Ridge Condominium I which contains the twenty (20) Homes and the Common Elements in the Condominium.
15. "Condominium Act" – Article 9-B of the Real Property law of the State of New York.
16. "Condominium Property" – All of the land and improvements contained within the property described in Exhibit "A" of the Declaration of Condominium.
17. "Condominium Reserve Fund" - Funds of the Condominium held in an account that is to be used by the Board of Managers for capital improvements to the Condominium.
18. "Declarant" or "Sponsor" - Silo Ridge Ventures, LLC, a _____ limited liability company, with an address at 5021 Route 44, Amenia, New York and its successors, assigns and designees.
19. "Declaration of Condominium" - The instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time may be amended, consistent with the provisions of the Condominium Act and of the By-Laws.
20. "Declaration of Covenant and, Restrictions" - The Declaration of Covenants, Restrictions, Easements, Charges and Liens recorded or to be recorded in the Office of the County Clerk of Dutchess County, New York which encumbers the Association Properties, Silo Ridge Condominium I and which may be amended to include the Condominiums or any other legally permitted community located in any Subsequent Phase that will be subject to the Declaration of Covenants and Restrictions and as said document may from time to time be further amended.
21. "Design Guidelines" – The guidelines and rules published and amended and supplemented from time to time by the Design Committee.
22. "Design Review Committee" or "Committee" – the committee formed pursuant to Article IX of the Declaration of Covenants, Restrictions, Easements, Charges and Liens of Silo Ridge Homeowners Association to maintain the quality and architectural harmony of Improvements in the Development.

23. "Director" – One (1) of the individual representatives of the Board of Directors of Silo Ridge Homeowners Association.
24. "General Common Element" – The portion of the Common Elements in the Condominium for use by all Homeowners.
25. "Grantee" – The person to whom an interest in real property is conveyed.
26. "Grantor" – The person conveying an interest in real property.
27. "Home" or "Homes" - As used herein is equivalent to the term "Unit" or "Units" as used in Article 9-B of the Real Property Law.
28. "Homeowner" - The Owner of each Home in the Condominium.
29. "Institutional Mortgage" – A first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Declarant, its successor, designee or assignee to a purchaser of a Home or in which the Declarant or any Successor Declarant participates with one of the above.
30. "Irrevocably Restricted Common Elements" or "Limited Common Elements" - The portions of the Common Elements that are irrevocably restricted in use to specified Homeowners.
31. "Manager" – One (1) of the individual representatives of the Board of Managers of Silo Ridge Condominium 1.
32. "Member" - Each holder of a membership interest in the Association as set forth in the Declaration of Covenants and Restrictions.
33. "Officer"- One of the officers of the Condominium chosen by the Board of Managers as provided for in Article IV of the By-Laws of the Condominium.
34. "Percentage of Common Interest" - The proportionate, undivided interest each Homeowner has in the Common Elements.
35. "Phase I" - The portion of the Community which will include the twenty (20) Homes in Silo Ridge Condominium I and the portion of the Homeowners Association Common Area located therein.
36. "Special Assessment" – A Common Expense of the Condominium that is not included in the monthly Common Charges applicable to a Home.

37. "Subsequent Phases" - The portion of the Community upon which the Developer has the right to construct additional Communities consisting of single family detached Homes and/or Townhouses or Homes, residential Condominiums, an Hotel Condominium and a Condominium that includes residential and non-residential Homes. The overall Community will include a maximum of 245 Units and Homes together unless the Town of Amenia permits additional Homes or Homes or Homes to be included in the Community. Each Subsequent Phase will be referred to in sequential order (i.e. Phase 2, 3, 4 etc.). Each Subsequent Phase will also include any Homeowners Association Common Area located therein that has not previously been conveyed to the Association.
38. "Successor Declarant" means any party or entity to whom Declarant assigns any or all of its rights, obligations or interest as Developer in this Condominium.
39. "Unsold or Untitled Home" – Any Home in which the title is retained by the Declarant or any Successor Declarant until such time as the same has been sold and title conveyed to a third party. It shall not include a Home which is used for personal occupancy of the Declarant, any of its principals or any Successor Declarant or its principals.

FOURTH: CONDOMINIUM.

The Declarant is constructing on the parcel of land described above a Condominium Home Community known as Silo Ridge Condominium 1, according to the plans filed simultaneously with the recording of this Declaration in the Office of the Clerk of Dutchess County, which Plans set forth a description of the buildings stating the number of stories and number of Homes.

The Condominium will consist of twenty (20) Homes in three (3) Buildings as set forth on the Plot Plan filed simultaneously herewith. The Buildings will be constructed as provided in the Building Plans approved by the Town of Amenia. Each of the Homes has access to a public street by means of a walk, driveway or roadway. For the purposes of describing the location of the buildings, approximate area, type and number of rooms of each Home and the Common Elements to which each Home has immediate access, each Home is described on Schedule A annexed hereto. Each Home will be sold to one or more Homeowners, each Homeowner obtaining fee ownership in, and exclusive right of occupancy and possession of the Home, together with an undivided interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration, and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be

changed by mutual consent of the Declarant and the Homeowner at the time of construction of the Home.

The aforesaid Condominium has a total plot area of approximately ____ acres.

FIFTH: COMMON ELEMENTS.

The Common Elements will consist of the entire property, including all parts of the Buildings and Improvements thereon, other than the Homes, and will consist of General Common Elements to be shared by all Homeowners and Limited Common Elements which are irrevocably restricted in use to specified Homeowners.

A. General Common Elements - General Common Elements are Common Elements shared by all Homeowners and include all portions of the Condominium except for the individual Homes and the Limited Common Elements. The General Common Elements include without limitation the following:

1. The land on which the Buildings are erected and all other land within the boundaries of the property described in Exhibit "A" of the Declaration;
2. All foundations, columns, girders, beams, supports, exterior walls and roofs of Buildings;
3. All improved and unimproved areas of the Condominium Property outside the boundary of an individual Home;
4. Those portions of the exterior walls, excluding windows, beyond the outside face of the interior sheetrock; those portions of the walls and partitions dividing Homes located between the unexposed faces of the sheetrock walls enclosing the Homes; those portions of the ceilings of the highest floor above the upper face of the sheetrock;
5. Any landscaped areas and other areas used in connection therewith, and all other improved and unimproved areas located within the Condominium Property;
6. All central and appurtenant installations in the Common Elements for services such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements), and all other mechanical equipment spaces, and meters located within the Condominium Property and servicing two (2) or more Homes;
7. All tanks, pumps, motors, fans, compressors and control equipment located within the Condominium Property servicing two (2) or more Homes;

8. All pedestrian walkways, intended for the common use of all Homeowners located within the Condominium Property;
9. All parking areas located within the Condominium Property which are not assigned as a Limited Common Element to a Homeowner;
10. All common utilities, pipes (including water, sewer and drainage pipes), wires and/or lighting located within the Condominium Property for use by two (2) or more Homes; and
11. All other parts of the property and all apparatus and installations existing in the Buildings or located within the Condominium Property for common use or necessary or convenient to the existence, maintenance or safety of the Condominium.

B. Limited Common Elements. Certain portions of the Common Elements are irrevocably restricted in use to specified Homeowners, subject to the right of the Board of Managers to enter upon any restricted area for maintenance, repair or improvement of a Home or Common Element and subject to the Rules and Regulations of the Board of Managers (see By-Laws, Article VIII). Said Irrevocably Restricted Common Elements are also referred to as a Limited Common Element. Any portion of the Common Elements which is not restricted in use may be used by any Homeowner and is a General Common Element. The following are detailed descriptions of the Limited Common Elements:

1. Any deck, terrace and/or patio appurtenant to a Home, and
2. All apparatus, installations, systems equipment and facilities including air conditioning Homes located in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines for such apparatus, installations, systems equipment and facilities) which will exclusively serve or benefit a Home.

C. Provisions Applicable to All Common Elements

1. The Common Elements shall remain undivided and no Homeowner shall bring any action for partition or division unless otherwise provided by law.
2. The Common Elements are not subject to partition nor are they severable from the Homes except in accordance with the Real Property Law.
3. The Percentage of Common Interest in the Common Elements established herein shall not be changed except with the consent of all of the Homeowners affected expressed in a duly recorded amendment to this Declaration.

4. The undivided Percentage of Common Interest in the Common Elements shall not be separated from the Home to which it appertains and shall be deemed conveyed or encumbered with the Home even though such Percentage of Common Interest is not expressly mentioned or described in the conveyance or other instrument.

SIXTH: EASEMENTS.

All pipes, wires, conduits and public utility lines located within each Home and for the exclusive use of the Home shall be maintained by such Homeowner. Any portion of such pipes, wires, conduits and public utility lines located in the Common Elements including electric meter banks located on the exterior of a Building or Home or in a Limited Common Element and servicing one or more other Homes, will be owned in common by the Homeowners. Every Homeowner shall have an easement in common with the owners of other Homes to maintain and use all pipes, wires, conduits and public utility lines located in other Homes and servicing such Homeowner's Home. Each Home shall be subject to an easement in favor of the Homeowners of other Homes to maintain and use the pipes, wires, conduits and public utility lines servicing such other Homes and located in such Home. The Board of Managers shall have a right of access to each Home for maintenance, repair or improvements to any pipes, wires, conduits and public utility lines located in any Home and servicing any other Home. The cost of such repairs shall be a Common Expense. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

The Board of Managers shall have the right to grant such additional electric, gas, water or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Home for its permitted purposes. Any utility company and its employees and agents shall have the right of access to any Home or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Home for its permitted purposes by its owner, tenants or occupants.

The Board of Managers will have and each Home will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements located in, over, under, through or upon any Home, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Home or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

The Declarant, any Successor Declarant reserve the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across all portions of

the Condominium Property for the purpose of completing construction and sale of Homes and facilities in the Condominium, and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities and for any other materials or services necessary for the completion of the work. The Declarant and any Successor Declarant also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines and any such similar facilities and/or improvements which may from time to time be in or along the streets and roads or other areas of the Common Elements. The Declarant and any Successor Declarant shall have an easement to erect and maintain general sales, leasing, business or administration offices and/or model Homes, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Condominium as it deems necessary for the purposes of advertising the sale or lease of Homes in the Condominium, advertising the use of or membership in the Club and for the purpose of showing the Property and any single family detached Homes and/or Townhouses in the Homeowners Association to prospective Purchasers and for access to Homes and Common Elements consistent with the purposes of the Offering Plan, as the same may be amended, and Declarant's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell Homes, together with their interest in the Common Elements. The Declarant and any Successor Declarant reserve the right to continue to use the Common Elements and any facilities, sales offices, model homes, signs and parking spaces located on the Common Elements, in its efforts to market homes constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Declarant.

All emergency vehicles and personnel, including, but not limited to, police, fire and medical vehicles and personnel shall be granted an easement of ingress and egress over, upon and through any internal roadways in Condominium 1. This Paragraph may not be amended by the Homeowners in the Condominium.

Any easements granted to Declarant, any Successor Declarant, the Board of Managers, Board of Directors of the Association, any Home or any Homeowner under this Declaration and the By-Laws may be exercised by such Declarant's, Successor Declarant's, Board of Managers; Board of Director's or Homeowner's employees, agents, contractors, suppliers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Declarant, the Homeowner, the Board of Managers or the Board of Directors.

Each Homeowner will have a right and easement to use its Home and the Limited Common Elements appurtenant to such Home, and the General Common

Elements, subject to and in accordance with the terms and conditions of this Declaration and By-Laws.

The Board of Managers will have an easement and unlimited access to any Limited Common Elements for the purpose of making inspections, repairs or rebuilding the Homes and Buildings in the Condominium.

Each respective utility and cable company shall have a right of access to the Common Elements and each Home for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, wires, conduits, cable lines and public utility lines located in the Common Elements and any Home. Any utility or cable company and its employees and agents shall have the right of access to any Home or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Home for its permitted purposes by its owner, tenants or occupants.

The obligation to maintain, repair and replace the Common Elements of the Condominium, except for any obligations that are the responsibility of a Homeowner to a Limited Common Element as described herein or in the Condominium By-Laws, shall be the responsibility of the Board of Managers.

SEVENTH: SERVICE OF PROCESS.

Service of process on the Homeowners in any action with relation to the Common Elements shall be made upon the Secretary of State as the agent of the Board of Managers of the Condominium. The post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon the Secretary of State as agent for service of this Condominium during the period the Declarant controls the Board of Managers is: Silo Ridge Ventures LLC, 5021, Route 44, Amenia, New York 12501. Once the Declarant no longer controls the Board of Managers, the Board of Managers must notify the Secretary of State that the post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon the Secretary of State as agent of this Condominium is: Board of Managers, Silo Ridge Condominium 1, Town of Amenia, Dutchess County, New York or such other address as the Board of Managers of the Condominium selects.

EIGHTH: PERCENTAGE OF COMMON INTEREST.

Each Homeowner shall have such Percentage of Common Interest in the Common Elements as is set forth in Schedule A attached hereto and shall bear such percentage of the Common Expenses of the Condominium. Each Homeowner shall have one vote for all voting purposes at any meeting of the Homeowners. The percentage of interest of each Home in the Common Elements has been based on _____ . Said method of determining the Percentage of Common

Interest in a condominium complies with and is pursuant to Section 339-i (1)(_) of the Real Property Law of the State of New York.

NINTH: ADMINISTRATION.

The administration of the Condominium, and parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Exhibit "B".

TENTH: AMENDMENTS AND WITHDRAWAL.

- (a) The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless eighty (80%) percent of the Homeowners in number and in Percentage of Common Interest and the first mortgagees, if any, of each of these same Homes agree to such revocation or removal of the property from the Plan by duly recorded instruments.
- (b) The provisions of this Declaration of Condominium may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66 $\frac{2}{3}$ %) percent of the Homeowners in number held at a duly-called meeting of the Homeowners, provided however, that:
 - 1. No amendment altering a Homeowner's Percentage of Common Interest shall be made without the consent of all Homeowners affected.
 - 2. No amendment shall be passed which shall affect, impair or prejudice the validity, interests, rights and priorities of mortgagees.
 - 3. The Board of Managers shall have the right to amend the Declaration of Condominium without the vote or consent of the Homeowners or the holders of any Home mortgages and to execute and record in the Dutchess County Clerk's Office such amendment as may be required to reflect (i) changes in the Declaration of Condominium that are corrective in nature or (ii) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (iii) technical corrections.
 - 4. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from this Declaration of Condominium, the By-Laws or any Rules and Regulations of the Condominium shall be effective in any way

against Declarant and any Successor Declarant or any Unsold Home, as long as the Declarant or any Successor Declarant owns an Unsold Home in the Condominium unless the Declarant, any Successor Declarant has given its prior written consent thereto. This provision is not subject to amendment.

5. No amendment to this Declaration of Condominium shall be passed which shall interfere or have any impact on the operation, maintenance, repair and/or replacement of the Club Property or any part of the Club Property or the Club Property's facilities and services.

6. In the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Homes that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Elements; responsibility for maintenance and repairs; reallocation of interests in the General or Limited Common Elements, or rights to their use; boundaries of any Home; convertibility of Homes into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Homes contained in Article XI of the By-Laws of the Condominium; imposition of any restrictions on a Homeowner's right to sell or transfer the Homeowner's Home; a decision by the Condominium to establish self management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the Declaration of the Condominium shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail return receipt requested to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Homeowners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

- (c) The Declarant, and any Successor Declarant shall have the right without vote or consent of the Homeowners, the Board of Managers or the holders of Home mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Office of the Clerk of Dutchess County and elsewhere, if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Homes as built, or (ii) utility easements, or (iii) technical corrections to the Declaration to conform to other documents including but not limited to the Offering Plan or as-built plans (iv) to amend Schedule A of this Declaration to conform the model type, square footage and type and number of rooms and any other required information for a specified Home, so long as the appurtenant Percentage of Common Interest does not change for said Home, or (v) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac") and/or any State or Local Funding Agencies, or (vi) to reallocate parking spaces as Limited Common Elements designated to Homes, if applicable, (vii) to comply with any Federal, State or local law or regulation that may affect the Community or the Association, or (viii) to comply with any revisions, changes or amendments required by the Town of Amenia or any other Federal, State, local municipality or agency, or (ix) to reflect any amendments required by any present or future law, or any other requirements imposed by governmental authority (x) the carrying out of other provisions of the Offering Plan of Silo Ridge Condominium 1.
- (d) Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Clerk of Dutchess County.

Regardless of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

ELEVENTH: SUBJECT TO DECLARATION, BY-LAWS, ETC.

All present or future Homeowners, resident, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the Declaration of Covenants and Restrictions and Rules and Regulations of the Association and the mere acquisition or rental of any of the Homes of the Condominium or the mere act of occupancy of any of said Homes shall signify that the provisions of the Declaration, the By-Laws and Rules and Regulations of the Condominium and of the Association are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Home, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

TWELFTH: COMMON CHARGES.

Common Expenses of the Condominium shall be determined by the Board of Managers of the Condominium. The Common Expenses of the Condominium shall be assessed to and paid by the Homeowners of the Homes based upon each Home's Percentage of Common Interest as reflected in Schedule A of this Declaration. The assessments paid by the Homeowners towards the Common Expenses of the Condominium shall be referred to as "Common Charges".

All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Homeowner shall constitute a lien on the Homeowner's Home prior to all other liens except: (a) tax or assessment liens on the Home by the taxing subdivisions of any governmental authority, including but not limited to State, County, City, and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Home. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees and costs of collection (but such right shall not be a lien against the Home). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Homeowners as a Common Expense.

Notwithstanding any other provision in this Declaration or the By-Laws any mortgagee of an Institutional Mortgage as defined herein who obtains title to a Home pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Home's unpaid Common Charges accrued before acquisition of the title to the Home by the mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges

the mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Homeowners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable.

Notwithstanding the above, pursuant to Section 339-m of the Condominium Act, Common Charges, no matter how classified, may be adjusted based on allocations in accordance with sub-metering, contract allocations and usage (both projected and actual) for the Common Expenses based on special or exclusive use or availability or exclusive control of particular Homes or Common Elements by particular Homeowners. In the event of any dispute as to the allocation of Common Charges such dispute shall be submitted for arbitration pursuant to the provisions of Article XII of the By-Laws of the Condominium.

THIRTEENTH: HOMES ACQUIRED BY THE BOARD OF MANAGERS

In the event any Homeowner shall convey the Homeowner's Home to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Home at a foreclosure sale in accordance with Article IX of the By-Laws, title to such Home or the rights to the lease of such Home shall be held by the Board of Managers or its designee on behalf of all of the other Homeowners.

In order to carry out the provisions of this Paragraph each Homeowner shall, upon becoming such, be deemed to have granted an irrevocable power of attorney, coupled with an interest to the Board of Managers and their successors to acquire title or lease any such Home under whatever terms the Board of Managers may in its sole discretion deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Home under such terms as the Board of Managers in its sole discretion shall deem proper. Each Homeowner shall upon becoming a Homeowner shall further grant an irrevocable power of attorney, coupled with an interest to the Board of Managers of the Condominium to nominate, designate, constitute and appoint the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s), that may be residing in a Homeowner's Home including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium or the Declaration of Covenants, Restrictions, Easements, Charges and Liens, By-Laws and Rules and Regulations of Silo Ridge Homeowners Association, Inc.

FOURTEENTH: ENCROACHMENTS.

The Homeowners agree that if any portion of a Home or the Common Elements (whether restricted in use to an individual Homeowner or not) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of a Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt, the Homeowners agree that encroachments of any portion of the Home or the Common Elements as aforescribed due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

FIFTEENTH: HOMEOWNERSHIP.

Upon the closing of title to a Home, a purchaser shall automatically become a Homeowner in the Condominium and shall remain such until such time as the Homeowner ceases to own the Home for any reason.

SIXTEENTH: CONVEYANCE OF A HOME.

In any conveyance of a Home, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the Grantee of the Home shall be jointly and severally liable with the Grantor for any unpaid Common Charges against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge against the Grantor and such Grantee shall not be liable for, nor shall the Home conveyed be subject to a lien for any unpaid Common Charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an Institutional Mortgage of record or other purchaser of a Home at a foreclosure sale of an Institutional Mortgage.

SEVENTEENTH: COVENANT OF FURTHER ASSURANCES.

Any party subject to the terms of this Declaration of Condominium, whether such party is a Homeowner, a lessee or sublessee of a Homeowner, or the occupant of a portion of a Home, a Manager of the Board of Managers, an Officer of the Condominium, a Director or Officer of the Association, or otherwise, shall, at the

expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this Declaration of Condominium or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

If any Homeowner or any other party subject to the terms of this Declaration of Condominium fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request thereof, to take any action which the Homeowner or such other party is required to take pursuant to this Declaration of Condominium, then the Board of Managers of the Condominium is hereby authorized as attorney-in-fact for such Homeowner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Homeowner, or other party and such document or action shall be binding on such Homeowner or other party.

If any Homeowner or the Board of Managers or any other party who is subject to the terms of this Declaration of Condominium fails or refuses to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action that the Board of Managers, any Homeowner, or other party is required to take pursuant to this Declaration of Condominium at the request of Declarant or any Successor Declarant, then Declarant or any Successor Declarant, as the case may be, is hereby authorized as attorney-in-fact for the Board of Managers, such Homeowner, or other party, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board of Managers, such Homeowner, or other party, and such document or action shall be binding on the Board of Managers, such Homeowner, or other party, as the case may be.

Each Homeowner will have the affirmative duty to maintain its respective Home in such a manner so as to reasonably prevent and avoid inflicting harm to other Homes, the Limited Common Elements, the General Common Elements or a Building. In the event any Homeowner causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Home, any Limited Common Element, the General Common Elements or the Building, the Board of Managers of the Condominium will give written notice to such Homeowner including a request that the Homeowner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Homeowner fails to remedy the condition within the period of time as provided in the Remedy Notice after the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within such period of time, fails to commence appropriate remedies, the Board of Directors may, upon such additional time as provided in a subsequent Remedy Notice to the Homeowner, enter into the Home and effect a reasonable remedy at the Homeowner's sole cost and expense.

EIGHTEENTH: COVENANTS AND RESTRICTIONS.

The use of the Home by the Homeowner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Managers and the following covenants and restrictions:

- (a) The Home and area restricted to the Homeowner's use shall be maintained in good repair and overall appearance.
- (b) No alteration, addition or change to any part of the Common Elements may be made and no structure or other improvement (including landscaping) may be built or placed on any portion of the Common Elements or Limited Common Elements without the written consent of the Board of Managers as provided for in Article VIII, Section 1 of the By-Laws of the Condominium. The Board of Managers shall be subject to and adhere to the Design Guidelines contained as Exhibit "D" of the Declaration of Covenants and Restrictions.
- (c) No Homeowner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Home, or any Limited Common Element, without the prior written approval of the Board of Managers as provided for in Article VIII, Section 1 of the By-Laws of the Condominium. The Board of Managers shall have the obligation to answer any written request by a Homeowner for approval of a proposed structural addition, alteration or improvement to such Homeowner's Home or Limited Common Element within sixty (60) days after such request is received, and failure to do so within the stipulated time shall constitute an approval by the Board of Managers of the proposed addition, alteration or improvement. No Homeowner shall make any structural addition, alteration or improvement in or to any Home or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board of Managers with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board of Managers, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done and (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board of Managers, its Directors and officers, Board of Managers, its officers and Managers and all Homeowners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the Town of Amenia or any other

governmental agency. In the event the Board of Managers chooses to have the proposed addition, alteration or improvement reviewed by an independent architect or engineer, the Homeowner shall pay the charges of such architect or engineer. The Homeowner shall also bear the cost of any increased taxes or insurance premiums resulting from the alterations, additions or improvements.

Any application to any department of Dutchess County, the Town of Amenia, or any other governmental authority for a permit to make an addition, alteration or improvement in or to any Home or Limited Common Element shall be completed by the Homeowner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers to any contractor, subcontractor or materialmen on account of such addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

These provisions shall not apply to Homes owned by the Declarant or its designee until such Homes shall have been initially conveyed by the Declarant or such designee.

The Board of Managers shall not use the above provisions in a way that would violate any rights a Homeowner may have pursuant to the Federal Fair Housing Act of New York State Human Rights Law.

- (d) Any interior and/or exterior alterations or improvements made to a Home shall be made in accordance with all applicable rules, regulations, permits and zoning ordinances of any governmental agency having jurisdiction thereof.
- (e) No building, deck, patio, porch, balcony, fence, sign, statuary, 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, nor shall any exterior addition to, or change or alteration thereto, be made unless the Homeowner and the Board of Managers comply with the Design Guidelines contained in Exhibit "D" of the Declaration of Covenants and Restrictions. This provision shall not apply to any of the foregoing that were originally installed or constructed by Declarant or any Successor Declarant except for subsequent changes, alterations or additions contemplated by the Homeowner. The Board of Managers shall not use the above provisions in a way that would violate any rights a Homeowner may have pursuant to the Federal Fair Housing Act or the New York State Human Rights Law.

- (f) Any Homeowner who mortgages their Home shall notify the Board of Managers providing the name and address of the mortgagee.
- (g) The Board of Managers shall, at the request of the mortgagee of the Home, report any unpaid Common Charges due from the Homeowner of such Home.
- (h) No nuisances shall be allowed upon the property 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.
- (i) No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.
- (j) All Homeowners, occupants, guests, tenants and residents of the Condominium shall observe the Rules and Regulations of the Condominium contained in Article VIII, Section 1 of the By-Laws of the Condominium and the Rules and Regulations of the Association contained in Exhibit "C" of the Declaration of Covenants and Restrictions concerning the use of the Condominium Property and Association Property, provided, however, that copies of such Rules and Regulations are furnished to each Homeowner prior to the time the said Rules and Regulations become effective.
- (k) The Club Property and facilities located thereon will be privately owned and operated by the Club and are not a part of the Common Area hereunder. The Homeowners in the Condominium are not guaranteed any membership and/or any of the rights in the Club Property and/or any facilities located thereon that are associated with such membership. Additionally, the Board of Managers shall not be permitted to make any decisions on the overall Properties that will have any impact on the operation, repair, maintenance and/or replacement of the Club Property or any of the facilities located thereon.
- (l) The Common Charges shall be paid when due.

NINETEENTH: SPECIAL RIGHTS OF DECLARANT.

Notwithstanding anything to the contrary contained herein Declarant or any Successor Declarant shall have the right, without requiring the consent of the

Homeowners, Board of Managers of the Condominium, or the Board of Directors of the Association, and without charge or limitation, to:

- (a) have its employees, contractors, subcontractors and sales agents present on the properties described in Exhibit "A" and any Building erected thereon;
- (b) erect and maintain signs and other promotional materials (including, without limitation, "For Sale", and "For Rent" "Membership" signs), in connection with the promotion, sale, leasing, management, or operation of the Homes, any Homes in Subsequent Phases, the Homeowners Association and/or the Club and Clubhouse;
- (c) use any one or more Homes as;
 - (i) model Homes,
 - (ii) offices for the promotion, sale, rental, management and/or operation of any 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, Declarant or any Successor Declarant with respect to the Common Elements and/or the Homes; or any unsold Homes; and/or
 - (iv) for any other purpose;
- (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 Elements, Common Areas, the Homes and any unsold Homes) for the purpose of:
 - (i) the promotion, sale, rental, management and/or operation of any 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, Declarant or any Successor Declarant and/or
 - (iii) the exercise performance and discharge of Declarant's or any Successor Declarant other rights and obligations under this Declaration, the By-Laws or the Rules and Regulations;
- (e) make any other changes required by the Town of Amenia, Dutchess County or other Municipal or Governmental Agency.

In no event, however, shall Declarant or any Successor Declarant be entitled to use any portion of the Common Elements or 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 Nineteenth may not be amended without the written consent of the Declarant, or any Successor Declarant.

TWENTIETH: FIRST LIEN HOLDERS' RIGHTS.

- (a) Notices of Action. A holder, insurer or guarantor of a first mortgage, upon written request to the Condominium, (such request to state the name and address or such holder, insurer or guarantor and the Home number), shall be entitled to timely written notice of:
 - (1) Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any Home or the exclusive easement rights appertaining thereto, (ii) the interest in the General or Limited Common Elements appertaining to any Home or the liability for Common Expenses appertaining thereto, (iii) the number of votes in the Condominium appertaining to any Home or (iv) the purposes to which any Home or the Common Elements are restricted;
 - (2) Any proposed termination of the Condominium regime;
 - (3) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Home on which there is a first mortgage held, insured or guaranteed by such eligible holder;
 - (4) Any delinquency in the payment of assessments or charges owed by a Homeowner of a Home subject to the mortgage of such eligible holder, insurer or guarantor, which such delinquency has continued for a period of sixty (60) days; and
 - (5) Any lapse, cancellation or material modification of any insurance policy maintained by the Condominium.
 - (6) Any proposed action that requires the consent of a specified percentage of mortgagees.
- (b) Other Provisions for First Lien Holders. To the extent permitted under applicable law, the following protections for the benefit of first mortgage holders will be legally binding with respect to the Condominium:

- (1) Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Homes to which at least fifty-one (51%) percent of the votes of Homes subject to mortgages held by such eligible holders are allocated, is obtained;
- (2) Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Condominium property must require the approval of the eligible holders of first mortgages on Homes to which at least 51% of the votes of Homes subject to mortgages held by such eligible holders are allocated; and
- (3) Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial destruction of the Condominium project is fixed in advance by the Declaration or by applicable law, no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the Condominium project may be effected without the approval of the eligible holders of first mortgages on Homes to which at least 51% of the votes of Homes subject to mortgages held by such eligible holders are allocated.

As used in this section, the term "eligible holder, insurer or guarantor" shall mean a holder, insurer or guarantor of a first mortgage on a Home in a Condominium which has requested notice in accordance with the provisions of (a) above.

TWENTY-FIRST: INVALIDITY.

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

SILO RIDGE VENTURES, LLC

By: _____
 _____, Manager

STATE OF NEW YORK)

) ss.:
COUNTY OF DUTCHESS)

On the ____ day of _____ in the year 201_ , 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 person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION OF CONDOMINIUM 1

TO BE INSERTED PRIOR TO RECORDING

DECLARATION OF CONDOMINIUM & BY-LAWS

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED IN THE
TOWN OF AMENIA, DUTCHESS COUNTY
STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

DECLARANT: Silo Ridge Ventures LLC
5021 Route 44
Amenia, New York 12501

DATE OF DECLARATION:

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Sponsor
Attn: Richard Herzbach, Esq.
90 Merrick Avenue
East Meadow, NY 11554