

MUR 7743**RECEIVED**
FEDERAL ELECTION COMMISSION

MAY 29, 2020 5:31 PM

FORMAL WRITTEN COMPLAINT**OFFICE OF GENERAL COUNSEL**

I, JUSTIN M. ARNEY residing at _____, Orchard Park, NY 14127,
(Complainant/Petitioner) (in compliance with (11 C.F.R. § 111.4) hereby complain against both Beth Parlato
(Respondent), and the "Beth For Congress Committee" (FEC Committee ID #: C00713859, New York's 27th
Congressional District) (Co-Respondent).

Please consider this my formal written complaint (in compliance with 52 U.S.C. § 30109(a)(1)) against
the foregoing Respondents. This complaint is based on information from the Committee's April 2020 Quarterly
Report. This complaint is further supported by public documents recorded in the Genesee County Clerk's Office
(see attached documents).

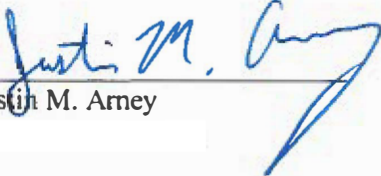
According to the information in the Committee's April 2020 Quarterly Report, on March 31, 2020, Ms.
Parlato made a personal loan to the Beth for Congress Committee in the sum of \$158,500. The loan was identified
as a candidate loan not being a secured loan, with no interest being charged and being due on demand.

On March 27, 2020, four days prior to Ms. Parlato making the loan to her campaign, she and her husband,
Anthony Parlato (an attorney), took out a home equity mortgage in the maximum sum of \$150,000, or
approximately the same amount of the loan that Ms. Parlato would make to her campaign four days later.
According to the Genesee County Clerk, the loan had a maximum rate of 25.0% (See attached documents).


According to the Federal Election Commission, "When a candidate obtains a bank loan for use in
connection with his or her campaign, the loan is considered to be from the bank and not from the candidate's
personal funds. The candidate is acting as an agent of the campaign." Based on the timing of the home equity
mortgage vis a vis the personal campaign loan made by Ms. Parlato, it is clear that the Beth for Congress
Committee misreported this loan, including the source, terms and due date of said loan.

The lack of disclosure of this loan is more alarming, based on the fact that the bank is a small community
bank with two branches, and the bank's president and vice president are previous donors to Ms. Parlato's
campaign. It is also important to note that Ms. Parlato and her husband took out a \$719,000 mortgage on their
home from Alden State Bank, when the Town of Darien lists the full market value of the home at \$417,755.10. At
the time of the \$150,000 home equity mortgage, that mortgage of nearly double the reported full market value of
the home had not been satisfied, according to Genesee County records (See attached documents).

Thank you for considering this request for enforcement. Please do not hesitate to contact me if you have
any questions regarding this letter.


Justin M. Arney

Sworn to before me this
29th day of May, 2020.


Notary Public

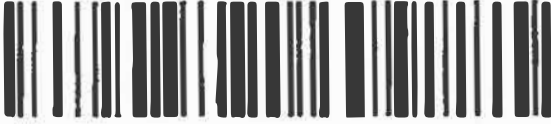
JANINE M. WITTLIEF
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 04/12/2022



GENESEE COUNTY – STATE OF NEW YORK
 MICHAEL T. CIANFRINI, COUNTY CLERK
 15 MAIN STREET, BATAVIA, NEW YORK 14020

COUNTY CLERK'S RECORDING PAGE

THIS PAGE IS PART OF THE DOCUMENT – DO NOT DETACH



INSTRUMENT #: MTG2017-1512

Receipt#: 21451
 Clerk: KW
 Rec Date: 09/25/2017 02:44:50 PM
 Doc Grp: M
 Descrip: MORTGAGE AGREEMENT
 Num Pgs: 27
 Rec'd Frm: COOKE & STEFFAN

Party1: ALDEN STATE BANK
 Party2: PARLATO ANTHONY
 Town: DARIEN

Recording:

Cover Page	5.00
Recording Fee	145.00
Cross References	1.00
Affidavit	5.00
Cultural Ed	14.25
Records Management - Coun	1.00
Records Management - Stat	4.75

Total: 176.00
 **** NOTICE: THIS IS NOT A BILL ****

WARNING***

*** Information may be amended during the verification process, and may not be reflected on this cover page.

THIS PAGE CONSTITUTES THE CLERK'S ENDORSEMENT, REQUIRED BY SECTION 316-a (5) & 319 OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK.

Michael T. Cianfrini

Michael T. Cianfrini
 Genesee County Clerk

Record and Return To:

COOKE & STEFFAN
 BOX

After Recording Return To: BOX
Cooke & Steffan, Attorneys
13132 Main Street
Alden, NY 14004
#1707-112-REF

[Space Above This Line For Recording Data] _____

CONSOLIDATION, EXTENSION, AND MODIFICATION AGREEMENT

WORDS USED OFTEN IN THIS DOCUMENT

(A) "Agreement." This document, which is dated September 19, 2017, and exhibits and riders attached to this document will be called the "Agreement."

(B) "Borrower." Anthony Parlato and Beth A. Parlato, husband and wife will be called "Borrower" and sometimes "I" or "me." Borrower's address is Darien Center, New York 14040.

(C) "Lender." Alden State Bank will be called "Lender" and sometimes "Note Holder." Lender is a corporation or association which exists under the laws of New York. Lender's address is 13216 Broadway, Alden, New York 14004.

(D) "Mortgages." The mortgages, deeds of trust, or other security instruments and any additional security instruments and related agreements (such as assignments, extensions, modifications, or consolidations of mortgages) identified in Exhibit A to this Agreement will be called the "Mortgages."

(E) "Note Holder." Lender or anyone who succeeds to Lender's rights under this Agreement and who is entitled to receive the payments I agree to make under this Agreement may be called the "Note Holder."

(F) "Notes." The Notes which are identified in Exhibit A to this Agreement, and which are secured by the Mortgages, will be called the "Notes."

(G) "Property." The property which is described in the Mortgage(s) and in Exhibit B (Property Description) to this Agreement, will be called the "Property." The Property is located at:

[Street]
Darien _____, Genesee _____, New York 14040
[City] [County] [State and Zip Code]

I promise and I agree with Lender as follows:

I. BORROWER'S AGREEMENT ABOUT OBLIGATION UNDER THE NOTES AND MORTGAGES

I agree to take over all of the obligations under the Notes and Mortgages as consolidated and modified by this Agreement as Borrower. This means that I will keep all of the promises and agreements made in the Notes and Mortgages even if some other person made those promises and agreements before me. The total unpaid principal balance of the Notes is U.S. \$719,000.00 of this amount, U.S. \$447,400.00 was advanced to me (or for my account) immediately prior to this consolidation.

II. AGREEMENT TO COMBINE NOTES AND MORTGAGES

(A) By signing this Agreement, Lender and I are combining into one set of rights and obligations all of the promises and agreements stated in the Notes and Mortgages including any earlier agreements which combined, modified, or extended rights and obligations under any of the Notes and Mortgages. This means that all of Lender's rights in the Property are combined so that under the law Lender has one mortgage and I have one loan obligation which I will pay as provided in this Agreement. This combining of notes and mortgages is known as a "Consolidation."

(B) In the event that Exhibit A indicates that all of the Notes and Mortgages have already been combined by a previous agreement, then Lender and I agree to change the terms of Section II, paragraph (A) of this Agreement to the following:

Lender and I agree that all of the promises and agreements stated in the Notes and Mortgages -- including any earlier agreements which combined, modified, or extended rights and obligations under any of the Notes and Mortgages -- have been combined into

one set of rights and obligations by an earlier agreement which is referred to in Exhibit A. This means that all of the Lender's rights in the Property have already been combined so that under the law Lender already has one mortgage and I have one loan obligation which I will pay as provided in this Agreement. The combining of notes and mortgages is known as a "Consolidation."

III. AGREEMENT TO CHANGE TERMS OF THE CONSOLIDATED NOTE

Lender and I agree that the terms of the Notes are changed and restated to be the terms of the "Consolidated Note" which is attached to this Agreement as Exhibit C. The Consolidated Note contains the terms of payment for the amounts that I owe to Note Holder. I agree to pay the amounts due under the Notes in accordance with the terms of the Consolidated Note. The Consolidated Note will supersede all terms, covenants, and provisions of the Notes.

IV. AGREEMENT TO CHANGE TERMS OF THE CONSOLIDATED MORTGAGE

Lender and I agree that the terms of the Mortgages are changed and restated to be the terms of the "Consolidated Mortgage" which is attached to this Agreement as Exhibit D. The Consolidated Mortgage secures the Consolidated Note and will constitute in law a single lien upon the Property. I agree to be bound by the terms set forth in the Consolidated Mortgage which will supersede all terms, covenants, and provisions of the Mortgages.

V. NO SET-OFF, DEFENSES

I agree that I have no right of set-off or counterclaim, or any defense to the obligations of the Consolidated Note or the Consolidated Mortgage.

VI. BORROWER'S INTEREST IN THE PROPERTY

I promise that I am the lawful owner occupying the Property and that I have the right to consolidate, modify, and extend the Notes and Mortgages.

VII. WRITTEN TERMINATION OR CHANGE OF THIS AGREEMENT

This Agreement may not be terminated, changed, or amended except by a written agreement signed by the party whose rights or obligations are being changed by that agreement.

VIII. OBLIGATIONS OF BORROWERS AND OF PERSONS TAKING OVER BORROWER'S OR LENDER'S RIGHTS OR OBLIGATIONS

If more than one person signs this Agreement as Borrower, each of us is fully and personally obligated to keep all of Borrower's promises and obligations contained in this Agreement. The Note Holder may enforce its rights under this Agreement against each of us individually or against all of us together.

The terms of the Consolidated Note and the Consolidated Mortgage may not allow any person to take over my rights or obligations under this Agreement. Lender and I agree that if any person is permitted to take over my rights and obligations under this Agreement, that person will have all of my rights and will be obligated to keep all of my promises and agreements made in this Agreement. Similarly, any person who takes over Lender's rights or obligations under this Agreement will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Agreement.

IX. LIEN LAW

I will receive all amounts lent to me by Lender subject to the trust fund provisions of Section 13 of the New York Lien Law. This means that I will: (A) hold all amounts which I receive and which I have a right to receive from Lender under the Consolidated Note as a "trust fund;" and (B) use those amounts to pay for "cost of improvement" (as defined in the New York Lien Law) before I use them for any other purpose. The fact that I am holding those amounts as a "trust fund" means that for any building or other improvement located on the Property I have a special responsibility under the law to use the amount in the manner described in this Section IX.

IX. TYPE OF PROPERTY

Check box(es) as applicable.

- This Agreement covers real property principally improved, or to be improved, by one or more structures containing, in the aggregate, not more than six (6) residential dwelling units with each dwelling unit having its own separate cooking facilities.
- This Agreement covers real property improved, or to be improved, by a one (1) or two (2) family dwelling.
- This Agreement does not cover real property improved as described above.

By signing this Agreement, Lender and I agree to all of the above.

BY Robin J. Maier *Robin J. Maier*
 Alden State Bank - Lender

Anthony Parlato *Anthony Parlato*
 Anthony Parlato - Borrower

Beth A. Parlato *Beth A. Parlato*
 Beth A. Parlato - Borrower

[Space Below This Line For Acknowledgment]

Acknowledgment by a Person Within New York State (RPL § 309-a)

STATE OF NEW YORK)
 COUNTY OF ERIE) ss.:

On the 19th day of September in the year 2017, before me, the undersigned, personally appeared **Anthony Parlato and Beth A. Parlato**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that they executed the same in their capacity(ies), and that by their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Julie C. Acquard *Julie C. Acquard*
 (signature and office of individual taking acknowledgment)

JULIE C. ACQUARD
 Notary Public, State of New York
 Registration Number: 01AC5023800
 Qualified in Erie County
 My Commission Expires February 14, 2018

Acknowledgment by a Person Within New York State (RPL § 309-a)

STATE OF NEW YORK)
 COUNTY OF ERIE) ss.:

On the 19th day of September in the year 2017, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that they executed the same in their capacity(ies), and that by their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Shawn Gillen *Shawn Gillen*
 (signature and office of individual taking acknowledgment)

Julie C. Acquard
 JULIE C. ACQUARD
 Notary Public, State of New York
 Registration Number: 01AC5023800
 Qualified in Erie County
 My Commission Expires February 14, 2018

ALDEN STATE BANK – NMLSR ID# 412458
 Shawn Gillen – NMLS ID# 1162895

INSTRUCTIONS

The following instructions apply if this Agreement is used in a consolidation, extension, or modification of a single family loan intended for possible sale to Fannie Mae or Freddie Mac.

- (1) All notes, security instruments, assignments, the most recent consolidation agreement and related agreements that modify, consolidate, or extend prior underlying obligations and which predate this Agreement must be listed in Exhibit A to this Agreement. The language in Exhibit A to this Agreement is only a sample and may be revised as appropriate.

If any new money is advanced, number (1) on Exhibit A should refer to both (a) the "Gap" Mortgage (i.e., the new money mortgage discussed in (5) below), and (b) the "Gap" Note (i.e., new money note discussed in (5) below).

- (2) The metes and bounds description of the Property must be set forth in Exhibit B to this Agreement.
- (3) The Consolidated Note must be the current version of the applicable Single Family Fannie Mae/Freddie Mac Uniform Note (e.g., Forms 3233, 3501, 3502, 3504, or 3514) with the following language inserted at the top of the document:

For Fixed Rate Notes:

CONSOLIDATED NOTE

This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension, and Modification Agreement dated the same date as this Note.

For Adjustable Rate Notes:

CONSOLIDATED ADJUSTABLE RATE NOTE

This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension, and Modification Agreement dated the same date as this Note.

The Consolidated Note, with all blanks completed, and any applicable addendum or addenda, must be executed by the Borrower(s) and a copy of the executed Consolidated Note must be attached hereto as Exhibit C. The repayment terms of the Consolidated Note (e.g., the consolidated principal amount, the monthly principal and interest payment, the interest rate and provisions for any interest rate and monthly payment changes applicable to the consolidated obligations) must be set forth in the Consolidated Note. The dollar amount entered in the first blank in Section I of this Agreement and the consolidated principal amount of the Consolidated Note must be the same.

- (4) The Consolidated Mortgage must be the current version of the New York Single Family Fannie Mae/Freddie Mac Uniform Instrument (Form 3033). The Consolidated Mortgage, with all blanks completed, and any applicable riders (such as an adjustable rate rider), must be attached hereto as Exhibit D. The Consolidated Mortgage need not be signed by the Borrower(s). The dollar amount entered in the first blank in Section I of this Agreement and the dollar amount entered in the corresponding blank in the Consolidated Mortgage must be the same.
- (5) If new funds are advanced at the time of the consolidation and modification evidenced by this Agreement, the new obligation must be evidenced by an original of the new money note (the "Gap" Note) and an original of the new money mortgage (the "Gap" Mortgage) on the current Fannie Mae/Freddie Mac Single Family Uniform Instrument (Form 3033). The dollar amount entered in the second blank in Section I of this Agreement and the dollar amount entered in the corresponding blank on the Gap Note and Gap Mortgage must be the same. If no new funds are advanced at the time of the consolidation and modification, then the second blank in Section I of this Agreement should be zero. This new loan will then become a part of the Consolidated Note and the Consolidated Mortgage. It is not necessary that the repayment terms of the new loan, as set out in the Gap Note, reflect the terms of the Consolidated Note.

EXHIBIT A
(List of Mortgages, Notes, and Agreements)

(1) This Mortgage given by Anthony Parlato and Beth A. Parlato, husband and wife and dated December 17, 2010 in favor of Alden State Bank securing the original principal amount of U.S. \$350,000.00. This Mortgage was recorded on December 20, 2010, in the town of Genesee, State of New York, at the Genesee County Clerk's Office in Liber 1609 of Mortgage at page 275. At this date, the unpaid principal balance secured by this Mortgage is U.S. \$271,600.00. This Mortgage secures a Note dated December 17, 2010.

(2) This Mortgage given by Anthony Parlato and Beth A. Parlato, husband and wife and dated September 19, 2017 in favor of Alden State Bank securing the original principal amount of U.S. \$447,400.00. This Mortgage is on a *Fannie Mae/Freddie Mac Security Instrument* and will be recorded together with this Agreement, was recorded on September 25, 2017 in Liber _____ of Mortgages at page _____. At this date, the unpaid principal balance secured by this Mortgage is U.S. \$447,400.00. This Mortgage secures a Note dated September 19, 2017.

**BALLOON CONSOLIDATED NOTE (Fixed Rate)
EXHIBIT C**

THE TERM OF THE LOAN IS SIX YEARS. AS A RESULT, YOU WILL BE REQUIRED TO REPAY THE ENTIRE PRINCIPAL BALANCE AND ANY ACCRUED INTEREST THEN OWING SIX YEARS FROM THE DATE OF WHICH THE LOAN IS MADE. THE LENDER HAS NO OBLIGATION TO REFINANCE THIS LOAN AT THE END OF ITS TERM. THEREFORE, YOU MAY BE REQUIRED TO REPAY THE LOAN OUT OF ASSETS YOU OWN OR YOU MAY HAVE TO FIND ANOTHER LENDER WILLING TO REFINANCE THE LOAN. ASSUMING THIS LENDER OR ANOTHER REFINANCES THIS LOAN AT MATURITY, YOU WILL PROBABLY BE CHARGED INTEREST AT MARKET RATES PREVAILING AT THAT TIME AND SUCH RATES MAY BE HIGHER THAN THE INTEREST RATE PAID ON THIS LOAN. YOU MAY ALSO HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW MORTGAGE LOAN.

September 19, 2017 [Date]	Buffalo [City]	New York [State]
Darien, New York 14040 [Property Address]		

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$719,00.00 (the amount is called "Principal"), plus interest, to the order of Lender. Lender is Alden State Bank. I will make all payments under this Note in the form of cash, check or money order.

I understand that Lender may transfer this Note. Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 4.25%.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payments on the twenty-fifth day of each month beginning on October 25, 2017. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. I will make 71 consecutive monthly payments and one final balloon payment. If, on September 25, 2023, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date." The estimated balloon payment amount due in full at maturity is \$567,466.18.

I will make my monthly payments at 13216 Broadway, Alden, New York 14004 or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$4,453.11.

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under this Note.

I may make a full Prepayment or partial Prepayments without paying any Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of fifteen calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 2% of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

9. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

10. UNIFORM SECURED NOTE

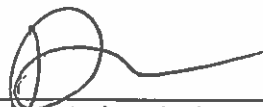
This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.


If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.



(Seal)
Anthony Parlato - Borrower



(Seal)
Beth A. Parlato - Borrower

[Sign Original Only]

ALDEN STATE BANK – NMLSR ID# 412458
Shawn Gillen – NMLS ID# 1162895

Cooke & Steffan, Attorneys

[Space Above This Line For Recording Data]

BALLOON CONSOLIDATED MORTGAGE EXHIBIT D

THE TERM OF THE LOAN IS SIX YEARS. AS A RESULT, YOU WILL BE REQUIRED TO REPAY THE ENTIRE PRINCIPAL BALANCE AND ANY ACCRUED INTEREST THEN OWING SIX YEARS FROM THE DATE OF WHICH THE LOAN IS MADE. THE LENDER HAS NO OBLIGATION TO REFINANCE THIS LOAN AT THE END OF ITS TERM. THEREFORE, YOU MAY BE REQUIRED TO REPAY THE LOAN OUT OF ASSETS YOU OWN OR YOU MAY HAVE TO FIND ANOTHER LENDER WILLING TO REFINANCE THE LOAN. ASSUMING THIS LENDER OR ANOTHER REFINANCES THIS LOAN AT MATURITY, YOU WILL PROBABLY BE CHARGED INTEREST AT MARKET RATES PREVAILING AT THAT TIME AND SUCH RATES MAY BE HIGHER THAN THE INTEREST RATE PAID ON THIS LOAN. YOU MAY ALSO HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW MORTGAGE LOAN.

WORDS USED OFTEN IN THIS DOCUMENT

(A) **"Security Instrument."** This document, which is dated September 19, 2017, together with all Riders to this document, will be called the "Security Instrument."

(B) **"Borrower."** Anthony Parlato and Beth A. Parlato, husband and wife, whose address is Darien Center, New York 14040, sometimes will be called "Borrower" and sometimes simply "I" or "me."

(C) **"Lender."** Alden State Bank will be called "Lender." Lender is a corporation or association which exists under the laws of New York. Lender's address is 13216 Broadway, Alden, New York 14004.

(D) **"Note."** The note signed by Borrower and dated September 19, 2017, will be called the "Note." The Note shows that I owe Lender Seven Hundred Nineteen Thousand Dollars and No Cents (U.S. \$719,000.00) plus interest and other amounts that may be payable. I have promised to pay this debt in 71 Consecutive Periodic Payments and one final Balloon Payment and to pay the debt in full by September 25, 2023.

(E) **"Property."** The property that is described below in the section titled "Description of the Property," will be called the "Property."

(F) **"Loan."** The "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) **"Sums Secured."** The amounts described below in the section titled "Borrower's Transfer to Lender of Rights in the Property" sometimes will be called the "Sums Secured."

(H) **"Riders."** All Riders attached to this Security Instrument that are signed by Borrower will be called "Riders." The following Riders are to be signed by Borrower [check box as applicable]:

- | | | |
|--|---|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Biweekly Payment Rider |
| <input type="checkbox"/> 1-4 Family Rider | <input type="checkbox"/> Other(s): | |

This Property is or will be principally improved by a one- or two-family house or dwelling only.

(I) "Applicable Law." All controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable, judicial opinions will be called "Applicable Law."

(J) "Community Association Dues, Fees, and Assessments." All dues, fees, assessments, and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization will be called "Community Association Dues, Fees, and Assessments."

(K) "Electronic Funds Transfer." "Electronic Funds Transfer" means any transfer of money, other than by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Some common examples of an Electronic Funds Transfer are point-of-sale transfers (where a card such as an asset or debit card is used at a merchant), automated teller machine (or ATM) transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(L) "Escrow Items." Those items that are described in Section 3 will be called "Escrow Items."

(M) "Miscellaneous Proceeds." "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than Insurance Proceeds, as defined in, and paid under the coverage described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) Condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of Condemnation or sale to avoid Condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property. A taking of the Property by any governmental authority by eminent domain is known as "Condemnation."

(N) "Mortgage Insurance." "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(O) "Periodic Payment." The regularly scheduled amount due for (i) principal and interest under the Note, and (ii) any amounts under Section 3 will be called "Periodic Payment."

(P) "RESPA." "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

BORROWER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY

I mortgage, grant and convey the Property to Lender subject to the terms of this Security Instrument. This means that, by signing this Security Instrument, I am giving Lender those rights that are stated in this Security Instrument and also those rights that Applicable Law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I fail to:

- (A) Pay all the amounts that I owe Lender as stated in the Note including, but not limited to, all renewals, extensions and modifications of the Note;
- (B) Pay, with interest, any amounts that Lender spends under this Security Instrument to protect the value of the Property and Lender's rights in the Property; and
- (C) Keep all of my other promises and agreements under this Security Instrument and the Note.

DESCRIPTION OF THE PROPERTY

I give Lender rights in the Property described in (A) through (G) below:

(A) The Property which is located at , _____

[Street]

Darien

, New York

14040

[Town]

[Zip Code]

This Property is in Genesee County. It has the following legal description:

Schedule A attached hereto.

- (B) All buildings and other improvements that are located on the Property described in subsection (A) of this section;
- (C) All rights in other property that I have as owner of the Property described in subsection (A) of this section. These rights are known as "easements and appurtenances attached to the Property;"
- (D) All rights that I have in the land which lies in the streets or roads in front of, or next to, the Property described in subsection (A) of this section;
- (E) All fixtures that are now or in the future will be on the Property described in subsections (A) and (B) of this section;
- (F) All of the rights and property described in subsections (B) through (E) of this section that I acquire in the future; and
- (G) All replacements of or additions to the Property described in subsections (B) through (F) of this section and all Insurance Proceeds for loss or damage to, and all Miscellaneous Proceeds of the Property described in subsections (A) through (F) of this section.

BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY

I promise that: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property, except for those which are of public record.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

PLAIN LANGUAGE SECURITY INSTRUMENT

This Security Instrument contains promises and agreements that are used in real property security instruments all over the country. It also contains other promises and agreements that vary in different parts of the country. My promises and agreements are stated in "plain language."

COVENANTS

I promise and I agree with Lender as follows:

- 1. Borrower's Promise to Pay.** I will pay to Lender on time principal and interest due under the Note and any prepayment, late charges and other amounts due under the Note. I will also pay all amounts for Escrow Items under Section 3 of this Security Instrument.

Payments due under the Note and this Security Instrument shall be made in U.S. currency. If any of my payments by check or other payment instrument is returned to Lender unpaid, Lender may require my payment be made by: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location required in the Note, or at another location designated by Lender under Section 15 of this Security Instrument. Lender may return or accept any payment or partial payment if it is for an amount that is less than the amount that is then due. If Lender accepts a lesser payment, Lender may refuse to accept a lesser payment that I may make in the future and does not waive any of its rights. Lender is not obligated to apply such lesser payments when it accepts such payments. If interest on principal accrues as if all Periodic Payments had been paid when due, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until I make payments to bring the Loan current. If I do not do so within a reasonable period of time, Lender will either apply such funds or return them to me. In the event of foreclosure, any unapplied funds will be applied to the outstanding principal balance immediately prior to foreclosure. No offset or claim which I might have now or in the future against Lender will relieve me from making payments due under the Note and this Security Instrument or keeping all of my other promises and agreements secured by this Security Instrument.

2. Application of Borrower's Payments and Insurance Proceeds.

Unless Applicable Law or this Section 2 requires otherwise, Lender will apply each of my payments that Lender accepts in the following order:

First, to pay interest due under the Note;

Next, to pay principal due under the Note; and

Next, to pay the amounts due Lender under Section 3 of this Security Instrument.

Such payments will be applied to each Periodic Payment in the order in which it became due.

Any remaining amounts will be applied as follows:

First, to pay any late charges;

Next, to pay any other amounts due under this Security Instrument; and

Next, to reduce the principal balance of the Note.

If Lender receives a payment from me for a late Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the late Periodic Payment and the late charge. If more than one Periodic Payment is due, Lender may apply any payment received from me: First, to the repayment of the Periodic Payments that are due if, and to the extent that, each payment can be paid in full; Next, to the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due.

Voluntary prepayments will be applied as follows: First, to any prepayment charges; and Next, as described in the Note.

Any application of payments, Insurance Proceeds, or Miscellaneous Proceeds to principal due under the Note will not extend or postpone the due date of the Periodic Payments or change the amount of those payments.

3. Monthly Payments For Taxes And Insurance.

(a) **Borrower's Obligations.** I will pay to Lender all amounts necessary to pay for taxes, assessments, water charges, sewer rents and other similar charges, ground leasehold payments or rents (if any), hazard or property insurance covering the Property, flood insurance (if any), and any required Mortgage Insurance, or a Loss Reserve as described in Section 10 in the place of Mortgage Insurance. Each Periodic Payment will include an amount to be applied toward payment of the following items which are called "Escrow Items:"

(1) The taxes, assessments, water charges, sewer rents and other similar charges, on the Property which under Applicable Law may be superior to this Security Instrument as a

Lien on the Property. Any claim, demand or charge that is made against property because an obligation has not been fulfilled is known as a "Lien;"

- (2) The leasehold payments or ground rents on the Property (if any);
- (3) The premium for any and all insurance required by Lender under Section 5 of this Security Instrument;
- (4) The premium for Mortgage Insurance (if any);
- (5) The amount I may be required to pay Lender under Section 10 of this Security Instrument instead of the payment of the premium for Mortgage Insurance (if any); and
- (6) If required by Lender, the amount for any Community Association Dues, Fees, and Assessments.

After signing the Note, or at any time during its term, Lender may include these amounts as Escrow Items. The monthly payment I will make for Escrow Items will be based on Lender's estimate of the annual amount required.

I will pay all of these amounts to Lender unless Lender tells me, in writing, that I do not have to do so, or unless Applicable Law requires otherwise. I will make these payments on the same day that my Periodic Payments of principal and interest are due under the Note.

The amounts that I pay to Lender for Escrow Items under this Section 3 will be called "Escrow Funds." I will pay Lender the Escrow Funds for Escrow Items unless Lender waives my obligation to pay the Escrow Funds for any or all Escrow Items. Lender may waive my obligation to pay to Lender Escrow Funds for any or all Escrow Items at any time. Any such waiver must be in writing. In the event of such waiver, I will pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Escrow Funds has been waived by Lender and, if Lender requires, will promptly send to Lender receipts showing such payment within such time period as Lender may require. My obligation to make such payments and to provide receipts will be considered to be a promise and agreement contained in this Security Instrument, as the phrase "promises and agreements" is used in Section 9 of this Security Instrument. If I am obligated to pay Escrow Items directly, pursuant to a waiver, and I fail to pay the amount due for an Escrow Item, Lender may pay that amount and I will then be obligated under Section 9 of this Security Instrument to repay to Lender. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 of this Security Instrument and, upon the revocation, I will pay to Lender all Escrow Funds, and in amounts, that are then required under this Section 3.

I promise to promptly send to Lender any notices that I receive of Escrow Item amounts to be paid. Lender will estimate from time to time the amount of Escrow Funds I will have to pay by using existing assessments and bills and reasonable estimates of the amount I will have to pay for Escrow Items in the future, unless Applicable Law requires Lender to use another method for determining the amount I am to pay.

Lender may, at any time, collect and hold Escrow Funds in an amount sufficient to permit Lender to apply the Escrow Funds at the time specified under RESPA. Applicable Law puts limits on the total amount of Escrow Funds Lender can at any time collect and hold. This total amount cannot be more than the maximum amount a lender could require under RESPA. If there is another Applicable Law that imposes a lower limit on the total amount of Escrow Funds Lender can collect and hold, Lender will be limited to the lower amount.

(b) Lender's Obligations. Lender will keep the Escrow Funds in a savings or banking institution which has its deposits insured by a federal agency, instrumentality, or entity, or in any Federal Home Loan Bank. If Lender is such a savings or banking institution, Lender may hold the Escrow Funds. Lender will use the Escrow Funds to pay the Escrow Items no later than the time allowed under RESPA or other Applicable Law. Lender will give to me, without charge, an annual accounting of the Escrow Funds. That accounting will show all additions to and deductions from the Escrow Funds and the reason for each deduction.

Lender may not charge me for holding or keeping the Escrow Funds, for using the Escrow Funds to pay Escrow Items, for making a yearly analysis of my payment of Escrow Funds or for receiving, or for verifying and totaling assessments and bills. However, Lender may charge me for these services if Lender pays me interest on the Escrow Funds and if Applicable Law permits Lender to make such a charge. Lender will not be required to pay me any interest or earnings on the Escrow Funds unless either (1) Lender and I agree in writing that Lender will pay interest on the Escrow Funds, or (2) Applicable Law requires Lender to pay interest on the Escrow Funds.

(c) Adjustments to the Escrow Funds. Under Applicable Law, there is a limit on the amount of Escrow Funds Lender may hold. If the amount of Escrow Funds held by Lender exceeds this limit, then there will be an excess amount and RESPA requires Lender to account to me in a special manner for the excess amount of Escrow Funds.

If, at any time, Lender has not received enough Escrow Funds to make the payments of Escrow Items when the payments are due, Lender may tell me in writing that an additional amount is necessary. I will pay to Lender whatever additional amount is necessary to pay the Escrow Items when the payments are due, but the number of payments will not be more than 12.

When I have paid all of the Sums Secured, Lender will promptly refund to me any Escrow Funds that are then being held by Lender.

4. Borrower's Obligation to Pay Charges, Assessments And Claims. I will pay all taxes, assessments, water charges, sewer rents and other similar charges, and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument. I will also make ground rents or payments due under my lease if I am a tenant on the Property and Community Association Dues, Fees, and Assessments (if any) due on the Property. If these items are Escrow Items, I will do this by making the payments as described in Section 3 of this Security Instrument. In this Security Instrument, the word "Person" means any individual, organization, governmental authority or other party.

I will promptly pay or satisfy all Liens against the Property that may be superior to this Security Instrument. However, this Security Instrument does not require me to satisfy a superior Lien if: (a) I agree, in writing, to pay the obligation which gave rise to the superior Lien and Lender approves the way in which I agree to pay that obligation, but only so long as I am performing such agreement; (b) in good faith, I argue or defend against the superior Lien in a lawsuit so that in Lender's opinion, during the lawsuit, the superior Lien may not be enforced, but only until the lawsuit ends; or (c) I secure from the holder of that other Lien an agreement, approved in writing by Lender, that the Lien of this Security Instrument is superior to the Lien held by that Person. If Lender determines that any part of the Property is subject to a superior Lien, Lender may give Borrower a notice identifying the superior Lien. Within 10 days of the date on which the notice is given, Borrower shall pay or satisfy the superior Lien or take one or more of the actions mentioned in this Section 4.

Lender also may require me to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with the Loan, unless Applicable Law does not permit Lender to make such a charge.

5. Borrower's Obligation to Maintain Hazard Insurance or Property Insurance. I will obtain hazard or property insurance to cover all buildings and other improvements that now are, or in the future will be, located on the Property. The insurance will cover loss or damage caused by fire, hazards normally covered by "Extended Coverage" hazard insurance policies, and any other hazards for which Lender requires coverage, including, but not limited to earthquakes and floods. The insurance will be in the amounts (including, but not limited to, deductible levels) and for the periods of time required by Lender. What Lender requires under the last sentence can change during the term of the Loan. I may choose the insurance company, but my choice is subject to Lender's right to disapprove. Lender may not disapprove my choice unless the disapproval is reasonable. Lender may require me to pay either (a) a one-time charge for flood zone determination, certification and tracking services, or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar

changes occur which reasonably might affect the flood zone determination or certification. If I disagree with the flood zone determination, I may request the Federal Emergency Management Agency to review the flood zone determination and I promise to pay any fees charged by the Federal Emergency Management Agency for its review.

If I fail to maintain any of the insurance coverages described above, Lender may obtain insurance coverage, at Lender's option and my expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage will cover Lender, but might or might not protect me, my equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. I acknowledge that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that I could have obtained. Any amounts disbursed by Lender under this Section 5 will become my additional debt secured by this Security Instrument. These amounts will bear interest at the interest rate set forth in the Note from the date of disbursement and will be payable with such interest, upon notice from Lender to me requesting payment.

All of the insurance policies and renewals of those policies will include what is known as a "Standard Mortgage Clause" to protect Lender and will name Lender as mortgagee and/or as an additional loss payee. The form of all policies and renewals will be acceptable to Lender. Lender will have the right to hold the policies and renewal certificates. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that I receive.

If I obtain any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy will include a Standard Mortgage Clause and will name Lender as mortgagee and/or as an additional loss payee.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company for loss or damage to the Property is called "Insurance Proceeds." Unless Lender and I otherwise agree in writing, any Insurance Proceeds, whether or not the underlying insurance was required by Lender, will be used to repair or to restore the damaged Property unless: (a) it is not economically feasible to make the repairs or restoration; (b) the use of the Insurance Proceeds for that purpose would lessen the protection given to Lender by this Security Instrument; or (c) Lender and I have agreed in writing not to use the Insurance Proceeds for that purpose. During the period that any repairs or restorations are being made, Lender may hold any Insurance Proceeds until it has had an opportunity to inspect the Property to verify that the repair work has been completed to Lender's satisfaction. However, this inspection will be done promptly. Lender may make payments for the repairs and restorations in a single payment or in a series of progress payments as the work is completed. Unless Lender and I agree otherwise in writing or unless Applicable Law requires otherwise, Lender is not required to pay me any interest or earnings on the Insurance Proceeds. I will pay for any public adjusters or other third parties that I hire, and their fees will not be paid out of the Insurance Proceeds. If the repair or restoration is not economically feasible or if it would lessen Lender's protection under this Security Instrument, then the Insurance Proceeds will be used to reduce the amount that I owe to Lender under this Security Instrument. Such Insurance Proceeds will be applied in the order provided for in Section 2. If any of the Insurance Proceeds remain after the amount that I owe to Lender has been paid in full, the remaining Insurance Proceeds will be paid to me.

If I abandon the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim, Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 of this Security Instrument or otherwise, I give Lender my rights to any Insurance Proceeds in an amount not greater than the amounts unpaid under the Note and this Security Instrument. I also give Lender any other

of my rights (other than the right to any refund of unearned premiums that I paid) under all insurance policies covering the Property, if the rights are applicable to the coverage of the Property. Lender may use the Insurance Proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Borrower's Obligations to Occupy The Property. I will occupy the Property and use the Property as my principal residence within 60 days after I sign this Security Instrument. I will continue to occupy the Property and to use the Property as my principal residence for at least one year. The one-year period will begin when I first occupy the Property. However, I will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if Lender agrees in writing that I do not have to do so. Lender may not refuse to agree unless the refusal is reasonable. I also will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if extenuating circumstances exist which are beyond my control.

7. Borrower's Obligations to Maintain And Protect The Property And to Fulfill Any Lease Obligations.

(a) Maintenance and Protection of the Property. I will not destroy, damage or harm the Property, and I will not allow the Property to deteriorate. Whether or not I am residing in the Property, I will keep the Property in good repair so that it will not deteriorate or decrease in value due to its condition. Unless it is determined under Section 5 of this Security Instrument that repair is not economically feasible, I will promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or Condemnation (as defined in the definition of Miscellaneous Proceeds) proceeds are paid because of loss or damage to, or Condemnation of, the Property, I will repair or restore the Property only if Lender has released those proceeds for such purposes. Lender may pay for the repairs and restoration out of proceeds in a single payment or in a series of progress payments as the work is completed. If the insurance or Condemnation proceeds are not sufficient to repair or restore the Property, I promise to pay for the completion of such repair or restoration.

(b) Lender's Inspection of Property. Lender, and others authorized by Lender, may enter on and inspect the Property. They will do so in a reasonable manner and at reasonable times. If it has a reasonable purpose, Lender may inspect the inside of the home or other improvements on the Property. Before or at the time an inspection is made, Lender will give me notice stating a reasonable purpose for such interior inspection.

8. Borrower's Loan Application. If, during the application process for the Loan, I, or any Person or entity acting at my direction or with my knowledge or consent, made false, misleading, or inaccurate statements to Lender about information important to Lender in determining my eligibility for the Loan (or did not provide Lender with such information), Lender will treat my actions as a default under this Security Instrument. False, misleading, or inaccurate statements about information important to Lender would include a misrepresentation of my intention to occupy the Property as a principal residence. This is just one example of a false, misleading, or inaccurate statement of important information.

9. Lender's Right to Protect Its Rights in The Property. If: (a) I do not keep my promises and agreements made in this Security Instrument; (b) someone, including me, begins a legal proceeding that may significantly affect Lender's interest in the Property or rights under this Security Instrument (such as a legal proceeding in bankruptcy, in probate, for Condemnation or Forfeiture (as defined in Section 11), proceedings which could give a Person rights which could equal or exceed Lender's interest in the Property or under this Security Instrument, proceedings for enforcement of a Lien which may become superior to this Security Instrument, or to enforce laws or regulations); or (c) I have abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and Lender's rights under this Security Instrument.

Lender's actions may include, but are not limited to: (a) protecting and/or assessing the value of the Property; (b) securing and/or repairing the Property; (c) paying sums to eliminate any Lien against the Property that may be equal or superior to this Security Instrument; (d) appearing in court; and (e) paying

reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Lender can also enter the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, have utilities turned on or off, and take any other action to secure the Property. Although Lender may take action under this Section 9, Lender does not have to do so and is under no duty to do so. I agree that Lender will not be liable for not taking any or all actions under this Section 9.

I will pay to Lender any amounts, with interest, which Lender spends under this Section 9. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will pay interest on those amounts at the interest rate set forth in the Note. Interest on each amount will begin on the date that the amount is spent by Lender. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest.

If I do not own, but am a tenant on the Property, I will fulfill all my obligations under my lease. I also agree that, if I acquire the full title (sometimes called "Fee Title") to the Property, my lease interest and the Fee Title will not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, I will pay the premiums for the Mortgage Insurance. If, for any reason, the Mortgage Insurance coverage ceases to be available from the mortgage insurer that previously provided such insurance and Lender required me to make separate payments toward the premiums for Mortgage Insurance, I will pay the premiums for substantially equivalent Mortgage Insurance coverage from an alternate mortgage insurer. However, the cost of this Mortgage Insurance coverage will be substantially equivalent to the cost to me of the previous Mortgage Insurance coverage, and the alternate mortgage insurer will be selected by Lender.

If substantially equivalent Mortgage Insurance coverage is not available, Lender will establish a non-refundable "Loss Reserve" as a substitute for the Mortgage Insurance coverage. I will continue to pay to Lender each month an amount equal to one-twelfth of the yearly Mortgage Insurance premium (as of the time the coverage lapsed or ceased to be in effect). Lender will retain these payments, and will use these payments to pay for losses that the Mortgage Insurance would have covered. The Loss Reserve is non-refundable even if the Loan is ultimately paid in full and Lender is not required to pay me any interest on the Loss Reserve. Lender can no longer require Loss Reserve payments if: (a) Mortgage Insurance coverage again becomes available through an insurer selected by Lender; (b) such Mortgage Insurance is obtained; (c) Lender requires separately designated payments toward the premiums for Mortgage Insurance; and (d) the Mortgage Insurance coverage is in the amount and for the period of time required by Lender.

If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separate payments toward the premiums for Mortgage Insurance, I will pay the Mortgage Insurance premiums, or the Loss Reserve payments, until the requirement for Mortgage Insurance ends according to any written agreement between Lender and me providing for such termination or until termination of Mortgage Insurance is required by Applicable Law. Lender may require me to pay the premiums, or the Loss Reserve payments, in the manner described in Section 3 of this Security Instrument. Nothing in this Section 10 will affect my obligation to pay interest at the rate provided in the Note.

A Mortgage Insurance policy pays Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance policy.

Mortgage insurers assess their total risk on all Mortgage Insurance from time to time. Mortgage insurers may enter into agreements with other parties to share or change their risk, or to reduce losses. These agreements are based on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make

payments using any source of funds that the mortgage insurer may have available (which may include Mortgage Insurance premiums).

As a result of these agreements, Lender, any owner of the Note, another insurer, any reinsurer, or any other entity may receive (directly or indirectly) amounts that come from a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or changing the mortgage insurer's risk, or reducing losses. If these agreements provide that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." It also should be understood that: (a) any of these agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. These agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund; and (b) any of these agreements will not affect the rights Borrower has - if any - regarding the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right (a) to receive certain disclosures, (b) to request and obtain cancellation of the Mortgage Insurance, (c) to have the Mortgage Insurance terminated automatically, and/or (d) to receive a refund of any Mortgage Insurance premiums that were not earned at the time of such cancellation or termination.

11. Agreements About Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are assigned to and will be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds will be applied to restoration or repair of the Property, if (a) the restoration or repair is economically feasible, and (b) Lender's security given in this Security Instrument is not lessened. During such repair and restoration period, Lender will have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect the Property to verify that the work has been completed to Lender's satisfaction. However, the inspection will be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless Lender and I agree otherwise in writing or unless Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender will not be required to pay Borrower any interest or earnings on the Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security given in this Security Instrument would be lessened, the Miscellaneous Proceeds will be applied to the Sums Secured, whether or not then due. The excess, if any, will be paid to me. Such Miscellaneous Proceeds will be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds will be applied to the Sums Secured, whether or not then due. The excess, if any, will be paid to me.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the Sums Secured immediately before the partial taking, destruction, or loss in value, the Sums Secured will be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the Sums Secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to me.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the Sums Secured immediately before the partial taking, destruction, or loss in value, the Miscellaneous Proceeds will be applied to the Sums Secured whether or not the sums are then due.

If I abandon the Property, or if, after Lender sends me notice that the Opposing Party (as defined in the next sentence) offered to make an award to settle a claim for damages, I fail to respond to Lender within 30 days after the date Lender gives notice, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the Sums Secured, whether or

not then due. "Opposing Party" means the third party that owes me Miscellaneous Proceeds or the party against whom I have a right of action in regard to Miscellaneous Proceeds. I will be in default under this Security Instrument if any civil or criminal action or proceeding that Lender determines could result in a court ruling (a) that would require Forfeiture of the Property, or (b) that could damage Lender's interest in the Property or rights under this Security Instrument. "Forfeiture" is a court action to require the Property, or any part of the Property, to be given up. I may correct the default by obtaining a court ruling that dismisses the court action, if Lender determines that this court ruling prevents Forfeiture of the Property and also prevents any damage to Lender's interest in the Property or rights under this Security Instrument. If I correct the default, I will have the right to have enforcement of this Security Instrument discontinued, as provided in Section 19 of this Security Instrument, even if Lender has required Immediate Payment in Full (as defined in Section 22). The proceeds of any award or claim for damages that are attributable to the damage or reduction of Lender's interest in the Property are assigned, and will be paid, to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property will be applied in the order provided for in Section 2.

12. Continuation of Borrower's Obligations And of Lender's Rights.

(a) Borrower's Obligations. Lender may allow me, or a Person who takes over my rights and obligations, to delay or to change the amount of the Periodic Payments. Even if Lender does this, however, I will still be fully obligated under the Note and under this Security Instrument unless Lender agrees to release me, in writing, from my obligations.

Lender may allow those delays or changes for me or a Person who takes over my rights and obligations, even if Lender is requested not to do so. Even if Lender is requested to do so, Lender will not be required to (1) bring a lawsuit against me or such a Person for not fulfilling obligations under the Note or under this Security Instrument, or (2) refuse to extend time for payment or otherwise modify amortization of the Sums Secured.

(b) Lender's Rights. Even if Lender does not exercise or enforce any right of Lender under this Security Instrument or under Applicable Law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if: (1) Lender obtains insurance, pays taxes, or pays other claims, charges or Liens against the Property; (2) Lender accepts payments from third Persons; or (3) Lender accepts payments in amounts less than the amount then due, Lender will have the right under Section 22 below to demand that I make Immediate Payment in Full of any amounts remaining due and payable to Lender under the Note and under this Security Instrument.

13. Obligations of Borrower And of Persons Taking Over Borrower's Rights or Obligations. If more than one Person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all of the Sums Secured. However, if one of us does not sign the Note: (a) that Person is signing this Security Instrument only to give that Person's rights in the Property to Lender under the terms of this Security Instrument; (b) that Person is not personally obligated to pay the Sums Secured; and (c) that Person agrees that Lender may agree with the other Borrowers to delay enforcing any of Lender's rights, to modify, or make any accommodations with regard to the terms of this Security Instrument or the Note without that Person's consent.

Subject to the provisions of Section 18 of this Security Instrument, any Person who takes over my rights or obligations under this Security Instrument in writing, and is approved by Lender in writing, will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Borrower will not be released from Borrower's obligations and liabilities under this Security Instrument unless Lender agrees to such release in writing. Any Person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated

to keep all of Lender's promises and agreements made in this Security Instrument except as provided under Section 20.

14. Loan Charges. Lender may charge me fees for services performed in connection with my default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. With regard to other fees, the fact that this Security Instrument does not expressly indicate that Lender may charge a certain fee does not mean that Lender cannot charge that fee. Lender may not charge fees that are prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to Applicable Law which sets maximum loan charges, and that Applicable Law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed permitted limits: (a) any such loan charge will be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (even if a prepayment charge is provided for under the Note). If I accept such a refund that is paid directly to me, I will waive any right to bring a lawsuit against Lender because of the overcharge.

15. Notices Required under this Security Instrument. All notices given by me or Lender in connection with this Security Instrument will be in writing. Any notice to me in connection with this Security Instrument is considered given to me when mailed by first class mail or when actually delivered to my notice address if sent by other means. Notice to any one Borrower will be notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address is the address of the Property unless I give notice to Lender of a different address. I will promptly notify Lender of my change of address. If Lender specifies a procedure for reporting my change of address, then I will only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender will be given by delivering it or by mailing it by first class mail to Lender's address stated on the first page of this Security Instrument unless Lender has given me notice of another address. Any notice in connection with this Security Instrument is given to Lender when it is actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Law That Governs this Security Instrument; Word Usage. This Security Instrument is governed by federal law and the law of New York State. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might allow the parties to agree by contract or it might be silent, but such silence does not mean that Lender and I cannot agree by contract. If any term of this Security Instrument or of the Note conflicts with Applicable Law, the conflict will not affect other provisions of this Security Instrument or the Note which can operate, or be given effect, without the conflicting provision. This means that the Security Instrument or the Note will remain as if the conflicting provision did not exist.

As used in this Security Instrument: (a) words of the masculine gender mean and include corresponding words of the feminine and neuter genders; (b) words in the singular mean and include the plural, and words in the plural mean and include the singular; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. I will be given one copy of the Note and of this Security Instrument.

18. Agreements about Lender's Rights If the Property Is Sold or Transferred. Lender may require Immediate Payment in Full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. If Borrower is not a natural Person and a beneficial interest in Borrower is sold or transferred

without Lender's prior written permission, Lender also may require Immediate Payment in Full. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender requires Immediate Payment in Full under this Section 18, Lender will give me a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is given to me in the manner required by Section 15 of this Security Instrument. If I do not make the required payment during that period, Lender may act to enforce its rights under this Security Instrument without giving me any further notice or demand for payment.

19. Borrower's Right to Have Lender's Enforcement of this Security Instrument

Discontinued. Even if Lender has required Immediate Payment in Full, I may have the right to have enforcement of this Security Instrument stopped. I will have this right at any time before the earliest of: (a) five days before sale of the Property under any power of sale granted by this Security Instrument; (b) another period as Applicable Law might specify for the termination of my right to have enforcement of the Loan stopped; or (c) a judgment has been entered enforcing this Security Instrument. In order to have this right, I will meet the following conditions:

- (a) I pay to Lender the full amount that then would be due under this Security Instrument and the Note as if Immediate Payment in Full had never been required;
- (b) I correct my failure to keep any of my other promises or agreements made in this Security Instrument;
- (c) I pay all of Lender's reasonable expenses in enforcing this Security Instrument including, for example, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and
- (d) I do whatever Lender reasonably requires to assure that Lender's interest in the Property and rights under this Security Instrument and my obligations under the Note and under this Security Instrument continue unchanged.

Lender may require that I pay the sums and expenses mentioned in (a) through (d) in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer.

If I fulfill all of the conditions in this Section 19, then this Security Instrument will remain in full effect as if Immediate Payment in Full had never been required. However, I will not have the right to have Lender's enforcement of this Security Instrument discontinued if Lender has required Immediate Payment in Full under Section 18 of this Security Instrument.

20. Note Holder's Right to Sell the Note or an Interest in the Note; Borrower's Right to Notice of Change of Loan Servicer; Lender's and Borrower's Right to Notice of Grievance. The Note, or an interest in the Note, together with this Security Instrument, may be sold one or more times. I might not receive any prior notice of these sales.

The entity that collects the Periodic Payments and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law is called the "Loan Servicer." There may be a change of the Loan Servicer as a result of the sale of the Note. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. Applicable Law requires that I be given written notice of any change of the Loan Servicer. The notice will state the name and address of the new Loan Servicer, and also tell me the address to which I should make my payments. The notice also will contain any other information required by RESPA or Applicable Law. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to me will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither I nor Lender may commence, join or be joined to any court action (as either an individual party or the member of a class) that arises from the other party's actions pursuant to this Security

Instrument or that alleges that the other has not fulfilled any of its obligations under this Security Instrument, unless the other is notified (in the manner required under Section 15 of this Security Instrument) of the unfulfilled obligation and given a reasonable time period to take corrective action. If Applicable Law provides a time period which will elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to me under Section 22 and the notice of the demand for payment in full given to me under Section 22 will be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20. All rights under this paragraph are subject to Applicable Law.

21. Continuation of Borrower's Obligations to Maintain and Protect the Property. The federal laws and the laws of New York State that relate to health, safety or environmental protection are called "Environmental Law." Environmental Law classifies certain substances as toxic or hazardous. There are other substances that are considered hazardous for purposes of this Section 21. These substances are gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. The substances defined as toxic or hazardous by Environmental Law and the substances considered hazardous for purposes of this Section 21 are called "Hazardous Substances." "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law. An "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

I will not do anything affecting the Property that violates Environmental Law, and I will not allow anyone else to do so. I will not cause or permit Hazardous Substances to be present on the Property. I will not use or store Hazardous Substances on the Property. I also will not dispose of Hazardous Substances on the Property, or release any Hazardous Substance on the Property, and I will not allow anyone else to do so. I also will not do, nor allow anyone else to do, anything affecting the Property that: (a) is in violation of any Environmental Law; (b) creates an Environmental Condition; or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The promises in this paragraph do not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized as appropriate for normal residential use and maintenance of the Property (including, but not limited to, Hazardous Substances in consumer products). I may use or store these small quantities on the Property. In addition, unless Environmental Law requires removal or other action, the buildings, the improvements and the fixtures on the Property are permitted to contain asbestos and asbestos-containing materials if the asbestos and asbestos-containing materials are undisturbed and "non-friable" (that is, not easily crumbled by hand pressure).

I will promptly give Lender written notice of: (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which I have actual knowledge; (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance; and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If I learn, or any governmental or regulatory authority, or any private party, notifies me that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, I will promptly take all necessary remedial actions in accordance with Environmental Law.

Nothing in this Security Instrument creates an obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS

I also promise and agree with Lender as follows:

22. Lender's Rights If Borrower Fails to Keep Promises and Agreements. Except as provided in Section 18 of this Security Instrument, if all of the conditions stated in subsections (a), (b) and (c) of this Section 22 are met, Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and under this Security Instrument. Lender may do this without making any further demand for payment. This requirement is called "Immediate Payment in Full."

If Lender requires Immediate Payment in Full, Lender may bring a lawsuit to take away all of my remaining rights in the Property and have the Property sold. At this sale Lender or another Person may acquire the Property. This is known as "Foreclosure and Sale." In any lawsuit for Foreclosure and Sale, Lender will have the right to collect all costs and disbursements and additional allowances allowed by Applicable Law and will have the right to add all reasonable attorneys' fees to the amount I owe Lender, which fees shall become part of the Sums Secured.

Lender may require Immediate Payment in Full under this Section 22 only if all of the following conditions are met:

(a) I fail to keep any promise or agreement made in this Security Instrument or the Note, including, but not limited to, the promises to pay the Sums Secured when due, or if another default occurs under this Security Instrument;

(b) Lender sends to me, in the manner described in Section 15 of this Security Instrument, a notice that states:

(1) The promise or agreement that I failed to keep or the default that has occurred;

(2) The action that I must take to correct that default;

(3) A date by which I must correct the default. That date will be at least 30 days from the date on which the notice is given;

(4) That if I do not correct the default by the date stated in the notice, Lender may require Immediate Payment in Full, and Lender or another Person may acquire the Property by means of Foreclosure and Sale;

(5) That if I meet the conditions stated in Section 19 of this Security Instrument, I will have the right to have Lender's enforcement of this Security Instrument stopped and to have the Note and this Security Instrument remain fully effective as if Immediate Payment in Full had never been required; and

(6) That I have the right in any lawsuit for Foreclosure and Sale to argue that I did keep my promises and agreements under the Note and under this Security Instrument, and to present any other defenses that I may have; and

(c) I do not correct the default stated in the notice from Lender by the date stated in that notice.

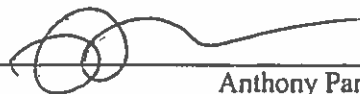
23. Lender's Obligation to Discharge this Security Instrument. When Lender has been paid all amounts due under the Note and under this Security Instrument, Lender will discharge this Security Instrument by delivering a certificate stating that this Security Instrument has been satisfied. I will pay all costs of recording the discharge in the proper official records. I agree to pay a fee for the discharge of this Security Instrument, if Lender so requires. Lender may require that I pay such a fee, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted by Applicable Law.

24. Agreements about New York Lien Law. I will receive all amounts lent to me by Lender subject to the trust fund provisions of Section 13 of the New York Lien Law. This means that I will: (a) hold all amounts which I receive and which I have a right to receive from Lender under the Note as a trust fund; and (b) use those amounts to pay for "Cost of Improvement" (as defined in Section 13 of the New York Lien Law) before I use them for any other purpose. The fact that I am holding those amounts as a trust fund means that for any building or other improvement located on the Property I have a special responsibility under the law to use the amount in the manner described in this Section 24.

25. Borrower's Statement Regarding the Property [check box as applicable].

- This Security Instrument covers real property improved, or to be improved, by a one or two family dwelling only.
- This Security Instrument covers real property principally improved, or to be improved, by one or more structures containing, in the aggregate, not more than six residential dwelling units with each dwelling unit having its own separate cooking facilities.
- This Security Instrument does not cover real property improved as described above.

BY SIGNING BELOW, I accept and agree to the promises and agreements contained in pages 1 through 16 of this Security Instrument and in any Rider signed by me and recorded with it.

 (Seal)

 Anthony Parlato - Borrower

 (Seal)

 Beth A. Parlato - Borrower

_____[Space Below This Line For Acknowledgment]_____

Acknowledgment by a Person Within New York State (RPL § 309-a)

STATE OF NEW YORK)
) ss.:
 COUNTY OF ERIE)

On the 19th day of September in the year 2017, before me, the undersigned, personally appeared **Anthony Parlato and Beth A. Parlato**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that they executed the same in their capacity(ies), and that by their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



 (signature and office of individual taking acknowledgment)

JULIE C. ACQUARD
 Notary Public, State of New York
 Registration Number: 01AC5023800
 Qualified in Erie County
 My Commission Expires February 14, 2018

ALDEN STATE BANK – NMLSR ID# 412458
Shawn Gillen – NMLS ID# 1162895

AFFIDAVIT REQUESTING EXEMPTION UNDER SECTION 255 OF THE TAX LAW

I, Thomas A. Steffan, being duly sworn, depose and say:

THAT I am an attorney, duly licensed to practice law in the State of New York with an office located at 13132 Main Street, Alden, New York.

THAT a supplemental instrument, namely a Consolidation, Extension and Modification Agreement dated September 19, 2017, is about to be recorded in the Erie County Clerk's Office, having been executed by the following parties:

Anthony Parlato and Beth A. Parlato and Alden State Bank

THAT the following instruments have previously been recorded affecting the same or a portion of the same indebtedness recited in the supplemental instrument:

1. Mortgage dated December 17, 2010, recorded December 20, 2017, in Liber 1609 of Mortgages at page 275 in the face amount of \$350,000.00 between Anthony Parlato and Beth A. Parlato and Alden State Bank upon which a mortgage tax of \$4,350.00 was paid.

2. Mortgage dated September 19, 2017, recorded September 25, 2017, in Liber _____ of Mortgages at page _____ in the face amount of \$447,600.00 between Anthony Parlato and Beth A. Parlato and Alden State Bank upon which a mortgage tax of \$5,567.50 was paid. MTG2017-1512

A. THAT the maximum amount secured by all of the previously recorded instruments is \$350,000.00 all of which amount has been loaned or advanced and has become secured thereby, except (if applicable) _____.

B. THAT the present balance of principal indebtedness under such previously recorded instruments at the date of execution of the supplemental instrument recited herein is \$271,600.00.

C. THAT the amount of the additional advance to Borrower(s), over and above the amount of principal now outstanding, which will be secured by the Mortgage(s) as supplemented is \$447,400.00.

D. THAT the total maximum amount of principal indebtedness secured by the supplemental instrument and those instruments previously recorded is \$719,000.00

WHEREFORE, deponent respectfully requests that this supplemental instrument be declared exempt from taxation pursuant to the provisions of Section 255 of Article II of the Tax Law, except for amount stated in Paragraph (C).

X [Signature] Thomas A. Steffan

.....

Sworn to before me this 19 day of September, 2017

X [Signature] Notary Public

JULIE C. ACQUARD Notary Public, State of New York Registration Number; 01AC5023800 Qualified in Erie County My Commission Expires February 14, 2018

Property: Darien, 14040
 SWIS: 183289 SBL: 13.-1-35

No Municipal Photo Available
 View Parcel Documents

Assessment	
Total	\$409,400.00
Total Land	\$44,500.00
County Taxable (Genesee)	\$409,400.00
Town Taxable	\$409,400.00
School Taxable	\$379,700.00
Village Taxable	\$0.00
Equalization Rate	99%
Full Market Value	\$417,755.10

Structure	
Site 1 of 1	
Year Built	2011
House Style	5 - Colonial
Total SQFT *	3192
1st Story SQFT *	2572
2nd Story SQFT *	620
1/2 Story SQFT *	0
3/4 Story SQFT *	0
Add'l Story SQFT *	0
Finished Attic SQFT *	0
Finished Basement SQFT *	0
Finished Rec Room SQFT *	0
Finished Over Garage SQFT *	0
Number of Stories	2
Overall Condition	3 - Normal
Exterior Wall Material	Alum/vinyl
Bedrooms	4
Baths	3
Kitchens	1
Basement Type	Full
Central Air	No
Heat Type	2 - Hot air
Fuel Type	2 - Gas
Fireplaces	1
Garage(s)	3.5 Car Attached
Garage(s) SQFT	864

* Based On Exterior Dimensions

Property Description	
Type	Residential
Use	240 - Rural res
Ownership Code	-
Zoning	00
Road Type	3 - Improved
Water Supply	1 - None
Utilities	1 - None
School District	Alden School - 142001
Neighborhood Code	550

Last Property Sale	
Sale Date	10/20/2010 2:18:55 PM
Sale Price	\$0.00
Useable Sale	NO
Arms Length	NO
Prior Owner Name	Gold, Beth A
Deed Book	884
Deed Page	596
Deed Date	12/20/2010

Improvements						
Site #	Description	Quantity	Condition	Year Built	SQFT	Dimensions
1	RG1 - Gar-1.0 att	1	Normal	2011	864	24X36

4/17/2020

Town of Darien OARS > Search OARS

1	FB7 - Bam-pole	1	Normal	2011	576	24X24
1	LS1 - Pool-st/vnyl	1	Normal	2013	800	20X40
1	RP1 - Porch-open/deck	1	Normal	2012	440	10X44
1	RP2 - Porch-coverd	1	Normal	2012	50	5X10

Land

Site #	Land Type	Acres	Front	Depth	SQFT	Soil Rating
1	14 - Wetland	1.4	0	0	0	Land: 4 Rating:
1	07 - Woodland	14	0	0	0	Land: 3 Rating: C
1	04 - Residual	12	0	0	0	Land: 2 Rating:
1	01 - Primary	1	0	0	0	Land: 1 Rating:

Owner Information

Owner Name	Address 1	Address 2	Unit Name	Unit Number	City/State/Zip
Parlato, Beth A	400 Seven Day Rd				Darien NY 14040
Parlato, Anthony	459 Seven Day Rd				Darien NY 14040

Exemptions

Code Description	Amount	Exemption %	Start Year	End Year
41854 - BAS STAR	\$29,700		2012	

Special Districts

Code Description	Type	Primary Units	Secondary Units	Amount
FD008 - Darien fire	A	0	0	\$409,400.00



GENESEE COUNTY – STATE OF NEW YORK
 MICHAEL T. CIANFRINI, COUNTY CLERK
 15 MAIN STREET, BATAVIA, NEW YORK 14020

COUNTY CLERK'S RECORDING PAGE

THIS PAGE IS PART OF THE DOCUMENT – DO NOT DETACH



INSTRUMENT #: MTG2020-423

Receipt#: 6941
 Clerk: JZ
 Rec Date: 04/02/2020 09:26:50 AM
 Doc Grp: M
 Descrip: MORTGAGE
 Num Pgs: 7
 Rec'd Frm: ALDEN STATE BANK/JZ

Party1: PARLATO BETH A
 Party2: ALDEN STATE BANK
 Town: DARIEN TOWN OF

Recording:

Cover Page	5.00
Recording Fee	50.00
Cultural Ed	14.25
Records Management - Coun	1.00
Records Management - Stat	4.75

Sub Total: 75.00

Mortgage Tax	
Basic	750.00
Additional	350.00
Special Additional	375.00
Local	375.00

Sub Total: 1850.00

Total: 1925.00

**** NOTICE: THIS IS NOT A BILL ****

***** Mortgage Tax *****

Serial #: DL-0010
 1-2 Family Home
 Mtg Amt: 150000.00

Basic	750.00
Additional	350.00
Special Additional	375.00
Local	375.00

Total: 1850.00

WARNING***

*** Information may be amended during the verification process, and may not be reflected on this cover page.

THIS PAGE CONSTITUTES THE CLERK'S ENDORSEMENT, REQUIRED BY SECTION 316-a (5) & 319 OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK.

Michael T. Cianfrini

Michael T. Cianfrini
 Genesee County Clerk

Record and Return To:

ALDEN STATE BANK
 PO BOX 238
 ALDEN NY 14004

HOME EQUITY MORTGAGE

Borrower: Beth A Parlato
 Anthony Parlato
 Darien Center, NY 14040

Lender: Alden State Bank
 Alden Branch
 13216 Broadway
 Alden, NY 14004

Date: March 27, 2020

Borrower 1's name and address: Beth A. Parlato F/K/A Beth A. Gold, , Darien Center, NY 14040

Borrower 2's name and address: Anthony Parlato, , Darien Center, NY 14040

Mortgaged real property: Darien, Genesee County, New York

Maximum principal amount: \$150,000.00 Maximum rate: 25.0% Number of family units: One

Originator Names and Nationwide Mortgage Licensing System and Registry IDs:

Organization: Alden State Bank
 Individual: Rebecca Sexton

NMLSR ID: 412458
 NMLSR ID: 1607076

1. Meaning of some words. In this mortgage:

- a. "You" and "your" mean anyone signing this mortgage, whether as a borrower or other owner;
- b. "We," "us," "our" and "ours" mean Alden State Bank, 13216 Broadway, P.O. Box 238, Alden, NY 14004;
- c. "The loan agreement" means a home equity loan agreement dated the date of this mortgage and signed by everyone signing this mortgage as a borrower and us, as the agreement exists now or is changed in the future, or any replacement of the agreement, as the replacement exists when signed or is changed after that;
- d. "Loan note" means any home equity loan note or other promissory note that is signed, whether or not alone, and delivered to us by anyone signing this mortgage as a borrower and indicates that it is subject to the loan agreement;
- e. "The indebtedness" means, taken together, all amounts payable now or becoming payable in the future under the loan agreement, loan notes and this mortgage;
- f. "The property" means the real property, rights and rental payments described in Section 2;
- g. "Prior mortgage" means any document giving a presently existing mortgage lien covering any of the property, as the document exists now or is changed in the future, or any replacement of the document, as the replacement exists when signed or is changed after that;
- h. "The Real Property Law" means the Real Property Law of New York State; and
- i. "The Lien Law" means the Lien Law of New York State.

2. Mortgage lien. To secure the payment of the indebtedness, you give us a mortgage lien covering:

- a. The real property commonly described by the address shown at the beginning of this mortgage as the mortgaged real property and described more fully by the legal description set forth in Schedule A, including all buildings and other improvements located now or placed in the future on the real property and all fixtures that are now or become in the future part of the real property by being installed in or on or affixed to the real property;
- b. All rights you have now or acquire in the future in the real property or other real property because you own the real property, including, if the real property is part of a condominium project, rights in the common areas and facilities of the condominium project; and
- c. All rental payments from any of the real property.

In other words, to secure the payment of the indebtedness, you give us a mortgage lien covering the real property together with all appurtenances to it and all your estate and rights in it. A portion of the preceding sentence has the meaning Section 255 of the Real Property Law gives to similar language. If the real property is part of a condominium project or planned unit development, the name of the condominium project or planned unit development is set forth in Schedule A. Examples of fixtures are furnaces, hot water heaters, bathtubs, sinks and kitchen cabinets installed in a building. An example of a right in real property that arises because of the ownership of the real property is the right to money payable because of the taking of any of the real property by a governmental body or because of any transfer of ownership of any of the real property instead of its taking by a governmental body. An example of a right in other real property that arises because of the ownership of real property is the right to cross the other real property to get to a street.

3. Credit line mortgage. This mortgage is a "credit line mortgage" as the term is defined in Section 281(1) of the Real Property Law. The mortgage lien you are giving us in this mortgage secures the payment of indebtedness arising under the loan agreement and loan notes. The loan agreement reflects the fact that you and we reasonably contemplate entering into a series of advances or advances, payments and readvances, limits the total principal amount at any time outstanding to the maximum principal amount shown at the beginning of this mortgage and is not a "building loan contract" as the term is defined in Section 2(13) of the Lien Law. That indebtedness includes not only the original indebtedness arising under the loan agreement or the first loan note delivered to us but also other indebtedness arising under the loan agreement or any other loan note as a result of any loan made under the loan agreement during the period during which loans may be obtained under the loan agreement, which will not be longer than 20 years after the date this mortgage is recorded.

4. Maximum amount secured. The maximum principal amount the payment of which is or under any contingency may be secured by the mortgage lien you are giving us in this mortgage on the date you sign this mortgage or at any later time is the maximum principal amount shown at the beginning of this mortgage. The maximum amount the payment of which may be secured by the mortgage lien at any time is the total of:

- a. That maximum principal amount;
- b. Interest on that maximum principal amount at the rate a year equal to the maximum rate shown at the beginning of this mortgage;
- c. All payments made by us to protect our interest in the property; and

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d. Interest on the unreimbursed portion of any payment made by us to protect our interest in the property at the rate of 16% a year.

5. Loan note. The loan note delivered to us in connection with any loan made under the loan agreement will provide for the payment, as determined by us, of the amount of the loan and interest on the unpaid portion of that amount at a fixed or variable rate that will be determined by us for the loan but will not exceed the maximum rate shown at the beginning of this mortgage. If the interest is to be paid at a variable rate, the way in which the rate may vary and the way payments under any loan note will be determined are described in Schedule B.

6. Dwelling. You assure us that the principal building that is now part of the property is an owner-occupied dwelling having the number of family units shown at the beginning of this mortgage.

7. Prior mortgage. You assure us that you have notified us in writing of any prior mortgage, that there is no default under any prior mortgage and that no prior mortgage prohibits you from giving us the mortgage lien you are giving us in this mortgage.

8. Ownership and claims. You assure us that you own the property. In other words, you warrant title to the property. The preceding sentence has the meaning Section 254(5) of the Real Property Law gives to similar language. Also, you assure us that the property is free from any claim, except for any claim of record on the date of this mortgage.

9. Payment of indebtedness. You must pay all indebtedness arising under any loan note for amounts borrowed from us and interest on the outstanding portions of those amounts. You must pay that indebtedness as described in that loan note. The preceding sentence has the meaning Section 254(3) of the Real Property Law gives to similar language.

10. Taxes, assessments, rents and charges. You must pay any tax, assessment, ground rent, sewer rent or water charge on any of the property and any other tax or other charge that, if unpaid, could become a claim on any of the property superior to the mortgage lien you are giving us in this mortgage, and, if you do not pay it within the time within which it can be paid without any penalty, we may, but we will not have to, pay it. When we ask you to do so, you must reimburse us for it. Also, when we ask you to do so, you must pay us interest on its unreimbursed portion at the rate of 16% a year. The first sentence of this section has the meaning Section 254(6) of the Real Property Law would give to similar language if it referred to the ground rents, sewer rents and other taxes and other charges as well as to the taxes, assessments and water charges.

11. Repairs and rebuilding. You must promptly repair or rebuild any building that is now or becomes in the future part of the property if it is damaged or destroyed, and, if you do not do so, we may, but we will not have to, repair or rebuild it. When we ask you to do so, you must reimburse us for any amount we pay to repair or rebuild it. Also, when we ask you to do so, you must pay us interest on the unreimbursed portion of that amount at the rate of 16% a year.

12. Restrictions on use. You must not use any of the property, or allow any of it to be used, in any way that violates any legal restriction affecting its use, and, if you do so, we may, but we will not have to, correct the violation. When we ask you to do so, you must reimburse us for any amount we pay to correct the violation. Also, when we ask you to do so, you must pay us interest on the unreimbursed portion of that amount at the rate of 16% a year.

13. Fire and other insurance. You must keep any building that is now or becomes in the future part of the property insured for our benefit against loss by fire, any risk covered by extended coverage or any other risk against which we want it insured other than flood, and you must assign and deliver any policy providing the insurance to us. When we ask you to do so, you must reimburse us for any premium for the insurance we pay because you do not keep the building covered by the insurance or because you do not assign and deliver the policy to us. Also, when we ask you to do so, you must pay us interest on the unreimbursed portion of the premium at a rate of 16% a year. The first two sentences of this section have the meaning Section 254(4)(a) of the Real Property Law would give to similar language if it referred to risks covered by extended coverage and all other risks against which we want the property insured other than flood as well as to fire, except that, despite anything in Section 254(4)(a), we may apply any money paid under the insurance to any of the indebtedness not yet paid in any order we choose rather than giving it to you to repair or rebuild the building. The application of the money will not relieve you of any obligation to pay any future payment required under any loan note.

14. Flood insurance. You must keep any building that is now or becomes in the future part of the property insured for our benefit against loss by flood if the property is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Act of 1968, and you must assign and deliver any policy providing the insurance to us. When we ask you to do so, you must reimburse us for any premium for the insurance we pay because you do not keep the building covered by the insurance or because you do not assign and deliver the policy to us. Also, when we ask you to do so, you must pay us interest on the unreimbursed portion of the premium at the rate of 16% a year. The first two sentences of this section have the meaning Section 254(4)(b) of the Real Property Law gives to similar language, except that, despite anything in Section 254(4)(b), we may apply any money paid under the insurance to any of the indebtedness not yet paid in any order we choose rather than giving it to you to repair or rebuild the building. The application of the money will not relieve you of any obligation to pay any future payment required under any loan note.

15. Payment of taxes, assessments, rents, charges and premiums. To make sure that taxes, assessments, ground rents, sewer rents and water charges on any of the property and premiums for insurance on any of the property are paid, we may require that, subject to any limitation imposed by applicable law, you must pay us all amounts necessary to pay those items except to the extent that you pay the money for those items to any institutional lender that is the owner of any prior mortgage. We will hold any money you pay us for those items in an escrow account, and we will pay interest on the money to the extent required by applicable law. To the extent that we are holding money in the escrow account to pay any of those items, we will pay it within the time within which it can be paid without any penalty. If the amount of money in the escrow account is less than the amount we pay for those items, you must, when we ask you to do so, pay us the difference, and you must, when we ask you to do so, pay us interest on the unpaid portion of the difference at the rate of 16% a year.

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16. Money paid for taking. We may direct any governmental body or other organization taking any of the property or receiving a transfer of ownership of any of the property instead of taking it to pay directly to us all money you are entitled to for the taking or transfer, and we may apply the money to any of the indebtedness not yet paid in any order we choose. The application of the money will not relieve you of any obligation to pay any future payment required under any loan note.

17. Money paid under insurance on condominium project or planned unit development. If the property includes a unit in a condominium project or planned unit development, you must pay to us any money paid to you under any insurance on the whole condominium project or planned unit development. We may apply the money to any of the indebtedness not yet paid in any order we choose rather than giving it to you to repair the unit. The application of the money will not relieve you of any obligation to pay any future payment required under any loan note.

18. Some other promises. You must:

- a. Maintain the principal building that is now part of the property as an owner-occupied dwelling having no more than six family units;
- b. Keep the property in good condition;
- c. Allow us to inspect the property at any time;
- d. Immediately notify us in writing if any building that is now or becomes in the future part of the property is damaged or destroyed;
- e. Not use any of the property, or allow any of it to be used, illegally or in any way not allowed by all policies providing any insurance on it;
- f. Not abandon any of the property or allow any of it to be abandoned;
- g. Without first obtaining our permission in writing, not transfer ownership of any of the property or any interest in any of it;
- h. Without first obtaining our permission in writing, not remove, tear down, structurally alter or change the use of any building or other improvement that is now or becomes in the future part of the property or allow the removal, tearing down, structural alteration or change in the use of the building or other improvement;
- i. Without first obtaining our permission in writing, not transfer any right to receive any rental payment from any of the property to anyone other than us;
- j. Without first obtaining our permission in writing, not change or cancel any lease covering any of the property;
- k. Without first obtaining our permission in writing, not accept any rental payment from any of the property more than one month in advance;
- l. Not place any restriction on the sale or use of any of the property based on any characteristic prohibited by applicable law;
- m. If we ask you to do so, promptly provide a complete copy of any prior mortgage to us;
- n. Pay or assure the payment of any amount the payment of which is now or in the future secured by the mortgage lien given in any prior mortgage by the date it becomes due;
- o. Perform or assure the performance of all other obligations under any prior mortgage or any note or other agreement to which it relates now or in the future;
- p. Promptly notify us in writing of any default under any prior mortgage;
- q. If we ask you to do so, pay or assure the payment of any amount the payment of which is now or in the future secured by the mortgage lien given in any prior mortgage no later than five days before the date it is to become due;
- r. If we ask you to do so, provide to us no later than three days before the date any amount the payment of which is now or in the future secured by the mortgage lien given in any prior mortgage is to become due evidence satisfactory to us that the amount has been paid;
- s. Not enter into any agreement changing any prior mortgage;
- t. Not obtain or allow the obtaining of any additional advance the repayment of which is secured by the mortgage lien given in any prior mortgage;
- u. Use your best efforts to have the owner of any prior mortgage send us a copy of any notice the owner is required to send you;
- v. Promptly provide to us a copy of any notice you receive from the owner of any prior mortgage; and
- w. Promptly sign any document we want signed to help us to protect our interest in any of the property.

19. Additional promises if property includes unit in condominium project or planned unit development. If the property includes a unit in a condominium project or planned unit development, you must:

- a. Pay any assessment imposed by the owners association or other organization that governs the condominium project or planned unit development by the date it becomes due;
- b. If we ask you to do so, promptly deliver to us a copy of any declaration, by-laws or other document that governs the condominium project or planned unit development or any financial report or other material provided in the future to you by the owners association or other organization that governs the condominium project or planned unit development;
- c. Perform all of your other obligations under any declaration, by-laws or other document that creates or governs the condominium project or planned unit development;
- d. Promptly notify us in writing if any policy providing any insurance on the whole condominium project or planned unit development is suspended or terminated;
- e. Without first obtaining our permission in writing, not consent to the abandonment or termination of the condominium project or planned unit development unless the abandonment or termination is required by applicable law;
- f. Without first obtaining our permission in writing, not consent to any significant change in any declaration, by-laws or other document that creates or governs the condominium project or planned unit development;
- g. Without first obtaining our permission in writing, not consent to any decision by the owners association or other organization that governs the condominium project or planned unit development to terminate professional management, and begin self-management, of the condominium project or planned unit development; and
- h. Without first obtaining our permission in writing, not consent to any transfer, release, partition or subdivision of, or the creation of any lien on, any of the common areas and facilities of the condominium project or planned unit development other than for utilities and similar uses.

20. Statement of amount due. Within five days after we make a request in person or within ten days after we mail a request, you must give us a written statement acknowledged before a notary public or commissioner of deeds

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notifying us of the total amount of the indebtedness not yet paid and whether there is any offset or defense against that total amount. In other words, within that period of time, you must notify us of that total amount and whether there is any reason you should not have to pay it. The first sentence of this section has the meaning Section 254(7) of the Real Property Law gives to similar language.

21. Trust fund provisions. This mortgage is subject to the trust fund provisions of Section 13 of the Lien Law. Before you use any money received by you from any loan made under the loan agreement for any other purpose, you must use it to pay for any work done or material used in connection with any improvement started on the property before the date of this mortgage that is not yet paid for.

22. Correcting default under prior mortgage. We may, but we will not have to, make any payment we consider necessary to correct any default under any prior mortgage. When we ask you to do so, you must reimburse us for the payment. Also, when we ask you to do so, you must pay us interest on the unreimbursed portion of the payment at the rate of 16% a year.

23. Rent after all amounts immediately due. If you continue to occupy the property after all amounts payable under any loan note but not yet paid become immediately due, whether because we declare them immediately due or demand their payment or in any other way, you must pay us whatever rent we require you to pay. Each month's rent will be at least as much as the total of:

- a. All finance charges payable under loan notes for the preceding month;
- b. 1/12 of all estimated taxes, assessments, ground rents, sewer rents and water charges on the property for the tax year in which the month falls; and
- c. 1/12 of all estimated premiums for insurance on the property for the year in which the month falls.

If you fail to pay the rent, we can have you evicted from the property just as though you were an ordinary tenant who failed to pay rent.

24. Management of property. If all amounts payable under any loan note but not yet paid become immediately due, whether because we declare them immediately due or demand their payment or in any other way, we may, but we will not have to, manage the property. Without limiting any authority given us by applicable law, in managing the property, we may take possession of any of the property, enter into, change or cancel any lease covering any of the property and collect any rental payment from any of the property. We will apply the money we receive from managing the property first to expenses we pay as a result of managing the property (including attorney's fees as provided in Section 28) and then to any of the indebtedness not yet paid in any order we choose.

25. Foreclosure. If all amounts payable under the loan agreement but not yet paid become immediately due, whether because we declare them immediately due or demand their payment or in any other way, we may bring a lawsuit to foreclose our interest in the property by having it sold at a public sale. The property can be sold in one parcel or more than one parcel. We will apply the money we receive from the sale first to expenses we pay for advertising, arranging or conducting the sale (including attorney's fees as provided in Section 27) and then to any of the indebtedness not yet paid in any order we choose. You must immediately pay us all of the indebtedness remaining unpaid after we apply money we receive from the sale.

26. Receiver. If we bring a lawsuit to foreclose our interest in the property, we will be entitled to have a receiver appointed by a court. The preceding sentence has the meaning Section 254(10) of the Real Property Law gives to similar language.

27. Foreclosure and collection costs. If we hire an attorney who is not a salaried employee of ours to bring a lawsuit to foreclose our interest in the property or to collect in any other way any of the indebtedness not yet paid, you must, when we ask you to do so, pay us a reasonable attorney's fee not exceeding 15% of the portion of the indebtedness sought to be recovered in the lawsuit and all fees we pay in connection with the foreclosure for any examination, report or other evidence of title to any of the property.

28. Other legal expenses. If we hire an attorney who is not a salaried employee of ours to protect any of our rights in any of the property, whether because of any lawsuit brought by you or anyone else (such as a bankruptcy, probate, condemnation or forfeiture proceeding) or for any other reason, you must, when we ask you to do so, reimburse us for the attorney's fee and all other expenses we pay in connection with the lawsuit or defense. Also, when we ask you to do so, you must pay us interest on the unreimbursed portion of the attorney's fee and other expenses at the rate of 16% a year.

29. Other owner. Anyone signing this mortgage as an other owner gives us the mortgage lien described in Section 2 and will be bound by all provisions of this mortgage, except that he or she will not have to pay any amount payable now or becoming payable in the future under the loan agreement or any loan note.

30. Notices. If we want to notify you, or you want to notify us, about something concerning this mortgage, the notice may be in writing and may be delivered in person or sent by mail. In other words, notice and demand or request may be made in writing and may be served in person or by mail. The preceding sentence has the meaning Section 254(8) of the Real Property Law gives to similar language.

31. Separate lien. The mortgage lien you are giving us in this mortgage is and will remain separate from, and will not be merged into, the mortgage lien given in any prior mortgage or any other mortgage lien covering any of the property.

32. Rights as owner of mortgage. As the owner of this mortgage, we will have all rights given us by this mortgage and also all rights given to the owner of a mortgage by applicable law. Thus, we will have all rights given us by this mortgage in addition to, and not in place of, all rights given to the owner of a mortgage by the Real Property Law.

33. Giving up of rights by you. You give up any right to require that we demand that you pay any of the indebtedness, notify you if any of the indebtedness is not paid by the date it becomes due or obtain a certificate stating that any of the indebtedness was not paid by the date it became due.

34. No notice or loss of rights. We may do any of the following without notifying you or losing any of our rights against you, any of the property or any other property belonging to you now or acquired by you in the future:

- a. Accept any check or other order marked "paid in full" or with similar language as a payment of any of the

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indebtedness;

b. Give additional time for the payment of any of the indebtedness, regardless of the number of times we previously did so and regardless of the length of any additional time we previously gave;

c. Exercise, give up, fail to exercise or delay exercising any of our rights against any person or property; or

d. Fail to protect any interest in any property, whether by failing to maintain any insurance, by failing to file or record any mortgage, financing statement, notice of lien or other document that must be filed or recorded in a public office or in any other way.

For example, we may sue you under this mortgage whether or not we sue anyone else, bring a lawsuit to foreclose our interest in the property or use any money that has been or is deposited with us by you or anyone else to pay any of the indebtedness not yet paid. By exercising, giving up, failing to exercise or delaying the exercise of any of the rights on any occasion, we will not lose that right on any other occasion or lose any other of the rights.

35. Changes and giving up of rights by us. No change in this mortgage can be made except in a writing signed by you and us. None of our rights against you, any of the property or any other property belonging to you now or acquired by you in the future can be given up by us except in a writing signed by us.

36. No transfer of rights and obligations. You may not transfer any of your rights and obligations under this mortgage to anyone else. Any transfer of any of the rights and obligations will be void.

37. If two or more persons sign mortgage. If two or more persons sign this mortgage, all of them will be, individually and together, liable under it, and, except to the extent required by applicable law, we may send any notice concerning this mortgage or any of the property to any of them alone, and the notice will be effective for all of them.

38. Conflicts. If any part of this mortgage conflicts with applicable law, that law will control, and this mortgage will be considered changed to the extent necessary to comply with that law.

39. Continued effectiveness. If any part of this mortgage is determined by a court to be invalid, the rest of this mortgage will remain in effect.

40. Early release of mortgage. This mortgage and the mortgage lien you are giving us in this mortgage will not end merely because the indebtedness is paid in full at any time during the period during which loans may be obtained under the loan agreement. They will end during that period only if we release them. We will release them during that period upon a request made by you as long as at the time we do so the indebtedness is paid in full.

41. What law applies. Any legal question concerning this mortgage will be decided in accordance with New York State law without regard to the law of any other state and in accordance with, to the extent applicable, federal law.

42. Entire agreement. This mortgage is the final and complete agreement between you and us concerning the mortgage lien you are giving us in this mortgage. Any statement concerning the mortgage lien made by any of our employees or anyone else is not part of this mortgage.

43. Agreement and acknowledgment. You agree to be bound by all provisions of this mortgage and acknowledge that you have received a completed copy of the loan agreement.

Borrower 1's signature [Signature] Beth A. Parlato

Borrower 2's signature [Signature] Anthony Parlato

ACKNOWLEDGMENT

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

On the 27 day of March in the year 2020 before me, the undersigned, a Notary Public in and for said State, personally appeared Beth A. Parlato and Anthony Parlato, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

[Signature]
Notary Public

CHERIE M. UEBELHOER
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires 03/05/2022

Schedule A to mortgage Beth A. Parlato F/K/A Beth A. Gold and Anthony Parlato to Alden State Bank dated March 27, 2020

SCHEDULE A

ALL THAT TRACT OR PARCEL OF LAND, situate in the Town of Darien, County of Genesee and State of New York, being part of Lot Number 34, Township 11, Range 4, of the Holland Land Company's Survey and more particularly described as follows:

BEGINNING at a point on the centerline of _____ at a distance easterly, as measured thereon, of 2,256.80 feet from its intersection with the easterly line of lands conveyed to Wealthy Williams and others by Deed recorded in the Genesee County Clerk's Office in Liber 97 of Deeds at Page 196, and at a distance easterly, as measured thereon, of 3,213.11 feet from its intersection with the centerline of County Line Road, being also the west line of Lot No. 34; said point of beginning being also the northeast corner of premises conveyed to Josephine Stephens, being 1,200.00 feet as measured westerly on said centerline from the east line of said Lot No. 34;

Thence easterly along said centerline, S 89° 50' 24" E, 600.00 feet to a point therein, distant westerly thereon 600.00 feet from the intersection of said centerline with the east line of said Lot No. 34;
Thence southerly at an interior angle with the last described course of 84° 30' 90", along a line of S 05° 39' 27" W, 2,118.27 feet to a point;

Thence westerly at an included angle with the last described course of 89° 33' 15", along a line N 83° 53' 48" W 517.68 feet to a point in the east line of lands deeded to Edward Saunders, Jr.;

Thence southerly along said line of Saunders at an exterior angle with the last described course of 89° 07' 41", along a line S 05° 13' 53" W, 45.21 feet to the northeast corner of lands conveyed to Robert Williams;

Thence Westerly along said north line of Robert Williams, N 84° 21' 21" W, 79.93 feet to the southeast corner of said lands of Josephine Stephens;

Thence northerly along a line of N 05° 39' 27" E, and at an interior angle with the last described course of 90° 24' 46", and along the east line of said lands of Josephine Stephens, 2,101.98 feet to the centerline of _____ and forming an interior angle therewith of 95° 06' 17", being the point or place of beginning, containing 28.70 acres more or less.

This mortgage covers real property which is to be or has been wholly or principally improved by a one or two family dwelling or residence.

Record and return to:
Alden State Bank
PO Box 238
Alden, NY 14004-0238