



4/24/2025

Craneridge Association Inc.  
Jeffrey Randall, Treasurer  
69 Hardwood Court  
Glenwood, NY 14069

**Re: \$60,000.00 Term Loan**

Dear Jeffrey:

Cattaraugus County Bank (the "Bank"), is pleased to advise you that we have approved a \$60,000.00 term loan (the "Credit Facility") to Craneridge Association Inc. (the "Borrower"). The Credit Facility is described in the Summary of Terms and Conditions that is attached to and made a part of this letter (the "Summary").

The Summary includes only a brief description of the principal terms of the Credit Facility. The definitive terms of the Credit Facility will be documented in a Loan Agreement and the other agreements, instruments, certificates and documents called for by the Loan Agreement or which the Bank may otherwise require (together with the Loan Agreement, the "Loan Documents").

Although the Bank has approved the Credit Facility, the Bank's obligations are subject to several conditions.

First, the Borrower must accept this letter as provided below, and must comply with all the other conditions of this letter and the Summary of Terms. After receiving the Borrower's acceptance, the definitive Loan Documents can be prepared. The Bank's obligations are conditioned on the Loan Documents being signed and delivered to the Bank in a form that is satisfactory to the Bank. This letter is also issued subject to the statutory and other requirements by which the Bank is governed. Finally, the Bank's obligations under this letter are subject to the condition that no material adverse change occurs in the business, assets, operations, financial condition or business

prospects of the Borrower or any guarantor, or with respect to any of the collateral for the Credit Facility.

The Bank will not be responsible or liable for any damages, consequential or otherwise, that may be incurred or alleged by any person or entity, including the Borrower, as a result of this commitment letter.

This letter is for the Borrower's benefit only, and no other person may obtain any rights under this letter or be entitled to rely or claim reliance on this letter's terms and conditions. This letter may not be assigned by the Borrower, and none of the Borrower's rights under this letter may be transferred, without the Bank's prior written consent.

This letter is for the Borrower's confidential use only. It may not be disclosed by the Borrower without the Bank's prior written consent to any person (including any financial institution) other than your accountants, attorneys and other advisors, and then only in connection with the transactions contemplated by this letter and on a confidential basis.

All costs and expenses of the Bank will be paid by the Borrower from time to time upon demand, including, for example, fees and expenses of legal counsel, and appraisers, and lien searches, recording and filing fees and taxes, incurred by the Bank in connection with the preparation, negotiation and delivery of this letter and the Loan Documents. Because the Bank will incur these expenses even if the Credit Facility is not consummated for any reason, the Borrower's expense reimbursement agreement is unconditional.

This letter is governed by the laws of New York State. No modification or waiver of any of the terms of this letter will be valid and binding unless agreed to in writing by the Bank. When accepted, this letter will constitute the entire agreement between the Bank and the Borrower concerning the Credit Facility, and shall replace all prior understandings, statements, negotiations and written materials relating to the Credit Facility.

To accept the terms of the Credit Facility and this letter, please sign the enclosed copy of this letter and return it to me by May 9, 2025. If this letter is accepted, the Loan Documents must be signed by July 24, 2025 or this letter will terminate and the Bank will have no liability or further obligation.

We appreciate this opportunity to provide financial services to you, and look forward to your acceptance of this letter.

Very truly yours,

CATTARAUGUS COUNTY BANK

By: *Douglas W. Nelson*  
Douglas W. Nelson

Title: Vice President

With the intent to be legally bound,  
the above terms and conditions are  
hereby agreed to and accepted.

Craneridge Association Inc. ("Borrower")

By: *Jeffrey E. Randall*  
Jeffrey Randall, Treasurer

Date: 6 May, 2025

## SUMMARY OF TERMS AND CONDITIONS

<u>Borrower:</u>	Craneridge Association Inc. ("Borrower")
<u>Bank:</u>	Cattaraugus County Bank ("CCB" or "Bank")
<u>Credit Facilities:</u>	\$60,000.00 Term Loan
<u>Use of Proceeds:</u>	Purchase and installation of new street lights.
<u>Term:</u>	Five (5) year term.
<u>Amortization:</u>	Ten (10) year amortization.
<u>Repayment:</u>	Principal and interest payments shall be repaid on a monthly basis commencing thirty (30) days from the Closing Date.
<u>Interest Rate:</u>	<p>The interest rate shall be a five (5) year adjustable rate with the initial rate set at closing, based on the FHLB 5/10 Year "Federal Home Loan Bank of New York", plus 325 bps subject to an interest rate floor of 4.00%. On the Fifth (5th) anniversary date of the Note, the interest rate will adjust based upon the then-current FHLB 5/10 year fixed rate plus 325 basis points, subject to a floor rate of 4.00%. The "indicative rate" as of today based on this index and margin is 7.462%.</p> <p>The FHLB Index will be the most recent weekly average of the Federal Home Loan Bank of New York Amortizing Advance Rate, as published at <a href="http://www.fhlbny.com/rates/index.htm">http://www.fhlbny.com/rates/index.htm</a>.</p>
<u>Document Prep Fee:</u>	\$500.00 payable at closing.
<u>Expenses:</u>	All costs and expenses incurred by the Bank shall be reimbursed by the Borrower at closing and otherwise on demand. These include all filing fees and taxes and fees and expenses of the Bank's legal counsel, auditor, appraiser and environmental consultant.

<u>Collateral:</u>	<p>The Credit Facility will be secured by:</p> <p>(a) a Negative Pledge Agreement on properties located at 139 &amp; 140 Deer Run, Glenwood NY 14069 (“Property”).</p> <p>(b) All accounts, chattel papers, documents, instruments, general intangible, inventory and equipment of the Borrower, both now existing and hereafter acquired and arising as evidenced by a UCC-1 filing.</p>										
<u>Guarantor:</u>	Irrevocable and unconditional guaranty and suretyship agreements for payment and performance of the Credit Facility by Suzanne Pollutro.										
<u>Reporting Requirements:</u>	a) The Borrower shall provide a copy of their federal tax returns annually within 30 days of filing.										
<u>Covenants:</u>	Affirmative and negative covenants, including financial covenants, will be specified by the Bank for inclusion in the Loan Documents.										
<u>Conditions Precedent:</u>	<p>The Bank will require the following in form and substance satisfactory to the Bank, prior to closing, including but not limited to:</p> <p>(a) Borrower shall maintain their primary deposit relationship with CCB for the life of the loan.</p>										
<u>Prepayment Penalty:</u>	<p>The borrower shall pay a prepayment premium according to the annual period in which the loan is prepaid. “Annual Period” shall be defined as the period commencing with the first payment after loan closing and ending twelve (12) months thereafter and each subsequent twelve (12) month period as follows:</p> <table> <tr> <td>1</td><td>During the first annual period; 5% of the loan balance.</td></tr> <tr> <td>2</td><td>During the second annual period; 4% of the loan balance.</td></tr> <tr> <td>3</td><td>During the third annual period; 3% of the loan balance.</td></tr> <tr> <td>4</td><td>During the fourth annual period; 2% of the loan balance.</td></tr> <tr> <td>5</td><td>During the fifth annual period; 1% of the loan balance.</td></tr> </table>	1	During the first annual period; 5% of the loan balance.	2	During the second annual period; 4% of the loan balance.	3	During the third annual period; 3% of the loan balance.	4	During the fourth annual period; 2% of the loan balance.	5	During the fifth annual period; 1% of the loan balance.
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The prepayment penalty will only apply if the loan accommodation is paid in full by an independent third-party financing source. No prepayment penalty shall apply if the loan is paid with internally generated funds, or the property is sold.

Miscellaneous:

New York State governing law. Consent to New York State jurisdiction. Waiver of jury trial.