

FIRST AMENDMENT
WHITE HAWK ECOVILLAGE COMMUNITY, INC.
WHITE HAWK LANE, ITHACA, NEW YORK 14850

The Offering Plan for the above-noted cooperative, accepted for filing June 11, 2019, is hereby amended as follows:

1. This is the First Amendment (the “First Amendment”) to the Offering Plan for the White Hawk Ecovillage Community, Inc. accepted for filing by the Department of Law on June 11, 2019 (the “Offering Plan”). The Offering Plan was declared effective by service of written notice on all Members on June 11, 2019. See “Effective Date” of the Offering Plan at page 35 for more information. A list setting forth the name and address of each purchaser, the unit(s) purchased, the purchase price, and the date the subscription agreement was signed by the purchaser, for sales which occurred after June 11, 2019, is as follows:

Name & Address	Unit purchased	Purchase price	Date Subscription Agreement signed
Gili Chupak & Cynthia Katz 13 White Hawk Lane, Ithaca, NY 14850	Lot 31	\$40,000.00	08/06/2019
Brett Irish & Rebecca Irish 2 White Hawk Lane, Ithaca, NY 14850	Lot 4	\$40,000.00	09/13/2019
Andrew Hoffman and Lauren Salzman 22 White Hawk Lane	Lot 22	\$40,000.00	11/19/2020
Kristen Loria & Nathan Alft-LaFond 24 White Hawk Lane, Ithaca, NY 14850	Lot 24	\$40,000.00	03/09/2021


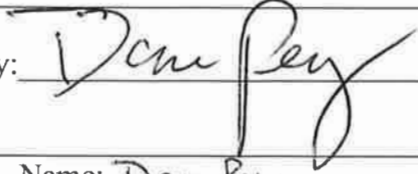
2. This First Amendment discloses the following material changes to the Offering Plan:
 - a. For fiscal year 2022, the monthly assessment for each 100 shares of the Cooperative is \$161.11.
 - b. The Subscription Agreement for Sale of Cooperative Shares from Sponsor (“Subscription Agreement – Sponsor”) has been amended. The new subscription agreement is applicable to transactions entered into after the filing date of this First Amendment. The Subscription Agreement has been amended as follows:
 - i. Paragraph 17 has been revised to require that a closing shall take place within 180 days of the agreement’s execution.

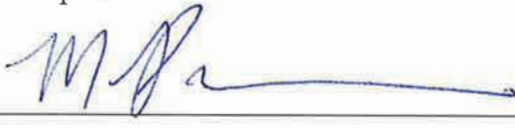

8. No Lots appurtenant to unsold shares owned by Sponsor are occupied by tenants.
9. Sponsor has no financial obligations to the Cooperative (other than payment of monthly assessments for unsold shares) which will become due within 12 months of the date of this First Amendment.
10. No unsold shares have been pledged as collateral for loan(s) or other security for financing arrangement.
11. The total monthly maintenance payments for fiscal year 2022 for all Lots appurtenant to the unsold shares is \$2,094.43.
12. The Sponsor is current on all financial obligations to the cooperative, which includes only the payment of monthly assessments on unsold shares.
13. The Sponsor and the principals of the Sponsor do not own more than 10 percent of the shares or units of any cooperative, condominiums or homeowners' associations, other than White Hawk Ecovillage Cooperative.
14. The audited financial statements of the Cooperative for fiscal year 2020 are annexed hereto as Exhibit B. The current budget of the Cooperative is annexed hereto as Exhibit C.
15. The audited financial statements of the Cooperative for fiscal year 2021 are not available as of the date of this First Amendment's acceptance for filing; however, prospective purchasers may inquire with the Cooperative's Board of Directors regarding the availability of the 2021 audited financial statements and, if available, may request a copy of it for review.

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IN WITNESS WHEREOF, Sponsor hereby executes this Affidavit under the pains and penalties of perjury on this 24th day of June, 2022.

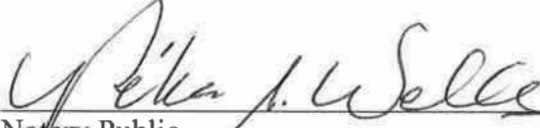
Sponsor:
Red Tail, LLC

By: 	By: 
Name: Cynthia Katz Title: Vice-President	Name: Dane Percy Title: Director

Principal: Mark Pruce 	Principal: Dane Percy 
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STATE OF NEW YORK)
COUNTY OF TOMPKINS) ss:

On the 23rd day of June in the year 2022 before me, the undersigned, a Notary Public in and for said State, personally appeared **Cynthia Katz**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

Reka A. Wells
Notary Public, State of New York
No. 01WE6163485
Certified in Tompkins County
Term Expires March 26, 2023

STATE OF NEW YORK)
COUNTY OF TOMPKINS) ss:

On the 24th day of June in the year 2022 before me, the undersigned, a Notary Public in and for said State, personally appeared **Mark Pruce**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

Reka A. Wells
Notary Public, State of New York
No. 01WE6163485
Certified in Tompkins County
Term Expires March 26, 20 23

STATE OF NEW YORK)
COUNTY OF TOMPKINS) ss:

On the 24th day of June in the year 2022 before me, the undersigned, a Notary Public in and for said State, personally appeared **Dane Percy**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

Reka A. Wells
Notary Public, State of New York
No. 01WE6163485
Certified in Tompkins County
Term Expires March 26, 20 23

Exhibit A

(Redline of Amended Subscription Agreement)

SUBSCRIPTION AGREEMENT

SALE OF COOPERATIVE SHARES FROM SPONSOR

In consideration of the mutual covenants and promises contained herein, and for other good and valuable consideration, the parties below hereby agree as follows:

Seller: RED TAIL, LLC ("**Seller**").

Buyer: Name: _____ ("**Buyer**")

Address: _____

Seller shall sell and Buyer shall buy the property described herein on the terms stated in this Subscription Agreement ("**Agreement**").

The word "Buyer" shall be construed as if it read "Buyers" and the word "Seller" shall be construed as if it read "Sellers" whenever the sense of this Agreement so requires.

Seller shall accept the Subscription Agreement and return a fully executed counterpart to the Buyer, or reject the Subscription Agreement and return any deposit previously tendered by the Buyer within ten (10) business days.

1. PROPERTY

The property is described as follows: 100 Shares ("**Shares**") in the Seller and the associated right to enter into a Proprietary Ground Lease ("**Lease**") with Seller for Lot ____ ("**Lot**") located within the Seller's development commonly known as "White Hawk Ecovillage" located in the Town of Danby, County of Tompkins, State of New York.

2. SALE INCLUDES

The sale includes:

- a) The Shares.
- b) The right to enter into the Lease with the Buyer.

The sale does not include a transfer of any structures or personal property located on the Lot.

The sale of the Shares and the right to enter into the Lease with the Buyer is subject to the following documents:

- a) The Bylaws of the Seller.
- b) The Offering Plan which has been delivered to the Buyer, and by signing this Agreement, Buyer acknowledges receipt of same.

3. PURCHASE PRICE

The purchase price is \$40,000 ("**Purchase Price**") and is payable as follows:

\$1,000.00 deposited with Hancock Estabrook, LLP, Attorneys for the Seller and held in accordance with the terms of the Escrow Agreement attached hereto and made a part hereof.

\$39,000.00 cash and/or mortgage proceeds on delivery of the Shares and Lease; any amount in excess of \$500.00 shall be delivered by Bank, Certified or Attorney Escrow Check.

4. APPLICATION FEE

This Agreement requires that Buyer deliver to White Hawk Ecovillage Community, Inc. a non-refundable application fee of \$1,000. This application fee is used to provide educational resources to prospective members of the community. By signing below, Buyer acknowledges that he or she or it has already delivered the Application Fee to White Hawk Ecovillage Community, Inc.

5. DEPOSIT

The deposit hereunder shall be held in escrow by the Seller's attorney, Hancock Estabrook, LLP, pending Closing of title, at which time it will be applied to the purchase price. In the event this Agreement is terminated by Buyer in accordance with the financing contingency set forth in Section 5 below, the inspection contingency set forth in Section 5 below, or Seller's default under the terms of this Agreement, the escrow funds shall be returned to the Buyer. The terms of the escrow agreement are set forth in that certain Escrow Agreement signed by and between the Buyer, Seller and Hancock Estabrook dated as of _____, 20__.

6. FINANCING

This Agreement IS / IS NOT (circle one) contingent upon the Buyer obtaining a commitment for a first mortgage loan in the amount of not less than \$_____ at market rate and terms. The Buyer shall have ten (10) business days after full execution of this Agreement to apply for financing. In the event that the Buyer is unable to obtain a commitment for financing within forty-five (45) calendar days from the date of application, this Agreement, at the Seller's option, may be deemed null and void and the deposit shall be forthwith returned to the Buyer.

7. CORPORATE SEARCHES

The Seller will provide franchise tax searches and New York State Uniform Commercial Code searches evidencing that the Seller has an unencumbered title to the Shares.

8. SURVEY

The Seller shall provide a copy of the most recent White Hawk Ecovillage development survey prepared by T.G. Miller P.C. The Seller shall not be obligated to provide an updated survey of the Lot and the Buyer acknowledges that any survey required by Buyer or Buyer's lender shall be paid for solely at the cost and expense of the Buyer.

9. HAZARDOUS MATERIALS

The Seller hereby warrants and represents that so far as the Seller is aware, there are currently no hazardous or toxic chemicals, materials, substances or waste (other than those used in connection with ordinary household activities) produced, manufactured, stored, or located on, about or under (including in the soil, ground or surface water) within the Lot.

10. COMPLIANCE WITH LOCAL LAWS

The Seller warrants and represents that the Lot conforms to all municipal codes and regulations.

11. LIENS

The Seller may pay and discharge any liens and encumbrances not provided for in this Agreement. The Seller may make payment out of the balance of the Purchase Price paid by the Buyer on the transfer of title.

12. SHARES AND LEASE

At the Closing, the Seller shall deliver to the Buyer:

- a) The Seller's original certificate for the Shares duly endorsed to transfer to the Buyer or accompanied by a separate duly executed stock power to the Buyer;
- b) The Seller's counterpart original of the Lease and a duly executed assignment thereof to the Buyer in the form required by the Seller;
- c) A written statement by an officer of the Seller or its authorized agent consenting to the transfer of the Shares and Lease to the Buyer and setting forth the amounts and payment status of the maintenance and any assessments levied against the Shares; and
- d) Executed Foreign Investment in Real Property Tax Act Affidavit.

A memorandum of lease confirming the Lease will be executed at the Closing by the parties and recorded in the Tompkins County Clerk's office.

13. IMPROVEMENTS

The Seller acknowledges that all planned improvements to the property as disclosed in the Offering Plan ("**Community Improvements**") have been or will be completed by the Seller and/or the Cooperative at Seller's or Cooperative's sole cost and expense.

14. WARRANTIES

The Seller agrees to assign to the Buyer rights under any and all applicable manufacturers or suppliers' warranties affecting the Community Improvements, and the fixtures or equipment used therein.

The Seller warrants to the Buyer that the Community Improvements shall be free from defects in materials and workmanship, normal wear and tear excepted. The obligation of the Seller under this warranty shall be limited to the repair or replacement of any structural or mechanical element which may prove defective in

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association with normal home use and service within one (1) year from the date of Closing. This warranty shall survive the Closing of title.

15. INSPECTION

Upon reasonable notice to the Seller or their agent, the Buyer may inspect the Lot. In the event that the inspection determines that defects in the Lot exist, the Seller may declare this Agreement null and void and the deposit shall be returned. The Seller shall have ten (10) business days to exercise this contingency.

16. POSSESSION

Possession of the Lot shall be given at Closing.

17. CLOSING

The Closing will take place at the office of the attorneys for the lending institution or, if none, then at the office of Hancock Estabrook, LLP, on or before _____ (“Closing”) or at sooner or later date as the parties may agree; provided, however, that Closing shall occur within 180 days of the date of this Agreement. It is the intention, however, of the parties to close this transaction as soon as practicable.

18. BROKER

The Buyer and the Seller affirm that neither party has a contractual agreement relationship with any realtor or broker in connection with this sale other than _____, and, aside from said realtor or broker, that neither party is liable for the payment of any sales commission or fee. This representation shall survive Closing.

19. FUTURE SALE OF SHARES BY THE BUYER

The Buyer acknowledges that restrictions governing the future sale of the Shares and the future sale and transfer of the Lease by the Buyer are set forth in the Seller’s Bylaws and that the Shares will include language written on its face stating that ownership is subject to said restrictions.

20. NOTICE

Any notice or other communication from one party to the other shall be delivered in person or by first class mail addressed to the party at the address above. The address above may be changed by notice to the other party.

21. PRIOR UNDERSTANDING

All prior understandings and agreements between the Seller and the Buyer are merged in this Agreement. This Agreement completely expresses their full agreement and has been entered into after full investigation. Neither party is relying upon statements made by anyone that is not a party to this Agreement. Buyer acknowledges that he or she has had at least three (3) days to review the entire Offering Plan accepted for filing on June 11, 2019 and all filed amendments thereto prior to the execution of this Subscription Agreement. Any conflict between the Offering Plan and this Subscription Agreement shall be resolved in favor of the Offering Plan.

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22. ATTORNEY REVIEW CONTINGENCY

Both the Buyer and the Seller shall have three (3) business days after Agreement execution to consult with an attorney regarding the terms and conditions of this Agreement. In the event that either attorney requests changes and or revocation hereof, such changes or revocation shall be communicated in writing within the 3-day period.

23. APPROVAL BY BOARD OF DIRECTORS OF WHITE HAWK ECOVILLAGE COMMUNITY, INC.

This Agreement requires that Buyer deliver to White Hawk Ecovillage Community, Inc. a non-refundable application fee of \$1,000. This application fee is used to provide educational resources to prospective members of the community. This Agreement shall be subject to the final approval of the Board of Directors of White Hawk Ecovillage Community, Inc.

24. RIGHT OF RESCISSION

Buyer shall be afforded seven (7) days after delivering an executed Subscription Agreement together with the required deposit and having received this Plan and all filed amendments thereto in order to rescind the Subscription Agreement and have the full deposit refunded promptly. If a purchaser desires to so rescind, a written notice of rescission must be delivered to the Cooperative within the seven-day period or, if mailed, the notice of rescission must be marked within the seven-day period.

In addition, if Seller makes any change in the total number of shares or in the size or quality of public areas, Buyer shall receive notice within three (3) business days of such change and a period of sixty (60) days after receipt of such notice to rescind the Subscription Agreement and have the full deposit refunded promptly. If Buyer desires to so rescind, a written notice of rescission must be delivered to the Cooperative within the 60-day period or, if mailed, the notice of rescission must be marked within the 60-day period.

IN WITNESS WHEREOF, the parties have signed this agreement on the dates indicated besides their names.

RED TAIL, LLC

By: _____
Name and Title Date

By: _____
Name and Title Date

Buyer: _____

Date: _____

SUBSCRIPTION AGREEMENT

SALE OF COOPERATIVE SHARES AND REAL PROPERTY IMPROVEMENTS

(MEMBER TO NEW MEMBER)

In consideration of the mutual covenants and promises contained herein, and for other good and valuable consideration, the parties below hereby agree as follows:

Seller: Name: _____ ("**Seller**")

Address: _____

Buyer: Name: _____ ("**Buyer**")

Address: _____

Seller shall sell and Buyer shall buy the property described herein on the terms stated in this Subscription Agreement ("**Agreement**").

The word "Buyer" shall be construed as if it read "Buyers" and the word "Seller" shall be construed as if it read "Sellers" whenever the sense of this Agreement so requires.

1. PROPERTY

The property is described as follows:

1. 100 Shares ("**Shares**") in the Seller and the associated right to enter into a Proprietary Ground Lease ("**Lease**") with White Hawk Ecovillage Community, Inc. ("**White Hawk**") for Unit ____ ("**Unit**") located within the Seller's development commonly known as "White Hawk Ecovillage" located in the Town of Danby, County of Ithaca, State of New York.

2. The improvements ("**Improvements**") located within the Unit, but excluding any of Seller's personal property.

2. SALE INCLUDES

The sale includes:

- a) The Shares.
- b) The Improvements.
- c) The right to enter into the Lease with the Buyer.

The sale of the Shares, Improvements and the right to enter into the Lease with White Hawk is subject to the following documents:

- a) The Bylaws of the Cooperative.

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- b) The Offering Plan which has been delivered to the Buyer, and by signing this Agreement, Buyer acknowledges receipt of same.

3. PURCHASE PRICE

The purchase price is \$40,000 ("**Purchase Price**") and is payable as follows:

\$1,000.00 deposited with Hancock Estabrook, LLP, Attorneys for the Seller and held in accordance with the terms of the Escrow Agreement attached hereto and made a part hereof.

\$39,000.00 cash and/or mortgage proceeds on delivery of the Shares and Lease; any amount in excess of \$500.00 shall be delivered by Bank, Certified or Attorney Escrow Check.

4. APPLICATION FEE

This Agreement requires that Buyer deliver to White Hawk Ecovillage Community, Inc. a non-refundable application fee of \$1,000. This application fee is used to provide educational resources to prospective members of the community. By signing below, Buyer acknowledges that he or she or it has already delivered the Application Fee to White Hawk Ecovillage Community, Inc.

5. DEPOSIT

The deposit hereunder shall be held in escrow by the Seller's attorney pending Closing of title, at which time it will be applied to the purchase price. In event this Agreement is terminated by Buyer in accordance with the financing contingency set forth in section 5 below, the inspection contingency set forth in section 20 below, or Seller's default under the terms of this Agreement, the escrow funds shall be returned to the Buyer. The terms of the escrow agreement are set forth in that certain Escrow Agreement signed by and between the Buyer, Seller and Hancock Estabrook dated as of _____, 20__.

6. FINANCING

This Agreement IS / IS NOT (circle one) contingent upon the Buyer obtaining a commitment for a first mortgage loan in the amount of not less than \$_____ at market rate and terms. The Buyer shall have ten (10) business days after full execution of this Agreement to apply for financing. In the event that the Buyer is unable to obtain a commitment for financing within forty-five (45) calendar days from the date of application, this Agreement, at the Seller's option, may be deemed null and void and the deposit shall be forthwith returned to the Buyer.

7. CORPORATE SEARCHES

The Seller will provide franchise tax searches and New York State Uniform Commercial Code searches evidencing that the Seller has an unencumbered title to the Shares and the Improvements.

8. SURVEY

The Seller shall provide an up-to-date survey of the Unit with the Improvements shown thereon.

9. HAZARDOUS MATERIALS

The Seller hereby warrants and represents that so far as the Seller is aware, there are currently no hazardous or toxic chemicals, materials, substances or waste (other than those used in connection with ordinary household activities) produced, manufactured, stored, or located on, about or under (including in the soil, ground or surface water) within the Unit.

10. COMPLIANCE WITH LOCAL LAWS

The Seller warrants and represents that the Unit conforms to all municipal codes and regulations.

11. LIENS

The Seller may pay and discharge any liens and encumbrances not provided for in this Agreement. The Seller may make payment out of the balance of the Purchase Price paid by the Buyer on the transfer of title.

12. SHARES, LEASE AND DEED

At Closing, the Seller shall deliver to the Buyer:

1. The Seller's original certificate for the Shares duly endorsed to transfer to the Buyer or accompanied by a separate duly executed stock power to the Buyer;
2. The Seller's counterpart original of the Lease and a duly executed assignment thereof to the Buyer in the form required by the Seller;
3. A Deed conveying all of Seller's right, title and interest to the Improvements to Buyer (with accompanying form TP-584 and RP-5217);
4. A written statement by an officer of White Hawk or its authorized agent consenting to the transfer of the Shares and Lease to the Buyer and setting forth the amounts and payment status of the maintenance and any assessments levied against the Shares; and
5. Executed Foreign Investment in Real Property Tax Act Affidavit.

A memorandum of lease confirming the Lease will be executed at the Closing by the parties and recorded in the Tompkins County Clerk's office.

Buyer shall pay \$500.00 to Hancock Estabrook, LLP at the Closing to cover legal fees of the Cooperative.

At Closing, the Seller shall pay any deed transfer taxes and the cost to file the TP-584. The Buyer shall pay to record the deed, file the RP-5217 and to pay to file any mortgage and any corresponding mortgage recording tax.

13. IMPROVEMENTS

The Buyer acknowledges that the Improvements are all sold in their "AS IS" condition. All planned improvements to the Unit will be completed by the Buyer at Buyer's sole cost and expense.

14. INSPECTION

Upon reasonable notice to the Seller or their agent, the Buyer may inspect the Unit and/or conduct radon testing. In the event that the inspection or radon testing determines that defects in the Unit exist, the Buyer

may declare this Agreement null and void and the deposit shall be returned. The Buyer shall have ten (10) business days to exercise this contingency.

15. ADJUSTMENTS

The following apportionments and adjustments will be made on or before Closing:

- (a) To the extent applicable, the following shall be apportioned as of midnight of the day before the day of Closing: (i) taxes, water charges and sewer rents, on the basis of the fiscal period for which assessed and (ii) fuel.
- (b) If Closing shall occur before a new tax rate is fixed, the apportionment of taxes shall be upon the basis of the tax rate for the immediately preceding fiscal period applied to the latest assessed valuation.
- (c) If there is a water meter on the Unit, Seller shall furnish a reading to a date not more than 30 days before Closing and the unfixed meter charge and sewer rent, if any, shall be apportioned on the basis of such last reading.
- (d) If at the date of Closing the Unit and/or Improvements are affected by an assessment which is or may become payable in annual installments, and the first installment is then a lien, or has been paid, then for the purposes of this Agreement all the unpaid installments shall be considered due and shall be paid by Seller at or prior to Closing.
- (e) Any errors or omissions in computing apportionments or other adjustments at Closing shall be corrected within a reasonable time following Closing. This subparagraph shall survive Closing.

16. POSSESSION

Possession of the Unit shall be given on Closing.

17. CLOSING

The Closing will take place at the office of the attorneys for the lending institution or, if none, then at the seller's attorney's office, on _____ ("Closing") or at sooner or later date as the parties may agree. It is the intention, however, of the parties to close this transaction as soon as practicable.

18. BROKER

The Buyer and the Seller affirm that neither party has a contractual agreement relationship with any realtor or broker in connection with this sale other than _____, and, aside from said realtor or broker, that neither party is liable for the payment of any sales commission or fee. This representation shall survive Closing.

19. FUTURE SALE OF SHARES BY THE BUYER

The Buyer acknowledges that restrictions governing the future sale of the Shares and the future sale and transfer of the Lease by the Buyer are set forth in the Bylaws of White Hawk Ecovillage Community, Inc. and that the Shares will include language written on its face stating that ownership is subject to said restrictions.

20. NOTICE

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Any notice or other communication from one party to the other shall be delivered in person or by first class mail addressed to the party at the address above. The address above may be changed by notice to the other party.

21. PRIOR UNDERSTANDING

All prior understandings and agreements between the Seller and the Buyer are merged in this Agreement. This Agreement completely expresses their full agreement and has been entered into after full investigation. Neither party is relying upon statements made by anyone that is not a party to this Agreement.

22. ATTORNEY REVIEW

Both the Buyer and the Seller shall have three (3) business days after Agreement execution to consult with an attorney regarding the terms and conditions of this Agreement. In the event that either attorney requests changes, such changes shall be communicated in writing within the three-day period.

23. APPROVAL BY BOARD OF DIRECTORS OF White Hawk Ecovillage Community, Inc.

This Agreement shall be subject to the final approval of the Board of Directors of White Hawk Ecovillage Community, Inc.

24. RIGHT OF RESCISSION

Buyer shall be afforded seven (7) days after delivering an executed Subscription Agreement together with the required deposit and having received this Plan and all filed amendments thereto in order to rescind the Subscription Agreement and have the full deposit refunded promptly. If a purchaser desires to so rescind, a written notice of rescission must be delivered to the Cooperative within the seven-day period or, if mailed, the notice of rescission must be marked within the seven-day period.

IN WITNESS WHEREOF, the parties have signed this agreement on the dates indicated besides their names.

Seller: _____

Date: _____

Buyer: _____

Date: _____

Approval of White Hawk Ecovillage Community, Inc.:

Exhibit B
(2020 Audited Financial Statements)

**WHITE HAWK ECOVILLAGE COMMUNITY, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2020**

WHITE HAWK ECOVILLAGE COMMUNITY, INC.

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December 31, 2020

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V. BATHIJA ASSOCIATES CPA, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

WHITE HAWK ECOVILLAGE COMMUNITY, INC.
6, Whitehawk Lane,
Ithaca, New York 14850

We have audited the accompanying financial statements of White Hawk Ecovillage Community Inc. which comprise the Balance Sheet as of December 31, 2020, and the related Statements of Revenues, Expenses and Changes in Fund Balances, and Cash Flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

V. BATHIJA ASSOCIATES CPA, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of White Hawk Ecovillage Community Inc., as of December 31, 2020, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The entity has not estimated the remaining lives and replacement costs of the common property and, therefore, has not presented information about the estimates of future costs of major repairs and replacements that will be required in the future that accounting principles generally accepted in the United States of America has determined is required to supplement, although not required to be a part of, the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

DocuSigned by:

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10/22/2021

Vick Bathija, CPA

Date

V. BATHIJA & ASSOCIATES CPA, PLLC

WHITE HAWK ECOVILLAGE COMMUNITY INC.
Balance Sheet
As of December 31, 2020

ASSETS

\$

CURRENT ASSETS

Cash and Cash Equivalents	8,731
Accounts Receivable	(552)
Prepaid Expenses	3,921
Total Current Assets	12,100

FIXED ASSETS

Bridges	179,820
Engineering	11,173
Land & Improvement	436,097
Misc Land Improvements	44,523
Retention Ponds	13,181
Roads	126,891
Utility Lines	1,963
Water Treatment	50,421
Septic System	73,119
Total Fixed Assets	937,188

TOTAL ASSETS

949,289

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	1,415
Red Tail Mortgage, Current Portion	8,078
Total Current Liabilities	9,493

NON CURRENT LIABILITIES

Red Tail Mortgage, Long-Term Portion	335,035
Total Current Liabilities	335,035

FUND BALANCES

Cooperative Share Interest	599,587
Retained Earnings (Deficit)	5,174
Total Fund Balances	604,761

TOTAL LIABILITIES AND FUND BALANCES

949,289

WHITE HAWK ECOVILLAGE COMMUNITY INC.
Statements of Income/ (Loss)
As of December 31, 2020

	\$
INCOME	
Principal Contributions	23,766
Maintenance Fees	23,765
Application Fees	3,500
Parking Fees	2,401
Interest and dividends	45
Total Income	<u>53,478</u>
EXPENSES	
Repairs and Maintenance	12,950
Interest Expense	10,593
Accounting Fees	6,000
Taxes	5,712
Legal Fees	5,312
Liability & D&O Insurance	2,831
Refuse Removal	2,597
Electric	2,217
Septic Pumping	1,458
Snow Removal	1,205
Insurance - Other	206
Property Ins - Water Treatment	178
Repairs, Maintenance, Supplies - Other	268
Water Treatment Supplies	120
Other	110
Water Treatment	100
Legal Fees OP	80
Corporate Tax	72
Bank Fees	10
Total Expenses Before	<u>52,019</u>
Depreciation & Amortization	<u>1,459</u>
NET PROFIT/ (LOSS) BEFORE	<u>1,459</u>
DEPRECIATION AND AMORTIZATION	
Depreciation Expense	26,534
NET PROFIT/ (LOSS) FOR THE YEAR	<u><u>(25,076)</u></u>

See accompanying notes and auditors' report

WHITE HAWK ECOVILLAGE COMMUNITY INC.
Statements of Retained Earnings
For the year ended December 31, 2020

	\$
Retained Earnings (Deficit) - Beginning of Year	30,250
Net Profit/ (Loss) for the Year	(25,076)
Retained Earnings (Deficit) - End of Year	<u><u>5,174</u></u>

WHITE HAWK ECOVILLAGE COMMUNITY INC.
Statements of Cash Flow
For the year ended December 31, 2020

	\$
Cash Flows From Operating Activities	
Net Profit	(25,076)
Add: Non-cash item	
Depreciation Expense - Non cash	26,534
Subtotal for non-cash item	<u>1,459</u>
Decrease in Accounts Receivable	1,317
Increase in Accounts Payable	1,040
Net cash (used) provided by operating activities	<u>3,815</u>
Cash Flows From Investing Activities	
Property Plant & Equipment purchased	(520,000)
Increase in Prepaid Expenses	(3,921)
Net cash (used) provided by investing activities	<u>(523,921)</u>
Cash Flows From Financing Activities	
Change in equity	520,000
Change in mortgage payable	(19,961)
Net cash used by financing activities	<u>500,039</u>
Decrease in Cash and Cash Equivalents	<u>(20,068)</u>
Cash and Cash Equivalents at Beginning of Year	<u>28,798</u>
Cash and Cash Equivalents at End of Year	<u>8,731</u>

See accompanying notes and auditors' report

WHITE HAWK ECOVILLAGE COMMUNITY, INC.**Notes to Financial Statements****December 31, 2020****Note 1 Organization**

White Hawk Ecovillage Community Inc. (the Cooperative), Inc., is a business corporation duly organized under New York law. The Cooperative owns in fee simple approximately 120.476 acres of land in the Town of Danby, County of Tompkins and New York State, upon which sits the intentional ecologically minded community. A cooperative is a way for individual homeowners to share in the use of and responsibility for commonly owned property. Here, the Cooperative will own the land underlying the entire Community, including under each residential dwelling, the private road known as White Hawk Lane, sewer and water systems for the community, and trails and gardens.

The land owned by the Cooperative was conveyed to the Sponsor of the Cooperative on December 5, 2017 by warranty deed. The Sponsor of the Cooperative is Red Tail, LLC, a New York limited liability company, which is owned by 18 Principals. The Principals have no profit-seeking motive; instead, they desire to live in and develop an ecologically minded co-housing community. The Sponsor does not reserve the right to rent unsold lots and does not intend to rent any unsold Lots. However, Members of the Cooperative may elect to purchase and then rent to third parties one or more Lots.

Land improvements, including a bridge, water system, water treatment building and other infrastructure development costs were paid for by the Sponsor. The land and land improvements were conveyed to the Cooperative on August 15, 2018 in exchange for a \$449,489 mortgage payable to the Sponsor.

The Cooperative includes 30 total Lots, of which 13 had been leased prior to the formation of the Cooperative and execution of the mortgage. There were 1,300 outstanding cooperative shares upon formation of the Cooperative. The purchaser of a lease receives 100 shares of Cooperative Interest for the purchase price of \$40,000. The Sponsor retains all unissued shares of the Cooperative. When a lot is leased, 100 shares are issued, the Sponsor receives the proceeds, and \$40,000 of the mortgage payable is amortized. Two lots were leased in 2019. 200 shares were issued for \$80,000 of Cooperative Interest, which amortized \$80,000 of the mortgage payable.

The Cooperative does not own any residential dwelling. Any constructed residential dwelling is owned by a Member and sits upon a Lot leased to that Member in conjunction with such Member's purchase of 100 shares of stock. The ground lease interest is considered a real property interest, and the residential dwelling is considered a real property improvement. Upon expiration of the Proprietary Ground Lease, ownership of the Lot and any improvements or structures located thereon will automatically transfer to the Cooperative.

The Principals of the Sponsor are the first Members of the Cooperative. Collectively, in their capacity as Members, the Principals own 43.3% of the total stock of the Cooperative. This means that until more Lots have been sold, the Principals will have a majority voting interest as Members in the Cooperative. This also means that Principals will comprise the members of the Cooperative's Board of Directors until replaced in accordance with the Bylaws of the Cooperative.

Note 2 Summary of Significant Accounting Policies**Accounting Method**

The Cooperative prepares its financial statements on the accrual basis. Revenues are recorded in the year earned, and expenses are recognized when the obligation is incurred.

Use of Estimates

The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

WHITE HAWK ECOVILLAGE COMMUNITY, INC.

Notes to Financial Statements

December 31, 2020

Note 2 Summary of Significant Accounting Policies

Cash and Cash Equivalents

The Cooperative considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

The Cooperative maintains its cash balances at a single financial institution in Tompkins County. Balances are insured by the Federal Deposit Insurance Cooperative (FDIC) up to \$250,000. From time to time, these cash balances may exceed federally insured limits.

Land and Land Improvements

Land and land improvements are stated at cost, which is equal to the mortgage payable to the Sponsor, Red Tail, LLC, who conveyed the land and land improvements. Maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Land Improvements	27.5 Years
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Subsequent Events

Management has evaluated subsequent events through Sep 10, 2021, the date on which the financial statements were available to be released. No events were identified which require disclosure or recognition in the financial statements as of December 31, 2020.

Note 3 Income Tax

The Cooperative is subject to federal state income tax. The Cooperative's Form 1120-C, U.S Income Tax Return for Cooperative Associations, for the year ended 2019, is subject to examination by the IRS for three years after being filed.

Note 4 Monthly Maintenance Fees/Principal Contributions

Each Member shares the responsibility for the expenses of maintaining and repairing Cooperative Property and will pay a Monthly Assessment for applicable taxes, insurance, maintenance, and reserve for capital improvements. The initial Monthly Assessment is expected to be approximately \$132.03. Members also contribute a pro-rata share of monthly assessments for any unleased lots in the form of Principal contributions. Unleased lots totaled 15 at the start of 2020 and 15 at the end of 2020.

Note 5 Related Parties/Related Party Transactions

The Principals of the Sponsor are Members of the Cooperative. Collectively, in their capacity as Members, the Principals own 43.3% of the total stock of the Cooperative. 200 shares of the Cooperative were sold to two members during 2019. The Cooperative has a Mortgage payable to Red Tail, LLC, dated August 15, 2018, with monthly payments of \$1,546, including interest at 2.98%. The balance at the end of 2020 was \$343,113. For the year ended December 31, 2020, the Cooperative paid the Sponsor \$104,650 and \$23,373 in principal and interest, respectively.

Note 6 Replacement Reserve

The Cooperative budget contemplates the replacement of capital improvements such as resurfacing of White Hawk Lane. Accordingly, an annual funding requirement of \$3,500, has been included in the budget. Reserves will be set aside to fund these improvements from the Monthly Assessment and will be held by the Cooperative in a segregated account. The Sponsor does not guarantee that the cost of the improvements will be fully covered by the replacement reserves or that there will not be unanticipated expenses that exceed the amount of the reserves that have been set aside. In such cases, special assessments may be made to raise the funds needed to pay for the improvements. Accumulated funds were \$3,536 at December 31, 2020. The Board of Directors has not conducted a study to estimate remaining useful lives and replacement costs of the components of common property.

WHITE HAWK ECOVILLAGE COMMUNITY, INC.

Notes to Financial Statements

December 31, 2020

Note 7 Land and Land Improvements

Land and land improvements consisted of the following at December 31, 2020:

	Cost	Accumulated Depreciation	Net Book Value
Land	\$ 239,800	0	\$ 239,800
Land Improvements	209,689	(13,392)	196,297
Bridges ⁽¹⁾	186,606	(6,786)	179,820
Engineering ⁽¹⁾	11,595	(422)	11,173
Misc Land Improvements ^{(1)*}	46,203	(1,680)	44,523
Retention Ponds ⁽¹⁾	13,678	(497)	13,181
Roads ⁽¹⁾	131,679	(4,788)	126,891
Utility Lines ⁽¹⁾	2,037	(74)	1,963
Water Treatment ⁽¹⁾	52,324	(1,903)	50,421
Septic System ⁽¹⁾	75,878	(2,759)	73,119
Total	\$ 969,489	\$ (32,301)	\$ 937,188

⁽¹⁾As per information received from the company, the previous accountants have missed to include the marked assets in the books of accounts and consequently the audit report for 2019. The necessary JE's have been passed in the year 2020 impacting the cooperative shares interest.

*Includes many small improvements collected over the years like digging of channels for stormwater management.

Depreciation expense for the year ended December 31, 2020 amounted to \$26,534.

Note 8 Mortgage Payable

The Cooperative's obligations under mortgages payable consist of the following at December 31, 2020:

Mortgage payable to Red Tail, LLC, dated August 15, 2018, with monthly payments of \$1,546, including interest at 2.98%, through August 1, 2049. The balance will further amortize by \$40,000 with each lot sale (See Note 1).

	\$ 343,113
Less: Current Portion	<u>(8,078)</u>
Total Long-Term Mortgage Payable	<u>\$ 335,035</u>

WHITE HAWK ECOVILLAGE COMMUNITY, INC.
Notes to Financial Statements
December 31, 2020

Note 8 **Mortgage Payable**

The following is a summary of future mortgage principal payments:

<u>Year</u>	<u>Amount</u>
2021	\$ 8,078
2022	8,323
2023	8,574
2024	8,833
2025-2029	48,332
2030-2034	56,088
2035-2039	65,088
2040-2044	75,531
2045-2049	64,266
	<u>\$ 343,113</u>

Note 9 **Accounts Receivable**

The negative balance represents miscellaneous income such as people paying early, overpaying and refunds of small amounts that were never entered into the accounts receivable ledger.

V. BATHIJA ASSOCIATES CPA, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION**

WHITE HAWK ECOVILLAGE COMMUNITY INC.
6, Whitehawk Lane,
Ithaca, New York 14850

We have audited the financial statements of White Hawk Ecovillage Community Inc. as of and for the year ended December 31, 2020, and our report thereon dated Sep 24, 2021, which expressed an unqualified opinion on those financial statements, appears on Page 1. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of budget with actual operating amounts, which is the responsibility of the entity's management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information, except for the portion marked "unaudited" was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

DocuSigned by:
Vick Bathija
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Vick Bathija, CPA

V. BATHIJA & ASSOCIATES CPA, PLLC

10/22/2021

Date

Exhibit C
(Current Cooperative Budget)

SCHEDULE B

Projected Budget for Fourth Year of Operation

Beginning January 1, 2022

Maintenance Charges

Operating Charges	\$56,901.31
Capital Reserve charges	\$6,500.00
TOTAL ANNUAL MAINTENANCE CHARGES (30 Shares at \$1933.38 Per Share)	\$58,001.31
TOTAL MONTHLY MAINTENANCE CHARGES PER UNIT:	\$ 161.11

Projected Commercial Income:\$5,400.00

Projected Expenses:

Utilities – Electricity/Gas for Common Elements.....	\$14,202.00
Repairs, Maintenance and Supplies	\$2,825.00
Landscaping/Cleanup	\$500.00
Snow Removal - Plowing	\$1,485.00
Refuse Removal	\$1,200.00
Insurance	\$6,450.00
Management Fees	\$0.00
Legal Fees	\$2,500.00
Accounting Fees	\$2,500.00
Mortgage Loan Payments	\$18,554.00
Taxes (Town, County, School, Other)	\$6,212.67
Franchise and Corporate Tax	\$72.00
Reserve	\$6,500.00
Other	\$400.00
 TOTAL	 \$63,401.31
Less Income	<u>- \$5,400.00</u>
TOTAL EXPENSES	\$58,001.31