

SCHEDULE "A"

DEFENDANT

Keith A. Raniere
Karen A. Unterreiner
3 Flintlock Lane
Clifton Park, New York 12065

CAPACITY

Present owners in fee simple of the premises being foreclosed herein and defendant, Karen A. Unterreiner, who executed an Adjustable Rate Note to plaintiff dated August 14, 1987 in the amount of \$81,300.00, a copy of said Adjustable Rate Note being Schedule "C" attached hereto; and defendants who executed a certain Mortgage to plaintiff dated August 14, 1987 and recorded in the Saratoga County Clerk's Office in Liber 1181 of Mortgages at Page 180 on September 8, 1987, a copy of said Mortgage being attached hereto as Schedule "D".

Knox Woods Homeowners'
Association, Inc.

Named as a party defendant as Homeowners' Association for any possible charges, liens and assessments due and owing to said Homeowners' Association.

Concord Court Association, Inc.

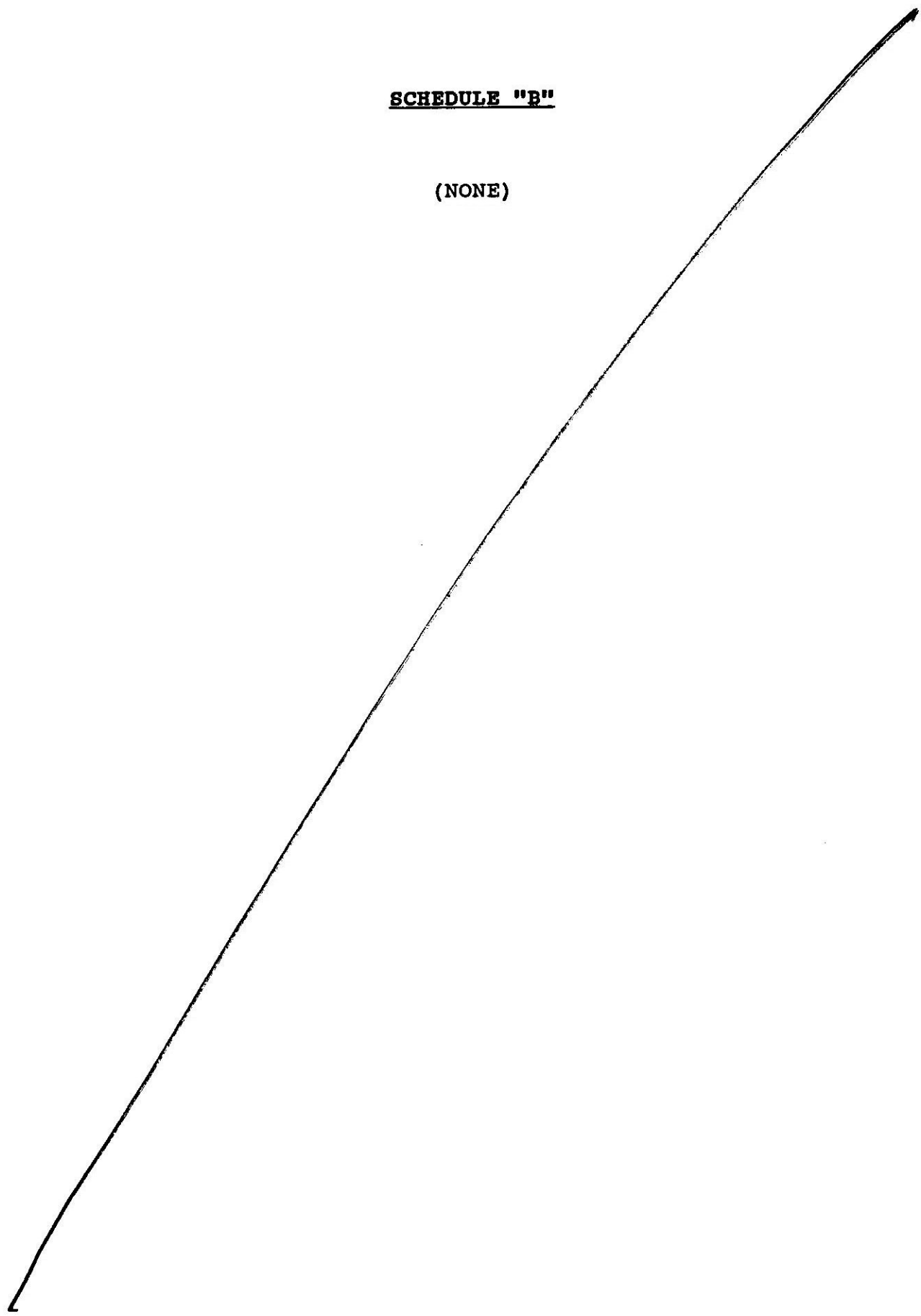
Named as a party defendant as Homeowners' Association for any possible charges, liens and assessments due and owing to said Homeowners' Association.

"JOHN DOE"
"MARY ROE"

Intended to name any tenants, occupants, or persons in possession of the mortgaged premises.

SCHEDULE "B"

(NONE)



Schedule C

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ADJUSTABLE RATE NOTE

NOTICE TO BORROWER: THIS NOTE CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

<u>AUGUST 14th</u>	<u>, 19 87</u>	<u>Cohoes</u>	<u>New York</u>
		City	State
<u>3 Flintlock Lane</u>	<u>Town of Halfmoon</u>	<u>New York</u>	<u>12065</u>
Property Address	City/Town	State	Zip Code

1. BORROWER'S PROMISE TO PAY

In return for a loan that I received, I promise to pay U.S. \$ 81,300.00 (this amount will be called "Principal"), plus interest, to the order of the Lender. The Lender is COHOES SAVINGS BANK, a New York banking corporation having its main office at 75 Remsen Street, Cohoes, New York.

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

2. INTEREST

Interest will be charged on that part of outstanding principal which has not been paid. Interest will be charged beginning on the date I receive principal and continuing until the full amount of principal I receive has been paid.

Beginning on the date of this Note, I will pay interest at a yearly rate of 7.00 % (the "Initial Interest Rate"). The interest rate that I will pay will change in accordance with Section 4 of this Note until my loan is paid. The first interest rate change may occur one year(s) from the first day of the month immediately following the date of this Note and on that day of the month every twelve (12) months thereafter. Each date on which the rate of interest may change will be called a "Change Date".

3. PAYMENTS

(A) TIME AND PLACE OF PAYMENTS

I will pay principal and interest by making payments every month. I will make monthly payments on the first day of each month beginning on OCTOBER 1st, 19 87. (The Note Holder may require that my first payment be of interest only for the days remaining in the month in which this note is signed and if so I will pay it on the first day of the month following the date of this Note.)

I will make these payments until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. I will pay all sums that I owe under this Note no later than SEPTEMBER 1st, 2017 (the "final payment date").

I will make my monthly payments at the Main Office of the Note Holder, 75 Remsen Street, Cohoes, New York 12047, or at a different place as required by the Note Holder.

(B) BORROWER'S PAYMENTS BEFORE THEY ARE DUE

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 make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my monthly payments unless the Note Holder agrees in writing to those delays. My partial prepayment will reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

(C) AMOUNT OF MONTHLY PAYMENTS

My initial monthly payments of principal and interest will be in the amount of U.S. \$ 540.89. If the interest rate that I pay changes, the amount of my monthly payments will change. Increases in the interest rate will result in higher payments (unless my prepayments since the last Change Date offset the increases in my monthly payments). Decreases in the interest rate will result in lower payments. The amount of my monthly payments will always be sufficient to repay my loan in full in substantially equal payments by the final payment date. In setting the monthly payment amount on each Change Date, the Note Holder will assume that the Note interest rate will not change again prior to the final payment date. Each payment shall first be applied to the interest due at that time; then the balance will be used for the payment of principal.

4. INTEREST RATE CHANGES

(A) THE INDEX

Any change in the interest rate will be based on changes in an interest rate index which will be called the "Index". The "Index" is the "Effective Interest Rate on Purchase of Previously Occupied Homes, National Average for all Major Lenders" as published by the Federal Home Loan Bank Board.

If the "Index" ceases to be available during the term of the loan, the Note Holder will set the Note interest rate by using a comparable index.

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(B) SETTING THE NEW INTEREST RATE

The interest rate will be increased or decreased in accordance with the index rate. To set the new interest rate, the Note Holder will use the interest rate established by the Index as of the date the Notice to Borrower is given in accordance with the provisions of Section 4(D) of this Note. If the index is one or more basis points over an even one-eighth of one percent, it will be rounded up to the next one-eighth of one percent (0.125%). This rounded amount will be the preliminary index rate.

Next, the Note Holder will add to the preliminary index rate 0.00 percentage point(s).

Next, the Note Holder will adjust the preliminary index rate after it is combined with the percentage point(s) so that:

- (i) The change in the interest rate on any Change Date will not be more than 1.25 percentage points; and
- (ii) The new interest rate will not be more than 6.00 percentage points higher or lower than the Initial Interest Rate.

My new interest rate will be the figure that results from this adjustment of the preliminary index rate.

(C) EFFECTIVE DATE OF CHANGES

Each new interest rate will become effective on the next Change Date. If my monthly payment changes as a result of a change in the interest rate, my monthly payment will change as of the first monthly payment date after the Change Date.

(D) NOTICE TO BORROWER

The Note Holder will mail me a notice by first class mail at least 30 and no more than 90 days before each Change Date if the interest rate is to change. The notice will advise me of :

- (i) The new interest rate on my loan;
- (ii) The amount of my new monthly payment; and
- (iii) Any additional matters which the Note Holder is required to disclose.

5. BORROWER'S FAILURE TO PAY AS REQUIRED**(A) LATE CHARGE FOR OVERDUE PAYMENTS**

If the Note Holder has not received the full amount of any of my monthly payments by the end of 15 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 only once on any late payment.

(B) NOTICE FROM NOTE HOLDER

If I do not pay the full amount of each monthly payment on time, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, I will be in default. That date must be at least 30 days after the date on which the notice is mailed to me.

(C) DEFAULT

If I do not pay the overdue amount by the date stated in the notice described in (B) above, I will be in default. If I am in default, 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.

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.

(D) 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 its reasonable costs and expenses to the extent not prohibited by applicable law. Those expenses may include, for example, reasonable attorneys' fees.

6. WAIVERS

Anyone who signs this Note to transfer it to someone else (known as a "endorser") waives certain rights. Those rights are (A) the right to require the Note Holder to demand payment of amounts due (known as "presentment") and (B) the right to require the Note Holder to give notice that amounts due have not been paid (known as "notice of dishonor").

7. GIVING OF NOTICES

Any notice that must be given to me under this Note will be given by mailing it by first class mail. All notices will be addressed to me at the Property Address above. Notices will be mailed to me 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 certified mail to the Note Holder at the address stated in Section 3(A) above. Notices will be mailed to the Note Holder at a different address if I am given a notice of that different address.

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8. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note is also obligated to do these things. The Note Holder may enforce its rights under this Note 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 amounts owed under this Note.

Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note. Any person who takes over the rights or obligations of a guarantor, surety, or endorser of this Note is also obligated to keep all of the promises made in this Note.

9. LOAN CHARGES

It could be that this loan is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected with this loan would exceed permitted limits. If this is the case, 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 which 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 direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

10. THIS NOTE SECURED BY A MORTGAGE

In addition to the protections given to the Note Holder under this Note, a Mortgage dated this date on property described in the mortgage protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note. All the terms in the mortgage are made a part of this Note.

11. CHANGING THIS NOTE

This Note may be changed only if all parties to the Note give their written consent.

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12. INTEREST AFTER DEFAULT

If I default under this Note and the Mortgage, the Note Holder may continue to collect interest at the rate in effect at the time of the default, or in the alternative, at the highest rate permitted by law, until the Note is paid or judgment in foreclosure is obtained.

By signing this Note I agree to all of the above.

Karen A. Unterreiner Seal
KAREN A. UNTERREINER (Borrower)

_____ Seal
(Borrower)

_____ Seal
(Borrower)

STATE OF NEW YORK)

COUNTY OF ALBANY) SS..

On this 14th day of AUGUST, 19 87, before me, the subscriber, personally appeared KAREN A. UNTERREINER

_____, to me personally known and known to me to be the same person(s) described in and who executed the foregoing instrument, and She duly acknowledged to me that She executed the same.

[Signature]
NOTARY PUBLIC - State of New York
Albany Co., Com. Exps. 3/30/87
5/31/89

Schedule D. Doc-107-10 10498-19

MORTGAGE

WORDS USED OFTEN IN THIS DOCUMENT

- (A) "Mortgage." This document, which is dated AUGUST 14th, 19 87, will be called the "Mortgage." KEITH A. RANIERE AND KAREN A. UNTERREINER, residing at
- (B) "Borrower." #12 106 Ten Eyck Place, Guilderland, New York 12084 will sometimes be called "Borrower" and sometimes simply "I."
- (C) "Lender." COHOES SAVINGS BANK will be called "Lender." Lender is a corporation or association which was formed and which exists under the laws of the State of New York, as a banking corporation. Lender's address is 75 Remsen Street — Cohoes, New York 12047.
- (D) "Note." The note signed by Borrower and dated the same date as this mortgage will be called the "Note." The Note shows that I owe Lender EIGHTY ONE THOUSAND THREE HUNDRED AND 00/100 Dollars plus interest, which I have promised to pay in monthly payments of principal and interest and to pay in full by SEPTEMBER 1st, 2017.
- (E) "Property." The property that is described below in the section titled "Description Of The Property," will be called the "Property."

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 Mortgage. This means that, by signing this Mortgage, I am giving Lender those rights that are stated in this Mortgage and also those rights that the 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;
- (B) Pay, with interest, any amounts that Lender spends under this Mortgage, to protect the value of the Property and Lender's rights in the Property;
- (C) Pay, with interest, any other amounts that Lender lends to me as Future Advances under Paragraph 23 below; and
- (D) Keep all of my other promises and agreements under this Mortgage.

DESCRIPTION OF THE PROPERTY

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

- (A) The property which is located at 3 Flintloch Lane,
Town of Halfmoon, New York ^[Street] 12065. This property is in
SARATOGA ^[City] County in the State of New York. ^[State and Zip Code] It has the following legal description:

ALL that certain plot, piece or parcel of land with the buildings and improvements thereon erected and described as set forth on Schedule A attached to this mortgage and made a part of it.

RECORDING TAX RECEIPT

I DO HEREBY CERTIFY THAT I HAVE RECEIVED ON MORTGAGE NO. 02-4740 AT RECORDING ON 9-8-87 BASIC RECORDING TAX: 406.50 ADDITIONAL TAX 178.25 SPECIAL TAX 203.25

TOTAL 788.00

KERMIT G. PLUMMER, JR.
Recording Officer, Saratoga Co., N.Y.

RECORDED
 137 SEP - 8 PM 12: 25
 SARATOGA COUNTY
 CLERK'S OFFICE
 BALTIMORE, MARYLAND

BOOK 1181 PAGE 180

If this property is a condominium, the following must be completed: This property is part of a condominium project known as

[Name of Condominium Project]

(called the "Condominium Project"). This property includes my unit and all of my rights in the common elements of the Condominium Project.

If this property is in a planned unit development, the following must be completed: This property is in a development which is a planned unit development known as

[Name of Planned Unit Development]

(called the "PUD"). The PUD was created by [Document Creating PUD]

- (B) All buildings and other improvements that are located on the property described in paragraph (A) of this section;
(C) All rights in other property that I have as owner of the property described in paragraph (A) of this section. These rights are known as "easements, rights and appurtenances attached to the property";
(D) All rents or royalties from the property described in paragraph (A) of this section;
(E) All mineral, oil and gas rights and profits, water, water rights and water stock that are part of the property described in paragraph (A) of this section;
(F) 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 paragraph (A) of this section;
(G) All fixtures that are now or in the future will be on the property described in paragraphs (A) and (B) of this section, and all replacements of and additions to those fixtures, except for those fixtures, replacements or additions that under the law are "consumer goods" and that I acquire more than ten days after the date of the Note. Usually, fixtures are items that are physically attached to buildings, such as hot water heaters;
(H) All of the rights and property described in paragraphs (B) through (F) of this section that I acquire in the future;
(I) All replacements of or additions to the property described in paragraphs (B) through (F) and paragraph (H) of this section; and
(J) All of the amounts that I pay to Lender under Paragraph 2 below.

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

I promise that except for the "exceptions" listed in any title insurance policy which insures Lender's rights in the Property: (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.

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.

UNIFORM PROMISES

I promise and I agree with Lender as follows:

1. BORROWER'S PROMISE TO PAY PRINCIPAL AND INTEREST UNDER THE NOTE AND TO FULFILL OTHER PAYMENT OBLIGATIONS

I will promptly pay to Lender when due: principal and interest under the Note; late charges and prepayment charges as stated in the Note; and principal and interest on Future Advances that I may receive under Paragraph 23 below.

2. AGREEMENTS ABOUT MONTHLY PAYMENTS FOR TAXES AND INSURANCE

(A) Borrower's Obligation to Make Monthly Payments to Lender for Taxes and Insurance

I will pay to Lender all amounts necessary to pay for taxes, assessments, ground rents (if any), and hazard insurance on the Property and mortgage insurance (if any). I will pay those amounts to Lender unless Lender tells me, in writing, that I do not have to do so, or unless the law requires otherwise. I will make those payments on the same day that my monthly payments of principal and interest are due under the Note.

The amount of each of my payments under this Paragraph 2 will be the sum of the following:

- (i) One-twelfth of the estimated yearly taxes, assessments and ground rents (if any) on the Property which under the law may be superior to this Mortgage; plus
(ii) One-twelfth of the estimated yearly premium for hazard insurance covering the Property; plus
(iii) One-twelfth of the estimated yearly premium for mortgage insurance (if any).

Lender will determine from time to time my estimated yearly taxes, assessments, ground rents and insurance premiums based upon existing assessments and bills, and reasonable estimates of future assessments and bills. (Taxes, assessments, ground rents and insurance premiums will be called "taxes and insurance.") The amounts that I pay to Lender for taxes and insurance under this Paragraph 2 will be called the "Funds."

(B) Lender's Obligations Concerning Borrower's Monthly Payments for Taxes, Insurance

Lender will keep the Funds in a savings or banking institution which has its deposits or accounts insured or guaranteed by a Federal or state agency. If Lender is such an institution then Lender may hold the Funds. Except as described in this Paragraph 2, Lender will use the Funds to pay taxes and insurance. Lender will give to me, without charge, an annual accounting of the Funds. That accounting must show all additions to and deductions from the Funds and the reason for each deduction.

Lender may not charge me for holding or keeping the Funds on deposit, for using the Funds to pay taxes and insurance, for analyzing my payments of Funds, or for receiving, verifying and totalling assessments and bills. However, Lender may charge me for these services if Lender pays me interest on the Funds and if the law permits Lender to make such a charge. Lender will not be required to pay me any interest or earnings on the Funds unless either (i) Lender and I agree in writing, at the time I sign this Mortgage, that Lender will pay interest on the Funds; or (ii) the law requires Lender to pay interest on the Funds.

If Lender's estimates are too high or if taxes and insurance rates go down, the amounts that I pay under this Paragraph 2 will be too large. If this happens at a time when I am keeping all of my promises and agreements made in this Mortgage, I will have the right to have the excess amount either promptly repaid to me as a direct refund or credited to my future monthly payments of Funds. There will be excess amounts if, at any time, the sum of (a) the amount of Funds which Lender is holding or keeping on deposit, plus (b) the amount of the monthly payments of Funds which I still must pay between that time and the due dates of taxes and insurance, is greater than the amount necessary to pay the taxes and insurance when they are due.

If, when payments of taxes and insurance are due, Lender has not received enough Funds from me to make those payments, I will pay to Lender whatever additional amount is necessary to pay the taxes and insurance in full. I must pay that additional amount in one or more payments as Lender may require.

When I have paid all of the amounts due under the Note and under this Mortgage, Lender will promptly refund to me any Funds that are then being held or kept on deposit by Lender. If, under Paragraph 20 below, either Lender acquires the Property or the Property is sold, then immediately before the acquisition or sale, Lender will use any Funds which Lender is holding or has on deposit at that time to reduce the amount that I owe to Lender under the Note and under this Mortgage.

3. LENDER'S APPLICATION OF BORROWER'S PAYMENTS

Unless the law requires otherwise, Lender will apply each of my payments under the Note and under Paragraphs 1 and 2 above in the following order and for the following purposes:

- (A) First, to pay interest then due under the Note;
- (B) Next, to pay principal then due under the Note;
- (C) Next, to pay the amounts then due to Lender under Paragraph 2 above; and
- (D) Next, to pay interest and principal on any Future Advances that I may have received from Lender under Paragraph 23 below.

4. BORROWER'S OBLIGATION TO PAY CHARGES AND ASSESSMENTS AND TO SATISFY CLAIMS AGAINST THE PROPERTY

I will pay all taxes, assessments, and any other charges and fines that may be imposed on the Property and that may be superior to this Mortgage. I will also make payments due under my lease if I am a tenant on the Property and I will pay ground rents (if any) due on the Property. I will do this either by making the payments to Lender that are described in Paragraph 2 above or, if I am not required to make payments under Paragraph 2, by making payments, when they are due, directly to the persons entitled to them. (In this Mortgage, the word "person" means any person, organization, governmental authority, or other party.) If I make direct payments, then promptly after making any of those payments I will give Lender a receipt which shows that I have done so. If I make payment to Lender under Paragraph 2, I will give Lender all notices or bills that I receive for the amounts due under this Paragraph 4.

Any claim, demand or charge that is made against property because an obligation has not been fulfilled is known as a "lien." I will promptly pay or satisfy all liens against the Property that may be superior to this Mortgage. However, this Mortgage 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; or (B) I, in good faith, argue or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced and no part of the Property must be given up.

Condominium and PUD Assessments

If the Property includes a unit in a Condominium Project or in a PUD, I will promptly pay, when they are due, all assessments imposed by the owners association or other organization that governs the Condominium Project or PUD. That association or organization will be called the "Owners Association."

5. BORROWER'S OBLIGATION TO OBTAIN AND TO KEEP HAZARD INSURANCE ON THE PROPERTY

(A) Generally

I will obtain hazard insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies, and other hazards for which Lender requires coverage. The insurance must be in the amounts and for the periods of time required by Lender. It is possible that the insurance policy will have provisions that may limit the insurance company's obligation to pay claims if the amount of coverage is too low. Those provisions are known as "co-insurance requirements." Lender may not require me to obtain an amount of coverage that is more than the larger of the following two amounts: either (i) the amount that I owe to Lender under the Note and under this Mortgage; or (ii) the amount necessary to satisfy the co-insurance requirements.

I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable. All of the insurance policies and renewals of those policies must include what is known as a "standard mortgage clause" to protect Lender. The form of all policies and the form of all renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals.

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I will pay the premiums on the insurance policies either by making payments to Lender, as described in Paragraph 2 above, or by paying the insurance company directly when the premium payments are due. If Lender requires, I will promptly give Lender all receipts of paid premiums and all renewal notices that I receive.

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 is called "proceeds." The proceeds will be used to repair or to restore the damaged Property unless: (a) it is not economically possible to make the repairs or restoration; or (b) the use of the proceeds for that purpose would lessen the protection given to Lender by this Mortgage; or (c) Lender and I have agreed in writing not to use the proceeds for that purpose. If the repair or restoration is not economically possible or if it would lessen Lender's protection under this Mortgage, then the proceeds will be used to reduce the amount that I owe to Lender under the Note and under this Mortgage. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. The use of proceeds to reduce the amount that I owe to Lender will not be a prepayment that is subject to the prepayment charge provisions, if any, under the Note.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim for insurance benefits, then Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the amount that I owe to Lender under the Note and under this Mortgage. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

If Lender acquires the Property under Paragraph 20 below, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender or sold will belong to Lender. However, Lender's rights in those proceeds will not be greater than the amount that I owe to Lender under the Note and under this Mortgage immediately before the Property is acquired by Lender or sold.

(B) Agreements that Apply to Condominiums and PUD's

(i) If the Property includes a unit in a Condominium Project, the Owners Association may maintain a hazard insurance policy which covers the entire Condominium Project. That policy will be called the "master policy." So long as the master policy remains in effect and meets the requirements stated in this Paragraph 5: (a) my obligation to obtain and to keep hazard insurance on the Property is satisfied; (b) I will not be required to include an amount for hazard insurance premiums in my monthly payment of Funds to Lender under Paragraph 2 above; and (c) if there is a conflict, concerning the use of proceeds, between (1) the terms of this Paragraph 5, and (2) the law or the terms of the declaration, by-laws, regulations or other documents creating or governing the Condominium Project, then that law or the terms of those documents will govern the use of proceeds. I will promptly give Lender notice if the master policy is interrupted or terminated. During any time that the master policy is not in effect the terms of (a), (b) and (c) of this subparagraph 5(B)(i) will not apply.

(ii) If the Property includes a unit in a Condominium Project, it is possible that proceeds will be paid to me instead of being used to repair or to restore the Property. I give Lender my rights to those proceeds. If the Property includes a unit in a PUD, it is possible that proceeds will be paid to me instead of being used to repair or to restore the common areas or facilities of the PUD. I give Lender my rights to those proceeds. All of the proceeds described in this subparagraph 5(B)(ii) will be paid to Lender and will be used to reduce the amount that I owe to Lender under the Note and under this Mortgage. If any of those proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. The use of proceeds to reduce the amount that I owe to Lender will not be a prepayment that is subject to the prepayment charge provisions, if any, under the Note.

6. BORROWER'S OBLIGATION TO MAINTAIN THE PROPERTY AND TO FULFILL OBLIGATIONS IN LEASE, AND AGREEMENTS ABOUT CONDOMINIUMS AND PUD'S

(A) Agreements about Maintaining the Property and Keeping Promises in Lease

I will keep the Property in good repair. I will not destroy, damage or substantially change the Property, and I will not allow the Property to deteriorate. If I do not own but am a tenant on the Property, I will fulfill my obligations under my lease.

(B) Agreements that Apply to Condominiums and PUD's

If the Property is a unit in a Condominium Project or in a PUD, I will fulfill all of my obligations under the declaration, by-laws, regulations and other documents that create or govern the Condominium Project or PUD. Also, I will not divide the Property into smaller parts that may be owned separately (known as "partition or subdivision"). I will not consent to certain actions unless I have first given Lender notice and obtained Lender's consent in writing. Those actions are:

(A) The abandonment or termination of the Condominium Project or PUD, unless, in the case of a condominium, the abandonment or termination is required by law;

(B) Any significant change to the declaration, by-laws or regulations of the Owners Association, trust agreement, articles of incorporation, or other documents that create or govern the Condominium Project or PUD, including, for example, a change in the percentage of ownership rights, held by unit owners, in the Condominium Project or in the common areas or facilities of the PUD;

(C) A decision by the Owners Association to terminate professional management and to begin self-management of the Condominium Project or PUD; and

(D) The transfer, release, creation of liens, partition or subdivision of all or part of the common areas and facilities of the PUD. (However, this provision does not apply to the transfer by the Owners Association of rights to use those common areas and facilities for utilities and other similar or related purposes.)

7. LENDER'S RIGHT TO TAKE ACTION TO PROTECT THE PROPERTY

If: (A) I do not keep my promises and agreements made in this Mortgage, or (B) someone, including me, begins a legal proceeding that may significantly affect Lender's rights in the Property (such as, for example, a legal proceeding in bankruptcy, in probate, for condemnation, or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions under this Paragraph 7 may include, for example, appearing in court, paying reasonable attorney's fees, and entering on the Property to make repairs. Lender must give me notice before Lender may take any of these actions.

I will pay to Lender any amounts, with interest, which Lender spends under this Paragraph 7. This Mortgage will protect Lender in case I do not keep this promise to pay those amounts with interest.

I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will also pay interest on those amounts at the same rate stated in the Note. However, if payment of interest at that rate would violate the law, I will pay interest on the amounts spent by Lender under this Paragraph 7 at the highest rate that the law allows. Interest on each amount will begin on the date that the amount is spent by Lender. However, Lender and I may agree in writing to terms of payment that are different from those in this paragraph.

Although Lender may take action under this Paragraph 7, Lender does not have to do so.

8. LENDER'S RIGHT TO INSPECT THE PROPERTY

Lender, and others authorized by Lender, may enter on and inspect the Property. They must do so in a reasonable manner and at reasonable times. Before one of those inspections is made, Lender must give me notice stating a reasonable purpose for the inspection. That purpose must be related to Lender's rights in the Property.

9. AGREEMENTS ABOUT CONDEMNATION OF THE PROPERTY

A taking of property by any governmental authority by eminent domain is known as "condemnation." I give to Lender my right: (A) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property; and (B) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to Lender.

If all of the Property is taken, the proceeds will be used to reduce the amount that I owe to Lender under the Note and under this Mortgage. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. Unless Lender and I agree otherwise in writing, if only a part of the Property is taken, the amount that I owe to Lender will only be reduced by the amount of proceeds multiplied by the following amount: (i) the total amount that I owe to Lender under the Note and under this Mortgage immediately before the taking, divided by (ii) the fair market value of the Property immediately before the taking. The remainder of the proceeds will be paid to me. The use of proceeds to reduce the amount that I owe to Lender will not be a prepayment that is subject to the prepayment charge provisions, if any, under the Note.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that a governmental authority has offered to make a payment or to settle a claim for damages, then Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the amount that I owe to Lender under the Note and under this Mortgage. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

Condemnation of Common Areas of PUD

If the Property includes a unit in a PUD, the promises and agreements in this Paragraph 9 will apply to a condemnation, or sale to avoid condemnation, of the PUD's common areas and facilities as well as of the Property.

10. CONTINUATION OF BORROWER'S OBLIGATIONS

Lender may allow a person who takes over my rights and obligations to delay or to change the amount of the monthly payments of principal and interest due under the Note or under this Mortgage. Even if Lender does this, however, that person and I will both still be fully obligated under the Note and under this Mortgage unless the conditions stated in Paragraph 19 below have been met.

Lender may allow those delays or changes for a person who takes over my rights and obligations, even if Lender is requested not to do so. Lender will not be required to bring a lawsuit against such a person for not fulfilling obligations under the Note or under this Mortgage, even if Lender is requested to do so.

11. CONTINUATION OF LENDER'S RIGHTS

Even if Lender does not exercise or enforce any right of Lender under this Mortgage or under the law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will still have the right, under Paragraph 20 below, to demand that I make Immediate Payment In Full (see Paragraph 20 for a definition of this phrase) of the amount that I owe to Lender under the Note and under this Mortgage.

12. LENDER'S ABILITY TO ENFORCE MORE THAN ONE OF LENDER'S RIGHTS

Each of Lender's rights under this Mortgage is separate. Lender may exercise and enforce one or more of those rights, as well as any of Lender's other rights under the law, one at a time or all at once.

13. OBLIGATIONS OF BORROWERS AND OF PERSONS TAKING OVER BORROWER'S RIGHTS OR OBLIGATIONS; AGREEMENTS CONCERNING CAPTIONS

Subject to the terms of Paragraph 19 below, any person who takes over my rights or obligations under this Mortgage will have all of my rights and will be obligated to keep all of my promises and agreements made in this Mortgage. Similarly, any person who takes over Lender's rights or obligations under this Mortgage will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Mortgage.

If more than one person signs this Mortgage as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Mortgage. Lender may enforce Lender's rights under this Mortgage 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 amounts owed under the Note and under this Mortgage. However, if one of us does not sign the Note, then: (A) that person is signing this Mortgage only to give that person's rights in the Property to Lender under the terms of this Mortgage; and (B) that person is not personally obligated to make payments or to act under the Note or under this Mortgage.

The captions and titles of this Mortgage are for convenience only. They may not be used to interpret or to define the terms of this Mortgage.

14. AGREEMENTS ABOUT GIVING NOTICES REQUIRED UNDER THIS MORTGAGE

Unless the law requires otherwise, any notice that must be given to me under this Mortgage will be given by delivering it or by mailing it addressed to me at the address stated in the section above titled "Description Of The Property." A notice will be delivered or mailed to me at a different address if I give Lender a notice of my different address. Any notice that must be given to Lender under this Mortgage will be given by mailing it to Lender's address stated in paragraph (C) of the section above titled "Words Used Often In This Document." A notice will be mailed to Lender at a different address if Lender gives me a notice of the different address. A notice required by this Mortgage is given when it is mailed or when it is delivered according to the requirements of this Paragraph 14.

15. AGREEMENTS ABOUT UNIFORM MORTGAGE AND LAW THAT GOVERNS THIS MORTGAGE

This is a "Uniform Mortgage." It contains "uniform promises" that are in mortgages used all over the country and also "non-uniform promises" that vary, to a limited extent, in different parts of the country.

The law that applies in the place that the Property is located will govern this Mortgage. If any term of this Mortgage or of the Note conflicts with the law, all other terms of this Mortgage and of the Note will still remain in effect if they can be given effect without the conflicting term. This means that any terms of this Mortgage and of the Note which conflict with the law can be separated from the remaining terms, and the remaining terms will still be enforced.

16. BORROWER'S COPY OF THE NOTE AND OF THIS MORTGAGE

I will be given a copy of the Note and of this Mortgage. Those copies must show that the original Note and Mortgage have been signed. I will be given those copies either when I sign the Note and this Mortgage or after this Mortgage has been recorded in the proper official records.

17. AGREEMENTS THAT APPLY TO VA LOANS

A loan that is guaranteed or insured by the United States Veterans Administration is known as a "VA loan." If the loan that I promise to pay in the Note is a VA loan, then my rights and obligations, as well as those of Lender, are governed by that law which is known as Title 38 of the United States Code and the Regulations made under that Title (called the "VA Requirements"). One or more terms of this Mortgage, or of other documents that are signed in connection with my VA loan, might conflict with the VA Requirements. For example, the prepayment terms in the Note or Paragraph 19 of this Mortgage might conflict with the VA Requirements. Lender and I agree that if there is a conflict, the conflicting terms of this Mortgage or other documents are modified or eliminated as much as is necessary to make all of the conflicting terms agree with the VA Requirements.

18. BORROWER'S OBLIGATION TO PAY MORTGAGE INSURANCE PREMIUMS

If Lender required mortgage insurance as a condition of making the loan that I promise to pay under the Note, I will pay the premiums for that mortgage insurance. I will pay the premiums until the requirement for mortgage insurance ends according to my written agreement with Lender or according to law. Lender may require me to pay the premiums in the manner described in Paragraph 2 above.

NON-UNIFORM PROMISES

I also promise and agree with Lender as follows:

19. AGREEMENTS ABOUT ASSUMPTION OF THIS MORTGAGE AND ABOUT LENDER'S RIGHTS IF BORROWER TRANSFERS THE PROPERTY WITHOUT MEETING CERTAIN CONDITIONS

If I sell or transfer all or part of the Property or any rights in the Property, any person to whom I sell or transfer the Property may take over all of my rights and obligations under this Mortgage (known as an "assumption of the Mortgage") if certain conditions are met. Those conditions are: (A) I give Lender notice of the sale or transfer; (B) Lender agrees that the person's credit is satisfactory; (C) the person agrees to pay interest on the amount owed to Lender under the Note and under this Mortgage at whatever rate Lender requires; and (D) the person signs an assumption agreement that is acceptable to Lender and that obligates the person to keep all of the promises and agreements made in the Note and in this Mortgage. If I sell or transfer the Property and each of the conditions in (A), (B), (C) and (D) of this Paragraph 19 is satisfied, Lender will release me from all of my obligations under the Note and under this Mortgage.

If I sell or transfer the Property and the conditions in (A), (B), (C) and (D) of this Paragraph 19 are not satisfied, I will still be fully obligated under the Note and under this Mortgage and Lender may require Immediate Payment In Full, as that phrase is defined in Paragraph 20 below. However, Lender will not have the right to require Immediate Payment In Full as a result of certain transfers. Those transfers are: (i) the creation of liens or other claims against the Property that are inferior to this Mortgage; (ii) a transfer of rights in household appliances, to a person who provides me with the money to buy those appliances, in order to protect that person against possible losses; (iii) a transfer of the Property to surviving co-owners, following the death of a co-owner, when the transfer is automatic according to law; (iv) leasing the Property for a term of three years or less, as long as the lease does not include an option to buy.

SCHEDULE A

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ALL that certain tract, piece, or parcel of land situate in the Town of Halfmoon, County of Saratoga, New York being Lot 3 in an area reserved for Lots and Townhouses 1, 2, and 3 Flintlock Lane, on a map entitled "Final Subdivision Plat Phases 3 and 4 Knox Woods" dated November 9, 1982, and last redated June 3, 1986, made by S. Santo Associates, filed in the Saratoga County Clerk's Office on July 7, 1986, as map K-102B, and being more particularly shown as Lot 3 on a map entitled "Lots 1-3 Flintlock Lane, Knox Woods, Phase 3 and 4", made by Gilbert Van Guilder, Professional Land Surveyor, dated April 13, 1987, and last redated May 5, 1987, filed in the Saratoga County Clerk's Office on June 11, 1987 as Map K-113.

The northerly line of Lot 3 runs in part through the center of a party wall between Townhouse buildings 2 and 3.

EXCEPTING AND RESERVING title to the streets as shown on the above maps.

TOGETHER with an easement for ingress and egress over the streets as shown on the above maps until such time as the streets are dedicated and accepted by the Town of Halfmoon.

This mortgage is given to secure part of the purchase price of such conveyance and is a purchase money mortgage.

SUBJECT to and together with any easements, covenants, conditions and restrictions of record affecting said premises, if any.

The real property covered by this mortgage is improved by a ONE (1) family residence or dwelling only. Request for exemption is made pursuant to Section 253(2) of the Tax Law.

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ADDITIONAL PROMISES AND AGREEMENTS OF BORROWER

I agree to keep the following additional promises and agreements, but if this mortgage is transferred, assigned and sold to the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, these additional promises and agreements will not be binding.

ADDITIONAL PROTECTION OF LENDER'S RIGHTS

I also give this mortgage to protect the Lender from possible losses that might result if I fail to pay any other amounts or debts due and owing to the Lender.

TITLE INSURANCE OR ABSTRACT OF TITLE - TITLE

I understand that the Lender's rights in the property may not be insured by a title insurance policy. If there is not a title insurance policy, I promise that I lawfully own the property and have the right to mortgage, rent, grant and convey the property to the Lender, except for any restrictions, easements, covenants and conditions, which are on record in the County Clerk's Office for the County in which the property is located.

SALE OF PROPERTY AS ONE PARCEL: APPOINTMENT OF A RECEIVER OF RENTS

In the event of a foreclosure and sale under the mortgage, I agree that all of the property can be sold as one group or parcel.

In the event of a foreclosure and sale, the Lender can obtain the appointment by the Court of a receiver of rents, who can take over the property and do such things and actions with the property as is permitted to be done under New York Law, such as renting the property and repairing it. The Lender can without giving me prior notice, obtain the appointment of a receiver.

NOTICES TO BE IN WRITING

Any notice which I must or may give to the Lender under the Note or Mortgage, I will give in writing to the Lender.

WRITTEN STATEMENT OF AMOUNT DUE

When the Lender makes a request, I will, within five (5) days after the request, sign and have my signature acknowledged, a written statement indicating the amount I owe to the Lender under the Note and Mortgage. FURTHER, the statement will also say that I have no defenses, claims or set-offs against the amount I owe under the Note and Mortgage or against the Note and Mortgage, if I have none.

CHANGES IN TAX LAW

If any new law is passed which will require the Lender to pay a tax or assessment because the Lender is the holder of the Note and Mortgage, the Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and Mortgage. I will pay the entire amount then remaining unpaid under the Note and Mortgage within thirty (30) days after the Lender gives me notice.

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BUILDING LOAN AGREEMENT

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"Building Loan Agreement" shall mean the document which I and the Lender have signed, containing promises and agreements about the construction of a building or buildings or other structures on the property.

In the event I sign a Building Loan Agreement in connection with this mortgage, I agree that I will keep all the promises and agreements made by me in the Building Loan Agreement. If I fail to keep any of the promises or agreements made in the Building Loan Agreement, Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and Mortgage. Lender may do this without making any further demand for payment. I will immediately pay the entire amount then remaining unpaid under the Note and Mortgage and if I do not Lender may bring a lawsuit for foreclosure and sale as described in Paragraph 20 above.

ATTORNEY'S FEES AND EXPENSES IN DEFENSE OF LENDER'S RIGHTS

If Lender is required to defend or protect any of Lender's rights in the property under the Note and Mortgage (except an action to foreclose this mortgage or to collect the indebtedness), then I will pay Lender's expenses, including reasonable attorney's fees, for such actions to defend and protect Lender's rights.

STATUTORY COSTS, EXPENSES AND REASONABLE ATTORNEY'S FEES IN CONNECTION WITH ACTION TO FORECLOSE OR COLLECT INDEBTEDNESS

That if any action or proceeding be commenced by the Lender to foreclose this mortgage or to collect the indebtedness, the Borrower agrees to pay to the Lender statutory costs and expenses and reasonable attorneys' fees in connection with such action or proceeding, which costs, expenses and fees shall be deemed to be secured by this mortgage and may be collected in such foreclosure or other action or proceeding and shall be a lien on the premises prior to any right or title to, interest in, or claim upon the premises attaching or accruing subsequent to the lien hereof.

AMENDMENTS, CHANGES, MODIFICATION, TERMINATIONS OR WAIVERS TO BE IN WRITING

None of the terms of this Mortgage or the accompanying Note may be amended, changed, modified, terminated or waived unless the amendment, change, modification, termination or waiver is in writing and signed by the Lender and I.

HAZARD INSURANCE

I will make monthly payments for hazard insurance to the Lender only if the Lender requires me to.

PUBLIC LIABILITY INSURANCE

If the property subject to this mortgage is a Condominium, Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

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ADJUSTABLE RATE LOAN RIDER

NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

This Rider is dated AUGUST 14th, 19 87, and is part of and changes and adds to the Mortgage of the same date which I have given to secure my Note of the same date (the "Note") to COHOES SAVINGS BANK (the "Lender"). The Mortgage covers the property described in it and located at 3 Flintloch Lane, Town of Halfmoon, New York 12065

Modifications. In addition to the covenants and agreements made in the Mortgage, the Lender and I further agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note has an "Initial Interest Rate" of 7.00 %. The Note interest rate may be increased or decreased on the first day of the month beginning on SEPTEMBER 1st., 19 88 and on that day of the month every 12 months thereafter. Each date on which the rate of interest may change is called a "Change Date".

(A) THE INDEX

Any change in the interest rate will be based on changes in an interest rate index which will be called the "Index". The "Index" is the "Effective Interest Rate on Purchase of Previously Occupied Homes, National Average for all Major Lenders" as published by the Federal Home Loan Bank Board.

If the "Index" ceases to be available during the term of the loan, the Note Holder will set the Note interest rate by using a comparable index.

(B) SETTING THE NEW INTEREST RATE

The interest rate will be increased or decreased in accordance with the index rate. To set the new interest rate, the Note Holder will use the interest rate established by the Index as of the date the Notice to Borrower is given in accordance with the provisions of Section 4(D) of this Note. If the index is one or more basis points over an even one-eighth of one percent, it will be rounded up to the next one-eighth of one percent (0.125%). This rounded amount will be the preliminary index rate.

Next, the Note Holder will add to the preliminary index rate 0.00 percentage point(s).

Next, the Note Holder will adjust the preliminary index rate after it is combined with the percentage point(s) so that:

- (i) The change in the interest rate on any Change Date will not be more than 1.25 percentage points; and
- (ii) The new interest rate will not be more than 6.00 percentage points higher or lower than the Initial Interest Rate.

My new interest rate will be the figure that results from this adjustment of the preliminary index rate.

(C) EFFECTIVE DATE OF CHANGES

Each new interest rate will become effective on the next Change Date. If my monthly payment changes as a result of a change in the interest rate, my monthly payment will change as of the first monthly payment date after the Change Date.

(D) NOTICE TO BORROWER

The Note Holder will mail me a notice by first class mail at least 30 and no more than 90 days before each Change Date if the interest rate is to change. The notice will advise me of :

- (i) The new interest rate on my loan;
- (ii) The amount of my new monthly payment; and
- (iii) Any additional matters which the Note Holder is required to disclose.

B. LOAN CHARGES

It could be that this loan is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected with this loan would exceed permitted limits. If this is the case, 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 which 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 direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

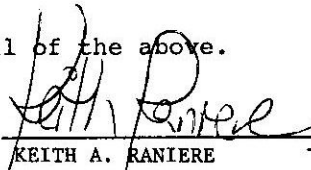
C. PRIOR LIENS

If the Lender determines that all or any part of the sums secured by this Mortgage are subject to a lien which has priority over this Mortgage, the Lender may send me a notice identifying that lien. I will promptly act with regard to that lien as provided in paragraph 4 of this Mortgage or I will secure an agreement subordinating that lien to this Mortgage. This means that I will obtain an agreement that this Mortgage is superior to the other lien. The form of that agreement must be satisfactory to the Lender.


D. TRANSFER OF THE PROPERTY

If there is a transfer of the Property subject to paragraph 19 of the Mortgage, the Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these as a condition of the Lender's waiving the option to require Immediate Payment in Full provided in paragraph 19.

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



KEITH A. RANIERE -Borrower (SEAL)



KAREN A. UNTERREINER -Borrower (SEAL)

-Borrower (SEAL)

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If Lender requires Immediate Payment In Full under this Paragraph 19, Lender will send me, in the manner described in Paragraph 14 above, 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 mailed or, if it is not mailed, on the date the notice is delivered. If I do not make the required payment during that period, Lender may bring a lawsuit for "foreclosure and sale" under Paragraph 20 below without giving me any further notice or demand for payment. (See Paragraph 20 for a definition of "foreclosure and sale.")

20. LENDER'S RIGHTS IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS

If all of the conditions stated in subparagraphs (A), (B), and (C) of this Paragraph 20 are met, Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and under this Mortgage. Lender may do this without making any further demand for payment. This requirement will be 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 to 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 allowed by law.

Lender may require Immediate Payment In Full under this Paragraph 20 only if all of the following conditions are met:

(A) I fail to keep any promise or agreement made in this Mortgage, including the promises to pay when due the amounts that I owe to Lender under the Note and under this Mortgage; and

(B) Lender sends to me, in the manner described in Paragraph 14 above, a notice that states:

(i) The promise or agreement that I failed to keep;

(ii) The action that I must take to correct that failure;

(iii) A date by which I must correct the failure. That date must be at least 30 days from the date on which the notice is mailed to me, or, if it is not mailed, from the date on which it is delivered to me;

(iv) That if I do not correct the failure by the date stated in the notice, I will be in default and Lender may require Immediate Payment In Full, and Lender or another person may acquire the Property by means of foreclosure and sale;

(v) That I may speak with a named representative of Lender to discuss any questions which I have about the things stated in the notice;

(vi) That if I meet the conditions stated in Paragraph 21 below, I will have the right to have any lawsuit for foreclosure and sale discontinued and to have the Note and this Mortgage remain in full effect as if Immediate Payment In Full had never been required; and

(vii) 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 Mortgage, and to present any other defenses that I may have; and

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

21. BORROWER'S RIGHT TO HAVE LENDER'S LAWSUIT FOR FORECLOSURE AND SALE DISCONTINUED

Even if Lender has required Immediate Payment In Full, I may have the right to have discontinued any lawsuit brought by Lender for foreclosure and sale or for other enforcement of this Mortgage. I will have this right at any time before a judgment has been entered enforcing this Mortgage if I meet the following conditions:

(A) I pay to Lender the full amount that would have been due under this Mortgage, the Note, and any notes for Future Advances under Paragraph 23 below if Lender had not required Immediate Payment In Full; and

(B) I correct my failure to keep any of my other promises or agreements made in this Mortgage; and

(C) I pay all of Lender's reasonable expenses in enforcing this Mortgage including, for example, reasonable attorney's fees; and

(D) I do whatever Lender reasonably requires to assure that Lender's rights in the Property, Lender's rights under this Mortgage, and my obligations under the Note and under this Mortgage continue unchanged.

If I fulfill all of the conditions in this Paragraph 21, then the Note and this Mortgage will remain in full effect as if Immediate Payment In Full had never been required.

22. LENDER'S RIGHTS TO RENTAL PAYMENTS FROM THE PROPERTY AND TO TAKE POSSESSION OF THE PROPERTY

As additional protection for Lender, I give to Lender all of my rights to any rental payments from the Property. However, until Lender requires Immediate Payment In Full under Paragraphs 19 or 20 above, or until I abandon the Property, I have the right to collect and keep those rental payments as they become due. I have not given any of my rights to rental payments from the Property to anyone else, and I will not do so without Lender's consent in writing.

If Lender requires Immediate Payment In Full under Paragraphs 19 or 20 above, or if I abandon the Property, then Lender, persons authorized by Lender, or a receiver appointed by a court at Lender's request may: (A) collect the rental payments, including overdue rental payments, directly from the tenants; (B) enter on and take possession of the Property; (C) manage the Property; and (D) sign, cancel and change leases. I agree that if Lender notifies the tenants that Lender has the right to collect rental payments directly from them under this Paragraph 22, the tenants may make those rental payments to Lender without having to ask whether I have failed to keep my promises and agreements under this Mortgage.

If there is a judgment for Lender in a lawsuit for foreclosure and sale, I will pay to Lender reasonable rent from the date the judgment is entered for as long as I occupy the Property. However, this does not give me the right to occupy the Property.

All rental payments collected by Lender or by a receiver, other than the rent paid by me under this Paragraph 22, will be used first to pay the costs of collecting rental payments and of managing the Property. If any part of the rental payments remains after those costs have been paid in full, the remaining part will be used to reduce the amount that I owe to Lender under the Note and under this Mortgage. The costs of managing the Property may include the receiver's fees, reasonable attorney's fees, and the cost of any necessary bonds. Lender and the receiver will be obligated to account only for those rental payments that they actually receive.

23. AGREEMENTS ABOUT FUTURE ADVANCES

I may ask Lender to make one or more loans to me in addition to the loan that I promise to pay under the Note. Lender may, before this Mortgage is discharged, make those additional loans to me. This Mortgage will protect Lender from possible losses that might result from my failure to pay the amounts of any of those additional loans plus interest, only if the notes which contain my promises to pay those additional loans state that this Mortgage will give Lender such protection. Additional loans made by Lender that are protected by this Mortgage will be called "Future Advances." The principal amount that I owe to Lender under the Note and under all notes for Future Advances, not including the amounts spent by Lender to protect the value of the Property and Lender's rights in the Property, may not be greater than the original amount of the Note plus US \$ 0

24. LENDER'S OBLIGATION TO DISCHARGE THIS MORTGAGE WHEN THE NOTE AND THIS MORTGAGE ARE PAID IN FULL

When Lender has been paid all amounts due under the Note, under this Mortgage and under any notes for Future Advances, Lender will discharge this Mortgage by delivering a certificate stating that this Mortgage has been satisfied. I will not be required to pay Lender for the discharge, but I will pay all costs of recording the discharge in the proper official records.

25. 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 if, on the date this Mortgage is recorded in the proper official records, construction or other work on any building or other improvement located on the Property has not been completed for at least four months, I will: (A) hold all amounts, which I receive and which I have a right to receive from Lender under the Note and as Future Advances, as a "trust fund"; and (B) use those amounts to pay for that construction or work before I use them for any other purpose. The fact that I am holding those amounts as a "trust fund" means that I have a special responsibility under the law to use the amounts in the manner described in this Paragraph 25.

26. ADDITIONAL PROMISES & AGREEMENTS OF BORROWER - SEE SCHEDULE B ATTACHED. By signing this Mortgage I agree to all of the above.

Witnesses:

[Handwritten signature]

[Handwritten signature: Keith A. Ranieri]

KEITH A. RANIERE

—Borrower

[Handwritten signature: Karen A. Unterreiner]

KAREN A. UNTERREINER

—Borrower

State of New York, ALBANY County ss:

On this 14th day of AUGUST, 19 87, before me personally came

KEITH A. RANIERE AND KAREN A. UNTERREINER,

me known and known to me to be the individual(s) described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

[Handwritten signature]

Notary Public

State of New York, Albany Co.,
Com. Exps. 5/31/89

(Space Below This Line Reserved For Lender and Recorder)

128 25
584 75
203 25
788

R&R
COHOES SAVINGS BANK
MORTGAGE DEPARTMENT
75 REMSEN STREET
COHOES, NEW YORK 12004

[Handwritten signature: Ranieri]
[Handwritten signature: Unterreiner]

[Handwritten signature: Cohoes]

STATE OF NEW YORK
COUNTY OF ALBANY
Sept 8th 1987
12:25
Om. A. 1187
180
COUNTY CLERK

SCHEDULE "E"

Original Note and Mortgage and Amount Advanced on August 14, 1987 \$81,300.00

Last full payment made for month of April 1, 1996

Date of Default - May 1, 1996. The Defendants Keith A. Raniere and Karen A. Unterriener and all defendants claiming under them, have failed to make payments on the Plaintiff's mortgage for the months of May, June, July, August, September and October, 1996 in the amount of \$809.54 per month (\$599.20 per month for principal and interest and the amount of \$210.34 per month for escrow).

Principal amount due as of May 1, 1996 \$73,586.63

Interest at 8.00% per annum due from April 1, 1996 to the date hereof (October 9, 1996) \$ 3,068.79

Taxes Advanced \$ 291.09

Late Charges \$ 59.90

TOTAL DUE AS OF 10-9-96 \$77,006.41