

**CONDOMINIUM OFFERING PLAN
FOR THE SALE OF RESIDENTIAL UNITS IN A CONDOMINIUM
TO BE KNOWN AS**

THE ESQUIRE BUILDING

330 Wythe Avenue, Brooklyn, New York 11211

Total Amount of Offering \$19,702,159.00

SPONSOR:

330 Wythe Avenue Associates, LLC
1 Nassau Avenue
Brooklyn, New York 11222

THE CONDOMINIUM WILL CONTAIN SEVENTY-FIVE (75) RESIDENTIAL UNITS, ONE (1) RESIDENTIAL PENTHOUSE UNIT AND TWO (2) COMMERCIAL UNITS, INCLUDING THE CELLAR.

The COMMERCIAL UNITS, INCLUDING THE CELLAR, THE FIRST FLOOR DUPLEX, UNIT 7I-J AND THE PENTHOUSE UNIT ARE NOT CURRENTLY BEING OFFERED FOR SALE.

THE DATE OF THE FIRST OFFERING TO THE PUBLIC IS JULY 30, 2001. THIS PLAN MAY NOT BE USED AFTER JULY 29, 2002, UNLESS EXTENDED BY AMENDMENT.

THIS OFFERING PLAN IS THE ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE OFFICE OF THE ATTORNEY GENERAL PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNITS. FILING WITH THE OFFICE OF THE ATTORNEY GENERAL DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

This Offering Plan contains Special Risks to Purchasers.

See Page 1.

SELLING AGENT:

Carol Calhoun
46 Carmine Street
New York, New York 10014

TABLE OF CONTENTS

	<i>Pages</i>
Special Risks	1
Part I:	
Introduction.....	6
1. General.....	6
2. The Esquire Building.....	6
3. The Building.....	7
4. Features of Condominium Ownership.....	7
5. Offer to Sell.....	8
6. Definitions.....	8
Descriptions of Property and Improvements.....	12
1. The Property.....	12
2. The Units.....	13
3. Common Elements.....	13
4. Services and Amenities.....	14
Location and Area Information.....	16
1. Location.....	16
2. Transportation.....	16
3. Education Facilities.....	17
4. Religious Facilities.....	17
5. Municipal Services.....	17
6. Mailing Address.....	17
7. Zoning and Use.....	17
Schedule A.....	18
Footnotes to Schedule A.....	25
Schedule B.....	28
Footnotes to Schedule B.....	29
1. Residential Common Charges (\$165,291.00).....	29
2. Commercial Common Charges (\$20,647.00).....	29
3. Total Income (\$185,938.00).....	29

	<i>Pages</i>
4. Salaries, Payroll Taxes and Benefits (\$33,750.00).....	30
5. Gas for Cooking and Hot Water (\$31,300.00).....	30
6. Electricity Budget (\$35,000.00).....	31
7. Water and Sewer Rents (\$29,200.00).....	31
8. Repairs, Maintenance, and Supplies (\$6,000.00).....	31
9. Service Contracts (\$30,000.00).....	32
10. Insurance (\$20,000.00).....	32
11. Management (\$15,000.00).....	33
12. Legal, Accounting and Administration (\$7,500.00).....	33
13. Contingency (\$5,000.00).....	33
14. Total Estimated Expenses (\$185,938.00).....	33
Schedule B-1.....	35
Footnotes to Schedule B-1.....	39
1. Estimated Annual Cost for Heating, Cooling and other Electrical Consumption.....	39
2. Estimated Yearly Cost for other Electrical Consumption.....	39
3. Gas for Cooking and Hot Water.....	39
Real Estate Consultant Opinion Letter.....	40
Commercial Units.....	42
Changes in Prices and Units.....	43
1. Changes in Prices.....	43
2. Changes in Units.....	43
Procedure to Purchase.....	46
Generally.....	46
Financing Available to Purchase.....	47
Escrow Account.....	48
Closings.....	50
Effective Date.....	53
Closing of Title to Units.....	55
Closing Costs and Adjustments.....	59
Title Insurance.....	59
Recording Fees.....	60

	<i>Pages</i>
Transfer Taxes.....	60
Mansion Tax.....	61
Mortgage-Related Costs.....	61
Adjustments for Common Charges and Real Estate Taxes...	62
Closing Counsel Fees.....	63
Working Capital Contribution.....	63
Professional Fees.....	63
Reimbursement of Insurance Costs.....	64
Penalties for Delay.....	64
Sponsor's Obligations to Pay Common Charges, Assessments and Real Estate Taxes on Unsold Units.....	64
Rights and Obligations of Sponsor.....	65
Generally.....	65
Interim Leases.....	71
Control by Sponsor.....	72
Rights and Obligations of Unit Owners/Summary of By-Law Provision.....	73
Sale of Lease of Units by Unit Owners.....	73
Mortgaging of Units by Unit Owners.....	73
Liens for Non-payment of Common Charges.....	74
Assessment and Termination of Liability of Unit Owners for Common Charges.....	74
Repairs, Replacement and Maintenance of Units and Common Elements.....	75
Insurance of Individual Units.....	75
Additions, Alterations and Improvements by Unit Owners.....	76
Meetings of Unit Owners.....	76
Compliance with By-Laws and Rules and Regulations.....	76
Rights and Obligations of Board of Managers/Summary of By-Law Provisions.....	77
Board of Managers: Election, Number, Term, and Qualifications.....	77
Powers and Duties of the Board of Managers.....	78
Liability of Board of Managers and Unit Owners.....	78

	<i>Pages</i>
Votes of Unit Owners.....	78
Repair or Restoration after Fire or Other Casualty.....	78
Termination of Condominium.....	79
Procedures to Review Real Estate Tax Assessment.....	79
Covenant Against Partition of Common Elements.....	79
Severance of Ownership Prohibited.....	79
Accumulation of Reserves.....	80
Amendments.....	80
Taxes – Tax Status of Condominium, Income	
Tax Deductions: to Unit Owners and	
Real Estate Tax Benefits.....	81
1. Tax Status of Condominium.....	81
2. Income Tax Deductions to Unit Owners.....	82
3. Real Estate Benefits.....	83
Working Capital Fund and Reserve Fund.....	85
Working Capital Fund.....	85
Reserve Fund.....	85
Agreements Binding on the Condominium.....	86
Management Agreement.....	86
Geothermal Easement.....	86
Identity of Parties.....	87
Sponsor.....	87
Attorney for Sponsor.....	87
Architects and Engineers.....	87
Insurance.....	87
Selling Agent.....	88
Report to Unit Owners.....	89
Document on File.....	90
General.....	91
Sponsor’s Statement of Building Condition.....	93
Part II:.....	94
Offering Plan for the Esquire Building.....	94
Purchase Agreement.....	95

	<i>Pages</i>
1. Receipt of Documents.....	95
2. Agreement to Purchase.....	96
3. Agreement to Be Bound by the Condominium Documents.....	96
4. Representations, Obligations and Rights.....	96
5. Closing of Title.....	97
6. Delivery of Deed; Payment of Taxes and Fees.....	98
7. Liability to Convey Title.....	99
8. Closing Apportionments.....	100
9. Down Payment to be Held in Trust.....	100
10. Sponsor's Rights if Purchaser Fails to Keep Promises and Agreements.....	101
11. Agreement Subject to Sponsor Declaring the Plan Effective.....	102
12. Notices.....	102
13. Inspection and Acceptance of the Unit.....	102
14. Conditions for Binding Agreement.....	103
15. Definitions.....	104
16. Broker.....	104
17. Jury Waiver.....	104
18. Survival of Sponsor's Obligations; Rights of Sponsor.....	104
19. Captions.....	104
20. No Representations.....	105
21. Entire Agreement; Binding Nature of Agreement.....	105
22. No Recording, Assignment if Advertisement; No Lis Pendens.....	105
23. Financing Contingency.....	105
24. Conflicts with the Plan.....	107
Inspection Statement.....	108
Inspection Checklist.....	110
Power of Attorney.....	111
Residential Unit Deed.....	114
Schedule A.....	119

	<i>Pages</i>
Architect Report: Description of Property and Building Condition.....	121
Exhibit A: Local Law Report.....	135
Exhibit B: Lighting Schedule.....	145
Floor Plans for the Esquire Building.....	146
Declaration of Condominium Establishing.....	177
Table of Contents.....	178
Declaration of Condominium.....	179
Article 1: Introductory Provisions.....	179
Article 2: Units.....	183
Article 3: Common Interest.....	184
Article 4: Common Elements.....	184
Article 5: Use of and Access to Common Elements.....	186
Article 6: Condominium Governance; Service of Process...	189
Article 7: Power of Attorney to Board of Managers.....	190
Article 8: Amendment and Termination.....	191
Article 9: General.....	193
Schedule A.....	196
Schedule B to Declaration.....	197
Schedule C to the Declaration.....	201
Article 1: Plan of Condominium.....	201
Article 2: Board of Managers.....	202
Article 3: Unit Owners.....	210
Article 4: Officers of the Board of Managers.....	214
Article 5: Common Expenses, Charges and Assessments Determination, Payment, Collection and Accounts.....	215
Article 6: Insurance.....	222
Article 7: The Condominium Property Use, Operation, Preservation, Maintenance and Repair.....	226
Article 8: Mortgages.....	240
Article 9: Sales and Leases of Units.....	241
Article 10: Condemnation.....	247

	<i>Pages</i>
Article 11: Records and Audits.....	249
Article 12: General.....	249
Article 13: Amendments to the By-Laws.....	252
Article 14: Conflicts.....	253
Rules and Regulations of the Esquire Building.....	254
Letter from Attorney of the Sponsor.....	258
Letter from Real Estate Tax Consultant.....	264
Escrow Agreement: Contract Down Payments.....	266
Deposits into the Escrow Account.....	267
Release of Funds.....	267
Record-Keeping.....	268
General Obligations of Escrow.....	268
Responsibilities of Sponsor.....	268
Indemnity and Disputes.....	269
Liability of Escrow Agent.....	269
Termination of Agreement.....	270
Successors and Assigns.....	270
Governing Law.....	270
Escrow Agent's Compensation.....	270
Severability.....	270
Miscellaneous.....	271
Entire Agreement.....	271
Counterparts.....	271
Form of Application to the Attorney General for a Determination on the Disposition of Down Payments.....	272
Certification by Sponsor.....	274
Certification of Sponsor's Architect.....	276
Certification of Expert on Adequacy of Budget.....	278
Certification of Expert on Adequacy of Common Charges Payable by Commercial Unit Owners.....	281

SPECIAL RISKS

The provisions of this Offering Plan are subject to a number of special risk factors, which should be carefully considered by every prospective Purchaser. Prospective Purchasers are further urged to visit the site of The Esquire Building and to consult with their attorney and/or financial advisors before executing a Purchase Agreement.

Capitalized terms used in this Section and not defined in this Section shall have the meanings given in the "Definitions" section of this Offering Plan, found in Part I, Section B.

The special risks include the following:

1. If a Purchaser desires to make Purchaser's Purchase Agreement contingent upon receipt of a financing commitment, Purchaser will be obligated to apply for financing through Richmond County Savings Bank, Chase Manhattan Bank, N.A. and Dime of New York, (collectively called the "*Permitted Lender*"). A Purchaser may also apply, or may apply instead, for a loan through a different lender or through a mortgage broker. However, Sponsor will not agree to make a Purchase Agreement contingent upon Purchaser's receipt of a financing commitment except for a commitment from the Permitted Lender. Thus, failure to obtain financing from a lender other than the Permitted Lender will not enable Purchaser to terminate the Purchase Agreement and receive back the Down Payment. See Part I of this Plan, "Procedure to Purchase," under the subheading "Financing Available To Purchasers" for further details.

2. Purchasers are advised that under this Plan, Purchasers are obligated pursuant to the terms of the Purchase Agreement to pay the New York City Real Property Transfer Tax and the New York State Real Estate Transfer Tax due in connection with their purchase. Payment of these taxes customarily is a seller's obligation absent a contractual provision to the contrary. Accordingly, New York City and New York State take the position that the amount of tax paid by Purchaser is additional consideration upon which the tax must be paid. Thus the purchase price will be "grossed up" to include the amount of tax paid by Purchaser when the amount of tax due is calculated. See Part I of this Plan for further information.

3. The services and amenities described in the Plan have been budgeted for the first year of Condominium operation. Purchasers are advised, however, that some of the services and amenities may not be in place until the Building is fully occupied. Thus, some services and amenities may not be in service or operation when a particular Purchaser takes occupancy. See Part I of this Plan for further information.

4. In accordance with the Declaration and By-Laws, and similar to the procedures followed by many condominium projects in the City of New York, at the time a Unit Owner closes title to a Unit, the Unit Owner will be required to give a power of attorney to the Board of Managers to take action on behalf of the Unit Owner in specified limited circumstances. See the Form of Power of Attorney in Part II of the Plan for a complete statement of the powers to be given to the Board.

5. If Purchaser is not ready to close on the closing date scheduled by Sponsor pursuant to the Plan (the "*Original Scheduled Closing Date*"), any adjournment of the closing granted by Sponsor at Purchaser's request will, at Sponsor's discretion, be on the condition that (i) all adjustments required to be made at closing be made as of the Original Scheduled Closing Date, and (ii) Purchaser shall pay Sponsor at closing, by unendorsed personal certified or bank check drawn on a bank that is a member of the New York Clearinghouse Association, an amount derived by (a) multiplying the purchase price for the Unit by 14%, (b) dividing that product by 365, and (c) multiplying the resulting amount by the number of days the closing is delayed, beginning with the Original Scheduled Closing Date and ending with the actual closing date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor adjourns the closing date. However, the provisions shall apply to any postponements by Purchaser of an agreed-upon adjourned closing date. Sponsor reserves the right to waive any or all of the provisions of this paragraph. See Part I of the Plan for further details.

6. As described in the Plan, Sponsor represents that (i) it will pay all Common Charges, special assessments (if any), and real estate taxes assessed against the Units Sponsor owns and while Sponsor owns the Units, (ii) it will complete construction of the Building, and (iii) it has the financial resources to meet the foregoing obligations. Purchasers are advised, however, that as is typical with a new construction condominium offering plan in New York City, no bond or other security has been posted by Sponsor to secure payment of these obligations. See Part 1 of the Plan for additional detail.

7. Pursuant to Part I, Sponsor may declare the Plan effective at the time Sponsor has accepted Purchase Agreements for twelve (12) of the Residential Units offered under the Plan. If Sponsor declares the Plan effective with said minimum number of sales, it is possible that Sponsor may be able to establish an operational condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Residential Unit.

8. (i) Purchasers should note that banks and other lenders over the years have imposed restrictions on loans in condominium projects. Such restrictions may include requiring that a certain percentage (such as 35% or 50%) of the Units in a condominium project be sold by a sponsor before a lender will agree to make a loan. The Permitted Lender described above, does not have a restriction based on the number of sales. Thus as long as the Plan has been declared effective with the requisite minimum number of sales, the Permitted Lender is prepared to make loans to qualified Purchasers. (ii) Even once a building is an operational condominium, lenders may impose minimum sales requirements before agreeing to make a loan. Thus, it may be difficult for a Purchaser to resell a Unit if a prospective buyer is unable to get a loan due to minimum sales requirements that have not yet been met. However, lending institutions' underwriting criteria and considerations change over time, and the market at present is different from the market in the past. Accordingly, Sponsor advises purchasers to familiarize themselves with lending institutions' policies in this area at the time purchaser is considering acquisition, for the most current information on this subject.

9. (a) At all annual meetings of Unit Owners, Sponsor and/or its designee shall be entitled to vote for nominees for election to the Board in accordance with Sponsor's and/or its designee's ownership of Units. In addition, while Sponsor and/or its designee owns Residential Units representing at least 25% in Common Interest, Sponsor and/or its designee shall have the right, but not the obligation, to appoint a majority of members to the Board of Managers. However, after the earlier of conveyance of title by Sponsor to Residential Units representing 76% in Common Interest, or the fifth annual anniversary of the First Unit Closing, Sponsor will not have the right to appoint a majority of members to the Board of Managers even if Sponsor's percentage of Common Interest or any provisions of these By-Laws would otherwise allow Sponsor to do so.

(b) In addition to the foregoing, so long as Sponsor and/or its designee shall continue collectively to own (i) Residential Units representing less than 25% but at least 10% in Common Interest, Sponsor and/or its designee shall have the right to appoint two (2) members of the Board of Managers and (ii) Residential Units representing less than 10% in Common Interest but at least one Residential Unit, Sponsor and/or its designee shall have the right to appoint one (1) member of the Board of Managers.

(c) Notwithstanding anything in these By-Laws to the contrary, whenever Sponsor shall have the right to designate more than one member of the Board, Sponsor may appoint one person to serve on the Board and that person shall have the same rights and votes as would have been available to Sponsor had Sponsor appointed separate Board members.

(d) So long as Sponsor and/or its designee continues to own at least one Residential Unit, the number of members of the Board of Managers may not be changed without the prior consent of Sponsor and/or its designee.

10. Each Unit shall have its own Heat and Air Conditioning Cooling System. Each Unit Owner shall be responsible for the maintenance, repair and replacement of the aforementioned systems in his or her Unit. The Condominium shall have no responsibility whatsoever for such maintenance, repair or replacement.

11. The Sponsor will seek to obtain for a Purchaser the tax abatement and exemption benefits available under Section J-51. If the tax benefits are not granted, then each Unit Owner will be responsible to pay the full real estate taxes assessed against the Unit. Sponsor will use its best efforts to obtain these tax benefits. However, there is no guarantee that purchasers will receive tax benefits.

12. A Purchaser who fails to pay the balance due under the Purchase Agreement on the original Scheduled Closing Date or any permitted adjournment thereof, or fails to honor any other obligation under the Purchase Agreement, will be in default under the Purchase Agreement. Sponsor shall notify any such Purchaser of Purchaser's default in writing, shall specify the reason Purchaser is in default and shall grant Purchaser a period of at least thirty (30) business days within which to cure a nonmonetary default. With respect to payment of the balance due under the Purchase Agreement, Sponsor shall notify any purchaser of Purchaser's failure to pay the balance of the Purchase Price in writing and shall grant Purchaser a period of 30 days within which to cure such default. **SPONSOR RESERVES THE RIGHT TO MAKE TIME OF THE ESSENCE WITH RESPECT TO PURCHASER'S**

OPPORTUNITY TO CURE ANY DAMAGES, AND SELL THE UNIT TO ANOTHER PURCHASER AS IF THE PURCHASE AGREEMENT HAD NEVER BEEN MADE.

13. The Sponsor has not posted any bond or security to secure Sponsor's obligations to pay common charges, special assessments or real estate taxes with respect to unsold units.

14. The Property is located in a manufacturing district that permits uses that may be incompatible with residential occupancy.

15. The Sponsor will retain the two Commercial Units, located on the first floor of the Building and the Cellar. These Commercial Units are not being offered for sale. The Sponsor or its designee intends to own and operate or lease these Units. The Commercial Units may be combined into one or two Units or further subdivided into more Units at the discretion of the Sponsor. The Commercial Units may be used for any lawful purpose. Currently, there are no use proposals for the Commercial Units or the Cellar. The Board of Managers and the Residential Unit Owners do not have the right to approve any change in the use of a Commercial Unit. There are no future construction rights to develop the roofs of the Commercial Units.

16. The Sponsor reserves the right to develop the existing 695 sq. ft. bulkhead on the roof of the eight-story structure, into a penthouse with a two-story 2910 sq. ft addition and exclusive use of the entire roof of the eight-story structure and the roof of the Penthouse Unit, as a Limited Common Element, and the right to install deck or terrace, fencing and exterior grade furnishings and plantings, such as patio furniture and potted plants, on the roof of the eight-story structure, in accordance with the all provisions of the Plan and By-Laws, accept as provided for in the Plan. The Sponsor will not conduct activity or use on the roof that would void or jeopardize the roof warranty. All contractors used by Sponsor will carry adequate liability insurance and name the Condominium as an additional insured. It is anticipated that work on the Penthouse Unit will commence within the first year after the filing of the Plan and may take up to six months to complete. During this time period, construction work on the Penthouse can be conducted Monday through Saturday between 8:00 A.M and 4:30 P.M, excluding legal holidays and one elevator will be dedicated for construction use on weekdays (excluding legal holidays) between the hours of 8:00 A.M and 6:00 PM. The construction of the Penthouse Unit may cause increased noise and dust especially for the eighth floor Unit Owners. It is possible that electric and plumbing services may be interrupted as a result of the construction of the Penthouse. The Sponsor reserves no further rights to develop the roof of the eight-story structure accept as provided for in the Plan and reserves no further construction or development rights on the roof of the Penthouse Unit.

17. Any deposit in excess of \$100,000 which is received as a downpayment and held in escrow under a Purchase Agreement will not be federally insured.

18. No bond or other security other than those required by this Plan has been furnished to complete construction of the Condominium.

19. A power plant is being built on South 1st Street and River Road. No representation is made by the Sponsor regarding the impact that this will have on the habitability or marketability of the Units.

20. The Property, without limitation is designated animal-friendly. The Board of Managers shall not have the right to deny Unit Owners the right to own animals that are legal under NYC law as pets or to amend or change this designation except in accordance with the applicable provision of the Declaration and the By-Laws.

21. Cost of appliances and installation of such, other than those specified in the Plan, will be borne by Unit Owners. Hookups already exist for appliances.

22. The floors and ceilings of some or all Units are unpainted concrete.

23. The Unit Owners of the second floor duplex units must install, board approved noncombustible decking, such as pavers or tile on the private patios at their own expense. The cost of materials and installation of such for Board approved partitioned fencing on the patio boundary lines between the units will be borne by the Unit Owners.

24. It is anticipated that construction will continue for approximately one-year following the first unit closing. Interior Unit construction by individual Unit Owners and the development of the Penthouse on the roof of the eight-story structure by the Sponsor may cause noise, dust and interruption of building services. During this time period, construction work can be conducted Monday through Saturday between 8:00 A.M and 4:30 P.M, excluding legal holidays and one elevator will be dedicated for such use on weekdays (excluding legal holidays) between the hours of 8:00 A.M and 6:00 PM. The Superintendent of the building will provide access and will secure the premises to assure that doors are not left open during this construction period. Any interior construction to a Unit or construction to a Limited Common Element by a Unit Owner and the construction of the Penthouse Unit and roof of the eight-story structure by the Sponsor, must conform with all applicable provisions of the Declaration and the By-Laws and the sole expense and responsibility of such, borne by each Unit Owner and/or Sponsor in accordance with, and as specified in the Plan.

25. Sponsor will begin to pay monthly Common Charges on the Penthouse Unit upon receipt of a temporary Certificate of Occupancy.

26. In the event, that construction of the Penthouse Unit may increase the rate of insurance of the Condominium, Sponsor will be responsible for the rate difference.

THE ESQUIRE BUILDING
330 Wythe Avenue
Brooklyn, NY 11211

PART I

INTRODUCTION

General

330 Wythe Avenue Associates, L.L.C. ("Sponsor") is a New York limited liability corporation. Sponsor presents this Offering Plan (the "Plan") for the sale of residential condominium units (the "Units") in The Esquire Building (the "Condominium") on property located at 330 Wythe Avenue, Brooklyn, New York (the "Building"). The Sponsor acquired the property on Aug. 31, 2000. The land and the improvements on the land, which will comprise the Condominium, are referred to in this Plan collectively as the "Property."

The purpose of this Plan is to set forth all material terms of Sponsor's offer to sell Units. Sponsor may amend the terms of this Offering Plan from time to time during the period of this offering. Any such change in terms will be effected through the filing by Sponsor of an amendment to the Plan with the New York State Department of Law ("Department of Law"). Promptly after an amendment's acceptance by the Department of Law, the amendment will be distributed to all purchasers under contract with Sponsor, and to Unit Owners who purchased their Units from Sponsor.

This Plan is presented in two parts (both in this volume), which parts, together with any amendments to the Plan, constitute the entire Plan. Part I contains a general description of the offering and a summary of the basic documents used to purchase a Unit and maintain and operate the Condominium. Part II contains forms of all such basic documents. Also included in Part II is a detailed description of the physical aspects of the Property, layouts of the units, legal opinions as to certain tax matters discussed in the Plan, and certifications by Sponsor, its architect and its budget expert, as to the truth and accuracy of information in the Plan for which they are primarily responsible.

Prices for Units may be found on Schedule A which is contained in Part I of the Plan. Prices were set by Sponsor alone and are not subject to review or approval by the Department of Law or any other government agency.

2. The Esquire Building

The Property is located in the Williamsburg section of Brooklyn, New York on the corner of Wythe Avenue and South 1st Street and is on a full city lot with views of the East River and Manhattan. It is anticipated that when development is completed, The Esquire Building will include seventy-five (75) Residential Units, one (1) Residential Penthouse Unit and two (2) Commercial Units. The building will be 8 stories tall.

3. The Building

Sponsor commenced a complete gut rehabilitation of the building in September 2000. It is anticipated but not represented or warranted that the Building will obtain a temporary certificate of occupancy in June 2001, and a permanent certificate of occupancy by September 2001. It is anticipated that upon receipt of a temporary certificate of occupancy, the Property will be submitted to the Condominium Act and that once created, the Condominium will consist of one Building containing seventy-five (75) Units, one (1) Residential Penthouse Unit and two (2) Commercial Units. Sponsor reserves the right, however, to subdivide each Unit into two or more Units for sale or to combine two or more Units into one Unit and reserves the right to own one or more Units. Sponsor is also reserving the right to retain ownership of the two Commercial Units and to develop and own the existing 695 square foot bulkhead with a two-story 2910 square foot addition on the top of the building for use as a Penthouse. The Commercial Units, including the cellar, the first floor duplex, Unit 7I-J, and the Penthouse Unit are not currently being offered for sale.

4. Features of Condominium Ownership

An owner of a Condominium Unit owns title to his, her, their or its Unit and is entitled to exclusive possession of the Unit. Each Unit is assessed as a separate tax lot for real estate tax purposes. A Unit Owner is privileged to mortgage the Unit or not, and in such amount as the Unit Owner chooses. Any one Unit is not subject to mortgages placed on any other Unit by another Unit Owner, and a Unit Owner will incur no liability if other Unit Owners fail to make payments on any mortgage affecting their Units.

Each Unit Owner must pay common charges in accordance with the New York Condominium Act, RPL Sections 339 (i) and (m).

Each Unit Owner will have the right to vote annually for the election of nine (9) individuals to serve as members of the Board of Managers. The Board of Managers will govern the Condominium in accordance with its responsibilities under the Declaration, By-Laws and Rules and Regulations of the Condominium.

The Board of Managers will be responsible for supervising the maintenance and operation of the General Common Elements of the Property and managing the affairs of the Condominium, in accordance with the Declaration, By-Laws, Rules and Regulations of the Condominium, and applicable statutes.

A Unit Owner may sell or lease said Owner's Unit to anyone, subject to a right of first refusal held by the Board of Managers, and compliance with certain other requirements set forth in the By-Laws of the Condominium.

A Unit Owner will be solely responsible for the maintenance and non-structural repair of Owner's Unit and the Unit Owner may decorate the interior of the Unit as the Unit Owner desires. The cost of insurance for occurrences and personal property within a Unit shall be borne by the Owner of the particular Unit. The Board of Managers will maintain insurance covering the Common Elements of the Condominium.

Ownership of title to a Unit includes ownership of an undivided interest in all parts of the Property other than the Units themselves (i.e., in the "Common Elements"), in common with all other Unit Owners. This undivided interest is referred to as the Unit Owner's "percentage of interest in the Common Elements" or "Common Interest."

Pursuant to Section 339-i(1)(ii) of the Condominium Act, the Common Interest allocated to each Unit is based upon the anticipated approximate proportion that the floor area of the Unit on the date of the Declaration will bear to the then aggregate floor area of all Units, with such proportion reflecting the substantially exclusive advantages enjoyed by one or more, but not all Units, in a part or parts of the Common Elements.

The costs involved in maintaining and operating the Common Elements will be shared by all the Units. Common Elements will include, without limitation, such items as structural columns and sidewalks adjacent to the Building. The costs of maintaining Common Elements as well as the cost of insurance premiums for the Condominium and similar common expenses, are referred to as "Common Expenses." Common Expenses will be apportioned between the Unit Owners based upon the aggregate Common Interest attributable to each component, as provided in the By-Laws and as set forth and explained in the proposed operating budget contained in Part I of the Plan as Schedule B.

Limited Common Elements means Common Elements that serve one or more specified Unit(s) and no other Units, and thus are restricted in use to the Owner(s) of that (those) Unit(s), as described in this Declaration. The costs involved in maintaining the Limited Common Elements will be borne by such Unit Owner that enjoys the use of such Limited Common Element.

5. Offer to Sell

The Plan, including all schedules, amendments and parts A, B and C of certain "Exhibits" filed with the New York State Department of Law, constitutes the entire offer of the Sponsor. Copies of the Plan and parts A, B and C of the Exhibits will be available for inspection by prospective purchasers without charge at the Sales Office whenever the Sales Office is open. Copies of the Plan, including all amendments, exhibits and schedules will also be available for inspection and copying at a reasonable fee at the Department of Law. Prices for copying are not subject to approval by the Department of Law. All of the documents referred to in this Plan are important and should be reviewed carefully prior to purchase.

THE PURCHASE OF A CONDOMINIUM UNIT HAS SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL STRONGLY URGES YOU TO CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM UNIT.

6. DEFINITIONS

General definitions of some important terms used in the Plan are set forth below. These definitions are intended for explanatory purposes and should be

read in conjunction with the more specific definitions appearing in the Declaration and By-Laws, which appear in Part II of the Plan.

"Attorney General" means the New York State Attorney General, who is the head of the New York State Department of Law.

"Board of Managers" or "Board" or "Condominium Board" means the Board of Managers of the Condominium.

"Building" means the Building erected on the Land and all alterations and replacements located at 330 Wythe Avenue, Brooklyn, New York.

"By -Laws" means the By-Laws of the Condominium, which By-Laws are annexed to the Declaration, as such By-Laws may be amended from time to time.

"City Register's Office" means the Kings County Office of the Register of The City of New York.

"Commercial Units" means those designated nonresidential areas on the first floor of the Building to be used for any lawful purpose in accordance with the Declaration, together with their Common Interest. The Commercial Units may be merged or further subdivided in accordance with the provisions of this Plan.

"Commercial Unit Owner" means an Owner of a Commercial Unit.

"Commercial Common Charges" means charges payable by the Commercial Unit Owners for the purpose of meeting Commercial Common Expenses.

"Commercial Common Expenses" means the Commercial Units' pro rata share of the all costs and expenses, if any, in connection with repair, maintenance, replacement, restoration, operation of, and alteration, addition or improvement to, the General Common Elements except for gas for cooking and hot water, utilities and water charges and sewer rents.

"Common Charges" means the annual assessments payable in monthly installments by Unit Owners for the purpose of meeting Common Expenses. Assessments, both special and otherwise, will be characterized and treated as Common Charges of the Unit Owner to whom assessed, all as more fully described in Article 5 of the By-Laws.

"Common Elements" means those facilities and areas of the Condominium that are not part of a Unit and which are necessary or convenient to the existence, management, operation, maintenance and/or safety of the Property, or normally in common use.

"Common Expenses" means all costs and expenses in connection with repair, maintenance, replacement, restoration, operation of, and alteration, addition or improvement to, the Common Elements, including but not limited to insurance and establishment of reserves for repairs and replacements.

"Common Interest" (also referred to occasionally as "percentage of interest in the Common Elements") means the proportionate undivided interest in fee

simple absolute in the Common Elements allocated and appurtenant to a Unit, as set forth in the Declaration. Said interest is expressed as a numerical percentage. The total of all Common Interest percentages appertaining to all Units equals 100%.

"*Condominium*" means the Units and Common Elements comprising the Property. The terms "Condominium" and "Property" are used interchangeably.

"*Condominium Act*" means Article 9B of the New York State Real Property Law.

"*Condominium Instruments*" means the Declaration and the By-Laws attached thereto, as same may be amended from time to time.

"*Declaration*" means the Declaration of Condominium, to be recorded by Sponsor prior to conveying title to a Unit under this Offering Plan.

"*Department of Law*" means the New York State Department of Law, which is headed by the New York State Attorney General.

"*First Unit Closing*" means the first closing of a sale of a Residential Unit pursuant to this Offering Plan.

"*Institutional Lender*" means any domestic or foreign commercial or savings bank, any insurance company or savings and loan association whose investments are regulated by the laws of any State or of the United States, any pension fund, trust company, governmental agency or fund, any educational, religious or charitable institution, or other non-individual entity, or a consortium of any of the foregoing, in the business, among other things, of making mortgage loans secured by real property.

"*Land*" means the land upon which the Building is located, as more fully described in the Declaration.

"*Limited Common Elements*" means Common Elements that serve one or more specified Unit(s) and no other Units, and thus are restricted in use to the Owner(s) of that (those) Unit(s), as described in this Declaration.

"*Mortgagee*" means any Institutional Lender holding a mortgage of record encumbering a Unit. A Mortgagee shall be deemed to be a "Permitted Mortgagee" if it satisfies the criteria therefor contained in the By-Laws.

"*Offering Plan*" (or "*Plan*") shall mean this Offering Plan for the Sale of Units in The Esquire Building Condominium filed by Sponsor with the Department of Law, as said Plan may be amended from time to time.

"*Offering Plan Counsel*" means Marcia E. Fokas, Esq., which attorney has been engaged by Sponsor for the purposes of preparing this Offering Plan and the Declaration and By-Laws contained herein.

"*Permitted Encumbrances*" means those encumbrances to title to a Unit which a purchaser by executing a Purchase Agreement, agrees to take title subject to, as itemized in Part I of this Plan.

"*Permitted Mortgagee*" means a Mortgagee who has satisfied the criteria for a Permitted Mortgagee set forth in Article 8 of the By-Laws.

"Plans and Specifications" means the plans and specifications for construction of the Building prepared by Bolek Ryzinski, as same may be amended from time to time.

"Property" means the Land and the Building, as more fully described in the Declaration.

"Purchase Agreement" means the contract between Sponsor and a Purchaser for the sale and purchase of a Unit.

"Purchaser" means the party or parties identified as purchaser under a Purchase Agreement for a Unit.

"Real Estate Tax Counsel" means Ben Rottenstein & Associates, LLC, which firm has been engaged by Sponsor in connection with an application for real estate tax benefits under New York State's Real Property Tax Law §J-51 program and tax certiorari proceedings for the Property.

"Residential Common Charges" means charges payable by Residential Unit Owners for the purpose of meeting Residential Common Expenses.

"Residential Common Expenses" means the Residential Units' pro rata share of all costs and expenses in connection with repair, maintenance, replacement, restoration, operation of, and alteration, addition or improvement to, the General Common Elements, including but not limited to, insurance and establishment of reserves for repairs and replacements.

"Residential Unit" means each Unit designated as a Residential Unit on Schedule B to this Declaration, together with the Common Interest appurtenant to each such Unit. Two or more Residential Units are referred to as *"Residential Units."*

"Residential Unit Owner" means an Owner of a Residential Unit.

"Roof of the eight-story structure" means the roof of the portion of the *"Building"*, which contains the *"Residential Units"*.

"Roof of the one-story structure" means the roof of the portion of the *"Building"* fronting Wythe Street, south of the entrance to the *"Residential Units"*.

"Roof of the one/two-story structure" means that portion of the *"Building"* fronting South First Street.

"Rules and Regulations" means the rules and regulations adopted by the Board of Managers pertaining to the use of the Condominium, as same may be amended from time to time.

"Sponsor's Architect" means Bolek Ryzinski.

"Sponsor" means 330 Wythe Avenue Associates, LLC, the Declarant hereunder, in its capacity as, and having the rights and obligations of, Sponsor as set forth in the Offering Plan.

"Tax Lot Drawings" means the drawings of the Building, to be certified by Bolek Ryzinski, delineating the Units and the Common Elements,

approved by the Real Property Assessment Department of the City of New York and filed simultaneously with the recording of the Declaration, as more fully described in Article 2 of the Declaration.

"Transfer Taxes" means the New York City Real Property Transfer Tax and the New York State Real Estate Transfer Tax.

"Unit" means any space in the Building intended for independent use or ownership and designated as a Unit in the Declaration, as same may be amended from time to time, together with such Unit's Common Interest. Any two or more Units are collectively referred to as "Units."

"Unit Owner" or *"Owner"* means any owner of a Unit in fee simple absolute.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

1. The Property

The Condominium is undergoing a complete rehabilitation on the corner of Wythe Avenue and South 1st Street. The main entrance to the Building is on Wythe Avenue.

Residential Units begin on the first floor of the Building and consists of thirty-nine (39) Simplex Units, thirty-six (36) Duplex Units and, one (1) Residential Penthouse Unit. The approximate size of the Units range from 1000 sq. ft to 2000 sq. ft. The roof of the second-story structure, located on South 1st Street, is a designated common deck terrace for use by Residential Unit Owners. The second floor duplex units each have glass patio doors that open onto their respective private patios. The duplex units and some of the simplex units will each have balconies restricted for plant use only. Each residential unit will have one finished bathroom, a kitchen sink and cabinet, and will be equipped with rough plumbing, ventilation and electrical outlets for the completion by unit owner of the kitchen and for a future bathroom. In addition, each unit will be provided with a waste connection for piping for a future washing machine and a dedicated circuit(s) for a washing machine and electrical dryer. The cost of appliances and equipment, other than specified in the Plan, and installation of such will be borne by the Unit Owner. A coin-operated washer and dryer for residential use will be located on the sixth and seventh floor. There will be eight floors in the Building, including the ground floor containing two Commercial Units. The Building is being fully rehabilitated in accordance with the New York City Zoning Resolution and all other applicable zoning and building laws, regulations, codes and other government requirements.

Construction of the Building was commenced by Sponsor in September 2000. Under Sponsor's current projection, the First Unit Closing is projected to occur in Sept. 2001, unless Sponsor is delayed by weather, strikes, lockouts, acts of God, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements, or any other cause over which Sponsor has no direct control. Sponsor makes no

warranty or guarantee, however, as to the date of completion of the Building or the date of the First Unit Closing.

2. The Units

Sponsor is constructing seventy-five (75) residential apartments and one (1) residential penthouse apartment in the Building, but reserves the right to change the number as construction progresses. Please refer to the section of the Plan entitled "Changes in Prices and Units – Changes in Units" for a further discussion.

Sponsor is offering the Units for sale on terms to be negotiated by Sponsor and a purchaser. In connection with its offer of the Units, Sponsor reserves the right to subdivide any or all of the Units and to offer one or more of the Units for sale. Sponsor also reserves the right to retain ownership in its own name or in the name of an affiliate, of any or all of the Units and not to sell or offer to sell such Units.

Specific items to be included in a Unit, and the level of finish work Sponsor has undertaken to provide, are described in the "Description of Property and Specifications" contained in Part II of this Plan.

Any alteration work which a Unit Owner desires to undertake in the Unit subsequent to Unit Owner's acquisition thereof, must be performed in accordance with the procedures for alterations outlined in the By-Laws.

Sponsor and/or its designee reserves the right, without prior notice or amendment to the Plan, to use any Unit owned by Sponsor as a sales office or for any other legal purpose.

3. Common Elements

Generally, the Common Elements of the Condominium consist of the Land on which the Building is built, and all parts of the Building other than the Units themselves, including generally, the foundations, footings, the roof, except for the portions which will be retained by the Sponsor, and supports of the Building and all other parts of the Building, all apparatus, installations, systems, equipment and facilities therein for the common use of all the Units and Unit Owners or which are convenient and necessary for the existence, maintenance, safety and operation of the Property, all facilities of the Property which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of more than one Unit Owner.

The Common Elements consists of all the Property except the Units. Generally, each Unit Owner has the right to use and enjoy the Common Elements with all other Unit Owners, and all Unit Owners have the right to use and enjoy the Common Elements jointly with all other Unit Owners. A detailed description of the Common Elements is contained in Article 4 of the Declaration of Condominium.

The Common Elements cannot be divided or partitioned except as provided in the Condominium Act. A Unit Owner's interest in the Common Elements cannot be separated from the Unit to which it appertains.

4. Services and Amenities

Where applicable, the services and amenities described below have been budgeted for by Sponsor for the first year of operation. Purchasers are advised, however, that some of the services and amenities may not be in service or operation until the Building is fully occupied. Thus, some services and amenities may not be in service or operation when a particular Purchaser takes occupancy.

Purchasers are further advised that a decision to maintain the operation and level of services and amenities described below (and budgeted for the first year of condominium operation), in future years will be discretionary with the Board of Managers, and Sponsor makes no representation that they will be so maintained or that they will be maintained on the basis provided for in this Plan. The Board of Managers will have the authority to impose fees for certain services and amenities, increase or decrease services and amenities, change the hours of availability, and so on. Sponsor makes no representation as to actions to be undertaken by the Board of Managers in subsequent years of Condominium operation, except, however, while Sponsor controls the Board of Managers, Sponsor will not cause the Board to decrease the level of services budgeted in Schedule A for the first year of Condominium operation. Sponsor will not be liable in the event of discontinuance, modification, restriction or expansion of availability or any other modification of services and amenities described herein by the Board of Managers in subsequent years of Condominium operation when Sponsor does not control the Board of Managers.

House Intercom System: Each Residential Unit will be equipped with a video intercom connected to the front entrance, allowing guest and visitors to enter the building

Telecommunications: It is anticipated that the Building will be wired for high-speed internet service which will be available to residents through local franchises. The telephone service provider for the Residential Units will be the decision of Unit Owners. Installation, monthly usage and/or activation charges for telephone and internet service will be determined by and payable directly to the respective company, by each resident subscribing.

Television: The Building will contain a master antenna to provide local television channel service. Users may combine the local signal with cable or satellite service. Cable television will be available to residents through the locally designated franchisee. Charges for activating cable television service and/or satellite service, installing and attaching appropriate receptacles, additional installations and monthly usage charges will be determined by and payable directly to the cable company or satellite company, as applicable, by each resident subscribing for and activating such service.

Refuse Disposal: Trash will be collected by New York City Department of Sanitation.

Elevator Service: Two self-service elevators, stopping at all floors will provide passenger and freight service.

Smoke Detectors: All Units will be equipped with smoke detectors in accordance with local law. (No representations or warranties are made and no assurance is given that the existence of a smoke detector will prevent personal injury, loss or damage to personal property.)

Storage: At the time of the Offering, no provisions have been made for storage areas.

LOCATION AND AREA INFORMATION

1. Location

The Building is located in an M-3 manufacturing industrial zone. As of right uses would include heavy manufacturing, such as electric generation plant, chemical storage facilities, meat processing plants and industrial recycling yards. A variance was granted by the Board of Standards and Appeals to change the use of the Building to residential use with either commercial or light (M1) manufacturing on the ground floor. Currently there are no use proposals for the Commercial Units. The Building is not a landmark designated building or area. The address of the building is 330 Wythe Avenue, Brooklyn, NY three blocks north of the Williamsburg Bridge and one block east of the Brooklyn waterfront. The building was built in the 1900's for the purpose of storing grain, but its most notable use was as both factory and warehouse for The Esquire Building Boot Polish Company. The location provides magnificent views of the East River and the Midtown Manhattan skyline above the building's first floor. Housing typical in the area is 19th Century row houses and walk-ups. There are restaurants, art galleries, and stores within a few blocks of the Building.

Many of the neighborhood-eating establishments reflect the cuisine of the Polish, Italian, and Hispanic immigrants who have made Williamsburg home. Newer restaurants reflecting the tastes and trends of fine Manhattan restaurants have begun to open in the area. Peter Lugars, Planet Thailand, Vera Cruz, Oznot's Dish and Seasons, to name a few, and bars and cafes can be found along Broadway, Berry Street, Bedford and Driggs Avenues. All are within walking distance of The Esquire Building Building

Neighborhood stores are in close proximity to the Building, and provide for the needs of the residents by offering such commodities as videos, baked goods, convenience food, health food, books, newspapers and pet supplies. A number of small, independently run boutiques and art galleries have opened along Bedford Avenue. A little further north along Manhattan Avenue, in the area known as Greenpoint, coffee shops, variety stores, chain grocery and drug stores can be found. Currently each Saturday, a small Farmer's Market operates out of McCaren Park, which is nestled between Williamsburg and Greenpoint, selling fresh produce and flowers.

2. Transportation

The number 61 bus is available on Bedford Avenue. From Bridge Plaza, located at Havemeyer between Broadway and South 4th Street, buses lines go Manhattan, Queens and Brooklyn.

A short distance from the Building, the "L" Subway line service is available at Bedford Avenue and North 7th Street and is one stop from Manhattan. The "L" train travels west under the East River into Manhattan and under 14th Street where it connects with most IND and IRT subway lines, making easy access by subway to Penn Station and The Port Authority Bus Terminal. Other nearby subway service includes, the "J" and "M" BMT Lines and the "G" IND Line.

The Building is less than one-quarter mile from the Williamsburg Bridge and The Brooklyn-Queens Expressway, making highway connections to all bridges and tunnels which provide access to all boroughs of New York City, Westchester, Long Island, Upstate New York, New Jersey and the three major airports serving the New York metropolitan area.

3. Educational Facilities

Children in the neighborhood may attend the following public schools: P. S. No. 84, P. S. No. 17, P. S. No. 19, J.H.S No. 50, the Eastern District H. S, and the Automotive H. S., as well as various private and religious schools.

4. Religious Facilities

There are houses of worship of various denominations in the vicinity of the Building.

5. Municipal Services

The City of New York will provide water, sanitation, police and fire services to the Building.

The local police stations are:	94 Precinct located at Meserole and Lorimer Avenues 90 Precinct located Union and Broadway.
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The local fire companies are:	Engine Co. 221/Ladder Co. 104 Engine Co. 212 Engine Co. 216/Ladder Co. 108 Engine Co. 229/Ladder Co. 146
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6. Mailing Address

The mailing address is 330 Wythe Avenue, Brooklyn, New York 11211

7. Zoning and Use

The Property is located in a manufacturing district that permits uses that may be incompatible with residential occupancy.

SCHEDULE A**The Esquire Building**

Offering Prices and Related Information
 (All Projected Charges for
 the Twelve Month Period commencing Sept 1, 2001 and
 Ending Aug 30, 2002)

UNIT No.	Square Footage	No. of Rooms/ Baths	Percentage of common Interest	Offering Price	Projected Monthly common charges	Projected Yearly Real Estate Taxes without J51	Projected Monthly Real Estate Taxes without J51	Projected Total Monthly Carrying charges Without J51	Projected Yearly Real Estate Taxes with J51	Projected Monthly Real Estate Taxes with J51	Projected Total Monthly Carrying Charges with J51
	1	1a	2	3	4	5	6	7	8	9	10
1E	1272	2/1D	1.059%	\$267,120	\$145.85	\$3,132.66	\$261.06	\$406.90	\$131.95	\$11.00	\$156.85
2A	1342	2/1DO	1.117%	\$254,980	\$153.88	\$2,990.29	\$249.19	\$403.07	\$139.22	\$11.60	\$165.48
2B	1256	2/1DO	1.046%	\$238,640	\$144.01	\$2,798.66	\$233.22	\$377.24	\$130.29	\$10.86	\$154.87
2C	1169	2/1DO	0.973%	\$222,110	\$134.04	\$2,604.81	\$217.07	\$351.11	\$121.27	\$10.11	\$144.14
2D	1066	2/1DO	0.887%	\$202,540	\$122.23	\$2,375.30	\$197.94	\$320.17	\$110.58	\$9.22	\$131.44
2E	1439	2/1DO	1.198%	\$273,410	\$165.00	\$3,206.43	\$267.20	\$432.20	\$149.28	\$12.44	\$177.44
2F	925	1/1L	0.770%	\$194,250	\$106.06	\$2,278.08	\$189.84	\$295.90	\$95.96	\$8.00	\$114.06
2G	1286	1/1L	1.071%	\$270,060	\$147.45	\$3,167.14	\$263.93	\$411.38	\$133.41	\$11.12	\$158.57
2H	930	1/1L	0.774%	\$195,300	\$106.63	\$2,290.39	\$190.87	\$297.50	\$96.48	\$8.04	\$114.67
2I	1035	1/1L	0.862%	\$217,350	\$118.67	\$2,548.98	\$212.42	\$331.09	\$107.37	\$8.95	\$127.62
2J	1925	1/1LM	1.602%	\$404,250	\$220.72	\$4,740.86	\$395.07	\$615.79	\$199.69	\$16.64	\$237.36
2K	1341	1/1L	1.116%	\$281,610	\$153.76	\$3,302.59	\$275.22	\$428.98	\$139.11	\$11.59	\$165.35

SCHEDULE A
The Esquire Building
Offering Prices and Related Information
(All Projected Charges for
the Twelve Month Period commencing Sept 1, 2001 and
Ending Aug 30, 2002)

UNIT No.	Square Footage	No. of Rooms/ Baths	Percentage of common Interest	Offering Price	Projected Monthly common charges	Projected Yearly Real Estate Taxes without J51	Projected Monthly Real Estate Taxes without J51	Projected Total Monthly Carrying charges Without J51	Projected Yearly Real Estate Taxes with J51	Projected Monthly Real Estate Taxes with J51	Projected Total Monthly Carrying Charges with J51
	1	1a	2	3	4	5	6	7	8	9	10
3A	1399	2/1D	1.165%	\$268,468	\$160.41	\$3,148.47	\$262.37	\$422.78	\$145.13	\$12.09	\$172.51
3B	1256	2/1D	1.046%	\$241,026	\$144.01	\$2,826.65	\$235.55	\$379.57	\$130.29	\$10.86	\$154.87
3C	1169	2/1D	0.973%	\$224,331	\$134.04	\$2,630.85	\$219.24	\$353.28	\$121.27	\$10.11	\$144.14
3D	1066	2/1D	0.887%	\$204,565	\$122.23	\$2,399.05	\$199.92	\$322.15	\$110.58	\$9.22	\$131.44
3E	1439	2/1D	1.198%	\$276,144	\$165.00	\$3,238.49	\$269.87	\$434.87	\$149.28	\$12.44	\$177.44
3F	925	1/1L	0.770%	\$196,193	\$106.06	\$2,300.86	\$191.74	\$297.80	\$95.96	\$8.00	\$114.06
3G	1286	1/1L	1.071%	\$272,761	\$147.45	\$3,198.81	\$266.57	\$414.02	\$133.41	\$11.12	\$158.57
3H	930	1/1L	0.774%	\$197,253	\$106.63	\$2,313.29	\$192.77	\$299.41	\$96.48	\$8.04	\$114.67
3I	1035	1/1L	0.862%	\$219,524	\$118.67	\$2,574.47	\$214.54	\$333.21	\$107.37	\$8.95	\$127.62
3J	1483	1/1L	1.234%	\$314,544	\$170.04	\$3,688.83	\$307.40	\$477.45	\$153.84	\$12.82	\$182.86
3K	1341	1/1L	1.116%	\$284,426	\$153.76	\$3,335.62	\$277.97	\$431.73	\$139.11	\$11.59	\$165.35

SCHEDULE A
The Esquire Building
Offering Prices and Related Information
(All Projected Charges for
the Twelve Month Period commencing Sept 1, 2001 and
Ending Aug 30, 2002)

UNIT No.	Square Footage	No. of Rooms/ Baths	Percentage of common Interest	Offering Price	Projected Monthly common charges	Projected Yearly Real Estate Taxes without J51	Projected Monthly Real Estate Taxes without J51	Projected Total Monthly Carrying charges Without J51	Projected Yearly Real Estate Taxes with J51	Projected Monthly Real Estate Taxes with J51	Projected Total Monthly Carrying Charges with J51
	1	1a	2	3	4	5	6	7	8	9	10
4A	1399	2/1D	1.165%	\$271,126	\$160.41	\$3,179.65	\$264.97	\$425.38	\$145.13	\$12.09	\$172.51
4B	1256	2/1D	1.046%	\$243,413	\$144.01	\$2,854.64	\$237.89	\$381.90	\$130.29	\$10.86	\$154.87
4C	1169	2/1D	0.973%	\$226,552	\$134.04	\$2,656.90	\$221.41	\$355.45	\$121.27	\$10.11	\$144.14
4D	1066	2/1D	0.887%	\$206,591	\$122.23	\$2,422.80	\$201.90	\$324.13	\$121.27	\$10.11	\$132.33
4E	1439	2/1D	1.198%	\$278,878	\$165.00	\$3,270.56	\$272.55	\$437.54	\$149.28	\$12.44	\$177.44
4F	1090	1/1LM	0.907%	\$233,478	\$124.98	\$2,738.12	\$228.18	\$353.16	\$113.07	\$9.42	\$134.40
4G	1286	1/1L	1.071%	\$275,461	\$147.45	\$3,230.48	\$269.21	\$416.66	\$133.41	\$11.12	\$158.57
4H	930	1/1L	0.774%	\$199,206	\$106.63	\$2,336.20	\$194.68	\$301.32	\$96.48	\$8.04	\$114.67
4I	1375	1/1LM	1.145%	\$294,525	\$157.66	\$3,454.06	\$287.84	\$445.50	\$142.64	\$11.89	\$169.55
4J	1898	1/1LM	1.580%	\$406,552	\$217.63	\$4,767.85	\$397.32	\$614.95	\$196.89	\$16.41	\$234.03
4K	1958	1/1LM	1.630%	\$419,404	\$224.51	\$4,918.58	\$409.88	\$634.39	\$203.12	\$16.93	\$241.43

SCHEDULE A
The Esquire Building
Offering Prices and Related Information
(All Projected Charges for
the Twelve Month Period commencing Sept 1, 2001 and
Ending Aug 30, 2002)

UNIT No.	Square Footage	No. of Rooms/ Baths	Percentage of common Interest	Offering Price	Projected Monthly common charges	Projected Yearly Real Estate Taxes without J51	Projected Monthly Real Estate Taxes without J51	Projected Total Monthly Carrying charges Without J51	Projected Yearly Real Estate Taxes with J51	Projected Monthly Real Estate Taxes with J51	Projected Total Monthly Carrying Charges with J51
	1	1a	2	3	4	5	6	7	8	9	10
5A	1399	2/1D	1.165%	\$273,784	\$160.41	\$3,210.82	\$267.57	\$427.98	\$145.13	\$12.09	\$172.51
5B	1256	2/1D	1.046%	\$245,799	\$144.01	\$2,882.62	\$240.22	\$384.23	\$130.29	\$10.86	\$154.87
5C	1169	2/1D	0.973%	\$228,773	\$134.04	\$2,682.95	\$223.58	\$357.62	\$121.27	\$10.11	\$144.14
5D	1066	2/1D	0.887%	\$208,616	\$122.23	\$2,446.56	\$203.88	\$326.11	\$110.58	\$9.22	\$131.44
5E	1439	2/1D	1.198%	\$281,612	\$165.00	\$3,302.62	\$275.22	\$440.22	\$149.28	\$12.44	\$177.44
5F	925	1/1L	0.770%	\$200,078	\$106.06	\$2,346.42	\$195.53	\$301.60	\$95.96	\$8.00	\$114.06
5G	1286	1/1L	1.071%	\$278,162	\$147.45	\$3,262.16	\$271.85	\$419.30	\$133.41	\$11.12	\$158.57
5H	930	1/1L	0.774%	\$201,159	\$106.63	\$2,359.10	\$196.59	\$303.23	\$96.48	\$8.04	\$114.67
5I	1035	1/1L	0.862%	\$223,871	\$118.67	\$2,625.45	\$218.79	\$337.46	\$107.37	\$8.95	\$127.62
5J	1483	1/1L	1.234%	\$320,773	\$170.04	\$3,761.88	\$313.49	\$483.53	\$153.84	\$12.82	\$182.86
5K	1640	1/1LM	1.365%	\$354,732	\$188.04	\$4,160.14	\$346.68	\$534.72	\$170.13	\$14.18	\$202.22

SCHEDULE A
The Esquire Building
Offering Prices and Related Information
(All Projected Charges for
the Twelve Month Period commencing Sept 1, 2001 and
Ending Aug 30, 2002)

UNIT No.	Square Footage	No. of Rooms/ Baths	Percentage of common Interest	Offering Price	Projected Monthly common charges	Projected Yearly Real Estate Taxes without J51	Projected Monthly Real Estate Taxes without J51	Projected Total Monthly Carrying charges Without J51	Projected Yearly Real Estate Taxes with J51	Projected Monthly Real Estate Taxes with J51	Projected Total Monthly Carrying Charges with J51
	1	1a	2	3	4	5	6	7	8	9	10
6A	1399	2/1D	1.165%	\$276,442	\$160.41	\$3,241.99	\$270.17	\$430.58	\$145.13	\$12.09	\$172.51
6B	1256	2/1D	1.046%	\$248,186	\$144.01	\$2,910.61	\$242.55	\$386.57	\$130.29	\$10.86	\$154.87
6C	1169	2/1D	0.973%	\$230,994	\$134.04	\$2,709.00	\$225.75	\$359.79	\$121.27	\$10.11	\$144.14
6D	1002	2/1D	0.834%	\$197,995	\$114.89	\$2,322.00	\$193.50	\$308.39	\$103.95	\$8.66	\$123.55
6E	1439	2/1D	1.198%	\$284,346	\$165.00	\$3,334.69	\$277.89	\$442.89	\$149.28	\$12.44	\$177.44
6F	925	1/1L	0.770%	\$202,020	\$106.06	\$2,369.20	\$197.43	\$303.49	\$95.96	\$8.00	\$114.06
6G	1286	1/1L	1.071%	\$280,862	\$147.45	\$3,293.83	\$274.49	\$421.94	\$133.41	\$11.12	\$158.57
6H	930	1/1L	0.774%	\$203,112	\$106.63	\$2,382.01	\$198.50	\$305.14	\$96.48	\$8.04	\$114.67
6I	1035	1/1L	0.862%	\$226,044	\$118.67	\$2,650.94	\$220.91	\$339.59	\$107.37	\$8.95	\$127.62
6J	1483	1/1L	1.234%	\$323,887	\$170.04	\$3,798.40	\$316.53	\$486.58	\$153.84	\$12.82	\$182.86
6K	1341	1/1L	1.116%	\$292,874	\$153.76	\$3,434.70	\$286.22	\$439.99	\$139.11	\$11.59	\$165.35

SCHEDULE A
The Esquire Building
Offering Prices and Related Information
(All Projected Charges for
the Twelve Month Period commencing Sept 1, 2001 and
Ending Aug 30, 2002)

UNIT No.	Square Footage	No. of Rooms/ Baths	Percentage of common Interest	Offering Price	Projected Monthly common charges	Projected Yearly Real Estate Taxes without J51	Projected Monthly Real Estate Taxes without J51	Projected Total Monthly Carrying charges Without J51	Projected Yearly Real Estate Taxes with J51	Projected Monthly Real Estate Taxes with J51	Projected Total Monthly Carrying Charges with J51
	1	1a	2	3	4	5	6	7	8	9	10
7A	1399	2/1D	1.165%	\$279,101	\$160.41	\$3,273.16	\$272.76	\$433.17	\$145.13	\$12.09	\$172.51
7B	1256	2/1D	1.046%	\$250,572	\$144.01	\$2,938.60	\$244.88	\$388.90	\$130.29	\$10.86	\$154.87
7C	1169	2/1D	0.973%	\$233,216	\$134.04	\$2,735.05	\$227.92	\$361.96	\$121.27	\$10.11	\$144.14
7D	1002	2/1D	0.834%	\$199,899	\$114.89	\$2,344.33	\$195.36	\$310.25	\$103.95	\$8.66	\$123.55
7E	1439	2/1D	1.198%	\$287,081	\$165.00	\$3,366.75	\$280.56	\$445.56	\$149.28	\$12.44	\$177.44
7F	1062	1/1LM	0.884%	\$234,171	\$121.77	\$2,746.25	\$228.85	\$350.62	\$110.17	\$9.18	\$130.95
7G	2231	1/1L	1.857%	\$491,936	\$255.81	\$5,769.20	\$480.77	\$736.58	\$231.44	\$19.29	\$275.10
7J	2562	1/1L	2.133%	Sponsor Unit	\$293.76	\$5,994.17	\$499.51	\$793.28	\$265.78	\$22.15	\$315.91
7K	1786	1/1LM	1.487%	\$393,813	\$204.78	\$4,618.46	\$384.87	\$589.66	\$185.28	\$15.44	\$220.22

SCHEDULE A
The Esquire Building
Offering Prices and Related Information
(All Projected Charges for
the Twelve Month Period commencing Sept 1, 2001 and
Ending Aug 30, 2002)

UNIT No.	Square Footage	No. of Rooms/ Baths	Percentage of common Interest	Offering Price	Projected Monthly common charges	Projected Yearly Real Estate Taxes without J51	Projected Monthly Real Estate Taxes without J51	Projected Total Monthly Carrying charges Without J51	Projected Yearly Real Estate Taxes with J51	Projected Monthly Real Estate Taxes with J51	Projected Total Monthly Carrying Charges with J51
	1	1a	2	3	4	5	6	7	8	9	10
8A	1399	2/1D	1.165%	\$281,759	\$160.41	\$3,304.34	\$275.36	\$435.77	\$145.13	\$12.09	\$172.51
8B	1256	2/1D	1.046%	\$252,958	\$144.01	\$2,966.58	\$247.22	\$391.23	\$130.29	\$10.86	\$154.87
8C	1169	2/1D	0.973%	\$235,437	\$134.04	\$2,761.09	\$230.09	\$364.13	\$121.27	\$10.11	\$144.14
8D	1066	2/1D	0.887%	\$214,692	\$122.23	\$2,517.82	\$209.82	\$332.05	\$110.58	\$9.22	\$131.44
8E	1439	2/1D	1.198%	\$289,815	\$165.00	\$3,398.81	\$283.23	\$448.23	\$149.28	\$12.44	\$177.44
8F	1062	1/1LM	0.884%	\$236,401	\$121.77	\$2,772.41	\$231.03	\$352.80	\$110.17	\$9.18	\$130.95
8G	1286	1/1L	1.071%	\$286,264	\$147.45	\$3,357.17	\$279.76	\$427.22	\$133.41	\$11.12	\$158.57
8H	930	1/1L	0.774%	\$207,018	\$106.63	\$2,427.81	\$202.32	\$308.95	\$96.48	\$8.04	\$114.67
8J	2562	1/1L	2.133%	\$570,301	\$293.76	\$6,688.23	\$557.35	\$851.11	\$265.78	\$22.15	\$315.91
8K	1786	1/1LM	1.487%	\$397,564	\$204.78	\$4,662.45	\$388.54	\$593.32	\$185.28	\$15.44	\$220.22
PH	3605	2/1D	3.001%	Sponsor Unit	\$413.35	\$8,514.75	\$709.56	\$1,122.92	\$373.97	\$31.16	\$444.52
Com 1	10235		8.520%		\$947.29	\$10,488.81	\$874.07	\$1,821.36	\$1,061.75	\$88.48	\$947.29
Com 2	8355		6.955%		\$773.29	\$8,562.19	\$713.52	\$1,486.81	\$866.73	\$72.23	\$773.29
TOTAL	120,130		100.00%	\$19,702,159	\$13,363.28	\$264,617.93	\$22,051.49	\$35,414.78	\$12,472.68	\$1,039.39	\$14,241.96

NOTES:

units 2a, 2b, 2c, 2d, 2e have a patio

FOOTNOTES TO SCHEDULE A

(1)and 1(a) Reference should be made to the floor plans in Part II of this Plan for the layout of each type of Unit, and number of rooms and bathrooms in each Residential Unit. Purchasers are advised, however, that the dimensions shown on the floor plans in Part II are only approximations and are subject to change should site conditions so necessitate. Each Unit should be physically inspected to determine its actual dimensions, layout and condition. In preparing the room count on Schedule A, Sponsor counted each living-sleeping room identified as a living-sleeping room on the Plans and specifications as one room, and each bathroom containing a toilet, sink and tub as one bathroom. The number in parenthesis next to the approximate square footage of the Unit listed on Schedule A is the approximate square foot area of any patio appurtenant to the Unit. The letter notations are as follows: D=Duplex Unit; L=Loft Unit; M-Mezzanine existing over an area of Unit; O=Outside Space in the form of patio area.

(2) The Common Interest of each Unit has been determined pursuant to Section 339-i(1)(ii) of the Condominium Act, and is based on the anticipated approximate proportion that the floor area of the Unit on the date of the Declaration will bear to the then aggregate floor area of all Units, with such proportion reflecting the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements. Using the foregoing analysis, Residential Units represent an aggregate Common Interest of approximately 84.075% and the Commercial Units represent an aggregate Common Interest of approximately 15.925%.

(3) Notwithstanding the prices contained in this column, Purchasers are advised that prices may be changed on an individual basis as discussed in "Changes in Prices and Units" in Part I of the Plan. In addition to paying the purchase price at closing, Purchasers will be obligated to pay the closing costs set forth in "Closing Costs and Adjustments" in Part I of the Plan.

(4) The projected Residential Common Charges attributable to each Residential Unit represents the Unit Owner's share of the expense of operating, maintaining and repairing the General Common Elements during the first year of Condominium operation. Each Residential Unit's proportionate share of these expenses attributable to the General Common Elements is based on the percentage of Common Interest attributable to that Unit.

The projected Commercial Common Charges attributable to each Commercial Unit represents the Unit Owner's proportionate share of the expenses of salaries, payroll taxes and benefits, repairs, maintenance and supplies, service contracts, insurance, management, legal, auditing and administration and contingency (Commercial Common Expenses) during the General Common Elements during the first year of Condominium operation. The Projected Budget for the First Year of Condominium Operation (Schedule B) estimates that these expenses will be \$20,647 out of the total budget of \$185,938. A Commercial Unit Owner's annual Common Charges shall be equal to the product of its percentage of Common Interest times the Commercial Common Expenses.

As a result of this allocation of Common Expenses between Residential Unit and Commercial Unit Owners, a Residential Unit Owner's annual Common Charge will exceed the product of his percentage of Common Interest times the total estimated annual Common Charges for the Condominium.

All anticipated Condominium operating costs are set forth in the projected operating budget contained in Schedule B of this Plan, which is amplified by supplementary budgets annexed thereto. All projected costs are for the period beginning Sept. 1, 2001 and ending Aug. 31, 2002.

The projected Common Charges for each Unit do not include costs for which the Unit Owner will be responsible such as repairs to the interior of the Unit, insurance for personal property within the Unit, electricity used in the Unit for lighting, operating the heating/air conditioning incremental unit and other appliances, or debt service on any mortgage loan the Unit Owner obtains to finance the purchase of the Unit.

(5) Sponsor anticipates, based on the advice of Real Estate Tax Counsel, that in arriving at the assessed valuation for each Unit, the Property first will be assessed as an entirety. This overall assessment will then be apportioned among the Units, each of which will be assigned a tax lot designation upon the recording of the Declaration. The apportionment is anticipated to be based in part, with respect to Residential Units, upon the proportion that the projected selling price for the Unit (*i.e.*, the offering price for the Unit listed in Schedule A), bears to the projected gross sellout price for all Residential Units (*i.e.*, the aggregate offering prices listed in Schedule A) (the "Proportionate Valuation"), and in part, for all Units, upon extrinsic indicia of value, such as location, square footage, amenities, income producing potential and where applicable, then existing leases, if any, for the Units. The estimated real estate taxes shown on Schedule A were derived pursuant to the foregoing analysis. The estimated taxes in this Note (5) also assume the Property will receive certain tax exemption benefits as discussed below.

Sponsor intends to file any and all applications necessary to obtain real estate tax exemption benefits for the Condominium under J-51.

The tax records of the City of New York indicate that in 2000/01, the tax year prior to commencement of construction, the total aggregate assessed value of the Property was \$191,340. It is expected that tax year 2001/2002 will be the first year the Property is taxed on its completed assessed value, subject to the J-51 exemption for that year. Real Estate Tax Counsel anticipates that the assessed value for the entire Property upon completion of construction will be approximately \$4,350,000, and that of this amount, approximately \$4,002,000 will be attributable to the Residential Units. Thus it is anticipated that the Residential Units assessment will comprise approximately 92% of the total Property assessment.

In projecting the taxes in Schedule A, Sponsor allocated the \$230,193 estimated tax amount between the Residential Units and the Commercial Units by allocating 92% of the estimated tax amount to the Residential Units pursuant to the analysis described above, and the balance of 8% to the Commercial Units. Sponsor then applied the Proportionate Valuation attributable to each Residential Unit to the estimated taxes to estimate the real estate taxes attributable to that Unit.

Based on the opinion of The Mazursky Group, Inc., it is estimated that for tax year 2000/01, the Residential Units will be taxed at the rate of \$10.874 per \$100 and the Commercial Units will be taxed at the rate of \$9.768 per \$100. It is estimated that the total actual real estate tax for the Building for the year 2001/02 will be \$1,850,00 and the total estimated real estate tax for all of the Residential Units for the first year is \$230,193.

Unit Owners who are not subject to the Federal alternative minimum tax and who itemize deductions on their Federal income tax returns, will be entitled, under present Federal tax laws, to a deduction for Federal income tax purposes for the real estate taxes they pay on their Unit and for the interest they pay on any mortgage covering their Unit, provided that the Unit is used as their own primary residence or specifically selected secondary residence and subject to certain limitations on deductibility as more particularly described in Sponsor's Offering Plan Counsel's opinion in Part II of this Plan.

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for payment of, nor will the Unit be subject to, any lien arising from the nonpayment of taxes on other units.

Sponsor projected the real estate taxes attributable to each Commercial Unit by taking the per square foot assessment projected by Real Estate Tax Counsel for the completed Unit and using this amount to compute the Unit's estimated Proportionate share of the total assessed value. Sponsor then applied this percentage to determine the Portion of the \$19,051 estimated tax attributable to each Commercial Unit.

The estimated real estate taxes listed in Schedule A thus assume that the Condominium will receive the J-51 tax exemption benefits described above during the 12-month period Sept. 1, 2001-Aug. 31, 2002 for which the projection is made.

ALTHOUGH IN SPONSOR'S OPINION THE FOREGOING METHOD OF PROJECTING THE REAL ESTATE TAXES APPLICABLE TO EACH UNIT IS REASONABLE, THE FOREGOING ANALYSIS IS NOT A GUARANTY OR WARRANTY THAT J-51 TAX BENEFITS WILL BE GRANTED, OR THAT THIS METHOD OF ALLOCATING ASSESSED VALUE TO EACH UNIT WILL BE THE METHOD USED BY THE NEW YORK CITY TAXING AUTHORITIES IN ESTABLISHING THE REAL ESTATE TAX ASSESSMENT FOR EACH UNIT, OR THAT THE TAX RATE USED IN THE PROJECTIONS WILL BE THE TAX RATE ADOPTED BY THE CITY OF NEW YORK FOR THE TAX YEARS IN QUESTION.

Although Sponsor anticipates that the Project will receive J-51 real estate tax benefits as described in above, Sponsor has projected the estimated allocable taxes, based on the allocation method described in above, that would be attributable to each Unit without the application of J-51 tax benefits, in the event that due to unforeseen circumstances J-51 benefits are not granted to the Property.

(6) The estimated total carrying charges under Note 5 reflect the sum of estimated Common Charges and estimated real estate taxes based on full real estate taxes (i.e., with any J-51 benefits in place).

SCHEDULE B

**PROJECTED BUDGET FOR THE FIRST YEAR OF CONDOMINIUM
OPERATION
OF THE ESQUIRE BUILDING**

September 1, 2001 to August 31, 2002

Projected Income

Residential Common Charges (1)	\$165,291.00
Commercial Common Charges(2)	<u>\$ 20,647.00</u>
 TOTAL INCOME (3)	 \$185,938.00

Projected Expenses

➤ Salaries, Payroll Taxes and Benefits (4).....	\$33,750.00
➤ Gas for Cooking and Hot Water (5).....	\$31,300.00
➤ Electricity (6).....	\$31,197.00
➤ Water charges and Sewer Rents (7).....	\$29,200.00
➤ Repairs, Maintenance and Supplies (8).....	\$ 6,000.00
➤ Service Contracts (9).....	\$ 4,991.00
➤ Insurance (10).....	\$20,000.00
➤ Management (11).....	\$15,000.00
➤ Legal, Auditing and Administration (12).....	\$ 7,500.00
➤ Contingency (13).....	<u>\$ 5,000.00</u>
 TOTAL (14)	 \$185,938.00

FOOTNOTES TO SCHEDULE B

1. Residential Common Charges (\$165,291.00)

The estimated Residential Common Charges to be collected from Residential Unit Owners during the first year of Condominium are based on the assumption that the first year of Condominium operation will be from September 1, 2001 to August 31, 2002. The actual first year of operation may be earlier or later. The Residential Units and Commercial Units of the Condominium operation have a 100% interest in the General Common Elements. The Commercial Units have 15.925% in Common Interest and the Residential Units have 84.075% in Common Interest.

In the event the projected commencement date of the first year of Condominium operation is six (6) months or more than the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing then current budget projections.

If the Common Charges in the revised budget projections exceed the earlier projections by twenty-five (25%) percent or more, and amendment will offer all purchasers the right to rescind their Purchase Agreement and a reasonable period of time to be not less than 15 days from presentation of such amendment to exercise such right and have their deposits refunded to them.

2. Commercial Common Charges (\$20,647.00)

The projected Commercial Common Charges attributable to each Commercial Unit represents the Unit Owner's proportionate share of the expenses of salaries, payroll taxes and benefits, repairs, maintenance and supplies, service contracts, insurance, management, legal, auditing and administration and contingency (Commercial Common Expenses) during the General Common Elements during the first year of Condominium operation. The Projected Budget for the First Year of Condominium Operation (Schedule B) estimates that these expenses will be \$72,241 out of the total budget of \$182,938. A Commercial Unit Owner's annual Common Charges shall be equal to the product of its percentage of Common Interest times the Commercial Common Expenses.

As a result of this allocation of Common Expenses between Residential Unit and Commercial Unit Owners, a Residential Unit Owner's annual Common Charge will exceed the product of his percentage of Common Interest times the total estimated annual Common Charges for the Condominium.

3. Total Income (\$185,938.00)

This figure does not include any interest income that may be received by the Condominium for investment of the Working Capital Fund to be established at the First Closing. It is expected that all or part of the Working Capital Fund will be expended during the first or subsequent years of operation. Accordingly such interest income is not expected to be significant. For this reason, and for the further reason that such interest income does not reflect normally anticipated income from operations, no interest income has been included in the estimated income for the first year of Condominium operations.

4. **Salaries, Payroll Taxes and Benefits (\$33,750.00)**

The amount budgeted is based upon the cost of 1 full time non-union nonresident superintendent. It is anticipated that superintendent duties should be completed in 40 hours per week and will include trash removal, sweeping, and cleaning the front sidewalk, sweeping and cleaning of hallways, and minor maintenance such as changing light bulbs. Section D26-22.03 of the Administrative Code of the City of New York requires that the owner of a multiple dwelling of none or more units either (1) perform the janitorial services personally, if he is a resident owner or (2) provide a janitor or (3) provide for nonresident, janitorial services on a 24 hours basis. Therefore, it is the Sponsor's belief that the described level of staffing complies with all applicable housing and labor laws.

<u>Position</u>	<u>Number of Employees</u>	<u>Wages Per Month</u>	<u>Total</u>
Superintendent	1	\$2,333.33	\$28,000.00
Total Salaries and Wages			\$28,000.00

In addition the budget Item includes projected cost for:

FICA (7.51% of total wages)	\$2,102.80
Workers Compensation (3.5% of total wages)	\$ 980.00
Unemployment insurance(\$ 3.5%/ employee)	\$ 980.00
Disability Insurance	\$ 80.00
Total Payroll Taxes and Benefits	\$4,142.80

The salary, payroll taxes and benefits of the superintendent is a Common Expense. Budget item includes a 5% increase of these calculations. The calculations of the Superintendent meet state minimum wage earn.

5. **Gas for Cooking and Hot Water (\$31,300.00)**

A. Residential Units: (see Schedule B-1)

The cost for heat and air conditioning for individual units will be separately metered (electric) and solely the cost of the Residential Unit Owner. The cost for domestic hot water and cooking gas is a common expense. In an engineering survey by Mottola Rini Engineers PC., 36 West 25 St., NY, NY 10010 dated November 13, 2000 the projected cost for gas cooking and domestic hot water is estimated to be \$31,300.00 per annum. The projected annual cost for heating and domestic water and cooking is \$31,300 based on total estimated therms of 28,000 therms. The base rate for this gas estimate is \$12.99 for the first 3 therms, \$1.15 per therm for the next 87 therms, \$1.05 per therm for the next 2,910 therms, and \$1.01 pre therm over 3,000 therms. The Commercial Units will be metered separately for gas.

(Note that projected costs for heating and cooling individual Residential Units is attached hereto as Schedule B-1).

6. **Electricity Budget (\$35,000.00)**

The First Year's electricity projection for the Common Elements, including the lighting of utility rooms and public areas, electrical pumps, ventilation fans, and elevator motors is included in this expense item. The cost for such electricity has been estimated in a letter dated September 22, 2000 by Con Edison Retail Energy Services. The budgeted items include a 20% increase in cost over the estimate based on Con Edison's summer rate of 13.2182 cents per kilowatt hour for winter and 16.613 per kilowatt hour for summer; estimates also include a 8.25% sales tax. This Cost is a Common Expense and will be paid for by all Unit Owners. This figure does not include the cost of electricity for individual Unit Owners lighting and appliance usage, which will be sub-metered and billed directly from Con Edison, the cost of such borne separately by the individual Unit Owners.

The cost of gas used for cooking in the individual Residential Units will be paid for by the Condominium and included in the Common Charges for each Residential Unit. (See footnote 4 above).

Electricity costs incurred by Unit Owners within their Units are separately metered and will be billed directly to and paid separately by the Unit Owners. (The projected cost for electricity to be incurred by individual Unit Owners as provided by Con Edison is attached hereto as Schedule B-1). Actual costs may, of course, vary from the estimate depending upon the individual heating and air conditioning preferences.

7. **Water & Sewer Rents (\$29,200.00)**

Water usage will be metered as a Residential Common Expense. Each Commercial Unit will have a separate water meter and will be billed separately for its own water. The building has been vacant for many years. Therefore, since there was no water usage, there is no history on which this budget item can be calculated. According to a letter dated November 13, 2000 issued by Mottola Rini Engineers P.C., 36 West 25 St., NY, NY 10010, a budget allocation of \$380.00 per residential unit or \$29,200.00 for the entire residential portion of the building is reasonable.

8. **Repairs, Maintenance, and Supplies (\$6,000.00)**

The budget figure for these items includes the cost of normal maintenance and repairs to the Common Elements of the Building. Each Unit Owner will be responsible for the cost of interior maintenance, repairs, decoration and painting of their respective Units, including the appliances, and any appurtenant Limited Common Elements (except the Condominium Board will pay for structural repairs to the Limited Common Elements as a Common Expense to all Unit Owners).

Since the Building is in the process of being rehabilitated, it has no operating history upon which to project future costs for repairs and maintenance. No major capital repairs are included in the First Year's Budget since all construction systems and equipment will be new and many will be covered by manufacturer's or contractor's warranties or bonds. Future major capital repairs to the Common Elements will be borne by all Units Owners. Therefore the major components of this expense item are expenses for exterminating, snow removal, janitor supplies.

9. **Service Contracts (\$4,991.00)**

(A) Elevator:

1. Rotavele Elevator, 7-06 149th Street, Whitestone, New York 11357
2. The service contract is expected to be \$4,991.00 per annum
3. The contract is for a term of one year

10. **Insurance (\$20,000.00)**

The budget item, based on the cost of the coverage recommended in a letter, dated November 6, 2000 by Steven T. Dukoff Insurance Agency, at 73-24 Bell Boulevard, Bayside, New York 11364 specifying types and limits of coverage, is \$20,000.00 dollars. In the opinion of Steven T. Dukoff Insurance Agency, the \$18,000,000 in insurance is sufficient so that the Condominium or Unitowners will not be coinsureds on the Building.

The recommended insurance coverage is as follows:

All risk, replacement cost, no co-insurance and agreed amount	
Building.....	\$18,000,00
Deductible.....	\$5,000
Rent Loss (actual loss sustained up to 12 months)	
Mechanical Equipment included	
Liability	
a) General Aggregate Limit.....	\$2,000,000
b) Product/C.O. Aggregate.....	1,000,000
c) Personal and Advertising Injury.....	1,000,000
d) Each Occurrence Limit.....	1,000,000
e) Fire Damage Limit.....	50,000
f) Medical Expense.....	5,000
Commercial Excess Liability.....	\$50,000,000

The insurance coverage meets the requirements of any mortgage lender procured by the Sponsor.

The fire, casualty and general liability insurance will provide that each unitowner is an additional insured party; that there will be no cancellation without notice to the board of managers; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and unitowners and a waiver of prorata reduction if unit owners obtain additional insurance.

Coverage for the following items are not included in the budget and may be available at extra cost: fidelity bond. It is recommended that unit owners obtain additional insurance at their own cost to cover such risks as fire and casualty losses to unit contents, fixtures and improvements and liability coverage for occurrences within the units.

11. **Management (\$15,000.00)**

The Management budget will be used to hire Stephanie Eisenberg as Managing Agent for the term of one year from the date of the First Closing. It is anticipated that the Condominium will be self-managed, or the Board can decide to hire an outside Managing Agent. The fees for a Managing Agent vary. The Sponsor makes no representation as to the fees to be charged by a Managing Agent. If the Board decides to hire a Managing Agent, the cost shall be shared equally by all Unit Owners, and monthly Common Charges may increase proportionately

12. **Legal, Accounting and Administration (\$7,500)**

This item includes fees of \$2,000 per annum in connection with the preparation of the Condominium's tax returns and financial statement, including a balance sheet and profit and loss statement for the Condominium's first year of operation. Cost has been estimated based on a letter dated September 30, 2000 by the accounting firm of Steven Teitelbaum, One West Main Street, Smithtown, NY 11787. Administration fees of \$750.00 for such expenses as telephone charges, printing, postage and other charges associated with normal office expenditures. Occasional legal counsel has been estimated at \$4,250.00. *The above item does not include the cost of a certified audit.*

13. **Contingency (\$5,000.00)**

This item will provide a fund for unanticipated expenses or unanticipated increases in budgeted items before or after the First Closing.

14. **Total Estimated Expenses (\$185,938.00)**

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from September 1, 2001 through August 31, 2002.

NOTE:

At the First Closing, the Sponsor and the Condominium Board will adjust various items of income and expenses in accordance with the period that each owns or operates the property. If the net credit is in favor of Sponsor the same will be paid by the Condominium Board to the extent of \$25,000 and any balance owing shall be paid in twelve (12) equal consecutive monthly installments commencing on the first day of the second month subsequent to the first Closing with interest at the prime rate (reference rate) then announced by Chase Manhattan Bank, N.A., pursuant to a negotiable promissory note, payable in twelve (12) monthly installments, to be executed by the Condominium Board and delivered to Sponsor at the First Closing. Although these installments are not directly included in this budget, payment of the note (but not the interest thereon) represents in effect payment of expenses reflected in this budget that have been prepaid by Sponsor. (See "Working Capital Fund" for full discussion.)

In the opinion of Sponsor's expert, the projected income is adequate to meet the estimated expenses for the first year of condominium operation assuming such first year to be the fiscal year commencing September 1, 2001. The foregoing

budget, however, is not intended and should not be taken as a guarantee by anyone that the annual Common Charges or Common Expenses for the first year of any subsequent year of operation of the property by the Condominium Board will be as set forth in said budget.

It is likely that the actual income and expenses for the first year of condominium operation will vary from the amounts shown in the budget.

Sponsor has reserved the right to enter into service maintenance, employment, concessionaire and other agreements that will be binding on the Condominium Board upon commencement of condominium operation. However, Sponsor may not enter into any binding service, maintenance, employment, concessionaire or other agreement that will materially increase the first year's projected Common Charges or that will be binding on the Condominium Board for a period for more than two (2) years from the commencement of condominium operation, unless disclosed in an amendment

If the Condominium does not commence operation within twelve months of September 1, 2001, all purchasers shall have the right to rescind their purchase agreements and the right to a full refund of their down payments.

SCHEDULE B-1
Estimated of Annual Energy costs for 330 Wythe Ave.

	HEAT/COOLING MONTHLY	OTHER ELECTRICITY USAGE MONTHLY	Total Estimated Monthly Utility Costs	Estimated Annual HEAT AND COOLING ANNUALLY	Estimated Annual Cost of Electricity for Individual Apartments	TOTAL ESTIMATED ANNUAL UTILITY COSTS
	1	2	3	4	5	6
UNIT						
2A	\$107.72	\$38.70	\$146.42	\$1,292.66	\$464.43	\$1,757.08
2B	\$93.86	\$33.72	\$127.58	\$1,126.29	\$1,126.29	\$1,530.95
2C	\$90.59	\$32.55	\$123.14	\$1,087.09	\$1,087.09	\$1,477.67
2D	\$94.81	\$34.06	\$128.88	\$1,137.77	\$1,137.77	\$1,546.54
2E	\$105.41	\$37.87	\$143.28	\$1,264.93	\$1,264.93	\$1,719.39
2F	\$79.68	\$28.63	\$108.30	\$956.11	\$956.11	\$1,299.62
2G	\$98.00	\$35.21	\$133.21	\$1,176.01	\$1,176.01	\$1,598.53
2H	\$76.49	\$27.48	\$103.97	\$917.86	\$917.86	\$1,247.63
2I	\$83.66	\$30.06	\$113.72	\$1,003.91	\$1,003.91	\$1,364.60
2J	\$153.38	\$55.10	\$208.48	\$1,840.50	\$1,840.50	\$2,501.76
2K	\$111.55	\$40.08	\$151.62	\$1,338.55	\$1,338.55	\$1,819.46
3A	\$107.72	\$38.70	\$146.42	\$1,292.66	\$464.43	\$1,757.08
3B	\$93.86	\$33.72	\$127.58	\$1,126.29	\$404.66	\$1,530.95
3C	\$90.59	\$32.55	\$123.14	\$1,087.09	\$390.57	\$1,477.67
3D	\$94.81	\$34.06	\$128.88	\$1,137.77	\$408.78	\$1,546.54
3E	\$83.66	\$30.06	\$113.72	\$1,003.91	\$360.69	\$1,364.60
3F	\$79.68	\$28.63	\$108.30	\$956.11	\$343.51	\$1,299.62
3G	\$98.00	\$35.21	\$133.21	\$1,176.01	\$422.52	\$1,598.53
3H	\$76.49	\$27.48	\$103.97	\$917.86	\$329.77	\$1,247.63
3I	\$83.66	\$30.06	\$113.72	\$1,003.91	\$360.69	\$1,364.60
3J	\$113.14	\$40.65	\$153.79	\$1,357.67	\$487.79	\$1,845.46
3K	\$112.74	\$40.51	\$153.25	\$1,352.89	\$486.07	\$1,838.96

UNIT	HEAT/COOLING MONTHLY	OTHER ELECTRICITY USAGE MONTHLY	Total Estimated Monthly Utility Costs	Estimated Annual HEAT AND COOLING ANNUALLY	Estimated Annual Cost of Electricity for Individual Apartments	TOTAL ESTIMATED ANNUAL UTILITY COSTS
4A	\$107.72	\$38.70	\$146.42	\$1,292.66	\$464.43	\$1,757.08
4B	\$93.86	\$33.72	\$127.58	\$1,126.29	\$404.66	\$1,530.95
4C	\$90.59	\$32.55	\$123.14	\$1,087.09	\$390.57	\$1,477.67
4D	\$94.81	\$34.06	\$128.88	\$1,137.77	\$408.78	\$1,546.54
4E	\$105.41	\$37.87	\$143.28	\$1,264.93	\$454.47	\$1,719.39
4F	\$103.58	\$37.21	\$140.79	\$1,242.94	\$446.56	\$1,689.50
4G	\$98.00	\$35.21	\$133.21	\$1,176.01	\$422.52	\$1,598.53
4H	\$76.49	\$27.48	\$103.97	\$917.86	\$329.77	\$1,247.63
4I	\$107.16	\$38.50	\$145.67	\$1,285.96	\$462.02	\$1,747.99
4J	\$154.57	\$55.53	\$210.10	\$1,854.85	\$666.41	\$2,521.26
4K	\$160.55	\$57.68	\$218.23	\$1,926.55	\$692.18	\$2,618.73
5A	\$107.72	\$38.70	\$146.42	\$1,292.66	\$464.43	\$1,757.08
5B	\$93.86	\$33.72	\$127.58	\$1,126.29	\$404.66	\$1,530.95
5C	\$90.59	\$32.55	\$123.14	\$1,087.09	\$390.57	\$1,477.67
5D	\$94.81	\$34.06	\$128.88	\$1,137.77	\$408.78	\$1,546.54
5E	\$105.41	\$37.87	\$143.28	\$1,264.93	\$454.47	\$1,719.39
5F	\$79.68	\$28.63	\$108.30	\$956.11	\$343.51	\$1,299.62
5G	\$98.00	\$35.21	\$133.21	\$1,176.01	\$422.52	\$1,598.53
5H	\$76.49	\$27.48	\$103.97	\$917.86	\$329.77	\$1,247.63
5I	\$83.66	\$30.06	\$113.72	\$1,003.91	\$360.69	\$1,364.60
5J	\$113.14	\$40.65	\$153.79	\$1,357.67	\$487.79	\$1,845.46
5K	\$139.03	\$49.95	\$188.99	\$1,668.41	\$599.43	\$2,267.83

UNIT	HEAT/COOLING MONTHLY	OTHER ELECTRICITY USAGE MONTHLY	Total Estimated Monthly Utility Costs	Estimated Annual HEAT AND COOLING ANNUALLY	Estimated Annual Cost of Electricity for Individual Apartments	TOTAL ESTIMATED ANNUAL UTILITY COSTS
6A	\$107.72	\$38.70	\$146.42	\$1,292.66	\$464.43	\$1,757.08
6B	\$93.86	\$33.72	\$127.58	\$1,126.29	\$404.66	\$1,530.95
6C	\$90.59	\$32.55	\$123.14	\$1,087.09	\$390.57	\$1,477.67
6D	\$94.81	\$34.06	\$128.88	\$1,137.77	\$408.78	\$1,546.54
6E	\$105.41	\$37.87	\$143.28	\$1,264.93	\$454.47	\$1,719.39
6F	\$79.68	\$28.63	\$108.30	\$956.11	\$343.51	\$1,299.62
6G	\$98.00	\$35.21	\$133.21	\$1,176.01	\$422.52	\$1,598.53
6H	\$76.49	\$27.48	\$103.97	\$917.86	\$329.77	\$1,247.63
6I	\$83.66	\$30.06	\$113.72	\$1,003.91	\$360.69	\$1,364.60
6J	\$113.14	\$40.65	\$153.79	\$1,357.67	\$487.79	\$1,845.46
6K	\$112.74	\$40.51	\$153.25	\$1,352.89	\$486.07	\$1,838.96
7A	\$107.72	\$38.70	\$146.42	\$1,292.66	\$464.43	\$1,757.08
7B	\$93.86	\$33.72	\$127.58	\$1,126.29	\$404.66	\$1,530.95
7C	\$90.59	\$32.55	\$123.14	\$1,087.09	\$390.57	\$1,477.67
7D	\$94.81	\$34.06	\$128.88	\$1,137.77	\$408.78	\$1,546.54
7E	\$105.41	\$37.87	\$143.28	\$1,264.93	\$454.47	\$1,719.39
7F	\$103.58	\$37.21	\$140.79	\$1,242.94	\$446.56	\$1,689.50
7G	\$98.00	\$35.21	\$133.21	\$1,176.01	\$422.52	\$1,598.53
7H	\$76.49	\$27.48	\$103.97	\$917.86	\$329.77	\$1,247.63
7I	\$83.66	\$30.06	\$113.72	\$1,003.91	\$360.69	\$1,364.60
7J	\$113.14	\$40.65	\$153.79	\$1,357.67	\$487.79	\$1,845.46
7K	\$149.39	\$53.67	\$203.07	\$1,792.70	\$644.08	\$2,436.78

UNIT	HEAT/COOLING MONTHLY	Estimated monthly cost of ELECTRICITY for Individual Apartments	Total Estimated Monthly Utility Costs	Estimated Annual HEAT AND COOLING ANNUALLY	Estimated Annual Cost of Electricity for Individual Apartments	TOTAL ESTIMATED ANNUAL UTILITY COSTS
8A	\$107.72	\$38.70	\$146.42	\$1,292.66	\$464.43	\$1,757.08
8B	\$93.86	\$33.72	\$127.58	\$1,126.29	\$404.66	\$1,530.95
8C	\$90.59	\$32.55	\$123.14	\$1,087.09	\$390.57	\$1,477.67
8D	\$94.81	\$34.06	\$128.88	\$1,137.77	\$408.78	\$1,546.54
8E	\$105.41	\$37.87	\$143.28	\$1,264.93	\$454.47	\$1,719.39
8F	\$106.37	\$38.22	\$144.58	\$1,276.40	\$458.59	\$1,734.99
8G	\$96.41	\$34.64	\$131.04	\$1,156.89	\$415.65	\$1,572.54
8H	\$81.27	\$29.20	\$110.47	\$975.23	\$350.38	\$1,325.61
8I	\$83.66	\$30.06	\$113.72	\$1,003.91	\$360.69	\$1,364.60
8J	\$113.14	\$40.65	\$153.79	\$1,357.67	\$487.79	\$1,845.46
8K	\$149.39	\$53.67	\$203.07	\$1,792.70	\$644.08	\$2,436.78
TOTAL	\$7,700.00	\$2,766.47	\$10,466.47	\$92,400.00	\$40,789.52	\$125,597.64

FOOTNOTES TO SCHEDULE B-1

1. ESTIMATED ANNUAL COST FOR HEATING, COOLING AND OTHER ELECTRICAL COMSUMPTION

Heating and Cooling energy use estimate in a letter dated September 22, 2000, based on Con Edison's rate of 13.2182 cents per kilowatt hour for winter and 16.613 cents per kilowatt hour for summer, estimates also include a 8.25% sales tax. Heating and cooling will be provided by Heat Pumps connected to a geothermal exchange system. Heating and cooling and general electrical expenses are the responsibility of the individual Unit Owner.

2. ESTIMATED YEARLY COST FOR OTHER ELECTRICAL CONSUMPTION

In addition to the heating and cooling costs, estimates of annual electrical usage (not including heat and air conditioning) has been provided by Con Edison in a letter dated September 22, 2000 based on Con Edison's rate of 13.2182 cents per kilowatt hour for winter and 16.613 cents per kilowatt hour for summer. Estimates also include a 8.25% sales tax.

3. GAS FOR COOKING AND HOT WATER

Gas for cooking and for the production of hot water will be included in the Common Charges. (see schedule B section 4).

SPONSOR MAKES NO WARRANTIES OR REPRESENTATIONS WHATSOEVER THAT THE ESTIMATES CONTAINED HEREIN ARE ACCURATE. ACTUAL COSTS MAY VARY DEPENDING ON A NUMBER OF FACTORS INCLUDING, BUT NOT LIMITED TO, WEATHER, THE NUMBER OF OCCUPANTS OF A UNIT AND INDIVIDUAL USAGE.



ADVANCED MANAGEMENT SERVICES

26 Court Street, Suite 804
Brooklyn, New York 11242
Phone: (718) 852-5310
Facsimile: (718) 852-5312

July 16, 2001

NYS Department of Law
Real Estate Financing Bureau
120 Broadway
New York, NY 10271

Re: 330 Wythe Avenue
Amended Offering Prices and Square Footage

To Whom It May Concern:

The sponsor of the condominium offering plan for the above building has retained our firm to render an opinion regarding the Condominium Plan's Schedule A, pertaining to amended offering prices (now \$19,702,159) and square footage (now 120,130 sq. ft.).

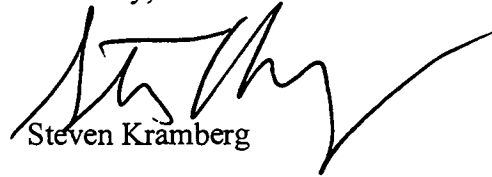
The undersigned is a licensed real estate broker in the State of New York (lic.#642844). You have advised us of your intention to incorporate our opinion in the Plan.

Our opinion is based solely on the Plan, the Declaration, the By-Laws and most specifically, Schedule A of the Plan (Schedule of Offering Plan and Prices). The undersigned has reviewed Schedule A of the Plan prepared by the Sponsor and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this opinion.

In our opinion, the Plan is in compliance with Real Property Law, Sec.339-i(subdivision(i)) in that each unit has appurtenant thereto a percentage of the common interest as expressed in the Declaration and that such interest comprises the approximate proportion that the fair value of each unit at the date of the Declaration bears to the aggregate fair value of all the units in the Condominium.

However, this opinion is not a guarantee; it is based upon existing facts information and documents referred to above. No assurances can be given that facts and circumstances upon which counsel bases this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Condominium Board or the Selling Agent or any other person be liable if the condominium ceases to be in compliance with the requirements of Real Property Law, Sec.339-i if there are changes in the facts and circumstances on which counsel relied in issuing this opinion or if there are changes in applicable statutes or regulations.

Sincerely,



Steven Krämberg

COMMERCIAL UNITS

There will be two Commercial Units located on the first floor of the Building. These Commercial Units are not being offered for sale but will be retained by the Sponsor. The Sponsor or its designee intends to own and operate or lease these Units. Units may be combined into one or two Units or further subdivided into more Units at the discretion of the Sponsor. The two Units are zoned for either commercial use or light manufacturing (M1) and may be used by the Owner thereof and their tenant for any lawful purpose, permitted under the variance granted by the Board of Standards and Appeals. Currently, there are no use proposals for the Commercial Units. The Board of Managers and the Residential Unit Owners do not have the right to approve either any change in the use of a Commercial Unit, any part thereof, or any amendment to the Building's Certificate of Occupancy to authorize a different use. Residential Unit Owners will not have any interest in the rents, profits, or revenues from the rental or use of any space in the Commercial Units.

Access to the Commercial Units will be through one or more entrances on Wythe Avenue. Commercial Unit Owners will not have access to the residential lobby, public hallways, except as specifically granted in this Plan or the other Condominium Instruments.

The Common Charges payable by the Sponsor as the owner of the Commercial Units are sufficient to cover the expenses fairly attributable to such Unit.

CHANGES IN PRICES AND UNITS

1. Changes in Prices

Residential Units are offered at the prices set forth in Schedule A, but Sponsor reserves the right to negotiate prices on an individual basis. Offering prices will be decreased or increased by an amendment to the Plan prior to the new price's use if the change in price is an across-the-board change affecting one or more lines of Units or is a price to be advertised. However, as purchase prices may be changed by Sponsor on an individual basis, Sponsor reserves the right to decrease purchase prices or modify other terms of sale relating to price without filing an amendment to the Plan at any time during the offering if such reduction in purchase price or modification of such other terms of sale is the result of an individually negotiated transaction. Further, Sponsor may enter into an agreement with a purchaser to sell one or more Units at prices higher than those set forth in Schedule A, provided that an amendment containing the new price is submitted to the Department of Law prior to the price's use. An amendment whose sole purpose is to effect a change in price shall be effective immediately upon its receipt by the Department of Law.

No change in the price of a Residential Unit will on its own vary the estimated annual Common Charges or percentage of interest in the Common Elements attributed to that Unit.

Sponsor shall have the right to negotiate changes in other offering terms, as more fully set forth in Part 1 of the Plan, entitled "Rights and Obligations of Sponsor."

2. Changes in Units

In order to meet the possible varying demand for number and type of Units, or to meet the particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right at any time, both before and after recording the Declaration, with respect to Units owned by Sponsor, to (i) change or reverse the layout of any Unit and make adjustments in interior dimensions of Units, (ii) change the number of rooms in any Unit, (iii) change the size and/or number of Units by subdividing one or more such Units into two or more separate Units, combining separate Units into one or more Units, altering boundary walls of Units, or otherwise, including, without limitation, incorporating any wall, hallway or portion thereof, space, or other area abutting a Unit or Unit(s) owned by Sponsor into one or more of said Units or otherwise, and (iv) if appropriate, reapportion the Common Interest and Residential Allocation Percentage among the Units affected by such change. However, Common Interest need not be reapportioned if a portion of the public hallway is incorporated into a Unit or Units as described above. All such changes shall be made in compliance with the laws having jurisdiction thereover. In order to facilitate such compliance, the Board of Managers shall, at the request of the Sponsor, make, execute and deliver any and all applications and documents required by applicable law, including, but not limited to, any applications and documents sufficient for the purpose of obtaining an amended Certificate of Occupancy.

Notwithstanding the foregoing, except for changes necessitated by site conditions, no material change in size, dimension, floor space, Common Interest or layout will be made to a Unit for which a Purchase Agreement has been executed and delivered to Sponsor without the consent of the Purchaser, unless the Purchaser has defaulted under said Purchase Agreement, was notified of the default and failed to cure said default as provided for in the Purchase Agreement, and Sponsor has terminated the Purchase Agreement. It should be noted in this regard that if the layout and dimensions of a Unit conform substantially to the Plans and Specifications, subject to Sponsor's right to make changes necessitated by site conditions, a Purchaser will not be excused from purchasing the Unit for such reason and will not have any claim against Sponsor as a result of such insubstantial deviation. Sponsor will have no liability to any Purchaser nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for Purchaser's Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a minor inaccuracy or error in the floor plans.

Sponsor may not make any material changes in the size, the percentages of common interest, or the amount or quality of common elements unless all purchasers consent. Sponsor may not change the size or location of units, other improvements or common elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in effect unless all affected unit owners and contract vendees consent in writing subject, however, to Sponsor's right to make changes pursuant to the foregoing or as a result of site conditions, without filing an amendment to the Plan. In the event that the Declaration has already been filed at the time of such change, the Declaration will also be amended by the Sponsor, if necessary, with the consent of all Unit Owners directly affected, if such consent is required by law or by the Declaration or by the By-Laws.

Although the Sponsor intends to use the materials for finishes, fixtures, appliances and equipment described herein and in the Floor Plans and specifications, the Sponsor reserves the right to substitute materials for finishes, fixtures, appliances and equipment of substantially equal or better quality, to the extent readily available for any of those set forth.

Except to the extent prohibited by law and subject to certain restrictions contained in the Declaration, each Commercial Unit Owner will have the right, without the consent of the Board of Managers or other Unit Owners to (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, of any type or nature whatsoever into or upon the Commercial Units; (b) change the layout of the Commercial Units from time to time; (c) subdivide or combine the respective Units; (d) reapportion the Common Interest, provided, however, that in no case shall the total percentages of Common Interests for the Commercial Units be changed and (e) change, alter or modify the façade and exterior of the portion of the Building making up the Commercial Unit.

Notwithstanding anything in this Offering Plan to the contrary, if Sponsor must make material changes to size, dimension, Common Interest, floor space or layout of Units due to site conditions, governmental requirements or other circumstances beyond Sponsor's control, Sponsor will amend the Plan accordingly to

disclose the changes. Any Purchaser under contract to purchase a Unit whose purchase would be substantially adversely affected by such changes, will have the right to rescind the Purchase Agreement and receive back the Down Payment made thereunder together with interest earned thereon.

PROCEDURE TO PURCHASE

Generally

Any person interested in purchasing a Residential Unit in The Esquire Building must apply at the Sponsor's Office for an Offering Plan. Upon receipt of the Offering Plan, a potential purchaser must tender \$150 by check payable to the order of "330 Wythe Avenue -Special Account." These funds will be held in escrow by Selling Agent. The deposit is a non-binding expression of interest and does not constitute a reservation or obligation. The deposit will be refunded, without interest, upon the return of the Plan (in good condition) to Selling Agent within fifteen (15) days of the potential purchaser's receipt of the Plan or upon execution of a Purchase Agreement, whichever is earlier. However, if within the 15-day period following receipt of the Plan the recipient does not execute a Purchase Agreement and does not return the Offering Plan, the \$150 deposit becomes non-refundable and may be retained by Sponsor.

Purchasers will be afforded an opportunity to review the Offering Plan and all filed amendments thereto, prior to executing a Purchase Agreement, the form of which is contained in Part II of this Plan. The Purchase Agreement shall be binding on Purchaser if accepted by Sponsor as set forth below.

A potential purchaser generally shall be permitted to execute a Purchase Agreement after having had a period of at least three (3) business days to review the Plan. A Purchaser who executes a Purchase Agreement and deposits the requisite down payment without having the opportunity to review the Offering Plan for three (3) business days, shall have the right to rescind the Purchase Agreement and receive back the down payment check tendered to Sponsor within seven (7) days after the execution of the Purchase Agreement, provided Purchaser's written notice of rescission is personally delivered to the office of the Offering Plan Counsel by the end of the seventh calendar day after execution of the Purchase Agreement or mailed to the Offering Plan Counsel and post marked within the seven (7) day period.

Upon signing a Purchase Agreement for a Unit, Purchaser shall make a down payment equal to ten percent (10%) of the purchase price for the Unit in accordance with the terms of the Purchase Agreement.

Within ten (10) business days after delivery by Purchaser to Offering Plan Counsel of an executed Purchase Agreement, together with the required down payment, Sponsor will either accept the Purchase Agreement and cause to be returned to Purchaser an executed counterpart thereof, or reject the Purchase Agreement and refund the downpayment tendered (without interest). Sponsor reserves the right to request thorough identification and financial information concerning prospective purchasers, subject to limitations imposed by law. The Purchase Agreement will not be binding upon Sponsor until a copy executed by or on behalf of Sponsor is delivered to Purchaser.

Sponsor reserves the right at any time and from time to time for any reason whatsoever (except as prohibited by law), without prior notice or prior amendment to the Plan, to refuse to accept and execute a Purchase Agreement for any Unit or a Purchase Agreement or Purchase Agreements (as the case may be) for more than one Unit to any one person or entity. Sponsor also reserves the right

without prior notice or prior amendment to the Plan, to hold one or any other number of Units off the market and to not offer same for sale from time to time and at any time during this offering.

Sponsor also reserves the right to sell Units to investor-Purchasers who do not intend to reside in the Unit and/or who intend to rent out the Unit(s) they purchase, as well as to Purchasers for occupancy.

Financing Available to Purchasers

If a Purchaser desires to make a Purchase Agreement contingent on receipt of a financing commitment, Purchaser will be obligated to apply for financing through Richmond County Savings Bank, Dime of New York or Chase Manhattan Bank, N.A. (the "Permitted Lender"). A Purchaser may also apply (or may apply instead) for a loan through a different lender or through a mortgage broker. However, Sponsor will not agree to make a Purchase Agreement contingent upon Purchaser's receipt of a financing commitment from any lender other than the Permitted Lender.

If a Purchaser under a Purchase Agreement containing a financing contingency provision fails to submit an application for a loan through the Permitted Lender within seven (7) days after receipt of an executed Purchase Agreement from Sponsor, Purchaser will be deemed to have waived the financing contingency provision and will be expected to close under the Purchase Agreement with or without the proceeds of purchase money financing.

A schedule of financing programs available to qualified Purchasers from the Permitted Lender, including loan costs and terms, is available in the Sponsor's Office for inspection by Purchasers.

Except as described in this Section, a Purchase Agreement will not be made contingent upon Purchaser's obtaining a financing commitment. If Purchaser applies for financing to a lender other than the Permitted Lender and Purchaser's application is denied, Purchaser shall nevertheless be expected and required to close under the Purchase Agreement. If Purchaser fails to close, Purchaser will be in default under the Purchase Agreement and Sponsor may terminate the Purchase Agreement and retain the down payment paid thereunder as liquidated damages.

Purchaser must notify Sponsor within 30 days of the execution of the Purchase Agreement of any inability to obtain financing from the Permitted Lender. Purchaser may also cancel the Purchase Agreement and recover the downpayment if the Loan Commitment Letter expires within 60 days after its issuance and the Purchaser cannot obtain the same amount of financing in any extension of the Loan Commitment Letter. However, if other terms of the Loan Commitment Letter from a Permitted Lender, such as the expiration of the commitment or that the terms of the commitment may change prior to actual closing, this is a risk which shall be assumed by the Purchaser and shall not be a reason for the Purchaser to terminate the Purchase Agreement and recover his downpayment.

The Purchase Agreement or this Plan may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating sponsor's obligation under Article 23-A of the GBL.

Escrow Account

Sponsor will cause all cash down payments received from Purchasers, directly or through Sponsor's agents or employees, to be delivered to Sponsor's Offering Plan Counsel, Marcia E. Fokas, Esq., to be held in escrow in accordance with this Plan.

Marcia E. Fokas will serve as the escrow agent ("*Escrow Agent*") for down payment monies received from Sponsor and will promptly invest the cash down payment monies received from Sponsor in a segregated special attorney trust sub-account of a master escrow account at Chase Manhattan Bank, N.A., 281 Broadway, New York, New York ("*Chase*"), entitled "Marcia E. Fokas, Esq., Attorney Trust Account for 330 Wythe Avenue (the "*Escrow Account*)". Chase has advised Escrow Agent that each deposit made on account of a particular Purchaser is covered by Federal Deposit Insurance Corporation ("FDIC") insurance to a maximum of \$100,000 per individual deposit. Purchasers of Units having a purchase price in excess of \$1,000,000 are advised accordingly. Any deposits in excess of \$100,000 will not be federally insured. No representation or guarantee is made by Escrow Agent, however, that the FDIC will insure any depositor's funds, if and when called upon to do so.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any legal obligation of the Escrow Agent to hold the down payment funds as trust funds pursuant to law, is absolutely void. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

The Escrow Account will be an interest-bearing account. All interest earned will be paid to Purchaser at or following closing. Interest will begin to accrue when the down payment funds "clear" in accordance with the requirements of Federal law governing the deposit of funds. The interest rate on accounts similar to the Escrow Account and maintained by Escrow Agent was 2.50% on March 1, 2001, but is subject to change from day to day.

Within five (5) business days after tender by Purchaser of the down payment submitted with the Purchase Agreement signed by all necessary parties, the down payment funds shall be delivered to Escrow Agent for deposit into the Escrow Account, and within ten (10) business days after such "tender," provided Escrow Agent has received the funds, Purchaser will be notified by Escrow Agent of the deposit and the account number. Notice mailed to a Purchaser at the address set forth in the Purchase Agreement shall be deemed to be delivered to the Purchaser and received by the Purchaser hereunder, whether or not it is actually received, and shall be deemed received on the date mailed.

If the Purchaser does not receive notice of deposit of the down payment within fifteen (15) business days after tender of the down payment funds, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender by Purchaser of the deposit. In the event a purchaser does not receive notice of tender of deposit of downpayment within 15 days after tender, said purchaser may also apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney

General is submitted establishing that the escrow funds were timely deposited and requisite notice was timely mailed to the Purchaser in conformity with the Attorney General's regulations.

The Escrow Agent will hold funds in escrow until: (i) Purchaser's closing under the Purchase Agreement, in which event the funds will be paid to Sponsor (or anyone Sponsor directs), without any further authorization by Purchaser required, or (ii) Purchaser's permitted rescission of the Purchase Agreement (in which event the funds will be paid to Purchaser), or (iii) Sponsor's termination of the Purchase Agreement following Purchaser's continuing default under the Purchase Agreement after delivery to Purchaser by Sponsor of a notice of default and expiration of the applicable cure period in accordance with the Plan and the Purchase Agreement (in which event the funds will be paid to Sponsor), or (iv) otherwise directed in a writing signed by both Sponsor and Purchaser directing the disposition of such funds, or (v) otherwise directed by a determination of the Attorney General directing the disposition of such funds pursuant to the dispute resolution procedures contained in the Attorney General's regulations, or (vi) otherwise directed by a judgment or order of a court of competent jurisdiction directing the disposition of such funds, or (vii) the Escrow Agent is changed in connection with a transfer of funds to a new escrow agent, or (viii) Sponsor's abandonment of the Plan (in which event the funds will be paid to Purchaser).

If there is no closing under the Purchase Agreement and there is no written agreement between the parties to release the escrow funds, and if there is no court order or Attorney General determination respecting disposition of the funds, Escrow Agent shall not pay the funds to Sponsor until Escrow Agent has given Purchaser written notice of at least ten (10) business days. For purposes of this provision, notice shall be deemed given if actually delivered to the Purchaser or Purchaser's counsel or if mailed to Purchaser or Purchaser's counsel at the address set forth in the Purchase Agreement whether or not it is actually received, and shall be deemed given five (5) business days after the date mailed. Thereafter, the funds may be paid to Sponsor unless Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and the Purchaser contemporaneously sends a copy of the application to all parties. . Escrow Agent shall be entitled to act upon any document believed by it, in its reasonable judgment, to be genuine. Release of funds from the Escrow Account requires written authorization from a partner of Escrow Agent. The sole signatory on escrow accounts maintained by Escrow Agent is Marcia E. Fokas.

Sponsor will not object to the release of the escrow funds to a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan or after an amendment abandoning the plan has been accepted for filing.

Purchasers and the Escrow Agent apply to the Attorney General in the event of a dispute for a determination on the disposition of the down payment and any interest thereon. Sponsor must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is contained in Part II of the Plan. The party applying for a determination must send all other parties a copy of the application by certified mail, return receipt requested. Pending determination of the Attorney General to grant or deny the application to release escrow funds,

Sponsor, Purchaser, and Escrow Agent are to abide by any interim directive issued by the Attorney General.

Escrow Agent is obligated to maintain all records concerning the Escrow Account for seven years after release of funds.

Subject to the foregoing, in the event of an uncured default by Purchaser, the down payment plus interest earned thereon, may be retained by Sponsor as liquidated damages.

Closings

The First Unit Closing will be held at least thirty (30) days following the date an amendment reflecting that Sponsor has declared the Plan effective has been accepted by the Department of Law. All Purchasers will be given at least ten (10) days' prior written notice of their closing. The scheduled closing date listed in that notice is referred to as the "Original Scheduled Closing Date." Such notice will remind Purchasers that the balance of the purchase price is due at closing and will provide information as to payment and/or adjustment of Common Charges and real estate taxes for the month in which title closes. If a Purchaser desires to close on less than said ten- (10) day notice, Sponsor shall be permitted to do so.

The date of the First Unit Closing is expected to be Sept. 1, 2001. If the date of the First Unit Closing is delayed twelve months or more, purchasers will be offered the opportunity to rescind their Purchase Agreements and have their downpayments refunded to them.

At the time of closing each Purchaser will be required to pay the New York City Real Property Transfer Tax, the New York State Real Estate Transfer Tax and the Mansion Tax, if any, with respect to the Unit. (See Part I, entitled "Closing Costs and Adjustments" for cost details.)

At closing, the balance of the purchase price shall be paid by an unendorsed bank or cashier's check(s) or unendorsed personal certified check(s) of Purchaser drawn on or issued by a New York bank, trust company or other New York lending institution which is a member of the New York Clearing House Association, payable to Sponsor (or to any one Sponsor designates or directs). Alternatively, at Purchaser's request, Sponsor will cooperate to facilitate wire transfers of the balance of the purchase price due at closing.

At closing Sponsor will provide Purchaser with a FIRPTA certification, and, if Purchaser is not financing the purchase, with a copy of Form 1099S which Sponsor will cause to be filed following the closing, with the Internal Revenue Service. If Purchaser is financing the purchase, Purchaser's lender's attorneys shall be obligated to file Form 1099S and to provide a copy thereof to Sponsor at the closing.

At the time of closing each Purchaser will be required to sign a power of attorney to the Board of Managers in the form contained in Part II of the Plan.

A Purchaser who fails to pay the balance due under the Purchase Agreement on the original Scheduled Closing Date or any permitted adjournment

thereof, or fails to honor any other obligation under the Purchase Agreement, will be in default under the Purchase Agreement. Sponsor shall notify any such Purchaser of Purchaser's default in writing, shall specify the reason Purchaser is in default and shall grant Purchaser a period of at least thirty (30) business days within which to cure said default. **SPONSOR RESERVES THE RIGHT TO MAKE TIME OF THE ESSENCE WITH RESPECT TO PURCHASER'S OPPORTUNITY TO CURE ANY DEFAULT WITHIN THE SPECIFIED CURE PERIOD. AFTER THE SPECIFIED CURE PERIOD EXPIRES, IF PURCHASER'S DEFAULT REMAINS UNCURED, SPONSOR MAY TERMINATE THE PURCHASE AGREEMENT, RETAIN PURCHASER'S DOWN PAYMENT TOGETHER WITH INTEREST EARNED THEREON (IF ANY) AS LIQUIDATED DAMAGES, AND SELL THE UNIT TO ANOTHER PURCHASER AS IF THE PURCHASE AGREEMENT HAD NEVER BEEN MADE.**

If Purchaser is not ready to close on the Original Scheduled Closing Date, any adjournment of the closing granted by Sponsor at Purchaser's request will, at Sponsor's discretion, be on the condition that (i) all adjustments made at closing (and described in "Closing Costs and Adjustments" in Part I of the Plan) will be made as of the Original Scheduled Closing Date, and (ii) Purchaser shall pay Sponsor at closing, by unendorsed personal certified or bank check drawn on a bank that is a member of the New York Clearinghouse Association, an amount derived by (a) multiplying the purchase price for the Unit by 14%, (b) dividing that product by 365, and (c) multiplying the resulting amount by the number of days the closing is delayed, beginning with the Original Scheduled Closing Date and ending with the actual closing date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor adjourns the closing date. However, the provisions shall apply to any postponements by Purchaser of the agreed-upon adjourned closing date. Sponsor reserves the right to waive any or all of the provisions of this paragraph.

If Purchaser requests more than one adjournment of the Original Scheduled Closing Date, or if Purchaser requests an adjournment of the Original Scheduled Closing Date in excess of thirty (30) days, Sponsor shall have the unilateral right to make time of the essence with respect to Purchaser's obligation to close on any rescheduled closing date to which Sponsor consents.

In the event Sponsor cannot convey title to the Unit by reason other than default of the Purchaser, Sponsor shall return to Purchaser all monies deposited by Purchaser, with interest, if any has been earned thereon.

The Purchase Agreement is contingent upon Sponsor declaring the Plan effective, as described in Part I of this Plan. If the Plan is abandoned, Purchase Agreements will be cancelled, and all monies held by Sponsor shall be returned to Purchasers, with interest earned thereon, if any.

Purchase Agreements are not assignable without Sponsor's consent, which consent may be withheld for any reason or no reason. In addition, prior to closing of title to a Unit, a Purchaser may not advertise or otherwise offer, promote, or publicize the availability of such Unit for sale or lease. Violations of either of the two foregoing provisions shall be considered defaults under the Purchase Agreement.

Any conflict between the Plan and the Purchase Agreement will be resolved in favor of the Plan.

Sponsor must comply with Section 71-a(3) of the Lien Law and any other applicable provisions of law. The risk of loss from fire or other casualty remains with the Sponsor unless and until a Purchaser takes actual possession of a unit pursuant to an interim lease (or written agreement with the Sponsor) or legal title to the Unit has been conveyed to the Purchaser.

EFFECTIVE DATE

Sponsor may declare the Plan effective when executed Purchase Agreements from bonafide purchasers have been accepted for 15% of the Residential Units offered under the Plan (i.e., Purchase Agreements for 12 Residential Units) have been accepted by Sponsor, although Sponsor will not be obligated to declare the Plan effective at that time. Sponsor will not be obligated to declare the Plan effective, unless and until Sponsor has received and accepted Purchase Agreements for 80% of the Residential Units offered hereunder.

The Plan will not be declared effective based on Purchase Agreements (i) signed by purchasers who have been granted a right of rescission that has not yet expired or that has not been waived, or (ii) if the purchaser was not afforded the protections required by 13 NYCRR section 20.3(o)(10) or (iii) with any Purchaser who is Sponsor or is a principal of Sponsor or is related to Sponsor or to any principal of Sponsor by blood, marriage or adoption or is a business associate, an employee, a shareholder or a limited partner, except that such a Purchaser may be included in the count to establish effectiveness if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

Sponsor's declaration of effectiveness may be based on Purchase Agreements entered into with multiple Purchasers, or one or more Purchase Agreements entered into with a single Purchaser acquiring a large number of Units, or on a combination of both types of Purchase Agreements.

Notification of effectiveness will be by amendment to this Plan or by written notice to all Purchasers. If the declaration of effectiveness is communicated by notice, then within five (5) business days after service of such notice on Purchasers, Sponsor will submit for filing an amendment incorporating the notice of declaration of effectiveness.

The Plan may be abandoned by Sponsor, at its sole option, at any time before Sponsor declares the Plan effective or before Sponsor has received and accepted Purchase Agreements for 80% of the Residential Units offered hereunder. The Sponsor may also abandon the Plan if the Sponsor cannot file the declaration of condominium. Within ten (10) business days after abandonment, all down payment monies paid by Purchasers who are not then in default under their Purchase Agreements (or who did not previously default under their Purchase Agreements and forfeit their down payments), shall be refunded to them in full with interest, if any has been earned thereon. Sponsor shall promptly submit for filing to the Department of Law a notice of abandonment on Form RS-3, or such other form as may then be required by the Department of Law setting forth the reason for abandonment and disposition of all funds received and an amendment to the Plan declaring the Plan abandoned.

Once Sponsor declares the Plan effective or executed Purchase Agreements for 80% of the Residential Units have been received and accepted by Sponsor, the Plan may not be abandoned for any reason other than (i) title defects which cannot be cured without litigation or which can be cured only by incurring expenditures in excess of \$100,000.00 in the aggregate, or (ii) substantial damage to or destruction of the Building by fire or other casualty which can be cured only by Sponsor incurring expenditures in excess of \$100,000, or (iii) a taking of all or any

material part of the Property in condemnation proceedings or eminent domain, or (iv) Sponsor cannot obtain the consents necessary for the consummation of the Plan or recording of the Declaration. There will be no obligation of Sponsor to incur any expense or engage in litigation to cure title defects or obtain consents, except as set forth herein.

CLOSING OF TITLE TO UNITS

The term "closing of title" (alternately referred to simply as "closing") as used herein means the conveyance of title to a Residential Unit from Sponsor to the Purchaser thereof.

The closing date for each Unit will be set by Sponsor and will be at least thirty (30) days after an amendment reflecting that Sponsor has declared the Plan effective has been accepted for filing by the Department of Law and on at least ten (10) days' prior written notice of closing to Purchaser, unless, however, Purchaser has requested to close on less than said thirty (30) days' notice, in which event Sponsor shall have the right to close earlier. Sponsor shall have the right from time to time to adjourn closing dates set by Sponsor, upon prior notice to Purchasers.

Purchaser shall be given an opportunity to inspect the Unit prior to closing. Any work remaining to be done in the Unit pursuant to the Plan and/or the Purchase Agreement, which Sponsor agrees to complete, shall be itemized on an "Inspection Statement," the form of which is contained in Part II of the Plan, signed by both Sponsor and Purchaser, to be performed after the closing.

The risk of loss or damage to the Unit by fire or other casualty, until the earlier of the closing or possession of the Unit by Purchaser, is assumed by Sponsor, but without any obligation of Sponsor to repair or replace any such loss or damage unless Sponsor elects to do so as hereinafter provided. Sponsor shall notify Purchaser of the occurrence of any such loss or damage to the Unit within 10 days after such occurrence or by the date of closing, whichever first occurs, and by such notice shall state whether or not Sponsor elects to repair or restore the Unit. If Sponsor elects to make such repairs and restorations, Sponsor's notice shall set forth an adjourned date for the closing, which shall be not more than 60 days after the date of the giving of Sponsor's notice. If Sponsor either does not elect to do so or, having elected to make such repairs and restorations, fails to complete the same on or before said adjourned date for the closing, Purchaser shall have the following options:

(i) to declare the Purchase Agreement cancelled and of no further force or effect and receive a refund of the downpayment in which event neither party shall thereafter have any further rights against, or obligations or liabilities to, the other by reason of the Purchase Agreement; or

(ii) To complete the purchase in accordance with the Purchase Agreement, except as provided in the next sentence. If Sponsor carries hazard insurance covering such loss or damage, Sponsor shall turn over to the Purchaser at the closing the net proceeds actually collected by Sponsor under the provisions of such hazard insurance policies to the extent that they are attributable to loss of or damage to any property included in this sale, less any sums theretofore expended by Sponsor in repairing or replacing such loss or damage or in collecting such proceeds; and Sponsor shall assign (without recourse to Sponsor) Sponsor's right to receive any additional insurance proceeds which are attributable to the loss of or damage to any property included in this sale.

If Sponsor does not elect to make such repairs and restorations, Purchaser may exercise the resulting option under (i) or (ii) above only by notice given to Sponsor within 10 days after receipt of Sponsor's notice. If Sponsor elects

to make such repairs and restorations and fails to complete the same on or before the adjourned closing date, Purchaser may exercise either of the resulting options within 10 days after the adjourned closing date.

All personal property located within the Unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the declaration is filed, that is owned by the Sponsor, is included in the conveyance unless specifically excepted in the Plan.

Any mortgagee of a construction loan or other mortgage existing at or prior to the First Unit Closing will release its lien on the Unit being conveyed and its interest in the Common Elements.

If a temporary or permanent certificate of occupancy has been issued for a Unit, the Purchaser will be obligated to accept title to the Unit without abatement of the purchase price or provision for escrow, despite incomplete construction of (i) minor details of the Unit, (ii) other Units, (iii) the Common Elements, or (iv) Limited Common Elements, customarily left incomplete until after occupancy of the Unit.

The First Unit Closing is expected to occur in Sept. 1, 2001, concurrently with or after the occurrence of the following events:

1. Issuance of a permanent certificate of occupancy for the Building, or if same has not yet been issued, then at least a temporary certificate of occupancy covering the Unit to be closed or the portion of the Building in which the Unit is located. Delivery by Sponsor of a temporary certificate of occupancy covering the Unit and acceptance of a deed to the Unit by Purchaser shall constitute a presumption that Sponsor has satisfactorily performed those obligations of Sponsor to be performed prior to closing of title to the Unit.

2. Recording or filing, as applicable, of the Declaration, By-Laws and Tax Lots.

3. Preparation of discharge or partial release of all liens (if any), affecting the Unit to be closed, to be recorded immediately prior to recording the deed, pursuant to Section 339-r of the Condominium Act.

4. Service upon Purchaser of a written notice of the closing date at least thirty (30) days in advance of closing and provision to Purchaser of an opportunity to inspect the Unit prior to closing. Purchaser may elect to waive the thirty day notice period and close sooner.

5. Amendment of the Plan by Sponsor to disclose that Sponsor has declared the Plan effective.

6. Execution of an instrument by Purchaser substantially in the form provided in Part II of the Offering Plan (and delivery of said instrument to Purchaser's title company or attorney for recording), designating the Board of Managers as Purchaser's attorney-in-fact, coupled with an interest, for but not limited to the purpose of managing, selling, mortgaging, leasing, voting or otherwise dealing with any Unit acquired by the Board of Managers in accordance with any of the provisions of the By-Laws and for purposes consistent with the implementation of the Offering Plan.

7. Delivery by Sponsor to the Purchaser of the Unit of any manufacturers' warranties (to the extent available) for equipment installed by Sponsor in the Unit, and the assignment to the Board of Managers of any warranties (to the extent available and assignable) with respect to all equipment and heating, plumbing and roofing installed in Common Elements.

8. Execution of and delivery by Sponsor to Purchaser of a bargain and sale deed for the Unit with covenant against grantor's acts in proper form for recording, substantially in the form contained in Part II of the Plan, free and clear of all liens and encumbrances except the Permitted Encumbrances. The deed must also be signed by the Purchaser.

9. If ordered by Purchaser, the issuance at closing of a commitment by a title insurance company licensed to do business in New York State, to insure that the Condominium was validly formed pursuant to the Condominium Act and that the Purchaser has good and insurable fee title in the Unit, free and clear of all liens and encumbrances, except for the Permitted Encumbrances and except for any mortgage Purchaser obtains to purchase the Unit, and subject to the provisions of the Declaration and By-Laws. See the next section of this Plan for the estimated cost of such title insurance.

Title to a Unit will be conveyed subject to the following exceptions (which are referred to in this Plan as the "*Permitted Encumbrances*")::

(a) Any state of facts an accurate survey of the Property or personal inspection of the Unit and/or Property would show;

(b) All of the terms, covenants and conditions of the Declaration, the By-Laws, the Tax Lot Drawings as they are filed or recorded, the Rules and Regulations of the Condominium and the Offering Plan and amendments thereto;

(c) Power of attorney from the Unit Owner to the Board of Managers and their successors in office;

(d) All easements set forth in the Declaration and By-Laws;

(e) Zoning and other resolutions, regulations and ordinances (and amendments thereto) now or hereafter adopted;

(f) Consents by Sponsor or any former owner of the Property for the erection of structure(s) under or above any street on which the Property abuts;

(g) Standard exceptions contained in the form of title insurance policy then issued by Commonwealth Land Title Insurance Company;

(h) Any encumbrance as to which Commonwealth Land Title Insurance Company (the "Title Company") would be willing, in a fee policy, to insure (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien;

(i) Covenants and Restrictions and \$1.00 Award Clause set forth in Reel 1431 page 438;

(j) \$1.00 Award Clause set forth in Reel 1491 Page 622 and in Reel 1491 Page 617;

(k) All other covenants, restrictions, easements and agreements recorded against the Unit or the Property before and after execution of the Purchase Agreement.

10. Payment by Purchaser of all closing adjustments and closing expenses and costs, including but not limited to those described in the next section of the Plan.

CLOSING COSTS AND ADJUSTMENTS

At closing, each Purchaser shall be required to pay certain costs and expenses. The following is a list of the types and amounts of costs and expenses Purchasers should expect to pay. Estimates for title expenses are provided by Commonwealth Land Title Insurance Company (the "Title Company", and are based (as are all of the following items), on current rates and charges which are subject to change without prior notice:

Title Insurance

(a) If a Purchaser of a Unit elects to obtain fee title insurance, Purchaser will pay the premium therefor which will vary depending upon the purchase price and whether or not a mortgage title policy is obtained simultaneously with the fee title policy. Title insurance rates are set by the New York Board of Title Underwriters and filed with the New York State Department of Insurance. The insurance rates quoted are those in effect as of March 1998 and are subject to any increase approved by the New York State Department of Insurance.

(b) The current rate for fee title insurance alone (*i.e.*, no mortgage title insurance) is (a) for fee policies of \$100,000 up to and including \$500,000, \$500 for the first \$100,000 of the purchase price and approximately \$2.82 for each additional \$1,000 dollars or fraction thereof up to and including \$500,000, (b) for fee policies of more than \$500,000 up to and including \$1,000,000, \$1,628 for the first \$500,000 of purchase price and approximately \$2.58 for each additional \$1,000 dollars or fraction thereof up to and including \$1,000,000, and (c) for fee policies over \$1,000,000, \$2,916 for the first \$1,000,000 of purchase price and approximately \$2.37 for each additional \$1,000 or fraction thereof. Thus the cost of a policy of fee title insurance alone for a Unit priced at \$600,000, would be \$1,886 based on current rates.

(c) The current rate for mortgage title insurance issued simultaneously with a policy for fee title insurance (which mortgage title insurance likely will be required if Purchaser is obtaining a mortgage loan to finance the purchase) is (a) for policies of \$100,000 up to and including \$500,000, \$127 for the first \$100,000 and \$.70 for each additional \$1,000 or fraction thereof up to and including \$500,000, (b) for policies over \$500,000 up to and including \$1,000,000, \$409 for the first \$500,000 and \$.64 for each additional \$1,000, or fraction thereof up to and including \$1,000,000, and (c) for policies over \$1,000,000, \$730 for the first \$1,000,000 and \$.60 for each additional \$1,000 over \$1,000,000.

(d) As an example of how the foregoing rates would be applied, consider the following: If a Purchaser of a Unit priced at \$600,000 obtained a mortgage loan of \$480,000, the mortgage title insurance would cost \$395 (\$127 for the first \$100,000 plus \$.70 for each additional \$1,000 (\$266)) and fee title insurance would cost \$ 1,886 (\$1,628 for the first \$500,000 plus \$2.58 for each additional \$1,000 up to and including \$1,000,000 (*i.e.*, \$258), resulting in a total expenditure of \$2,281 for mortgage and fee tide insurance.

(e) Sponsor makes no representation regarding insurance available from insurers other than from Commonwealth Land Title Insurance Company, 655

Third Avenue, New York, New York 10017. Purchasers may order title insurance through Commonwealth by contacting Frank Hoffman at (212) 949-0100.

(f) Purchasers are advised that the quoted rates for title insurance in this section are issued by Commonwealth Land Title Insurance Company, and are discounted from usual rates because the existing tide insurance on the property is "prior eligible insurance" enabling purchasers of condominium units from the original seller (*i.e.*, from Sponsor), to receive a discount on their unit owner's title policy.

Recording Fees

Purchaser will be required to pay fees for recording the Unit deed, the power of attorney in favor of the Board of Managers and any mortgage Purchaser obtains to finance the purchase of the Unit. The current recording fees are \$17 per document plus \$5 per page and a \$10 service charge for each instrument recorded.

Transfer Taxes

(a) Under the Purchase Agreement Purchaser will be required to pay the New York State Real Estate Transfer Tax (*i.e.*, the "State Transfer Tax"). The State Transfer Tax currently is \$2.00 per \$500, or fractional portion thereof, of the purchase price. As of the date of this Plan, the State of New York imposes no administrative fee with respect to filing New York State Form TP584 in connection with the State Transfer Tax. However, Purchasers will be obligated to pay any such administrative fee or other filing charge as the State of New York may impose in the future with respect to such filing.

(b) (i) Under the Purchase Agreement Purchaser also will be required to pay the New York City Real Property Transfer Tax (the "RPT Tax"). The RPT Tax currently is 1% of the purchase price for individual residential condominium units priced at \$500,000 or less and 1.425% of the purchase price for individual residential condominium units priced at more than \$500,000. Purchaser shall also be required to pay the \$25 administrative charge for filing the RPT Tax Return (and any other administrative fee or filing charges as the City of New York may impose).

(ii) Purchasers are advised that the City of New York takes the position that if more than one residential condominium unit is purchased simultaneously by the same purchaser, the transaction is no longer the sale of an "individual" residential unit, which characterization is a prerequisite to the application of the tax rates described in the previous paragraph, and instead, higher RPT Tax rates apply. Accordingly, the City of New York takes the position that when more than one residential condominium unit is purchased simultaneously by the same purchaser, the 1% tax rate for single family homes and individual residential condominium units and cooperative apartments no longer applies, regardless of the aggregate price. Instead, in the position taken by the City of New York, the purchase prices for the units being purchased must be aggregated together when more than one residential condominium unit is purchased simultaneously by the same purchaser and a higher nonresidential rate will apply. This rate is 1.425% for purchases with an aggregate price of \$500,000 or less, and 2.625% for purchases with an aggregate price in excess of \$500,000.

(c) Without a contract provision making purchasers responsible for payment of the State Transfer Tax and the RPT Tax (collectively the "Transfer Taxes") payment of the Transfer Taxes ordinarily is the obligation of a seller. New York City and New York State take the position that where a contract of sale for real property provides as does the Purchase Agreement, that the purchaser pays the Transfer Taxes, the purchase price to the seller is that much higher than the amount stated in the contract itself. The State Transfer Tax and the RPT Tax have thus been calculated by NYC and NYS in situations where a purchaser pays the Transfer Taxes, by computing the RPT Tax and the State Transfer Tax on the purchase price listed in the contract of sale, adding this aggregate tax amount to the purchase price listed in the contract of sale to derive a "grossed up" purchase price, and then recalculating the RPT Tax and State Transfer Tax based upon this "grossed up" purchase price. Purchasers will be obligated to pay the RPT Tax and the State Transfer Tax calculated pursuant to this "grossing up" procedure, and also will be obligated to pay the RPT Tax as such higher rate as may be applicable When and if Purchaser is purchasing two or more Units simultaneously.

(d) The foregoing discussion is not a representation or warranty that NYS and/or NYC will continue to compute the,Transfer Taxes owed them by use of the aforesaid practices, formulas or rates.

Mansion Tax

Purchasers are advised that New York State imposes a transfer tax upon Purchasers in an amount equal to 1% of the purchase price for the Unit in the event that the purchase price for the Unit is greater than \$1,000,000 (the "Mansion Tax"). **PURCHASERS ARE ADVISED THAT NEW YORK STATE TAKES THE POSITION THAT FOR PURPOSES OF THE MANSION TAX, THE PURCHASE PRICE INCLUDES NOT ONLY THE PURCHASE PRICE LISTED IN THE PURCHASE AGREEMENT, BUT ALSO THE AGGREGATE OF ANY TRANSFER TAXES PAYABLE BY PURCHASER UNDER THE PURCHASE AGREEMENT. THUS, FOR INSTANCE, A UNIT PRICED AT \$985,000 UNDER A PURCHASE AGREEMENT WHERE A PURCHASER PAYS THE TRANSFER TAXES, WOULD SUBJECT THE PURCHASER TO LIABILITY FOR THE MANSION TAX AS THE AGGREGATE OF THE PURCHASE PRICE PLUS THE TRANSFER TAXES WOULD EXCEED \$1 MILLION.** Purchasers of Units costing in excess of \$1 million (including the purchase price itself plus the aggregate Transfer Taxes payable by Purchaser), thus will be obligated to pay the Mansion Tax at closing.

Mortgage-Related Costs

(a) Purchasers obtaining mortgage loans to finance their purchase are advised that they will be responsible for the payment of all closing costs and expenses in connection with their mortgage in amounts determined by the lender. These costs customarily include, among others, origination fees or "points", commitment fees, fees for credit checks, mortgage tide insurance, bank attorneys' fees and appraisal fees.

(b) Purchasers obtaining mortgage loans also will be obligated to pay mortgage recording tax. The mortgage recording tax rate currently is 2% of the

mortgage amount for mortgages of \$500,000 or less, and 2.125% of the mortgage amount for mortgages in excess of \$500,000. The borrower under a mortgage for a residential condominium unit is entitled to a \$25 deduction for the first \$10,000 of the mortgage amount.

(c) A Purchaser obtaining a mortgage loan will be required to pay to Sponsor a sum equal to the amount of any credit against the mortgage recording tax to which Purchaser is entitled pursuant to Section 339-ee(2) of the Condominium Act. This sum will be paid in reimbursement to Sponsor for mortgage tax previously paid on mortgages encumbering the Property, which prior payment is the basis for Purchaser's credit. The credit would be equal to the product of the Unit's Common Interest multiplied by the mortgage tax previously paid. Purchaser shall not be required to pay to Sponsor an amount exceeding the amount of mortgage tax Purchaser would be required to pay absent the statutory credit.

(d) Purchasers are advised that if Units are not separately assessed for real estate taxes for the then current tax year as of Purchaser's closing date, the Board of Managers will collect escrows for real estate taxes in accordance with the procedures discussed in Paragraph 6 of this Section L. If Purchaser's lender nevertheless requires that Purchaser deposit real estate tax escrows with the lender, purchaser will be in the position of making double escrow deposits, since the Board of Managers will not waive this requirement under the Plan.

Adjustments for Common Charges and Real Estate Taxes

(a) All real estate taxes and Common Charges attributable to a Unit paid by Sponsor for any period of time during which the Unit Owner will own the Unit, shall be adjusted between Sponsor and purchaser as of the closing date. If Purchaser is in possession of a Unit under an interim lease or other occupancy agreement, rent or other occupancy fee will be adjusted as of the closing date as well.

(b) If a Unit closes during the 2000/01 tax year, and if the Unit has not been separately assessed for real estate taxes for the 2000/01 tax year by that Unit's closing date, the adjustment for real estate taxes will be based on an estimated "assessment" obtained by multiplying the portion of the total Property assessment by the ratio that each Unit's offering price, as set forth in Schedule A in this Offering Plan, bears to the aggregate offering prices for all Units offered under this Plan, and multiplying that "assessment" by the then current tax rate.

(c) If separate assessments have not been made prior to the closing of title to a Unit, the Board of Managers will collect from each Purchaser at closing, and will place in escrow, an amount equal to the Unit Owner's estimated proportionate share of the real estate taxes projected to be due for the entire Property for the half of the tax year next commencing after the closing of said Unit (i.e., for either the first half or second half, depending on when the Unit closes), based on the method of allocation described above. If the tax assessor indicates that more than one half of a tax year may elapse before the Units are individually assessed, the Board of Managers shall collect at closing Purchaser's proportionate share of taxes for the upcoming half as described above. With respect to the balance of the estimated taxes, the Board shall collect monthly escrows from Unit Owners with their Common Charges based upon the estimated tax bill for the entire Property and the

then current tax rate (or a higher tax rate to hedge against a possible increase in rate at the beginning of a new tax year, if the new rate has not yet been set). The Board of Managers will pay all taxes allocable to Units not owned by Sponsor, at the time such taxes are due, from the escrow account.

(d) If the actual taxes due for any period for which the Board of Managers collected escrows are higher than the amount collected and held in escrow, the Board of Managers shall pay the difference and shall bill Purchasers for their proportionate share of any necessary reimbursement, as a special assessment. If any Unit Owner fails to pay a Unit's pro rata share of real estate taxes when due, by Common Charge billing, special assessment billing, or both, the Board of Managers will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges. If the actual taxes due are lower than the amount collected and held in escrow by the Board of Managers, the Board shall pay the tax bill and return to Purchasers their proportionate share of any excess. At such time as the Unit is separately assessed, the Unit Owner will pay taxes directly to the taxing authority. Thus, if the Units are separately assessed with payments to commence during a period for which the Board of Managers holds escrow funds, the Board will return the funds to each Owner and the Owner will pay said Unit Owner's own tax bill.

Closing Counsel Fees

Sponsor's closing counsel will coordinate, prepare for, and attend individual Unit closings on behalf of Sponsor. Each Purchaser shall make a payment toward Sponsor's closing fees to Sponsor's closing counsel, in accordance with the following schedule:

(a) \$750 basic closing fee if the closing is held at the offices of Marcia E. Fokas, Esq., 67 Wall Street, New York, New York 10005 (or at the offices of such other closing counsel in Manhattan as may be engaged by Sponsor); plus,

(b) \$150 travel fee if Purchaser closes at a location in Manhattan other than at the offices of Sponsor's closing counsel (closings may not be scheduled to occur outside the Borough of Manhattan); plus

(c) \$300 if Purchaser closes later than the date and time scheduled for closing pursuant to the Purchase Agreement.

The costs in 7(a) - (c) are cumulative to the extent applicable to an individual closing.

Working Capital Contribution

Purchaser shall also be required to pay at closing an amount equal to two months' Common Charges attributable to the Unit being purchased as a contribution to the Working Capital Fund. This fund shall be used to pay for items in the budget which will be payable prior to the time that sufficient monthly Common Charges have accrued to pay these items, as described in Part I of the Plan.

Professional Fees

Purchaser shall have sole responsibility for payment of all professionals, including attorneys, engaged or retained by Purchaser.

Reimbursement of Insurance Costs

Each Purchaser will be obligated to reimburse Sponsor at Purchaser's closing, Purchaser's pro-rata share of the Condominium's insurance policy (as described in the Notes to Schedule B) for the first year of Condominium operation, the premium for which will be paid by Sponsor prior to the First Unit Closing. The amount of reimbursement will be based on the Unit's Common Interest, and will vary based on the date of closing. The actual reimbursement will be determined by multiplying the amount paid for the premium by the Unit's Common Interest, and then multiplying the resulting per them rate by the number of days remaining in the applicable covered period.

Penalties for Delay

If Purchaser is not ready to close on the closing date scheduled by Sponsor pursuant to the Plan (the "Original Scheduled Closing Date"), any adjournment of the closing granted by Sponsor at Purchaser's request will, at Sponsor's discretion, be on the condition that (i) all adjustments required to be made at closing will be made as of the Original Scheduled Closing Date, and (ii) Purchaser shall pay Sponsor at closing, by unendorsed personal certified or bank check drawn on a bank that is a member of the New York Clearinghouse Association, an amount derived by (a) multiplying the purchase price for the Unit by 14%, (b) dividing that product by 365, and (c) multiplying the resulting amount by the number of days the closing is delayed, beginning with the Original Scheduled Closing Date and ending with the actual closing date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor adjourns the closing date. However, the provisions shall apply to any postponements by Purchaser of an agreed-upon adjourned closing date. Sponsor reserves the right to waive any or all of the provisions of this paragraph.

Sponsor's Obligations to Pay Common Charges, Assessments and Real Estate Taxes on Unsold Units

The Sponsor shall pay all Common Charges, Assessments and Real Estate Taxes on Unsold Units until the date of closing on such Units. Sponsor represents that it has financial resources to meet its obligations with respect to unsold units from the proceeds of the sale of the condominium units.

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor shall have the following rights and obligations under this Plan.

Generally

(a) Sponsor has obtained a construction loan to finance construction of the project, which, together with other funds to which Sponsor has access, Sponsor believes will be sufficient to complete construction of the Condominium. Before the First Unit Closing under this Plan, all liens and mortgages affecting the Unit, if any, shall be paid, bonded or satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by a release instrument to be recorded prior to recordation of the deed to the Unit.

(b) Sponsor shall complete the Condominium in substantial accordance with the Plans and Specifications, subject to Sponsor's right to substitute appliances, fixtures, equipment or materials of substantially equal or better quality for those described in the Plans and Specifications, and to make modifications in layout or design. Any of the foregoing substitutions or modifications may be made without prior notice or amendment to the Plan. Sponsor will not substitute appliances, fixtures, equipment or materials of lesser quality than those specified in the Plans and Specifications. Sponsor will not change the size, number or location of Units, their respective percentage of interest in the Common Elements, or the amount or quality of Common Elements, except as more specifically provided in "Changes in Prices, and Units" in Part I.

(c) Prior to the First Unit Closing under this Plan, Sponsor shall have obtained at least a temporary certificate of occupancy covering the Unit to be closed. If Sponsor has closed title to the first Unit on a temporary certificate of occupancy, Sponsor shall attempt to obtain a permanent certificate of occupancy within two (2) years after closing of title to the first Unit, subject, however, to construction delays caused by weather, strikes, lockouts, acts of god, shortages of or inability to obtain, materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements, actions by Unit Owners or tenants of Unit Owners, or any other cause over which Sponsor has no control, but in any event, before expiration of applicable temporary certificate of occupancy, as same may be renewed, replaced or extended.

(d) In the event any closing of title to a Unit occurs after issuance of a temporary certificate of occupancy covering the Unit but before the issuance of a permanent Certificate of Occupancy covering the Unit, all deposits and funds in escrow received from the Purchaser of said Unit shall continue to be held in the Escrow Account, unless Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work needed to obtain a permanent Certificate of Occupancy as concerns the Unit, in which case the down payment may be released to Sponsor from the Escrow Account on the Unit closing date. If Sponsor does not have sufficient funds available (based on the architect's certification), through the undisbursed balance of the construction loan, retainage or otherwise, then in lieu of retaining 10% of the purchase price in escrow, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount certified by the architect to be necessary to obtain the permanent

certificate of occupancy for the Unit. In the event Sponsor desires to post a bond pursuant to this paragraph, prior to posting such bond Sponsor will file an amendment to the Plan disclosing same.

(e) Sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to unsold units. Sponsor represents that it has financial resources to meet its obligations with respect to unsold units from the proceeds of the sale of the condominium units.

(f) Sponsor shall defend any suit or proceeding arising out of Sponsor's acts or omissions and indemnify the Board of Managers and the Unit Owners.

(g) All representations under the Offering Plan, all obligations pursuant to the New York General Obligations Law, and such additional obligations under the Offering Plan which are to be performed subsequent to the First Unit Closing will survive delivery of the deed.

(h) Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the closing of a purchaser's unit.

(i) Sponsor shall cause the Board of Managers to procure, by the first Unit closing, the insurance described in Schedule B of this Plan, and otherwise required by the By-Laws.

(j) Sponsor agrees to keep copies of the Plan, exhibits and documents referred to in the Plan on file at Sponsor's office or at another designated place for six years from the date the Offering Plan is accepted for filing by the Attorney General.

(k) Sponsor reserves to itself, its successors, assigns, designees, invitees, contractors, agents, employees and tenants, any and all easements and rights of access, in and to Units and appurtenant Limited Common Elements and Common Elements, to complete construction in a manner consistent with the purposes of the Plan and Sponsor's rights and obligations thereunder. Sponsor will use reasonable efforts so as not to interfere with a Unit Owner's reasonable use of said Owner's Unit during any work period. However, there may be a temporary limitation as to use of the Unit and/or public areas during construction Sponsor's reservation and rights shall include, but not be limited to:

(i) The right to maintain a Sales Office and other general and sales and leasing office(s) and personnel on the Property, to post signs, and to conduct other activities connected with promotion, sales or leasing, such as inspection and display of vacant or leased Units, as well as all Common Elements, to prospective purchasers or lessees; and

(ii) Right of access in and to Units and Common Elements for purposes of construction, repair, refurbishment, correction, alterations, finishing, servicing and similar work. (iii) The right to develop the existing 695 sq. ft. bulkhead on the roof of the eight-story structure, with a two-story 2910 sq. ft. addition, not to exceed the height of the bulkhead, for use as a one Penthouse Unit This structure will not be offered for sale but will be maintained and owned by the Sponsor. The Common Interest allocated to the Penthouse Unit (695 sq ft. bulkhead and the 2910

sq. ft. addition) will be allocated based on its total square footage and reflected in Schedule A.

(iii) The right to the exclusive use of the entire roof of the eight-story structure and roof of the Penthouse Unit as an appurtenant Limited Common Element of the Penthouse Unit

(iv) The Sponsor will not conduct activity or use on the roof of the eight-story structure, the roofs of the bulkheads or the roof of the Penthouse Unit that would void or jeopardize the roof warranties. The Sponsor shall maintain in the entirety the installed deck or terrace and any improvements thereto, on the roof of the eight-story structure and shall be responsible to repair any damage to the roof of the eight-story structure, the roof of the bulkheads or roof of the Penthouse, which may be caused by extraordinary wear and tear, or by any activity or use on the roof.

(v) The Sponsor reserves no further rights to develop the roof of the eight-story structure or the roof of the Penthouse Units except as provided for in the Plan

(vi) The Sponsor retains the rights to the two Commercial Units and the Cellar, which are not currently being offered for sale. There are no future construction rights to develop the roofs of the Commercial Units.

With respect to the right reserved in subparagraph (k)(i) above, it is expressly provided and understood that Sponsor may maintain portions of the Building (including Common Elements) as construction, sales and promotion offices and for other purposes related to completion of construction of the Building and the sale (and possible leasing) of Units therein. Sponsor's right to use said facilities for such purposes shall continue until the last Residential Unit is sold and closed. The Board of Managers may not enact rules or regulations, or perform other acts, or make any other provisions that would interfere with Sponsor's rights in this paragraph. Such rights shall inure to the benefit of Sponsor's successors.

(l) A registered architect or licensed professional engineer shall certify that the Tax Lot Drawings filed with the Declaration are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of the Building.

(m) Sponsor shall not be obligated to correct or cause to be corrected any latent or patent defects in construction of a Unit or the Common Elements, or in the installation or operation of any mechanical equipment therein. However, in the event correction of a defect is covered under any guaranty or warranty given to Sponsor by the general contractor or construction manager (the "General Contractor") engaged by Sponsor to complete construction of the Building (or by any contractor or subcontractor engaged by the General Contractor or Sponsor), Sponsor may, but shall not be obligated to, apply to the General Contractor to correct the defect. In order for Sponsor to consider bringing the defect to the attention of the General Contractor, Sponsor must be notified in writing (i) by the Unit Owner to whom Sponsor sold a Unit, within three (3) months following the closing of the sale of the Unit to the Unit Owner if the defect concerns that Unit (or if Sponsor permits occupancy of the Unit by a Purchaser under an interim lease, then

within three (3) months after the commencement date of the interim lease), or (ii) by the Board of Managers, within the 6-month period following the first Unit closing, if the defect concerns the Common Elements. If Sponsor is not notified within these time periods, Sponsor shall not have any obligation to consider causing mediation of the problem. In no event, however, shall Sponsor be obligated to compel, or to take action to compel, the General Contractor (or any contractor or subcontractor) to perform under any guaranty or warranty given by it in connection with work performed at the Property.

Sponsor and/or its General Contractor, and/or the pertinent contractor or subcontractor, in its or their sole discretion, shall select the method of correcting any defect to be corrected under this subparagraph. On three (3) days' notice from Sponsor and/or its General Contractor, and/or the pertinent contractor or subcontractor, the Unit Owner, Purchaser or the Board of Managers, as applicable, shall allow Sponsor, Sponsor's contractors, agents or licensees and/or the Managing Agent access to the Unit or area in question on any weekday to inspect and/or correct such defect. The quality of construction shall be comparable to local construction standards customary in the particular trade in question and in accordance with the Plans and Specifications.

Sponsor shall be deemed to have discharged any commitment it may have made or be deemed to have made with respect to curing defects, if (i) Sponsor is not notified of the defect, or (ii) the Unit Owner, Purchaser or Board, as applicable, prevents Sponsor, Sponsor's contractors, agents or licensees and/or the Managing Agent access to the Building and/or the Unit where corrective work has been requested, or (iii) Sponsor shall have corrected or caused to be corrected the defect in accordance with the practice of the industry as said practice is determined by Sponsor's General Contractor or architect or engineer, in its sole discretion.

Sponsor agrees to pay for the authorized and proper work involved in the construction and establishment and sale of the Condominium that Sponsor is obligated to complete under the Plan and will cause all mechanics liens with respect to such construction to be promptly discharged or bonded.

The Sponsor agrees to deliver a set of "as built" plans to the Board of Managers.

No bond or other security other than those required by this Plan has been furnished to complete construction of the Condominium.

Notwithstanding the foregoing, Sponsor shall not be responsible for correcting or repairing any defects in construction or defects in the installation or operation of any equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from manufacturers, contractors, materialmen, or others, are assigned to either a Unit Owner or the Board of Managers. Also, Sponsor's undertaking to correct defects as described above, runs only to Unit Owners who have purchased a Unit from Sponsor. It does not run to Owners who purchased Units on resale by other Unit Owners.

In addition, in no event shall Sponsor be responsible for any condition resulting from normal wear and tear or natural deterioration or from the normal shifting or settling of the Building, or for any defects of insubstantial nature,

including but not limited to partial or total death of any landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking due to weather, door warpage, tile, marble and granite grouting, separation in joints of tile, marble or wood flooring, floor levels, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settlement or normal plumbing, heating and air conditioning noises, or carpet discoloration and stretching. In addition, Sponsor shall not be responsible for paint touch-ups, or for repair of chips, mars, breaks or other defects in window sashes, electric fixtures, interior painted surfaces, sinks, tubs, bowls, bidets, cabinets, countertops, vanity tops and bases, doors, mirrors, hardware, flooring or appliance cabinets, unless notified of any such defect therein prior to closing of title to the Unit in question or the leasing of the Unit to the Purchaser thereof and Sponsor agreed to repair such items. Sponsor has no obligation to make any repair to the Units or the Common Elements, except as expressly set forth in this Offering Plan. Nothing contained herein shall be construed to render Sponsor liable for consequential damages, whether based on negligence, breach of contract, warranty or otherwise (except as Sponsor may be liable for by law).

As set forth herein, Sponsor has no obligation to correct or repair any defect or condition in any Unit, the Common Elements, or the Building or in any installation, apparatus, fixture or appurtenance. The foregoing provisions set forth Sponsor's entire responsibility with respect to corrections and repairs and none other shall be implied.

Notwithstanding anything to the contrary in the foregoing discussion, both Unit Owners and the Board of Managers shall be obligated to permit Sponsor and its contractors and agents access to Units and the Common Elements at the request of Sponsor and/or its contractors and agents, in order for Sponsor to complete construction in accordance with this Plan.

(n) Sponsor will deliver to the Purchaser upon the closing of title and will assign or deliver to the Board of Managers upon the recording of the Declaration, as applicable, assignable warranties, if any, of manufacturers and subcontractors relating to heating, electrical work, plumbing, and appliances, as well as bonds relating to the Unit or the Common Elements respectively, if any. Sponsor undertakes to do the above only to the extent that warranties are actually made by such manufacturers and subcontractors and only to the extent such warranties and bonds are available and/or assignable.

(o) Sponsor will pay or cause to be paid all expenses in connection with the sale of Units owned by Sponsor (except for costs specifically made payable by Purchasers under this Plan), and will pay all selling expenses including, but not limited to, advertising and printing costs, architect and engineering fees, and costs of filing this Plan and amendments thereto.

(p) Sponsor reserves the right, without amendment to the Plan, to negotiate the price of a Unit, aspects of the transaction related to price, any other terms of the Plan or Purchase Agreement, any obligation of a Purchaser and every other aspect of the transaction. Disclosure of the fact that modification of a Purchase Agreement or the price of a Unit may be requested by a Purchaser or various aspects of the sale may be the subject of negotiation does not mean that any of them, or any other particular item, except as is otherwise specifically disclosed, is actually being

offered to any particular Purchaser, and Sponsor shall not be obligated to alter the terms of sale or to impose any such obligation on itself as to a particular Purchaser, whether or not it makes such allowances to any other Purchaser or Purchasers. The negotiation of such terms shall be on a case-by-case basis in Sponsor's sole discretion and without amendment to the Plan. In accordance with the foregoing, it should be understood that there is no obligation for any particular item to be negotiated or granted to any particular Purchaser, and that Purchasers purchasing similar interests may pay different amounts or receive different terms with respect to the transaction.

(q) In the event of (i) dissolution or liquidation of Sponsor while Sponsor still owns Units that are being offered under this Plan, or (ii) transfer by Sponsor of ten (10) or more Units or twenty percent (20%) or more of the total Units in the Condominium (whichever is less), to be offered by such transferee under the Plan, Sponsor will provide one or more financially responsible entities or individuals who will assume the status and obligations of Sponsor for those Units transferred by Sponsor, under the Offering Plan and under applicable law and regulation. By "financially responsible" Sponsor understands the regulations promulgated by the Department of Law to mean a party who would satisfy the financial requirements imposed on sponsors by Article 23-A of the General Business Law and the regulations of the Department of Law.

INTERIM LEASES

Sponsor reserves the right, both before and after the recording of the Declaration of Condominium, and prior to the closing of title to a particular Unit, to lease said Unit to a prospective purchaser who has executed a Purchase Agreement and paid the requisite down payment, for such rent and on such conditions as may be agreed to between Sponsor and Purchaser.

Any such lease may provide that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease will constitute a default under the lease entitling Sponsor, at its sole option, to immediately terminate the lease. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any lease with respect to the Unit which is the subject of the Purchase Agreement, including but not limited to payment of rent as and when due, will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to immediately terminate such Purchase Agreement and exercise any remedies provided therein. Before Sponsor may utilize the default under the lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the unit.

Sponsor reserves the additional right to use or occupy for itself or its agents, or to rent or lease to a tenant who is not a Purchaser (for such rent and upon such terms as are agreed to between the parties), any Unit not conveyed or with respect to which a Purchase Agreement is not then outstanding. In the event such Unit subsequently is conveyed to a Purchaser, Sponsor shall advise Purchaser that the Unit previously was occupied. Sponsor shall not be obligated in any way to decorate, refurbish or repair such Unit.

All rights accruing to Sponsor under the foregoing provisions of this Section shall also accrue to an affiliate or designee of Sponsor.

CONTROL BY SPONSOR

The affairs of the Condominium shall be governed by the Board of Managers. The initial Board of Managers shall consist of three (3) persons designated by Sponsor. These Board members shall hold office until their successors shall have been installed at the first annual meeting of Unit Owners as forth in the By-Laws, at which time a nine (9) member Board shall be established.

Until Sponsor conveys title to all Units offered under the Plan, but for no longer than a period of five (5) years after the First Unit Closing, the Board of Managers may not without the prior written consent of Sponsor (i) make or permit to be made any addition, alteration or improvement to the General Common Elements, Common Elements or Limited Common Elements appurtenant to Units, or to any Unit owned by Sponsor, (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund (however, Sponsor will not unreasonably withhold consent to additions to any contingency reserve provided for in Schedule B to this Plan to the extent the aggregate amount of said reserve does not in any one fiscal year of the Condominium exceed 3% of the operating expenses of the Condominium for that year), (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent the existing reserves are insufficient), (iv) amend the Declaration or By-Laws so as to affect Sponsor adversely in any way, or (v) increase the number of employees from those described in Schedule B to this Plan. However, consent shall not be withheld for expenses required (a) to comply with applicable law or regulations, (b) to remedy any violation which it is the responsibility of the Board of Managers to cure, or (c) to remedy any work order of an insurer. Subject to the foregoing, Sponsor shall have the right to withhold its consent to any of the foregoing actions.

After Sponsor conveys title to all Residential Units offered under the Plan or five (5) years after the First Unit Closing, whichever is sooner, Sponsor shall relinquish control of the Board of Managers. A special meeting of Unit Owners shall be called within thirty (30) days after the expiration of such control period to elect a new board of managers.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS/SUMMARY OF BY-LAW PROVISIONS

Sale or Lease of Units by Unit Owners

Each Unit Owner will have the right to sell said Owner's Unit without restriction as to price but subject to a right of first refusal held by the Board of Managers, and other conditions set forth in the By-Laws. The right of first refusal means that a Unit Owner will be obligated to provide the Board of Managers with the name and address of a purchaser from whom the Unitowner has received an offer to buy the Unit which the Unit Owner intends to accept, together with the terms of the offer, and such other information as the Board of Managers shall reasonably require. The Board of Managers shall have the right to accept the offer on the same terms offered by the proposed purchaser within a period of thirty (30) days after the Board receives notice of the proposed sale, and to close thereafter in accordance with the terms of the accepted offer, but not sooner than thirty (30) days after the date the Board accepts the offer. Alternatively, the Board may waive this right of first refusal and the sale may proceed with the proposed purchaser in accordance with the proposed terms and conditions set forth, in the offer. The By-Laws should be reviewed for additional details about the sale of a Unit and the steps to be followed in connection with the Board's right of first refusal.

Each Unit Owner will have the right to lease said Owner's Unit, subject to a right of first refusal held by the Board of Managers and other conditions, procedures and requirements contained in the By-Laws, including, without limitation the right of the Board of Managers pursuant to the Condominium Act, to collect rent payments from the tenant of a Unit that has been leased by a non-occupant Unit Owner if the Unit Owner is in arrears in paying Common Charges. The Board's right of first refusal in connection with a proposed lease is similar to the Board's right of first refusal with respect to a proposed sale.

If the Board of Managers purchases a Unit on behalf of the Condominium, the money used to purchase and maintain such unit shall be raised, at the discretion of the Board of Managers, by (1) withdrawing money from the Reserve Fund, or (2) imposing a special assessment on all Unitowners or (3) borrowing money. Money for the maintenance of the Unit may also be raised by renting such Unit. The Unit shall be used for any legal purpose allowed by law and the Certificate of Occupancy. The Board of Managers will decide when and on what terms to lease or sell such Unit. The proceeds of the rental or sale of such Unit shall be added to the Reserve Fund or shall be used by the Board of Managers for any other expenditure, capital or otherwise, required to maintain the Condominium.

Sales and leases by Sponsor shall not be subject to a right of first refusal by the Board.

Mortgaging of Units by Unit Owners

Each Unit Owner has the right to mortgage said Owner's Unit to a Mortgagee, provided that (i) the mortgage shall be recorded and shall be expressly subordinate to the Declaration, (ii) the Unit Owner making such mortgage pays all Common Charges and other assessments against the Unit at or prior to making the

mortgage and (iii) the Unit Owner making the mortgage complies with all other provisions of the By-Laws with respect to mortgaging the Unit.

Liens for Nonpayment of Common Charges

The Board of Managers, on behalf of the Unit Owners, will have a lien on each Unit for unpaid Common Charges and other assessments and other assessments. These liens will be subordinate only to liens for past due and unpaid real estate taxes, and all sums unpaid on a first mortgage of record.

Any lien for unpaid Common Charges or other assessments, may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners, similar to a foreclosure of a mortgage on real property, or an action may be brought by the Board of Managers to recover unpaid Common Charges without necessarily filing a lien, all as more fully described in the Declaration and By-Laws. The Board of Managers shall also have the right to recover all costs incurred in foreclosing on such lien, as more fully set forth in the By-Laws.

The Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on units in which Sponsor is more than 30 days in arrears of common charges while it is in control of the Board of Managers.

Assessment and Termination of Liability of Unit Owners for Common Charges

The Board of Managers will prepare and furnish its budget for the operation of the Common Elements of the Condominium to the Unit Owners from time to time and at least once a year.

The Board of Managers shall from time to time and at least annually, prepare and furnish its budget for the Building to the Unit Owners. The Common Charges will not include decoration of any Units or portions thereof or payments required pursuant to the terms of any Unit Owner's mortgage.

The Property is equipped with a master gas meter and master water meter. The charges for gas and water will be included in the common charges.

Each Unit Owner will be responsible to pay Common Charges allocable to said Owner's Unit at such time or times (but not less than monthly) as the Board of Managers shall determine, commencing with the closing of title to the Unit, unless collection of Common Charges shall not yet have commenced, as described below and permitted under the By-Laws. The Board shall have the right not to commence collecting Common Charges at the time the first Unit is conveyed under this Plan, provided, however, that Sponsor pays the basic operating costs (exclusive of reserves) of the Condominium, until Common Charges are imposed by the Board of Managers. Common Charges assessed during the month in which title closes shall be adjusted between Purchaser and Sponsor as of the closing date, if collection of Common Charges has commenced on or before said date.

The liability of each Unit Owner for the payment of Common Charges and other assessments, assessed or due against Owner's Unit, shall terminate

prospectively upon a permissible sale, transfer or other conveyance of such Unit. A purchaser of a Unit shall be jointly and severally liable with the seller for unpaid Common Charges and assessments assessed and due up to the date of conveyance and a purchaser may be required by the Board of Managers to pay unpaid Common Charges and other assessments, assessed against the Unit prior to the purchaser's acquisition. A mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit, or by deed in lieu of foreclosure, also shall be liable for the payment of Common Charges and other assessments assessed or otherwise imposed on or before the date of the foreclosure sale or the conveyance by deed in lieu of foreclosure.

Repairs, Replacement and Maintenance of Units, Common Elements and Limited Common Elements

Generally, all painting, decorating, maintenance and repairs, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements contained therein), and Limited Common Elements where applicable, will be made by the Unit Owner at the Unit Owner's sole cost and expense, and (b) in or to the General Common Elements will be made by the Board of Managers and the cost thereof will be a General Common Expense.

Notwithstanding the foregoing, the inside and outside surfaces of any and all exterior windows located in or appurtenant to a Unit are to be cleaned by the Unit Owner at the Unit Owner's expense. Outside surfaces of windows must be cleaned from the inside of the Unit. Broken window glass or window frames in a Unit shall be replaced by the Unit Owner at the Unit Owner's sole cost and expense, unless such breakage was caused by the Board of Managers or their agents, in which case replacement shall be made by the Board, at its sole cost and expense.

The Board of Managers and agents and contractors of the Board shall have a right of access to any Unit or Limited Common Elements where applicable for the purpose of making inspections or for the purpose of correcting any condition originating in said Owner's Unit or Limited Common Element and threatening another Unit or a Common Element or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Owner's Unit or Limited Common Elements or elsewhere in the Building, provided that requests for entry are made in advance, except in cases of emergency, when such right of entry is immediate, all as more fully described in the By-Laws.

Insurance on Individual Units

Each Unit Owner is required to carry, at Unit Owner's own expense, casualty insurance with respect to all fixtures, equipment and personal property within said Owner's Unit and liability insurance with respect to occurrences in or about the Unit, in accordance with the By-Laws. A current copy of such policy must be maintained by the Unit Owner with the Managing Agent at all times.

Additions, Alterations and Improvements by Unit Owners

No Unit Owner may make any addition, alteration or improvement to a General Common Element except as provided otherwise in the By-Laws. No Unit Owner shall make any addition, alteration, repair or improvement in said Owner's Unit that adversely affects the Building's structural integrity or the Building's systems without the prior written approval of the Board of Managers, all as more fully described in the By-Laws. All contractors engaged by Unit Owners for the purpose of performing construction work in the Unit (including without limitation, painters, electricians, carpenters and plumbers) must be adequately insured and must provide a satisfactory certificate of insurance prior to commencing work.

Meetings of Unit Owners

Meetings of all Unit Owners shall be held at least once annually within approximately three weeks of the anniversary date of the first annual meeting. The first annual meeting of all Unit Owners shall be called by Sponsor within approximately 90 days after the earlier of (i) conveyance of title by Sponsor to 37 of the 73 Units offered under this Plan, or (ii) the second anniversary date of the First Unit Closing under this Plan, subject to Sponsor's right to call the first annual meeting at an earlier date, in accordance with the By-Laws.

It is anticipated that the first three board members will be Stephanie Eisenberg and Paul Eisenberg, principals of Sponsor, and Dawn Plyley, sales person of Sales Agent. However, Sponsor reserves the right to change the names of the first three board members.

Board members serve without compensation. At any regular or special meeting of the Board of Managers, any one or more of the members of the Board, may be removed with or without cause by a majority of the Unit Owners and a successor may then and thereafter be elected by the Board to fill the vacancy thus created, provided notice of such proposed removal was given to the Board member and in the notice of the meeting. Any member of the Board of Managers whose removal has been proposed shall be given an opportunity to be heard at the meeting. Only the Commercial Unit Owners shall have the right to designate a replacement for a member of who has been removed from the Board.

Compliance with By-Laws and Rules and Regulations

Rules and Regulations concerning the use of the Common Elements may be promulgated and amended from time to time by the Board of Managers, provided that copies of such Rules and Regulations are furnished to each Unit Owner prior to the time that they become effective. The initial Condominium Rules and Regulations are contained in Part II of the Plan.

Each Unit Owner must comply strictly with the By-Laws and the rules, regulations, resolutions and decisions adopted pursuant thereto. Failure to comply with any of the same shall be grounds for action to recover sums due, for damages or injunctive relief, or both, by the Board of Managers or in a proper case, an aggrieved Unit Owner. In the case of flagrant or repeated violation the Board may ask the offending Unit Owner for sufficient surety for future compliance.

RIGHTS AND OBLIGATIONS OF BOARD OF MANAGERS/SUMMARY OF BY-LAW PROVISIONS

Board of Managers: Election, Number, Term, Qualifications

Under the By-Laws, the Condominium will be managed by a Board of Managers. The initial Board of Managers shall consist of three (3) persons designated by Sponsor. These Board members shall resign at the first annual meeting of Unit Owners, at which time a new Board shall be established. The Board of Managers installed at the first annual meeting of Unit Owners shall consist of a nine (9) member Board of Managers. Of these nine (9) members, seven (7) individuals shall be appointed or elected by the Residential Unit Owners, including Declarant or its designee and two (2) individuals shall be elected or appointed by the Commercial Unit Owners as their representatives. Notwithstanding anything to the contrary contained in the Declaration or these By-Laws, while the Declarant and/or affiliates of Declarant (as defined in Section II of the Declaration), owns a Commercial Unit, Declarant shall have the right to appoint one individual to represent the Commercial Units.

The term of office of members of the Board of Managers representing the Residential Units elected at the first annual meeting of Unit Owners shall be three (3) years for three (3) members, two (2) years for two (2) members and one year for two (2) members, or until their respective successors are elected or appointed. The three (3) candidates receiving the highest number of votes shall serve the three-year terms, and in descending order of highest votes, the next two (2) candidates shall serve the two-year terms and the other two candidates shall serve the one-year terms. Thereafter at all annual meetings, candidates will be elected for three year terms. Sponsor's appointees to the Board of Managers shall serve one-year terms while they are members of the Board of Managers.

The term of office of members of the Board of Managers representing the Commercial Units shall be one (1) year, or until their successors are elected or appointed.

All members of the Board of Managers other than appointees of Sponsor, shall be Unit Owners or spouses of Unit Owners (in the case of individual Unit Owners) or shall be the designee of a Permitted Mortgagee of a Unit. In the case of partnership Unit Owners or mortgagees, the Board member shall be a general partner of such partnership (and, if the general partner is a corporation or partnership, shall be an officer, director, shareholder or partner of such corporate or partnership general partner, as applicable). In the case of corporate Unit Owners or mortgagees, the Board member shall be an officer, director or shareholder of such corporation. In the case of limited liability company Unit Owners or mortgagees, the Board member shall be a member of such company or a principal of a member of the company. In the case of fiduciary Owners or mortgagees, the Board member shall be the fiduciary or officer of such fiduciary. With respect to any other type of Unit Owner or mortgagee, the Board member must be an individual principal, member or other authorized designee of the Unit Owner or mortgagee. With respect to multiple Unit Owners, only one person per Unit may be a member of the Board of Managers.

To be authorized to vote as a Board member, a Unit Owner must not be in default of any payment of Common Charges and other assessments.

Powers and Duties of the Board of Managers

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or By-Laws may not be delegated to the Board by the Unit Owners.

The Board of Managers shall meet at least six times during each fiscal year.

As more fully set forth in the By-Laws, all determinations required to be made by the Board of Managers shall be by majority of votes cast at any meeting at which a quorum is present. Each member of the Board shall be entitled to cast one vote for each item to be voted upon by the Board. The majority of the votes cast at a meeting at which a quorum is present shall constitute the decision of the Board of Managers.

Liability of Board of Managers and Unit Owners

The members and officers of the Board of Managers shall not be liable to the Unit Owners except for their own individual willful misconduct or bad-faith actions or bad-faith failures to act. The Unit Owners shall indemnify and hold harmless each of the members and officers of the Board of against all loss, damage or liability such party incurs arising out of that individual's acts or failures to act, or by reason of the fact that such person was a member of the Board of Managers or an officer of the Condominium except with respect to liability arising from willful misconduct, bad-faith actions or bad-faith failures to act.

Members of the Board of Managers shall have no personal liability with respect to any contract made by them as the Board of Managers within the scope of their authority or believed by them in good faith to be within the scope of such authority. The liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to the Unit Owner's proportionate share of the total liability, based on the Unit Owner's Common Interest.

Votes of Unit Owners

At each meeting of all Unit Owners, each Unit Owner shall be entitled to cast one vote, either in person or by proxy, for every .0001% of Common Interest attributable to said Owner's Unit(s), for each item voted upon.

Repair or Restoration after Fire or Other Casualty

Damage to or destruction of any portion of the Building as a result of fire or other casualty shall be promptly repaired and reconstructed by the Board of Managers as nearly as practicable to the condition it was in before the casualty using

the proceeds of casualty insurance and/or other funds for that purpose, subject to various conditions as fully described in the By-Laws.

Termination of Condominium

The Condominium shall not be terminated or withdrawn from the Condominium Act except in accordance with the Condominium Instruments and all laws applicable to the Property at the time termination is desired. In this regard, the Condominium may be terminated following a loss due to casualty, provided at least 75% of the Property is destroyed or substantially damaged and at least 75% in number and Common Interest of Units affirmatively determine not to proceed with repair or restoration, as described in the By-Laws. In addition, the Condominium may be withdrawn from the Condominium Act by the affirmative vote of Unit Owners representing at least 80% in number and Common Interest of Units. In the event such 80% vote is achieved, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common. If a partition action is brought, the net proceeds of sale resulting from the partition action shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of the Unit Owner's share of net proceeds, all liens on the Unit Owner's Unit in the order of priority of such liens.

Procedure to Review Real Estate Tax Assessments

The Board of Managers has the power to act as agent on behalf of any Unit Owner who has given written authorization to the Board of Managers to be the Unit Owner's agent, to petition or apply to the real estate tax assessment agency board of review by filing a single complaint on behalf of all such Unit Owners pursuant to the applicable sections of the Real Property Tax Law. Board of Managers may retain legal counsel on behalf of Unit Owners for which it is acting as agent and charge all such Unit Owners a pro-rata share of expenses, disbursements, and legal fees for which charges the Board of Managers shall have a lien as if for Common Charges, pursuant to the Condominium Act.

Covenant Against Partition of Common Elements

Section 339-i(3) of the Condominium Act provides that the Common Elements shall remain undivided and there is no right of partition, except as otherwise provided in the Condominium Act, which right is mentioned herein under the heading "Termination of Condominium."

Severance of Ownership Prohibited

Both the Condominium Act and the By-Laws of the Condominium prohibit a Unit Owner from attempting to convey a Unit separate from its appurtenant Common Interest. The intent of such provision is to prevent any severance of such combined ownership.

Accumulation of Reserves

The Board of Managers may assess Common Charges for accumulation of reserves as more fully set forth in the By-Laws.

Amendments

Subject to certain exceptions, including, among others, exceptions regarding the rights of Sponsor, the Declaration or By-Laws may be amended, modified, supplemented or deleted by an affirmative vote of 66-2/3% in number and in Common Interest of the Unit Owners at a meeting of Unit Owners duly held for such purpose, as more fully described in the Declaration and the By-Laws.

The foregoing summary is not intended to be a complete discussion of the By-Laws or Declaration. It is simply an introduction to the By-Laws and Declaration reproduced in Part II, which should be carefully reviewed in fully by all Unit Owners.

TAXES - TAX STATUS OF CONDOMINIUM, INCOME TAX: DEDUCTIONS TO UNIT OWNERS AND REAL ESTATE TAX BENEFITS

The following discussions concerning the tax status of the Condominium and income tax deductions to Unit Owners are based on Sponsor's Offering Plan Counsel's Opinion contained in Part II of the Plan, which should be reviewed by Purchasers for a fuller more comprehensive understanding of the income tax considerations affecting their purchase. The discussion of real estate tax benefits is based on Sponsor's Real Estate Tax Counsel's Opinion also contained in Part II of the Plan, which also should be reviewed by purchasers.

1. Tax Status of Condominium

Common Charges shall be borne by Unit Owners and assessed and collected by the Board of Managers. The status of the Board of Managers for Federal, New York State and New York City income tax purposes is uncertain. If the Board of Managers were treated for tax purposes as an aggregation of Unit Owners, income earned by the Board (i.e., rents on Units owned and leased by the Board or interest on Condominium funds), less the cost of earning the income, would be deemed income to the Unit Owners and would be taxable to them. However, Common Charges would not be considered income to the Unit Owners and expenditures incurred in maintaining Common Elements would not be deductible to them.

If, on the other hand, the Unit Owners, acting through the Board of Managers, are treated as an entity for income tax purposes, then under relatively new Treasury Regulations dealing with the classification of entities for income tax purposes, they would be classified as a partnership for such purposes, absent an election by the Board to classify the entity as a corporation. As a partnership, the Condominium itself would not be subject to income tax (other than possibly the New York City unincorporated business tax). Instead, the taxable income or loss of the Condominium would be passed through to the Unit Owners who would be required to report such income or loss on their respective income tax returns. The manner in which such income or loss would be computed is not entirely clear, but it would presumably be computed in a manner similar to that described below for condominiums that elect to be classified as a corporation for income tax purposes.

However, as it is anticipated that the Condominium will treat itself as an entity for Federal income tax purposes and will make an election to be classified as a corporation for such purposes (although no assurance can be given in this regard), the remainder of this discussion assumes that the Condominium will be classified as a corporation for income tax purposes.

If the Condominium elects to be treated as a corporation for income tax purposes, the Condominium would be required to file tax returns and would be subject to the regular Federal, State and local corporate income tax on its taxable income. The Condominium's taxable income would be the excess of its gross income over its deductible expenses. Gross income would include, among other things, any rental income or investment income received by the Condominium and all Common Charges paid by Unit Owners. However, any portion of the Common Charges

segregated and used to finance specified capital expenditures or reserves for such capital expenditures would generally not be required to be includible in gross income.

Notwithstanding the foregoing, if the Condominium satisfies the requirements of Section 528 of the Internal Revenue Code, the Condominium may be eligible to elect to be exempt from Federal income tax on Common Charges collected from Unit Owners. One of the requirements of Section 528 is that substantially all of the units of the condominium in question be used by individuals for residences. The pertinent Treasury Regulations appear to focus on residential use by individuals, rather than ownership by individuals, and also provide that a Unit that has never been occupied will be deemed to be used by an individual for residential purposes if, based on all the facts and circumstances, the unit appears to have been constructed for residential purposes. "Substantially all" is interpreted by the Internal Revenue Service as meaning at least 85% of the total square footage of all units within the condominium project.

As suggested by the foregoing, the qualification of the Condominium to elect to be exempt from tax pursuant to Section 528 involves factual issues which can only be determined on a year-by-year basis. Thus, Sponsor's Offering Plan Counsel cannot express an opinion as to whether the Condominium will qualify to make a Section 528 election or whether it would be advisable to do so for any given year. In the event that the Condominium either fails to qualify under Section 528 or, if qualified, fails to elect Section 528 tax treatment in any year, it could be subject to the regular Federal corporate income tax on its taxable income as described above. However, as it is expected that the Board of Managers in the ordinary course of operations is likely to spend most of the Condominium's income for allowable deductions or properly designate it for capital purposes, whether or not Section 528 is available and/or is elected, the Condominium's income tax liability, if any, will be limited. In this regard, Sponsor notes that based on the projected budget for the first year of condominium operation contained in this Plan as Schedule B, and based on what Sponsor believes to be the appropriate characterization for tax purposes of the items in the projected budget, that if tax exemption under Section 528 were not available to (or if available failed to be elected by) the Condominium, that the tax liability of the Condominium, if any, for the first year of condominium operation, would be well below the amount budgeted for contingencies in Schedule B. If at the time any such tax were determined finally to be due, the Board of Managers did not have sufficient funds in its amounts to pay such taxes, the Board of Managers could levy a special assessment against the Unit Owners or increase Common Charges to pay such taxes, as well as to pay any interest and penalties that may be assessed and due in connection therewith. Some or all of any such special assessment might itself be taxable income to the Condominium, and thus might be subject to tax as well.

2. Income Tax Deductions to Unit Owners

A Unit Owner will own a Unit in fee and each Unit will be a separate tax lot for real estate tax purposes. Therefore, each Unit Owner will be liable for any real estate taxes assessed against the Unit. Each Unit Owner may mortgage said Owner's Unit and if so, will be liable for payment of mortgage interest and principal due thereunder.

Sponsor has been advised by its Offering Plan Counsel, that Unit Owners who are not subject to the Federal alternative minimum tax and who itemize deductions on their Federal income tax returns, will be entitled, under present Federal tax laws, to a deduction for Federal income tax purposes for the real estate taxes they pay on their Unit and for the interest they pay on any mortgage covering their Unit, provided that the Unit is used as their own primary residence or specifically selected secondary residence and subject to certain limitations on deductibility as more particularly described in Sponsor's Offering Plan Counsel's opinion in Part II of this Plan.

No warranty or representation is or can be made by Sponsor, Sponsor's Offering Plan Counsel or any other person that the Internal Revenue Service or state and local tax authorities will accept any or all of the views stated above, or that the tax law upon which Sponsor's Offering Plan Counsel based its opinion will not change, or that the United States Treasury Department or the New York State Department of Taxation will allow the aforementioned deductions. No representation or warranty is or can be made that the tax law or the regulations or rulings issued thereunder, or any judicial interpretation thereof, may not change so as to disallow the deductions in whole or in part. Neither Sponsor nor its Offering Plan Counsel shall be liable if it is held that the Unit Owners are not entitled to such income tax deductions due to changes in applicable law, regulation or decisional law. Offering Plan Counsel shall have no liability should Unit Owners not be entitled to deductions if facts represented by Sponsor are not true.

The foregoing discussion (which is based on the Opinion of Offering Plan Counsel in Part II of the Plan), is based on laws and facts as of the date of initial presentation of this Plan which may change subsequently. Potential purchasers are advised to consult their own accountants, attorneys or tax advisors as to tax consequences to themselves of ownership of a Unit, at the time that they are considering such purchase.

4. Real Estate Tax Benefits

Sponsor has retained the law firm of Ben Rottenstein & Associates, LLC, as Real Estate Tax Counsel to file any and all applications necessary to obtain certain real estate tax exemption benefits for the Condominium pursuant to Section 11-243 ("J-51") of the New York City Administrative Code. Sponsor shall be responsible for payment of all legal fees and costs in connection with the J-51 tax benefits application.

Real Estate Tax Counsel's opinions regarding the Property's eligibility for J-51 tax benefits and the Property's projected post-completion assessed valuation, are contained in Part II of this Plan, and should be carefully reviewed by all Purchasers, as it is the basis for the following discussion.

Notwithstanding the foregoing, neither Sponsor, Real Estate Tax Counsel nor Offering Plan Counsel make any warranty, guaranty or representation as to the assessed value of the Property or any Unit therein after completion of construction, or as to whether partial exemption from real estate taxes under the J-51 program will be granted, or as to the amount of real estate tax that will be assessed against any Units or the amount of real estate taxes payable at any time by an Owner

of a Unit. In the event partial exemption is not finally granted or is revoked, each Unit Owner will be responsible for the entire real estate taxes assessed against said Owner's Unit.

Sponsor will request an opinion letter from the New York City Department of Housing Preservation and Development ("HPD") and such opinion letter must be obtained by Sponsor before the plan is declared effective. Sponsor will keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided.

After the First Closing, Sponsor will make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits and will file all applications and timely comply with all procedures required to properly process and maintain the J-51 tax benefits.

If J-51 benefits have not been granted by the date of conveyance of the first Unit, or if they are never granted, then each Unit Owner will be required to pay full real estate taxes assessed against said Owner's Unit or, if separate assessments have not yet been made as of that date, then Unit Owner will be required to pay Owner's proportionate share of full real estate taxes assessed against the Property until separate assessments are made at which time full real estate taxes assessed against the Unit will be required to be paid.

If J-51 benefits are not granted, the total tax due on the Property would be based on an assessment of a post-construction, completed, occupied Building. Real Estate Tax Counsel has projected this assessment to be approximately \$108,713. The tax payable would be based on the tax rate in effect at that time, and would be allocated among all the Units.

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment or, nor will the Unit be subjected to, any lien arising from the nonpayment of taxes on other units. There may be a delay in obtaining separate assessments by the appropriate tax assessor's office.

Tax certiorari proceedings are pending for 1996 and 1997. In as much as the Sponsor paid the real estate taxes for 1996 and 1997, the Sponsor will be entitled to any reduction which may result from the tax certiorari proceedings.

Purchasers are urged to consult their own attorneys or tax advisors concerning the real estate tax consequences of ownership of a Unit.

WORKING CAPITAL FUND AND RESERVE FUND

Working Capital Fund

Each Purchaser of a Unit shall be required to pay at closing of title an amount equal to two months' Common Charges attributable to each Unit being purchased for deposit in the Working Capital Fund. The Working Capital Fund will be used to pay for portions of Common Expenses due and payable prior to the time that sufficient monthly Common Charges and assessments have accrued to pay these items. Although the Working Capital Fund may be reduced by the aforementioned expenditures, it is not anticipated that the fund will be depleted by such expenditures. Sponsor shall not be obligated to make any payments into the Working Capital Fund.

The Working Capital Fund may not be used to reduce projected common charges.

No representation is made that the Working Capital Fund will be sufficient to accomplish the purpose set forth above, or other purposes as determined by the Board of Managers in its discretion.

Reserve Fund

There will be no reserve fund established by Sponsor at closing. However, under the By-Laws the Board of Managers shall be authorized to establish reserves for capital repairs and replacements, and for other purposes.

NEITHER THE DEPARTMENT OF LAW NOR ANY GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND. IF ADDITIONAL FUNDS ARE REQUIRED, IT MAY BE NECESSARY TO INCREASE COMMON CHARGES OR MAKE SPECIAL ASSESSMENTS AGAINST UNIT OWNERS.

AGREEMENTS BINDING ON THE CONDOMINIUM

Purchasers are advised that the discussion in this Section of the Offering Plan summarizes numerous agreements or other documents which may affect the Condominium. All documents summarized in this Section are available for review in the Sales Office. The Sales Office will provide a copy of any of these agreements, at Sponsor's expense, to Purchasers who request their own copy of same.

Management Agreement

The Condominium shall enter into a management agreement with Stephanie Eisenberg, for a period of one year and for a fee of \$15,000. The duties and services to be performed by the managing agent include bookkeeping, payroll and collection of common charges. The management agreement is not assignable. The Board of Managers of the Condominium are obligated to reimburse the managing agent for expenses incurred and indemnify the agent against liability for acts properly performed by it pursuant to the management agreement. The Board of Managers has the right to terminate the Management Agreement if the managing agent does not cure any default under the management agreement after receiving a notice to cure.

Geothermal Easement

At the First Closing, the Condominium and the Sponsor shall enter into an easement agreement with 51 South Second Street Corporation, the owner of the adjoining lot (Block 2403, Lot 19 and Lot 30) on which land the geothermal wells, which provide heat and hot water to the premises, are located. The easement gives the Condominium the right to enter the property to repair, maintain and replace the apparatus at the geothermal well. No consideration will be provided for the easement.

IDENTITY OF PARTIES

Sponsor

Sponsor, 330 Wythe Avenue Associates, LLC, is a New York limited liability company, with offices at 1 Nassau Street, Brooklyn, New York 11222. The members of 330 Wythe Avenue Associates, LLC are Stephanie Eisenberg and Paul Eisenberg.

Sponsor was formed in New York on July 26, 2000. The certificate of limited partnership for 330 Wythe Avenue Associates LLC was filed in New York on that date.

Neither Sponsor, Stephanie Eisenberg nor Paul Eisenberg have previously been involved in offering condominiums or other cooperative interests in realty for sale in or from the State of New York.

Attorney for Sponsor

Sponsor retained Marcia E. Fokas, Esq., with offices located at 67 Wall Street, Suite 2001, New York, New York 10005, to represent Sponsor in connection with this Plan, the establishment of the Condominium and the tax opinion of counsel. Ms Fokas prepared the Plan and certain documents contained and/or summarized therein.

Sponsor retained the law firm of Ben Rottenstein & Associates LLC located at 56 Willoughby Street, Brooklyn, NY 11201, to apply for J-51 real estate tax abatement and exemption benefits for the Property and to represent Sponsor in connection with tax certiorari proceedings. This firm furnished the Real Estate Tax Counsel's Opinions found in Part II of the Plan. The specific attorney from that firm involved with this aspect of the project is Ben Rottenstein.

Architects and Engineers

Bolek Ryzinski, located at 49 West 46 Street, 5th Fl., New York, New York 10036, serves as the architect of record for the Condominium.

ABR Construction located at 49 West 46 Street, 5th Fl., New York, New York 10036, serves as the contractor for the Condominium.

Insurance

The estimated insurance rates have been passed upon by Steven A. Dukoff, 73-24 Bell Boulevard, Bayside, NY. The aforementioned estimate has been included in this Offering Plan in reliance upon the opinions of said agency and upon its authority as an expert. The Sponsor has no knowledge that this estimate is incorrect.

Selling Agent

The Selling Agent for the offering plan is Carol Calhoun, a licensed real estate broker in the State of New York, located at 46 Carmine Street, New York, New York 10022.

REPORT TO UNIT OWNERS

All Unit Owners will be entitled to receive annually from the Board of Managers copies of:

(1) The proposed annual budget of the Condominium at least two weeks before the date set for adoption of the budget by the Board of Managers (which budget will be certified as adequate for the purposes and period for which it is projected while Sponsor controls the Board of Managers);

(2) An annual audited financial statement prepared by a certified public accountant; and

(3) Notice of the annual meeting of Unit Owners, to be sent to Unit Owners not less than ten (10) days before the meeting.

DOCUMENTS ON FILE

In accordance with Section 352-e (9) of the General Business Law, copies of this Plan and all documents referred to herein and all exhibits submitted to the Department of Law in connection with the filing of this Plan will be available at the offices of Sponsor or at another designated location for inspection and copying by actual and prospective purchasers of Units, and shall remain available without charge, and copying at a reasonable charge, for a period of six (6) years following the first Unit closing. Copies of all documents filed in connection with the recording of the Declaration shall be delivered to the Board of Managers at the time Sponsor turns over control of the Board to non-Sponsor Unit Owners.

GENERAL

There are no lawsuits or administrative or other proceedings now pending the outcome of which would materially affect this offering, the Property, the Condominium, the operation of the Condominium or Sponsor's capacity to perform its obligations under the Plan, which have not been disclosed herein.

In accordance with the provisions of the laws of the United States and the State of New York, Sponsor represents that Sponsor will not discriminate against any person because of marital status, disability, race, creed, color, age, national origin, sex, sexual preference, or ancestry in the sale of Units offered by the Plan or in the leasing of any Unit.

Amendments to the General Business Law and the Real Property Law recently were enacted by the New York State Legislature. This legislation (Chapter 422 of the Laws of 1998) among other things, repealed Section 352-e(2-d) of the General Business Law and amended the Condominium Act by adding Section 339-kk to the Real Property Law ("RPL 339-kk"). The new provision provides in pertinent part as follows:

(i) If a non-occupying owner- rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within 60 days of the expiration of any grace period after they are due, upon notice from the condominium board of managers as described below, all rental payments due from the tenant shall be payable directly to the condominium association.

(ii) If the common charges, assessments or late fees due for any unit have not been paid in full within 60 days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and to the non-occupying owner providing that commencing immediately, and continuing until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association.

(iii) At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying owner. Thereafter, all rental payments for the unit shall be made payable to the non-occupying owner or to owner's designated agent.

(iv) A non-occupying owner who disputes the condominium association's claim to a rental payment pursuant to RPL 339-kk shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within 30 days of the date that the board receives notice that the owner seeks to dispute such claim.

(v) Nothing in RPL 339-kk shall limit any rights of unit owners or the board of managers existing under any other law or agreement.

(vi) Payment by a rental tenant to the condominium association made in connection with RPL 339-kk shall relieve the rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such nonoccupying owner against such tenant for such rent. (

The foregoing is a summary of RPL 339-kk adapted from the language of the statute. Sponsor makes no representation about the application or enforceability of the new statute or any provision of same. Purchasers are urged to review RPL 339-kk in its entirety and to consult with their own attorney about the statute's enforceability and/or its possible impact on their own intentions and expectations respecting their purchase.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor represents that to the best of its knowledge, the Description of Property set forth in Part II accurately summarizes the general nature of the systems, materials, equipment, appliances and fixtures to be contained in the Building on completion of construction. The description of Property was prepared by Bolek Ryzinski, Architect and is included in the Plan with the consent of said architect. Sponsor adopts the Description of Property and Building Condition set forth in Part II of the Plan. Sponsor does not have any knowledge of any material defects or need for major repairs to the Property.

**330 WYTHE AVENUE ASSOCIATES, LLC.
SPONSOR**

PART II - OFFERING PLAN FOR THE ESQUIRE BUILDING

PURCHASE AGREEMENT

THE ESQUIRE BUILDING
330 WYTHE AVENUE
BROOKLYN, NEW YORK 11211

AGREEMENT, dated _____, 200, between 330 Wythe Avenue Associates, LLC, having an office at 1 Nassau Avenue, Brooklyn, New York 11222 (hereinafter "Sponsor"), and , _____ residing at/having an office at (hereinafter, collectively, 'Purchaser').

Name(s) and manner in which title to the Unit will be taken (i.e., Tenants-in-Common, Joint Tenants with rights of survivorship, tenants by the Entirety): _____

Purchaser Information:

Name of Purchaser's Attorney: _____
Address of Purchaser's Attorney: _____
Purchaser's or Purchaser's Attorney's Business
Telephone No.: _____
Purchaser's or Purchaser's Attorney's Fax No.: _____
Purchaser's Social Security No.: _____

TOTAL PURCHASE PRICE: \$ _____

DOWN PAYMENT (10% OF
TOTAL PURCHASE PRICE) \$ _____

BALANCE DUE AT CLOSING \$ _____

UNIT NO. _____

COMMON INTEREST _____%

1. Receipt of Documents.

a. Purchaser represents that Purchaser received a copy of the Offering Plan for The Esquire Building, 330 Wythe Avenue, Brooklyn, NY 11211 (the "Condominium") and any and all filed amendments thereto (collectively, the "Plan" or "Offering Plan"), at least three (3) business days prior to signing this Agreement and has read said Offering Plan.

b. If Purchaser executed this Agreement without having the opportunity to review the Offering Plan for three (3) business days before signing, Purchaser shall have the right to rescind this Agreement and receive back the Down Payment within seven (7) days after the execution of this Agreement, provided written notice of rescission is personally delivered to Sponsor's Attorney by the end

of the seventh calendar day after the execution of this Agreement by Purchaser or is mailed to Sponsor's Attorney and postmarked within the seven (7) day period.

c. Purchaser understands that Purchaser and Sponsor are treating the entire content of the Plan and any filed amendments thereto as if it were included in this Agreement.

2. Agreement to Purchase.

a. Purchaser agrees to purchase from Sponsor, the Unit listed above together with its appurtenant undivided Common Interest (collectively, the "Unit"), for the Purchase Price shown above. Purchaser hereby is delivering to Sponsor's attorney Purchaser's check drawn on a New York bank for the down payment shown above, made payable to "Marcia E. Fokas, as Escrow Agent", and when Sponsor signs this Agreement Sponsor will be acknowledging receipt of Purchaser's check, subject to collection.

b. An sums paid on account of this Agreement and the reasonable expense of the examination of title to the Unit actually incurred by Purchaser (but not exceeding \$300), will become liens thereon, but such liens shall not continue after an uncured default by Purchaser under this Agreement.

3. Agreement to Be Bound by the Condominium Documents.

a. Purchaser agrees to be bound by the Offering Plan for the Condominium and the proposed Declaration (and the exhibits attached thereto), all of which are incorporated by reference and made a part of this Agreement with the same force and effect as if set forth in full herein.

b. Purchaser understands that one of the provisions of the Condominium Instruments to which Purchaser will be bound is that Purchaser may not sell or lease the Unit without prior notice to the Condominium Board and the Board's waiver of the Board's right of first refusal.

c. Purchaser understands and agrees that Purchaser may not retain Purchaser's own contractor to do work in or on the Unit until Purchaser owns the Unit, Purchaser may not enter the Unit until notified by Sponsor to inspect the Unit as set forth in this Agreement, and Purchaser may not permit Purchaser's architect or interior decorator to enter the Unit to do work therein before Purchaser owns the Unit. Purchaser also understands that once Purchaser owns the Unit, Purchaser may not make any alterations in the Unit unless and until Purchaser's proposed alteration plans have been reviewed and approved by the Board of Managers, in accordance with the procedures set out in the By-Laws of the Condominium.

4. Representations, Obligations and Rights.

a. Sponsor represents that prior to the First Unit Closing Sponsor will record or cause to be recorded the Declaration and all exhibits thereto, which will be substantially in the form and substance of such documents contained in the Plan. Sponsor agrees that any changes to such documents will not substantially adversely affect Purchaser; if they will substantially adversely affect Purchaser,

Purchaser will be given an opportunity to rescind this Agreement, pursuant to a filed amendment to the Plan.

b. In the event the Unit is substantially completed and a temporary or permanent certificate of occupancy covering the Unit is issued, Purchaser shall be obligated to close title to the Unit once Sponsor notifies Purchaser that Sponsor has declared the plan effective (as described in the Offering Plan), and recorded the Declaration. If Purchaser has inspected the Unit as described in this Agreement and has noted certain punch-list items which Sponsor has agreed to attend to, Purchaser shall still be obligated to close if there is a temporary or permanent certificate of occupancy covering the Unit. Unfinished items specified on an Inspection Statement the form of which is included in Part II of the Plan, will be completed by Sponsor within a reasonable period of time following the closing of title to the Unit, weather permitting, subject to force majeure delays and subject to Purchaser's provision of access to the Unit to Sponsor and/or Sponsor's contractors and/or agents.

c. Purchaser understands Sponsor reserves the right to make changes or substitutions of materials or construction for items in the Unit or in the Common Elements, from those set forth in the Plans and Specifications, as described in the Offering Plan.

5. Closing of Title.

a. Sponsor will notify Purchaser in writing at least 30 days in advance of closing to tell Purchaser the date, time and place of closing. Said date shall be referred to herein as the "Original scheduled Closing Date." The written notice will not state a date sooner than 30 days after an amendment to the Plan declaring the Plan effective has been accepted for filing by the Attorney General. Sponsor will be entitled, at no expense or liability to Sponsor, to reasonable adjournments in the closing of title in the event of delay because of weather conditions, strikes or materials shortages, delays in construction and reports thereon, delays in processing of required documents by applicable governmental agencies, or due to any other reasons whatsoever.

b. If Purchaser is not ready to close title at the Original Scheduled Closing Date, any adjournment granted by Sponsor at Purchaser's request will be, at Sponsor's discretion, upon the conditions that (i) all adjustments shall be made as of the Original Scheduled Closing Date, and (ii) at closing, Purchaser shall pay Sponsor, by unendorsed personal certified check or bank check drawn on a bank that is a member of the New York Clearinghouse Association, an amount derived by (A) multiplying the Total Purchase Price for the Unit by 14%, (B) dividing that product by 365, and (C) multiplying the resulting amount by the number of days that the closing is delayed (beginning with the Original Scheduled Closing Date and ending with the actual closing date). The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor adjourns the Original Scheduled Closing Date. However, the provisions shall apply to any postponements by Purchaser, of an agreed-upon adjourned closing date.

c. PURCHASER UNDERSTANDS THAT IF PURCHASER REQUESTS MORE THAN ONE ADJOURNMENT OF THE ORIGINAL SCHEDULED CLOSING DATE OR IF PURCHASER REQUESTS AN ADJOURNMENT OF THE ORIGINAL SCHEDULED CLOSING DATE IN

EXCESS OF THIRTY (30) DAYS, SPONSOR SHALL HAVE THE RIGHT UNILATERALLY TO MAKE TIME OF THE ESSENCE WITH RESPECT TO PURCHASER'S OBLIGATION TO CLOSE ON ANY RESCHEDULED CLOSING DATE TO WHICH SPONSOR CONSENTS. THIS MEANS THAT IF PURCHASER FAILS TO CLOSE ON THE RESCHEDULED CLOSING DATE FOR ANY REASON WHATSOEVER, SPONSOR HAS THE RIGHT TO TERMINATE THIS PURCHASE AGREEMENT AND RETAIN PURCHASER'S DOWN PAYMENT TOGETHER WITH ANY INTEREST EARNED THEREON, AS LIQUIDATED DAMAGES. NOTHING HEREIN SHALL BE CONSTRUED TO REQUIRE SPONSOR TO GRANT ANY ADJOURNMENT.

d. At the closing, Sponsor will deliver to the Purchaser any transferable certificates and warranties the Sponsor has undertaken to deliver under the plan in Purchaser's Unit.

e. The existence of unpaid taxes of any kind at the time of title closing shall not constitute an objection to title, provided Sponsor shall deposit a sufficient amount with Purchaser's title company so that the title company is willing to insure against collection of unpaid taxes from the Unit. Sponsor and Purchaser agree that Sponsor will discharge any liens upon the Unit prior to or simultaneously with the closing and that Sponsor may pay and discharge any such liens upon the Unit, out of the monies to be paid by Purchaser at the time of closing.

f. If title to the Unit is to be conveyed by Sponsor to a corporation, a partnership, a limited liability company, a trust, an estate, an unincorporated association, an organization, a syndicate, a joint venture, a government (or any mission, department or agency thereof), or any other entity, Purchaser shall provide Sponsor with documents evidencing the formation of the entity purchasing the Unit, together with a resolution, consent or other indication of authority, authorizing (i) the purchase of the Unit, (ii) the execution of the documents required to be signed by Purchaser in connection with the conveyance of the Unit, and (iii) the use of Purchaser's funds to pay the purchase price and closing costs. Notwithstanding the foregoing, before any such conveyance to a government or any mission, department or agency thereof shall be valid and effective, Purchaser shall enter into an agreement with the Board of Managers, on terms reasonably acceptable to the Board and its counsel, in which Purchaser (i) agrees to a specified arrangement for service of process, (ii) waives, with respect to the Unit Owner and any occupants of the Unit, any claim of sovereign immunity (and diplomatic and consular immunity, if applicable), with regard to any proceedings brought by the Board of Managers and (iii) permits execution and enforcement of any judgment obtained by the Board of Managers, all as more fully described in the By-Laws.

6. Delivery of Deed; Payment of Taxes and Fees.

a. On the closing date Sponsor will deliver or cause to be delivered a deed in proper statutory form for recording known as a bargain and sale deed with covenant against grantor's acts which shall be duly executed and acknowledged by Sponsor as grantor and which Purchaser must sign as grantee. The deed shall contain a description of the Unit and shall be acceptable and/or approved so as to validly convey title under the Condominium Act.

b. When Purchaser is given a deed for the Unit, Purchaser will give Sponsor, or anyone Sponsor designates, Purchaser's unendorsed personal certified check or official bank check, for the Balance Due at Closing as shown above, drawn on a New York bank to the order of Sponsor, or to any other person(s) or entity(ies) Sponsor directs.

c. Purchaser shall pay the New York State Real Estate Transfer Tax (i.e., the deed documentary stamps), and the New York City Real Property Transfer Tax and any and all administrative filing fees imposed by New York City or New York State in connection with filing the tax returns for such Transfer Taxes due upon conveyance of the deed, all as fully described in the Plan. In addition, Purchaser shall pay the Mansion Tax (i.e. 1% of the Purchase Price) if the Purchase Price including the aggregate New York State Real Estate Transfer Tax and New York City Real Property Transfer Tax is greater than \$1,000,000, also as fully described in the Plan. Purchaser shall also pay any other transfer taxes imposed by statute on purchasers of real property, and all recording fees in connection with this transaction, including but not limited to any fees necessary to record releases or satisfactions of liens affecting the Unit which Sponsor is obligated to discharge at or prior to closing.

d. Purchaser agrees to accept a good and insurable title free and clear of all liens and encumbrances, except the Permitted Encumbrances described in the Offering Plan, as Commonwealth Land Title Insurance Company will approve and insure for mortgage and/or fee tide insurance. Fee tide insurance, if ordered by Purchaser, shall be purchased at Purchaser's own cost and expense. When Sponsor gives Purchaser the deed to Purchaser's Unit, Purchaser will deliver it to the tide company's tide closer or to Purchaser's attorney (if Purchaser does not obtain tide insurance), so that the deed can be recorded in the Office of the City Register. Simultaneously with delivery of the deed, Purchaser must execute the power of attorney to the Board of Managers substantially in the form contained in the Plan, allowing the Board to take certain actions on Purchaser's behalf. The power of attorney must be recorded in the Office of the City Register as well.

e. At the closing hereunder, Purchaser shall pay Purchaser's Working Capital Fund contribution to the Condominium, in accordance with the terms of the Plan.

7. Liability to Convey Title.

a. Purchaser agrees that Sponsor may cancel this Agreement by forwarding Sponsor's check in the amount paid by Purchaser together with interest earned thereon, if any, and together with a written termination notice, in the event that (i) any governmental bureau, department or subdivision thereof imposes restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions prevent Sponsor from obtaining such materials from Sponsor's regular suppliers or from using them in the construction and/or completion of the Units, or (ii) Sponsor is unable to obtain materials from Sponsor's usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, or the installation of public utilities is restricted or curtailed.

b. In the event Sponsor is unable to convey title to the Unit on or before twenty-four months after Purchaser has signed this Agreement except for force majeure delays and other delays due to circumstances and conditions beyond Sponsor's control, in which case the period shall be extended to forty two months, unless Purchaser defaults, Purchaser shall have the right to cancel this Agreement and to have the down payment made by Purchaser returned with interest, if any is earned thereon, and payable to Purchaser hereunder or under the Plan. Sponsor shall have a right to abandon the Plan, as described therein. If Sponsor exercises this right, Sponsor shall immediately return all payments made by Purchaser with interest, if any is earned thereon and payable to Purchaser hereunder or under the Plan, and thereupon, Sponsor and Purchaser shall have no further rights or obligations with respect to each other generally or under this Agreement, specifically.

c. Sponsor's liability under this Agreement for failure to complete and/or deliver title for any reason, other than Sponsor's willful default, shall be the return of Purchaser's money paid hereunder, together with interest earned thereon, if any. Upon the return of Purchaser's money, together with interest earned thereon, if any, this Agreement shall be null and void and Purchaser and Sponsor will be released from any and all liability to each other. In any event, Sponsor shall not be required to bring any action or proceeding or otherwise incur any expense to render title to the Unit marketable or to cure any objection to title, except as may be set forth in the Plan.

d. If Sponsor or Purchaser delays or adjourns the closing, Sponsor shall in no event be liable for the costs, if any, Purchaser incurs as a result of the delay or adjournment, or for any other damages whatsoever.

8. Closing Apportionments.

When Sponsor gives Purchaser the deed to the Unit, Sponsor and Purchaser will apportion between themselves the real estate taxes and Common Charges for the Unit so that Sponsor pays those real estate taxes and Common Charges attributable to any time period prior to the midnight before Sponsor gives Purchaser the deed and Purchaser will pay the rest. The foregoing is subject to the Board's right to delay imposition of Common Charges for a period of time, as set forth in the By-Laws.

9. Down Payment To Be Held in Trust.

a. All Down Payment monies received from Purchaser by Sponsor, Selling Agent or through Sponsor's agents or employees, will be delivered to Marcia E. Fokas ("Escrow Agent"). Escrow Agent will deposit cash Down Payments in a segregated special attorney trust sub-account of a master escrow account at Chase Manhattan Bank, N.A., 281 Broadway, New York, New York (or at any other lending institution in which said law firm elects to maintain its escrow funds), entitled "Marcia E. Fokas, Attorney Trust Account for The Esquire Building" (the "Escrow Account").

b. The Down Payment funds will be held in escrow until the earlier of (i) Purchaser's closing under this Purchase Agreement (in which event they will be paid to Sponsor or anyone Sponsor directs), (ii) Purchaser's permitted rescission of

this Purchase Agreement (in which event they will be paid to Purchaser), (iii) Sponsor's termination of this Purchase Agreement following Purchaser's continuing default under this Purchase Agreement after delivery to Purchaser by Sponsor of a notice of default and expiration of the applicable cure period in accordance with the Plan and this Purchase Agreement (in which event they will be paid to Sponsor), (iv) otherwise directed in a writing signed by Sponsor and Purchaser directing disposition of the funds, (v) otherwise directed by a determination of the Attorney General directing the disposition of such funds pursuant to the dispute resolution procedures contained in the Attorney General's regulations, (vi) otherwise directed by a judgment or order of a court of competent jurisdiction directing the disposition of such funds, (vii) Escrow Agent is changed in connection with a transfer of funds to a new escrow agent, or (viii) Sponsor's abandonment of the Plan (in which event they will be paid to Purchaser), all in accordance with the provisions contained in Part I of the Plan entitled "Procedure to Purchase."

c. Any interest earned on the Down Payment will be paid to Purchaser at or following closing. Upon Purchaser's permitted rescission or upon termination of this Purchase Agreement, interest earned on the Down Payment shall be paid as Sponsor and/or Sponsor and Purchaser, as applicable, direct. Upon Sponsor's abandonment of the Plan, interest shall be returned to Purchaser with the Down Payment. If the Down Payment funds are paid to Sponsor as liquidated damages, interest earned thereon will be paid to Sponsor as part of the liquidated damages payment. The monies held by Marcia E. Fokas, Escrow Agent will be held and disbursed in accordance with the provisions of General Business Law Sections 352(h) and 352-e(2-b), as more fully described in the Plan. The signature of Marcia E. Fokas will be necessary to release funds from the Escrow Account.

10. Sponsor's Rights If Purchaser Fails to Keep Promises and Agreements.

a. If Purchaser fails to pay the Balance Due at Closing on the Original Scheduled Closing Date or any permitted adjournment thereof, or if when Sponsor tenders Purchaser the deed to the Unit, Purchaser does not then sign any of the documents referred to in the Plan which Purchaser is required to sign, or if Purchaser violates, repudiates or fails to perform any of the terms of this Agreement or fails to keep any other promise contained in this Agreement, Purchaser shall be in default hereunder, and Sponsor shall be entitled to terminate this Agreement or at Sponsor's discretion, to bring legal action against Purchaser to specifically perform this Agreement.

b. Before Sponsor may terminate this Agreement and keep Purchaser's Down Payment, Sponsor must first send Purchaser a notice by registered or certified mail, return receipt requested, stating that Sponsor intends to cancel this Agreement, specifying the reasons Purchaser is in default, and granting Purchaser a period of at least ten (10) business days to cure said default(s). **SPONSOR RESERVES THE RIGHT TO MAKE TIME OF THE ESSENCE WITH RESPECT TO PURCHASER'S OPPORTUNITY TO CURE PURCHASER'S DEFAULT WITHIN THE SPECIFIED CURE PERIOD. AFTER THE SPECIFIED CURE PERIOD EXPIRES, IF PURCHASER'S DEFAULT REMAINS UNCURED, SPONSOR MAY TERMINATE THIS AGREEMENT, RETAIN PURCHASER'S DOWN PAYMENT TOGETHER WITH ANY INTEREST EARNED THEREON, AS LIQUIDATED DAMAGES, AND SELL**

THE UNIT TO ANOTHER PURCHASER AS IF THIS AGREEMENT HAD NEVER BEEN MADE. Once this Purchase Agreement is terminated and the Down Payment is retained by Sponsor as liquidated damages, neither Sponsor nor Purchaser will have any further obligations to each other generally or under this Agreement specifically.

11. Agreement Subject to Sponsor Declaring the Plan Effective.

This Agreement is contingent upon Sponsor declaring the Plan effective. Sponsor has the right to abandon the Plan at any time before Sponsor declares the Plan effective or before Sponsor has received and accepted Purchase Agreements for 80% of the Residential Units offered under the Plan. If the Plan is abandoned for any reason, Purchaser will, within ten (10) business days thereafter, receive a refund in full of Purchaser's down payment and the interest earned thereon, if Purchaser is entitled to the interest hereunder or under the Plan. After Purchaser receives such refund, neither Sponsor nor Purchaser will have any claim against the other and neither party will have any further obligation under this Agreement.

12. Notices.

Any notice (including a letter, request, consent or other communication) which either party wants to give to the other concerning items relating to the purchase and closing of title to the Unit, must be in writing and must be sent by registered or certified mail, return receipt requested, to the respective addresses shown on page one of this Agreement. Purchaser will send a copy of any notice Purchaser gives Sponsor to Sponsor's Offering Plan Attorney, Marcia E. Fokas, 67 Wall Street, Suite 2001, New York, New York 10005. Sponsor and Purchaser can specify a different address for themselves by giving notice of it to the other. A notice shall be considered given five (5) days after the date it is mailed, except that a notice of an address change shall be considered given when it is received. Any notice sent by Sponsor's Offering Plan Attorney on Sponsor's behalf to Purchaser or to Purchaser's attorney set forth on the first page of this Agreement (or to any other attorney purporting to represent Purchaser), shall be deemed notice by Sponsor, should notice need be given by Sponsor pursuant to this Agreement. If Purchaser's name, address or phone number changes, or if Purchaser's attorney's name, address or phone number changes from that set forth on the first page of this Agreement, Purchaser shall provide Sponsor with the pertinent new name, address and/or phone number immediately.

13. Inspection and Acceptance of the Unit.

a. Purchaser's signing of this Agreement shall constitute Purchaser's agreement to accept the Unit in the condition it is in on the closing date, including the sink in the kitchen, bathroom and other , fixtures, equipment and installations, subject to the conditions set forth herein and on the Inspection Statement (the form of which is found in Part II of the Plan), which Purchaser will have the right to complete with Sponsor's representative's approval prior to closing pursuant to this Agreement (the "Inspection Statement"). Purchaser shall make the inspection of the Unit required by this Agreement.

b. (i) Purchaser agrees to accept the deed to the Unit without any abatement of the Total Purchase Price or provision for escrow, notwithstanding incomplete construction of (i) minor details in the Unit or the Building, or (ii) other Units, or (iii) the Common Elements or Limited Common Elements of the Building customarily left incomplete until after occupancy of the Unit or full occupancy of the Building, as applicable, provided the Unit is covered by at least a temporary certificate of occupancy.

(ii) Purchaser understands that certain items including, but not limited to, shower heads, toilet seats, kitchen cabinet knobs and vanity knobs, mechanical chimes, plumbing fittings, light fixtures, electrical receptacles, toilet accessories, door hardware, may not be installed at the time of the walk-through. Some of these items are of the type left off until the Purchaser is about to take occupancy, to prevent pilferage. Other items will be installed subject to availability. Still other items may have been installed but damaged during the course of construction. In any event, Sponsor will make every effort to have these items installed within a reasonable time period following closing provided Purchaser permits Sponsor access to do so.

c. At least ten (10) days before closing, Sponsor will advise Purchaser of a date and time prior to closing when Purchaser may inspect the Unit. Purchaser shall attend such inspection with one of Sponsor's representatives, and shall, together with Sponsor's representative, complete, date and sign the Inspection Statement at the conclusion of the inspection. **PURCHASER AGREES THAT NO DISCUSSION OF INCOMPLETE ITEMS IS TO TAKE PLACE AT THE CLOSING ITSELF. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, PURCHASER MAY NOT INSPECT THE UNIT UNTIL SPONSOR HAS NOTIFIED PURCHASER THAT THE UNIT IS READY FOR INSPECTION.**

d. Purchaser's failure to attend the inspection appointment within the 10-day period set forth above, or to sign and deliver the completed Inspection Statement, shall not excuse Purchaser from paying the Balance Due at Closing and shall constitute Purchaser's full and unconditional acceptance of the Unit.

e. Sponsor's agreement to complete items on the Inspection Statement shall obligate Sponsor to perform Sponsor's work in accordance with the standards set forth therefor in the Plan. Purchaser's execution of the Inspection Statement shall obligate Purchaser to provide access to Sponsor and/or its contractors and agents, to perform the work specified therein.

f. Following Purchaser's closing, when Purchaser makes arrangements to move into the Building, purchaser agrees to follow the move-in procedures established by sponsor and/or the board of managers, which move-in procedures will be explained and delivered to purchaser at the time purchaser closes title to purchaser's unit. The provisions of this subparagraph (f) shall survive the closing hereunder.

14. Conditions for Binding Agreement.

a. This Agreement shall not be binding until Purchaser has been approved as a purchaser as set forth in the Plan, such approval to be indicated by

execution of this Agreement by Sponsor and delivery of a fully executed counterpart of this Agreement to Purchaser.

b. Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage on the Property made before or after this Agreement is signed and any payments or expenses already made or incurred or which may later be made or incurred, to their full extent without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the schedule of payments or accelerated by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments, if any. Sponsor shall satisfy all such mortgages or obtain a release of the Unit from the lien of such mortgages at or prior to the closing date.

15. Definitions.

The term "Purchaser" shall be read as 'Purchasers' if more than one person is a purchaser, in which case Purchaser's obligations shall be considered joint and several. All capitalized terms used in this Agreement and not otherwise defined in this Agreement, shall have the same meanings as they do in the Plan.

16. Broker.

Purchaser represents that Purchaser did not rely upon, use or negotiate with any broker, other than the Selling Agent, in connection with this transaction. Purchaser agrees to indemnify Sponsor and hold Sponsor harmless from and against any costs, claims or expenses Sponsor may incur, including but not limited to attorneys' fees, arising out of or in any way connected with, Purchaser's breach of the foregoing representation. The provisions of this paragraph shall survive the closing hereunder or any earlier termination of this Agreement.

17. Jury Waiver.

Purchaser waives Purchaser's right to trial by jury in any action, proceeding or counterclaim in any way connected with this Agreement or the Plan.

18. Survival of Sponsor's Obligations; Rights of Sponsor.

Sponsor will have no obligations under this Agreement or the Plan after Sponsor gives Purchaser the deed to the Unit, unless this Agreement or the Plan specifically gives Sponsor an obligation after that time. However, all representations required by Article 23-A of the General Business Law to survive delivery of the deed shall survive delivery of the deed.

19. Captions.

The captions in this Agreement are for convenience only and are not part of the meaning of this Agreement.

20. No Representations.

Purchaser has not relied on any statements made by Sponsor, or any other person, except those which are contained in this Agreement or in the Plan. Purchaser agrees that Sponsor will have no liability to Purchaser if there is a minor error or inaccuracy in the layout or dimensions of the Unit, or of the Common Elements of the Condominium as shown on the floor plans available for review at the office of the Sponsor or at the Condominium, so long as the layout and dimensions conform substantially to the floor plans which Purchaser has been given the opportunity to examine.

21. Entire Agreement; Binding Nature of Agreement.

Purchaser understands that this Agreement and the Plan constitute the entire agreement between the parties and contain the only representations made to Purchaser. Purchaser has not relied on any other representations, statements or warranties, and acknowledges that no one has authority to make any representation or warranty not set forth in the Plan. Purchaser had full opportunity to examine all documents and investigate all facts referred to in the Plan and will not bind Sponsor to any oral representations and/or agreements. Further, Purchaser understands that this Agreement is binding upon Purchaser and Purchaser's heirs, executors, administrators and/or assigns. In no event will this Agreement be amended to abrogate Sponsor's responsibilities or Purchaser's rights under Article 23-A of the General Business Law.

22. No Recording, Assignment or Advertisement; No Lis Pendens.

Purchaser agrees not to record this Agreement. Purchaser also agrees not to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease prior to closing hereunder. Purchaser further agrees not to assign this Agreement or Purchaser's rights hereunder, without Sponsor's prior written consent, which consent may be withheld for any reason or no reason. Any purported assignment in violation of the foregoing shall be void and of no force and effect, and shall be a default under this Agreement. In the event of Sponsor's default hereunder Purchaser hereby waives Purchaser's right to file a lis pendens against the Unit. Violation by Purchaser of any of Purchaser's agreements in this Paragraph shall be a default under this Agreement.

23. Financing Contingency

a. This Purchase Agreement is contingent upon Purchaser obtaining a "satisfactory loan commitment" (as defined in below) through Richmond County Savings Bank, Chase Manhattan Bank, N.A. or Dime of New York (the "Permitted Lender"), within thirty (30) days after a fully executed counterpart of this Purchase Agreement is given to Purchaser (the "30-Day Period"), to finance the purchase of the Unit. Purchaser shall be obligated to submit a loan application to the Permitted Lender within seven (7) days after receipt of a fully executed counterpart of this Agreement from Sponsor. If Purchaser fails to make such timely submission,

Purchaser will be deemed to have waived the financing contingency granted by this Paragraph 23.

b. If Purchaser fails to obtain a satisfactory loan commitment from the Permitted Lender (or if Purchaser's application is rejected) within the 30-Day Period, Purchaser will notify Sponsor (with a copy to the Selling Agent) of such failure or rejection ("Purchaser's Notice"). Purchaser's Notice shall be given by certified mail return receipt requested no later than three (3) days after expiration of the 30-Day Period. A copy of all correspondence in connection with Purchaser's efforts to obtain the satisfactory loan commitment from the Permitted Lender and, if applicable, a copy of the notice of rejection from the Permitted Lender, must be submitted with Purchaser's Notice. Purchaser shall indicate Purchaser's request to terminate this Purchase Agreement or to extend the time to obtain a satisfactory loan commitment, in Purchaser's Notice. Alternatively, if Purchaser desires to waive this financing contingency provision, Purchaser shall affirm the Purchase Agreement on an all-cash basis in Purchaser's Notice. If Purchaser fails to notify Sponsor's attorney in accordance with the foregoing, Purchaser will be deemed to have waived the provisions of this financing contingency provision, this Purchase Agreement will remain in full force and effect as an all-cash transaction, and Purchaser will be bound hereto and will be expected to close hereunder. Failure to close may result in termination of this Purchase Agreement and forfeiture of the Down Payment as liquidated damages.

c. Upon Sponsor's receipt of Purchaser's Notice, Sponsor's attorney shall, at Sponsor's option, either extend the time period for Purchaser to obtain a satisfactory loan commitment or terminate this Purchase Agreement, unless, however, Purchaser indicates in Purchaser's Notice that Purchaser desires to confirm this Agreement as an "all-cash" transaction (and thereby waive the provisions of this financing contingency provision). If Sponsor (or Selling Agent, at Sponsor's request) terminates this Purchase Agreement in accordance with the foregoing, Sponsor (or Selling Agent, at Sponsor's request) shall send a notice of termination ("Sponsor's Notice of Termination"), and Purchaser shall receive back the Down Payment made under this Purchase Agreement plus interest earned thereon, if any, within twenty (20) business days of Sponsor's Notice of Termination. Notwithstanding the foregoing, Sponsor shall be the sole judge of whether Purchaser has satisfied its obligation to attempt to obtain a satisfactory loan commitment from the Permitted Lender. If Purchaser has not satisfied its obligations in this regard, Sponsor shall not be obligated to consent to Purchaser's request to cancel this Purchase Agreement due to Purchaser's inability to obtain a satisfactory loan commitment from the Permitted Lender, and Sponsor shall not be obligated to terminate this Purchase Agreement or return Purchaser's Down Payment hereunder.

d. Purchaser's failure to provide information pertinent to Purchaser's loan application to the Permitted Lender within three (3) days after request therefor, or to accept a commitment issued to Purchaser by the Permitted Lender on the terms set forth in this Paragraph 23, shall constitute a default by Purchaser under this Purchase Agreement, whereupon Sponsor shall have the right to cancel this Purchase Agreement and retain the Down Payment plus interest earned thereon, as liquidated damages.

e. Purchaser agrees to pay all fees and to furnish, deliver and/or execute all applications, affidavits, statements or other documents in connection with

Purchaser's application for a satisfactory loan commitment, furnish promptly all information required by the Permitted Lender and give truthful and accurate statements on all documents. If the application is approved and Purchaser receives a satisfactory loan commitment, Purchaser will accept the commitment promptly and will execute all papers, statements or documents necessary to close the loan (and if this Purchase Agreement is executed by one party on behalf of more than one purchaser, the one party agrees that the other party(ies) will join in the application for and closing of the loan). Purchaser's failure to comply with any term of this paragraph shall be deemed a material breach of and a default under this Purchase Agreement. The documents given by Purchaser in connection with any loan applications are hereby made part of this Purchase Agreement.

f. A "satisfactory loan commitment" shall be a commitment by the Permitted Lender to make a purchase money mortgage loan to be secured by the Unit, in an amount of not less 80% of the purchase price at the prevailing rate of interest, and on such other terms and conditions as are usual and customary for the Permitted Lender in issuing such commitments.

24. Conflicts with the Plan.

Conflicts between any provisions of this Agreement and the Plan shall be resolved in favor of the Plan.

Dated: _____, 200_

ACCEPTED: 330 Wythe Avenue Associates, LLC

BY: _____
Stephanie Eisenberg, Managing Partner

PURCHASER ACKNOWLEDGES RECEIPT OF THE OFFERING PLAN AND AMENDMENTS AT (A.M.)(P.M.) ON _____, 200_

AND SPONSOR AND PURCHASER ACKNOWLEDGE PURCHASER'S DELIVERY OF PURCHASE AGREEMENT AND CHECK FOR DOWN PAYMENT AT _____ (A.M.)(P.M.) ON _____, 200_

Purchaser _____

Purchaser _____

INSPECTION STATEMENT

The Esquire Building
330 Wythe Avenue
Brooklyn, NY 11211

Date:

330 Wythe Avenue Associates, LLC
1 Nassau Street
Brooklyn, New York 11222

Re: The Esquire Building - Unit No. _____

Dear Sponsor:

The undersigned is/are the purchaser of the captioned Unit.

I/We understand that the attached Inspection Checklist (the "Inspection Checklist") is to be completed prior to closing by me/us, together with your authorized representative. The Inspection Checklist will be signed by your representative and me/us, at the time of the pre-closing walk-through inspection.

I/We further understand that you agree to complete all items listed on the Inspection Checklist signed by you and me/us, within a reasonable period of time following closing of my/our Unit, weather permitting, and subject to delays for work or materials beyond your control (i.e., force majeure delays etc).

Accordingly, I/we understand that within a reasonable period of time following closing, you will contact me/us to arrange a mutually convenient time to complete the work, if any, set forth on the Inspection Checklist.

I/We am/are fully aware, that notwithstanding the foregoing, your obligation to repair or correct items on the Inspection Checklist is conditioned upon your ability to gain access to my/our Unit. I/We agree that if I/we do not provide you access to the Unit within ten (10) days after you have notified us of your intention to complete the Inspection Checklist work in my/our Unit, then you shall have no further obligation to complete the items of work set forth on the Inspection Checklist.

I/We agree to be present in the Unit at the time the work is being performed and I/we further agree that I/we will promptly initial each item set forth on the Inspection Checklist as it is completed, to acknowledge completion. My/Our failure to respond to you within five (5) business days of your written request for such acknowledgment shall be deemed to mean that I/we accept and acknowledge the work as complete. I/We understand that work indicated on the Inspection Checklist shall be performed in accordance with the standards set forth in the Offering Plan. In the event of a dispute, I/we agree that your contractor, architect or engineer shall determine whether or not such work was performed according to such standard and his or her decision shall be binding on the parties hereto.

Your representation that you will complete items on the Inspection Checklist within a reasonable period of time following closing shall survive closing of title to the Unit.

PURCHASER'S SIGNATURE [If there are multiple purchasers and only one purchaser or agent signs, such signature shall be deemed binding on all purchasers.]

PURCHASER'S SIGNATURE _____

PURCHASER'S SIGNATURE _____

330 WYTHE AVENUE ASSOCIATES, LLC

By: _____

INSPECTION CHECKLIST: THE ESQUIRE BUILDING

DATE _____

UNIT _____

PURCHASER _____

TELEPHONE NO. (Home) _____

TELEPHONE NO. (Work) _____

INITIALS

The undersigned Purchaser(s) has (have) inspected the Unit on date specified below, and finds the Unit satisfactory except for the items noted above.

Inspection Date and Time _____

Purchaser _____

Purchaser _____

Sponsor's Representative _____

POWER OF ATTORNEY

THE ESQUIRE BUILDING

330 Wythe Avenue
Brooklyn, New York 11211

UNIT NO.: _____

BLOCK:

LOT:

COUNTY: Kings

RETURN BY MAIL TO: BOARD OF MANAGER OF THE ESQUIRE BUILDING
c/o Stephanie Eisenberg
1 Nassau Avenue, Brooklyn, NY 11222

The undersigned, is/are the Owner(s) of Unit(s) ____ in the building known as The Esquire Building (the "Condominium"), 330 Wythe Avenue, Borough of Brooklyn, City and State of New York, County of Kings as designated and described in the Declaration establishing The Esquire Building dated _____, 2001 recorded in the office of the New York City Register, County of Kings, in Reel ____ at page ____ (the "Declaration"), and as also described on the floor plans filed in the Real Property Assessment Department in the City of New York, Kings County, as Condominium Plan No. _____.

The undersigned does hereby nominate, constitute and appoint the Board of Managers of the Condominium and successors thereof, jointly, true and lawful attorneys-in-fact for the undersigned, with a power coupled with an interest, with power of substitution, subject to any prohibitions or limitations on the exercise of such power or the acts for which it is given, as are set forth in the Declaration or the By-Laws of the Condominium, (1) to acquire, in their own names as members of the Board of Managers or in the name of their designee, corporate or otherwise, by deed, on behalf of all owners of Condominium Units, (a) any Unit whose Owner desires to sell convey or assign the same, the Common Interest appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers or its designee, on behalf of all Unit Owners, or the proceeds of sale or lease thereof, if any, and the interest of such Unit Owner in all other assets of the Condominium (hereinafter collectively called the "Appurtenant Interests"), or (b) any Unit which shall be the subject of a foreclosure or other judicial sale or whose Owner desires to surrender or abandon same, (2) to lease any Unit whose Owner desires to rent the same, at such prices or at such rental, as the case may be, and on such other terms, and conditions as said attorneys-in-fact shall, in their sole discretion deem proper, (3) thereafter to convey, sell, lease, sublease, mortgage, vote, or otherwise deal with any such Unit so acquired by them, on such terms and conditions as said attorneys-in-fact in their sole discretion determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, and (4) to execute, acknowledge and deliver (a) any instrument affecting the Unit in connection with any petition seeking administrative and judicial review of an assessment made in

accordance with Real Property Law § 339-y(1), which the undersigned, by separate written agreement, may have authorized the Board of Managers to undertake, pursuant to a Real Property Law § 339-y(4), (b) any declaration or other instrument affecting the Condominium which the Board of Managers deems reasonably necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, or (c) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Board of Managers deems necessary or appropriate

Notwithstanding any other provisions of this power the Board of Managers may not act so as to adversely affect the rights of the Sponsor or the Commercial Unit Owners, without the prior written consent of the affected entity. This Power of Attorney shall be exercised in accordance with the By-Laws of the Condominium.

The acts of a majority of such persons shall constitute the acts of said attorney-in-fact.

This Power of Attorney is irrevocable and shall not be affected by the subsequent disability or incompetence of the undersigned.

IN WITNESS WHEREOF, I (we) have (has) executed this Power of Attorney this _____ day of _____ 200_.

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

On the ____ day of ____ 20__ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

NOTARY PUBLIC

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

On the ____ day of ____ 20__ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

NOTARY PUBLIC

RESIDENTIAL UNIT DEED

330 WYTHE AVENUE ASSOCIATES, LLC

TO:

CONDOMINIUM UNIT _____

THE ESQUIRE BUILDING
330 WYTHE AVENUE
BROOKLYN, NEW YORK 11211

Section: _____ Block: _____ Lot: _____ County: Kings

RETURN BY MAIL TO:

THIS INDENTURE, made the ____ day of _____, 200_ between 330 WYTHE AVENUE ASSOCIATES,, LLC , having an office at 1 Nassau Street, Brooklyn, New York 11222 ("Grantor") and _____ residing at _____ ("Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten (\$10) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release onto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Residential Unit known as Residential Unit No. _____ (the "Unit") in the Building known as The Esquire Building, 330 Wythe Avenue, in the Borough of Brooklyn, City and State of New York, County of Kings (the "Building"), designated in the Declaration establishing a plan for condominium ownership of the Building and the land upon which the Building is situated (said Building and land referred to herein as the "Property" or the "Condominium") dated _____ 2001 made by Grantor as Declarant pursuant to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), and recorded in the Office of the Register of the City of New York in the County of Kings and State of New York (the "City Register's Office") on _____, 2001, in Reel _____ at Page _____ (the "Declaration").

The Unit is also designated as Tax Lot _____ in Block _____ of Section _____ of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of the Building, certified by Bolek Ryzinski, Registered Architect on _____, 2001 and filed with the Real Property Assessment Department of the City of New York on _____, 2001 as Condominium Plan No. _____, and also filed in the City Register's office on _____, 2001.

The land on which the Building is located is described as follows: See Schedule A annexed hereto.

TOGETHER with an undivided _____ percent (___%) interest in the Common Elements (as such term is defined in the Declaration) appurtenant to the Unit (hereinafter called the "Common Elements");

TOGETHER with the benefits, rights, privileges, easement and subject to the burdens, covenants, restrictions and easements all as set forth in the Declaration and By-Laws.

TOGETHER with an easement for support and for the continuance of all encroachments by the Unit on any other Units and the Common Elements, now or hereafter existing as a result of construction of the Building, or the settling or shifting of the Building, or the repair or restoration of the Building (or any portion thereof) or of the Unit after damage or destruction by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements made by or with the consent of the Board of Managers of the Condominium (hereinafter called the "Condominium Board") in accordance with the Declaration and By-Laws appended thereto, so that any such encroachments may remain so long as the Building shall stand;

TOGETHER with an easement in common with the Owners of other Units to use install, operate, maintain, alter, repair, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits, flues, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property and serving the Unit;

TOGETHER with the SUBJECT to a right of way through the Common Elements to the public streets;

TOGETHER with and SUBJECT to the easements created by the Declaration, which are incorporated herein by reference as though fully set forth herein;

TOGETHER with and SUBJECT to all easements of necessity in favor of the Unit or in favor of the other Units or the Common Elements;

TOGETHER with the right, if any, to the use of the Limited Common Elements as set forth in the Declaration; and

SUBJECT to the rights of other Unit Owners to use the Limited Common Elements appurtenant to their Units, if any, as set forth in the Declaration;

SUBJECT to an easement in common with all other Unit Owners to use, install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements, and any pipes, wires, ducts, vents, cables, conduits, or other lines, equipment or facilities forming a part of or related to such Common Elements, located in, over, through, under or upon the Unit, other Units, the Common Elements, or other parts of the Property, provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use thereof for dwelling, home occupation, or other lawful purposes;

SUBJECT to the rights, obligations, easements, restrictions and all other terms, covenants, conditions and provisions of the Declaration and By-Laws and Tax

Lot Drawings filed therewith, as the same may be amended from time to time by instruments recorded or filed in the Office of the Register of the City of New York, in the County of Kings and State of New York, all of which, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein;

SUBJECT also to any declaration or instrument affecting the Property which Grantor has filed to comply with any law, ordinance, regulation, zoning resolution or requirement of any public agency or authority, applicable to construction, alteration, repair or restoration of the Building;

SUBJECT also to easements in favor of other Units and in favor of the Common Elements or Limited Common Elements for the continuance of all encroachments of such other Units or Common Elements or Limited Common Elements on the Unit, now or hereafter existing as a result of construction of the Building, or the setting or shifting of the Building, or the repair or restoration of the Building (or any portion thereof) or of any other Unit or the Common Elements or Limited Common Elements, after damage or destruction by fire or casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements or Limited Common Elements made by or with the consent of the Condominium Board or by the Grantor, or its designee and its respective successors, and assigns, or any Unit Owner in accordance with the Declaration and the By-Laws so that any such encroachments may remain so long as the Building shall stand;

SUBJECT also to an easement in favor of other Units to use, install, operate, maintain, repair, alter, rebuild, restore and replace such other Units and any pipes, wires, ducts, vents, cables, conduits, flues, or other lines, equipment or facilities forming a part of or related to such other Units located in, over, through, under or upon the Unit, other Units, the Common Elements or other parts of the Property, provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use thereof for dwelling, home occupation, or other lawful purposes;

SUBJECT also to a right of access to the Common Elements, the Unit and other Units by the Grantor or its designee, and its respective successors and assigns, their contractors, subcontractors, agents and employees, for the purposes of completing construction of the Building in accordance with the plans and specifications therefor and to fulfill Grantor's obligations as set forth in the Offering Plan covering the Condominium, provided that access thereto is exercised in such a manner as will not unreasonably interfere with the use of the Unit for dwelling, home occupation, or other lawful purposes;

SUBJECT also to existing easements and the right reserved in the Declaration to establish, grant and create additional utility easements, in favor of any utility company for construction, use, maintenance, repair and replacements of all utility lines, wires, terminal boxes, main, pipes, cables, conduits and other equipment and facilities in, under, over and across the Property;

SUBJECT also to such other liens, agreements, covenants, easements, restrictions and other matters of record against the Property including, without limitation:

(i) Covenants and Restrictions and \$1.00 Award Clause set forth in Reel 1431 page 438;

(ii) \$1.00 Award Clause set forth in Reel 1491 Page 622 and in Reel 1491 Page 617;

SUBJECT to any state of facts an accurate survey and inspection of the Unit and Property might show;

TO HAVE AND TO HOLD the same unto the Grantee, the heirs or successors and assigns of the Grantee, forever;

The use for which the Unit is intended is for residential dwelling purposes subject to such other uses as may be permitted by the Declaration, the By-Laws and applicable law.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in anyway whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof, as the same may be amended from time to time by instruments recorded in the City Register's Office and to comply with the Rules and Regulations of the Condominium.

This conveyance is made in the ordinary course of business actually conducted by the Grantor

The terms "Grantor" and "Grantee" shall be read as "Grantors" and "Grantees" whenever the sense of this deed so requires.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this deed the day and year first above written.

GRANTOR

GRANTEE

330 Wythe Avenue Associates, LLC

By: _____
Stephanie Eisenberg, Managing Member

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

On the ____ day of ____ 20__ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

NOTARY PUBLIC

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

On the ____ day of ____ 2000 before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

NOTARY PUBLIC

SCHEDULE A

The Condominium Unit (the 'Unit') in the Building known as _____, located at and known as and by street number in _____, New York), designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said Building and the land upon which it is situate under Article 9-B of the Real Property Law of the State of New York, dated _____ and recorded _____, in the Office of the Register of the City of New York, County of Kings in Reel _____ Page _____ and also designated as Tax Lot _____ in Block _____ of Section _____ of the Borough of _____ and on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the said Building, certified by _____, on _____ and filed in the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. _____ and also find in the City Register's Office on _____ as Condominium Map No. _____.

TOGETHER with an undivided _____ percent interest in Common Elements of the Condominium as described in the Declaration.

The land upon which the Building containing the Unit is situate is described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the westerly side of Wythe Avenue with the southerly side of South 1st Street: and

THENCE southerly, along the westerly side of Wythe Avenue, 139 feet 1 inch;

THENCE westerly on a line that runs parallel with the northerly side of South 2nd Street and on a line that forms an interior angle of 88 degrees 28 minutes 44 seconds with the westerly side of Wythe Avenue, 100 feet;

THENCE northerly on a line that forms an interior angle of 91 degrees 27 minutes 17 seconds with the last mentioned course, 25 feet;

THENCE easterly on a line that forms an interior angle of 88 degrees 32 minutes 43 seconds with the last mentioned course, 3 feet;

THENCE northerly on a line that forms an interior angle of 271 degrees 27 minutes 17 seconds with the last mentioned course, 25 feet;

THENCE westerly on a line that forms an interior angle of 268 degrees 32 minutes 43 seconds with the last mentioned course, 3 feet;

THENCE southerly on a line that forms an interior angle of 271 degrees 27 minutes 17 seconds with the last mentioned course, 1 foot 9 inches;

SCHEDULE A – continued

THENCE westerly on a line that forms an interior angle of 88 degrees 50 minutes 36 seconds with the last mentioned course, 100 feet;

THENCE northerly on line that forms an interior angle of 91 degrees 12 minutes 22 seconds with the last mentioned course, 100 feet of the southerly side of South 1st Street;

THENCE easterly along the southerly side of South 1st Street 200 feet 5-5/8ths inches to the corner at the point or place of BEGINNING.

*For conveyancing only
intended to be conveyed*

{ Together with all right, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

BOLEK RYZINSKI, ARCHITECT
49 West 46TH Street
New York, New York 10036

ARCHITECT'S REPORT
328-338 WYTHE AVE. BROOKLYN, NEW YORK 11211
BLOCK 2403 LOTS 19,30
MAY 31, 2001

LOCATION & USE OF PROPERTY

330 Wythe Avenue was constructed in 1910 as a manufacturing/warehouse building. The building is currently vacant and this report is based on an inspection made on March 23, 2001 and a review of proposed plans prepared for filing with the Department of Buildings as a Seventy-six Heretofore Converted Class "A" Multiple Dwelling, including one Penthouse Unit on the roof of the eighth-story structure, with ground floor and cellar as commercial space.

ADDRESS:

330 Wythe Avenue Brooklyn, New York 11211

BLOCK & LOT:

Block: 2403
Lots: 19 & 30

ZONING:

The building is located in a M3-1 Zone. Permission to convert to residential use was granted by The Board of Standards and Appeals under application 934-82-BZ and 40-95-BZ.

PERMISSIBLE USE:

The last Certificate of Occupancy for this building was for manufacturing and offices on floors one through eight.

It is the Sponsors' intention to renovate an existing manufacturing building, according to plans filed and approved by the New York City Department of Buildings, and obtain a New Certificate of Occupancy for Seventy-six Class "A" heretofore converted dwelling units as follows:

	First Floor	Commercial Space
	First Floor/Mezzanine	One Duplex Unit
	Second through Sixth Floors	Five Duplex & Six Simplex Units Per
Floor	Seventh Floor	Five Duplex & Four Simplex Units
	Eighth Floor	Five Duplex & Five Simplex Units.
	Roof of Eight-Story Structure	One Penthouse Unit
	Total	Seventy-six Class "A" Units and Two Commercial Spaces

STATUS OF CONSTRUCTION

There is one building on the site, which was constructed as a manufacturing building. The class of construction is 1A, Fireproof Construction. Renovation to the building commenced in September 2000.

Any violation on the building will be corrected as part of the conversion. A copy of the violation report is incorporated in the prospectus.

The sponsor intends to complete a "gut" rehabilitation of the building, including restoration of the façade, and replacement of structural steel where necessary, new windows, lintels, electric, plumbing and fixtures, heat/air-conditioning, elevators, roof, sprinklers and sidewalk. All of the work associated with this rehabilitation has been filed and approved by the department of Buildings. The Department of Buildings permit number is 301092706-01-AL.

The building had New York City Department of Buildings approved plans dated May 14, 1985 per ALT 1151/82 and building permits prior to 1987 and is not required to comply with Local Law No. 58 of 1987. However, all the dwelling units are handicapped adaptable and the accessory public areas are accessible with the exception of the recreation area located on the roof of the one/two story portion of the building.

Completion of the building is scheduled for September 1, 2001, and, after inspection of the property, and prior to the first closing, a temporary Certificate of Occupancy will be obtained covering the Unit to be closed.

SITE

The site, on which the building is situated covers approximately 20,000 square feet and the building, when completed, will have residential and commercial use. The site is at the southwest corner of South 1st Street and Wythe Avenue and has an entrance on 330 Wythe Avenue between South 1st Street and South 2nd Street. All paving, curbing, drainage and lighting located on Wythe Avenue and South 1st Street are in conformity with local fire districts and municipal codes and are in good condition. The City of New York maintains surface gutters and street lighting. The sidewalks extending the entire length of the south and east frontage of the building are fifteen (15) feet wide on Wythe Avenue and twelve (12) feet wide on South 1st Street. After replacement, the sidewalks will be of new concrete.

UTILITIES

Domestic Water is provided by the City of New York from mains located under the streets. Water consumption for the building is supplied through a new domestic water service pipe from the Wythe Avenue water main. The Board of Managers of the Condominium will be responsible for maintenance, repair and replacement, when required, of water meters and service pipes to the building.

Sewers are provided and maintained by the City of New York. Sewer service charges are based on the amount of water used. The Board of Managers of the Condominium will be responsible for maintenance, repair and replacement, when required, of the sewer line from the main to the building. The sewer line from the building to the City main is new cast iron and in good condition.

Gas service to the building will be provided by Keyspan. The gas service will be master metered to the building and the cost per Unit will be a considered a common charge. New gas service piping to each Unit will be provided. The utility company is responsible for maintenance and repair for the gas meters and gas service outside of the building. The Board of Managers of the Condominium will be responsible for maintenance and repair to gas piping in the building and to the Units. Each Unit Owner is responsible for appliances, proper installation of such, and gas piping within their Unit.

Electricity is provided and maintained by Consolidated Edison, a regulated public utility. Electric service for the Common areas is metered and billed to the Board of Managers. Electricity used within each unit is separately metered and billed to the respective unit owner. Electricity used within the commercial units is metered and billed to the commercial owner. The Board of Managers is responsible for all electrical equipment and wiring from the meters to the individual units. The meters and electrical service to the building are the responsibility of the utility company.

Telephone lines to a service connection at or near the premises are provided and maintained by Verizon, a regulated public utility. Services to and usage by each individual residential and commercial unit owner are separately monitored and billed. A common telephone riser and common junction boxes provides telephone service to individual units. Such wiring and equipment is maintained by the Board of Managers, with the exception of any appropriate charges that are billed to the individual unit owner by the telephone service provider. Within each unit there is one telephone outlet. The telephone wiring and equipment within each unit is the responsibility of each individual unit owner or user. Maintenance and installation of the wiring and equipment from the service connection to the individual unit, and within the individual unit, may be contracted by the individual owner to a variety of vendors. Other equipment and wiring may be installed at the expense of the individual user.

SUB-SOIL CONDITIONS

The existing foundations appear to be in good condition with no evidence of any moisture or ground water infiltration. There does not appear to be any future problems resulting from water table flooding, mudslides or erosion. There are no septic tanks on the property.

LANDSCAPING

There is no landscaping fronting the property.

BUILDING

The building consists of one structure approximately one hundred forty six feet in height with a one/two story addition fronting South 1st Street, formerly a loading dock and boiler room respectively, and a one story loading dock located to the South of the entrance at 330 Wythe Ave. There are no sub-cellars. There is one cellar in the one/two story structure fronting South 1st Street that is part of the commercial units. When completed the building will be an eight-story building, with a one story addition to the south of the entrance and a one/two story addition fronting

South 1st Street, with six (6) bulkheads on the roof. The roof of the loading dock located on the Wythe Avenue side of the property will be appurtenants for Units 2A, 2B, 2C, 2D and 2E and used as patios. A portion of the roof on the first-story of the one/two story structure on South 1st Street will be a Common Element of the Condominium and used as common space at the discretion of the Board of Managers. The Penthouse on the roof of the eight-story structure will be one unit, consisting of the existing 695 sq. ft. bulkhead with a 2910 sq. ft addition and the entire roof of the eight-story structure, as appurtenant thereof, will be considered a Limited Common Element. The first floor will be commercial and the roofs of the commercial units will not be developed except as specified in the Plan.

Equipment rooms are located on the ground floor and first floor mezzanine and at the roof. The first floor has gas, electric and water meters, telephone equipment, sprinkler equipment, and refuse/recycling compacting.

The hot water system equipment and geothermal equipment is on the first floor mezzanine. The elevator machine room is at the roof.

Parapet walls at all roofs are either existing brick masonry with terra cotta copings or new parapets constructed of steel studs and GFRC with new cast concrete copings. All parapet walls are forty-two inches at roof.

The building will contain a sprinkler system for the commercial space, and public halls and is in new condition. The sprinkler system is a wet, automatic type, A. The standpipe system is located in the public stairwell 'A' and 'B'. There are two interior exit stairs.

STRUCTURAL SYSTEM

The existing exterior walls of the building are load-bearing masonry up to the sixth floor. The seventh and eighth floors of the duplex portion of the building are new concrete block with brick exterior. The remainder of the exterior walls, including the 2910 sq. ft. addition to the Penthouse bulkhead, are constructed with steel studs and GFRC (glass fiber reinforced concrete) panel system or, light steel gauge steel studs with exterior gypsum board and stucco. The interior structure is of reinforced concrete floors supported by a structural grid of columns, beams and girders, which frame into the exterior steel frame walls and exterior load bearing masonry walls. The interior structure is in good condition. Interior surfaces of the exterior walls are exposed brick, gypsum board or terra cotta.

The building is eight stories in height and must comply with the façade inspection requirements of Local Law 11/98, which replaced Local Law 10/80. When completed the Building will comply with Local Law 11/98.

The overall condition of the structure and the exterior walls are in good condition.

WINDOWS-ENTRANCES

All windows, including the windows in the Penthouse Unit, are new double-glazed, Low E Argon with anodized aluminum frames. Sliding windows are by Bonded Aluminum Products, Model #T22S. Patio sliding doors are by R K Windows Model # CTP1000. Windows on the existing clearstory bulkhead will be fixed

opaque double-glazed tempered glass with aluminum-anodized frames by Bonded Aluminum. All lintels are new and in good condition. All existing stone sills are in fair to good condition. All new cast concrete sills are in good condition. All windows come with a lifetime-limited warranty.

The building does not have landmark status.

All parapets are existing masonry in good condition, or new GFR system, masonry or steel framing with exterior gypsum board and stucco, which extends from the wall below in good condition. Copings are terra cotta in good condition. New copings are cast concrete or GFR system. All existing parapets and copings have been repaired and are in good condition, and all new parapets and copings are in good condition.

There are no chimneys or caps. There is one compactor chute located in the bulkhead located to the west of the elevator shaft which projects above the top of the bulkhead as required by code. There is one exhaust vent for the hot water system, which runs horizontally from the machinery room located on the upper level of the first floor to the far side of the loading dock located on So. 1st Street.

There are private patios accessed by Units 2A, 2B, 2C, 2D and 2E. In addition, the roof of the eight-story portion of the building is privately accessed by the Penthouse Unit. The lower portion of the one/two story addition is accessed by a stairway from the first floor, rear corridor and is a common deck area. The deck finish of the common area terrace is of non-combustible material, such as pavers and/or other suitable surface materials. The second floor units each have glass patio doors that open onto their respective patios. All duplex units 'A-E' and the 'K' Units above the second floor and the 'J' Units have steel fabricated plant balconies with steel grating decks that are 18" deep and 5' long by 42" high, accessed through the patio doors. These plant balconies are not suitable for human occupancy or use other than for plants and are for restricted use. The plant balconies are new and in good condition.

All exterior doors at exterior first floor entrances are self-closing aluminum and glass. The interior public entrance of the building is equipped with a video intercom/door release system. The interior vestibule door is aluminum and glass equipped with self-closing devices and locks.

There is one exterior metal stair and ramp with 1 1/4" diameter painted steel railings or equivalent into the building that provides entrance to the commercial spaces on South 1st Street. The stairs are new and in good condition.

At least seventy-six government approved aluminum mailboxes are provided in the lobby. Postal service employees have access to the building by a key to be located in a 'keeper' or in the exterior intercom panel. Mailboxes are new and in good condition.

Interior incandescent, halogen and/or fluorescent lighting inside the public entrance and lobby are provided.

There are no service entrances into the premises.

There is a flat roof at the level of the second floor over the loading dock on Wythe Avenue south of the entrance. There are flat roof patios, which cover portions of this roof. The condition of this roof is new concrete slab and built-up

roofing. There is a roof over the eighth floor and the Penthouse Unit, consisting of the 695 sq. ft. bulkhead with a 2910 sq. ft. two-story addition, which is concrete slab and build-up roofing. The roof of the recreation area located on the first story of the one/two story structure is concrete slab and build-up roofing. All roofing is new and in good condition.

There is a guarantee for the roofing materials by installer. Such roofing is guaranteed by the installer for a minimum of five years from installation date.

The roof is flashed with turned up roofing at the edges fastened to a termination bar and sealed to the vertical surface with caulking and or flashing.

Flashing is in good condition.

All roof drains are new cast iron or other compliant material. There are five new roof drains at the level of the eighth floor roof. Four of these drains are 4" and one is 6" in diameter. There are three 3" roof drains located at the roof of the loading dock. There are two 3" roof drains on the upper level and three 3" roof drains on the lower level of the one/two story structure. There are two new metal frame and ribbed glass skylights with screens above and below at the eighth floor roof, located over egress Stair 'A' and 'B'. There is one new metal frame and ribbed glass skylights with screens above and below at the eighth floor roof, located over the trash compactor bulkhead. There is one new plastic skylight over the old chimney base located at the rear of the first floor of the main building.

There are two bulkheads at the eighth floor roof for the public stair 'A' and 'B'. There are four other existing bulkheads, including the 695 square foot bulkhead with a 2910 square foot two-story addition as the Penthouse Unit. All bulkheads are masonry with stucco exterior and are in good condition. The elevator bulkhead is approximately twenty-four feet above the eighth floor roof level and is of structural steel construction with stucco exterior in new condition.

There is a metal stair from the eighth floor roof level to the bulkhead machine room level at the east side of the elevator bulkhead. There are no vertical ladders. There are 3'6" high roof rails wherever access is provided. There are no hatches to the roof. There are no rooftop facilities that are common areas on the roof of the eighth floor. The sponsor retains, as of right, the exclusive use of the entire roof as such, and reserves the developmental right to add a 2910 sq. ft. addition to the 695 sq. ft. bulkhead as one Penthouse Unit.

There are no fire escapes. There are multiple secondary means of egress.

YARDS AND COURTS

There is a ten foot setback on the South side of the main entrance to the building and a twenty foot setback from the sidewalk at the one story addition on the West side of the building. These setbacks are considered part of the commercial space. There are no courts.

Units A, B, C, D, and E on the second floor will each have a private patio accessible from the lower portion of the duplex apartment. The patios will be built over the new loading dock roof on the west side of the building and the deck surfaces will be new concrete with built up roofing. The cost of materials and installation of the finished decking and partitioned fencing will be borne by Unit Owners. The patios are Common Limited Elements of the Units and any alterations, additions and

improvements on or to them must be done in accordance to the applicable provisions in the declaration and the By-Laws

STAIRS

There are two interior fire stairs from the first floor to the roof. All egress stairs within the building, including fire stairs, are new steel with concrete landings and steel treads and railings. Egress stairs are within two-hour rated enclosures. Stairs within the duplexes are new with steel stringers and open risers with hardwood or steel treads and steel railings or equivalent. The height of the handrails is between 30" and 34" above the nosing of treads and have a flame-spread rating not exceeding 150. Balusters in all egress stairs are of steel. The mezzanine areas located in some of the simplex units will each have wooden side rails around the open perimeter and wooden ship ladders for egress. These are not intended to be permanent.

DOORS

Unit entrance doors are metal fireproof self-closing doors with steel frames. Interior doors are solid core wood doors or equivalent with metal or wood frames. Doors are in good condition. Stair hall doors are metal fireproof self-closing doors with steel frames and are in good condition. Roof doors and all others are metal, fireproof self-closing doors with steel frames and are in good condition.

ELEVATORS

There are two passenger elevators. The elevator manufacturer is Hollister-Whitney. The elevator is new and the capacity is approximately 2,500 pounds or approximately 12 persons. New Hollister Whitney DC motor overhead traction geared machine or equivalent operates the elevators. Imperial Electric or equivalent manufactured the AC Motor-Generator Set. The elevator has stops at the ground floor to the roof. The elevator is an overhead traction elevator with a speed of 300 fpm. The elevator cab was manufactured by Park Avenue Elevator or equivalent and is in good condition. The floor of the elevator cab is cork, tile or other approved material. The walls of the elevator cab are painted steel, stainless steel, and plastic laminate or other approved material. The ceiling of the elevator cab is stainless steel or painted steel or other approved material with recessed fluorescent lighting or other approved type. The elevator cab is provided with an emergency telephone connected to a central station. It is equipped with a Fire Department override key and emergency stop switch. The elevator is equipped with 16 gauge steel pocket doors, painted, fireproof, and self-closing with 14 gauge steel frames. The elevator is fully compliant with NYC handicapped requirements. The elevator machine room is located in a bulkhead on the eighth floor roof level.

AUXILIARY FACILITIES

Each residential unit, including the Penthouse, is equipped with rough plumbing, ventilation hookup and electrical outlets for a future second bathroom, which are located on the second floor of the duplex units and above the existing bathroom in the simplex loft units or on the main floor. Cost of equipment and installation of such, shall be borne by the Unit Owner. Each Residential Unit will be

provided with a waste connection for piping for a future washing machine and a dedicated circuit(s) for a washing machine and electric dryer. Cost of washer and electric dryer and installation of such, shall be borne by the Unit Owner.

A coin-operated washer and dryer will be located on the sixth and seventh floors, adjacent to the refuse chute. Ventilation is through the roof of the building.

Refuse disposal shall be as required by New York City Regulations. There are no incinerators. A new Hivoflex Model K trash compactor and recycling chute accessible on each floor serves all the residential units. The chute leads to a new compactor located on the first floor. The compactor is a hydraulic ram-type compactor with a recycling feature. The chute is 16-gauge aluminized steel with stainless steel intake doors. The City of New York is responsible for refuse disposal.

PLUMBING AND DRAINAGE

The building domestic and sprinkler water supply is provided by the street distribution system of the City of New York. A new minimum 3" domestic supply line and a 6" sprinkler supply line (ductile iron or as approved by the Bureau of Water Supply) from the City street main has been brought into the building from Wythe Avenue. An approved double check valve device and domestic water meters have been installed (building meter and commercial branch meter). After the meters a duplex, 75 GPM each, 145 TDH (lift6), system pressure 110 psi. 63-lb. water-pressure booster system will supply water for domestic and fire protection use.

All new water and sewer lines servicing each residential and commercial unit will be new copper hot and cold branch piping and cast iron no-hub waste and vent lines.

There is one dry 4" standpipe located in Stairwell 'A' and 'B'. There are no hose racks, hoses or nozzles.

Sprinklers are provided for the entire first floor, compactor chute on each floor and public hallways and elevator machinery room. Sprinkler heads are either pendent or upright, ordinary hazard type and rated at 165 degrees F. Sprinkler piping is schedule 40 black steel with Victaulic black cast or other approved pipe and pipe fittings. The sprinkler siamese connection is 3" x 3" x 4" and is provided with an automatic ball drip. The Siamese is provided on Wythe Avenue.

There are no water storage tanks.

A domestic water pressure booster pump maintains water pressure for all apartments. A sprinkler booster pump maintains water pressure for the sprinkler system. Both pumps are new and in good condition.

Existing soil, waste and vent piping below grade and vertical stacks above grade appear to be cast iron soil pipe, hub and spigot with lead and oakum joints. A new 12" soil, waste and vent piping are No-Hub cast iron soil pipe with neoprene sealing sleeve and stainless steel shield and clamp assembly. Such piping is in good condition. There are no sewage pumps. Soil stacks are discharged by gravity to the existing building sewer on South 1st Street. The building sewer connects directly to the City sewer main.

Permits were obtained for the sprinkler work, sanitary plumbing work and gas piping (#301092706-01PL).

The storm drainage piping within the building is No-Hub cast iron in good condition. There are no catch basins. All roof drains are new. Storm drainage piping within the building is cast iron or other material meeting building code requirements. There is a sump pump in the elevator pit. Floor drains are located in the mechanical and meter rooms.

All living areas are naturally ventilated by operable windows, located at various facades. All interior spaces and equipment required to be ventilated are served by building exhaust systems. Vertical duct risers with branch ducts to required spaces are connected to rooftop exhaust fans. Fan operation is set by time clock to hours of operation specified by Code. Elevator lobbies on each floor are provided with ventilation.

TELEVISION, INTERCOM, T1 LINES

The building will be wired for direct Internet access, cable TV and Direct TV. There will be a bell and video intercom system with door-release between the main entrance and each residential unit. The tenant will be responsible for individual hookup for cable TV and direct TV.

GARAGES AND PARKING AREAS

There is no garage on the property. There is alternate side of the street parking.

RECREATIONAL FACILITIES

There is one roof area that may be used by tenants for recreation on the lower portion of the one/two story addition. Access to this area is by a stairway from the first floor rear corridor.

VIOLATIONS

All violations of record will be furnished as part of the Title Search. Sponsor represents that all violations will be removed prior to issuance of Permanent Certificate of Occupancy.

HEATING/AIR-CONDITIONING

A geothermal forced air system will provide heating and air-conditioning. Heat pump units that provide heat and air-conditioning will be installed within each residential unit, common areas where necessary and the commercial units. The rating for this heating system meets minimum indoor temperatures when outside temperature is 10 degrees, however this shall not be construed as a warranty or guarantee that the boiler shall continue to perform same.

Geothermal furnace/air-conditioners are Water Furnance Brand, Versatec Model, rated at 42,000 Btu heating capacity and 42,000 Btu cooling capacity on average or equivalent.

Heat pumps and controls are new and are as per code requirements.

The forced air (both hot and cold) will be distributed by ductwork throughout each apartment. The distribution of the ductwork is the responsibility of the unit owner. The heating, air conditioning and hot water systems appear to be adequate for normal usage.

Hot water for domestic use will be supplied by two water heaters manufactured by Lochinvar model number NO. PFN1500PM, or A.O. Smith model number GB1300 with expansion tanks, located in the boiler room on the first floor mezzanine. This system will also be used when necessary to raise the temperature of the ground water that supplies the heat pumps.

GAS SUPPLY

New gas piping will be installed for domestic cooking. There will be two building gas meters and each tenant will share in the cost as a common charge. The meters will be located on the ground floor. Gas piping is new black iron.

ELECTRIC

New electric 4000 amp 3 phase 4 wire 122/08 service is located on the ground floor with separate meters for each tenant and for the common spaces.

The public spaces will have a 100 amp 3 phase with a 42-circuit panel box 3 phase 100 amp 4 wire.

Apartments will be wired along the perimeter as per present day electrical codes with appliance outlets located in the kitchen. Each unit will be supplied with 110 volt, 100-amp service, with a minimum of six branch circuits. Power to geothermal units will be supplied by separate 208 volt circuits with disconnect switch at each unit.

The electrical units appear to be adequate to provide electricity for all appliances and heat/air-conditioning units pursuant to New York City Electrical Code.

Adequate lighting and light fixtures are provided, as per the attached lighting schedule, in each unit pursuant to New York City Electrical Code. The commercial unit shall provide its' own lighting, fixtures and associated wiring.

Convenience and appliance outlets have been provided in each residential unit and throughout the building pursuant to New York City Electrical Code. The commercial unit shall provide its' own convenience outlets and associated wiring.

The lobby and main stairs have incandescent or fluorescent lighting operating continuously or on demand to provide light for egress. Other common spaces have adequate lighting.

UNIT INFORMATION

There will be a total of seventy-six units within the premises. The ceiling height in the duplex units is approximately 8 1/2 feet and 18 1/4 feet in the simplex units. There will be one residential unit on the first floor, eleven residential units on each floor from two to six, ten residential units per floor on floors seven and eight and one residential penthouse unit on the roof. The two commercial units and cellar are located on the first floor of the main building. The commercial unit owner shall provide all finishes, fixtures, equipment, and appliances. Some residential units on the second, fourth, and seventh floor contain existing mezzanines or patios.

Each apartment will contain one finished bathroom with an American Standard Americast, model 23-90-202 tub. The water closet shall be Gerber Model 21-702. The bathroom sink is Dayton Model 25-22. The kitchen sink will be Elkay, model PSR1720, which is installed with a base cabinet of micro density fiber-board (MDF) with a sanded and sealed finish. All of the above models will be as specified or equivalent.

The cost of all appliances and installation of such, other than those specified in the Plan, will be borne by Unit Owners.

The floors with the exception of the bathroom floors are unfinished cement or, in some Units sections of the cement with terrazzo floor surfaces have been repaired or patched. Material and installation of flooring over the cement will be by Unit Owner.

Bathroom floors are ceramic tile. Bathroom ceilings are water resistant gypsum board, taped and painted or equivalent water resistant board and finish. Bathroom walls are water resistant taped gypsum board with a painted and/or ceramic tile finish or equivalent.

All partitions will be new gypsum board painted. Ceilings are unpainted cement. Exterior walls are either masonry or new gypsum board painted.

SAFETY AND WARNING DEVICES

Portions of the building are protected by a wet pipe sprinkler system. Mechanical ventilation systems are equipped with appropriate smoke detection/shutoff devices where required by code. Smoke detectors are provided in each unit. The elevator is equipped with the required alarm safety devices. There is a manual pull fire alarm station located on the ground floor with enunciators on each floor.

ADDITIONS/ALTERATIONS OR IMPROVEMENTS BY UNIT OWNERS

Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair that adversely affects the Buildings structural integrity or systems, including but not limited to, plumbing, electrical and mechanical, without the prior written approval from the Board of Managers, which approval shall not be unreasonably withheld or delayed.

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair, the Board may, at its option,

require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including without limitation, the days and hours during which any work may be done.

All Unit Owners, including the Commercial Unit Owners, shall be required to obtain their own individual work permits and file separate alteration applications with the appropriate authorities, prior to the commencement of any alterations, additions being performed in their Unit. Such Unit Owner, including the Commercial Unit Owner, shall be responsible for the cost and expense of obtaining all required sign-offs from the appropriate authorities in connection with any open building permits or alteration applications filed for such Unit.

All structural alterations, additions, improvements or repairs made by Unit Owners shall be made in compliance with all laws, rules and ordinances and regulations of all governmental authorities having jurisdiction thereof and be free from mechanics' liens or other liens.

A Unit Owner making or causing to be made structural alteration, addition, improvement or repair shall be deemed to have agreed, to hold the Board of Managers, all other Unit Owners and the Sponsor harmless from any liability arising thereof.

FINISH SCHEDULE OF AREAS OTHER THAN APARTMENTS

All equipment and meter rooms have concrete floors and walls of either masonry or gypsum board, and ceilings of either concrete or gypsum board.

The first floor lobby has terrazzo and cement floors, and wall of either masonry or gypsum board and ceilings of either concrete or gypsum board.

All other corridors and halls have cement floors and walls of masonry, cement block or gypsum board and ceilings of cement or gypsum board.

The stairwells have cement landings and masonry or cement block walls and ceilings of cement or gypsum board. The commercial spaces have cement floors and walls of masonry, cement block or gypsum board.

ADDITIONAL INFORMATION REQUIRED

Drawings showing the site plan, floor plan for each line or type of unit showing approximate total area of each unit, and master floor plan showing common areas are attached. An area map is not required as the condominium is located in an urban area.

GENERAL INFORMATION

The building and site will be constructed in accordance with the New York City Building Code, the Multiple dwelling code, the New York City Zoning Resolution and all other applicable authorities having jurisdiction over the work and in accordance with the plans and application on file with the department of Buildings of the City of New York.



Sworn to before me this
the 31 day of May 2001

Maureen Bonal

MAUREEN BONAL
NOTARY PUBLIC, State of New York
No. 41-4725421

Qualified in Queens County
Cert. filed in Queens County
Commission Expires March 30, 2002

April 30, 2002

EXHIBIT A:

LOCAL LAW #11 / 98 REPORT

Technical Report Periodic Inspection of Exterior Walls and Appurtenances

February 21, 1999 – February 21, 2002

Please File 3 Copies

This Form Must Be Typewritten and Microfilmed with the Report

Control # for location

From DOB LL 11/98 Master Printout

DEPT. OF BUILDINGS
LICENSING & REGISTRATION UNIT
RECEIVED

Cycle Number:

5

2001

05-12-19

1 Filing Status

☒ Initial Filing	Amended Filing Indicate initial filing date:	Indicated initial filing date: 05/24/01
Was filing made for any previous cycles (yes/no)? If yes, indicate last filing date: 08/15/99		

2 Location

Borough	Brooklyn	Block	2403	Lot(s)	19	BIN
House No(s)	330	Street Name	Wythe Avenue			
A.K.A. address(es)						

3 Applicant

Last Name	Cader	First Name	Kazimierz	M.I.	
Business Name	Cader Structural Engineering			Business Phone	(732) 603-9373
Address	94 Dellwood Road			City	Edison
				State	NJ
				ZIP	08820
☒ P.E.		R.A.		Lic. No.	069119

4 Owner

Last Name	Eisenberg	First Name	Stephanie	M.I.	
Business Name	330 Wythe Avenue Association' LLC			Business Phone	(718) 384-1500
Address	1 Nassau Avenue			City	Brooklyn
				State	N.Y.
				ZIP	11222

5 Building Characteristics

Number of Stories	8 double height =16	Exterior Wall Type	Solid Masonry Wall/Light gage steel curtain walls
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6 Prior Status - Last Cycle Local Law 10/80

☐ Ongoing Maintenance Program	☐ Precautionary conditions	☐ Unsafe conditions
Conformed with Code Requirements	Current completion of work estimated to be %	Current completion of work estimated to be %

7 Current Field Report – Critical Examination

☒ SAFE: All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives.
SAFE WITH A REPAIR AND MAINTENANCE PROGRAM: All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives except for the unsafe conditions described in the report and below:

See Attached Report

UNSAFE: All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives except for the unsafe conditions described in the report and below:

8 Statements and Signatures

Falsification of any statement is a misdemeanor under Section 26-124 of the Administrative code and is punishable by a fine or imprisonment, or both. It is unlawful to give to a city employee, or for a city employee to accept any benefit, monetary or otherwise, either as a gratuity for properly performing the job or in exchange for special consideration. Violation is punishable by imprisonment or fine or both.

Applicant's name (print): Kazimierz Cader	Owner's name (print): Stephanie Eisenberg
I, hereby state that the owner has authorized me to make this application. Furthermore, I hereby state that all statements are correct and complete to the best of my knowledge. A copy of this report has been given to the owner.	I, hereby state that I am the owner of the premises referenced in the attached report. Furthermore, I hereby state that I have received a copy of the attached report and that I am aware of the required repairs and/or maintenance, if any, and the recommended time frame for same.
Applicant's signature: <i>Kazimierz Cader</i>	Owner's signature: <i>Stephanie Eisenberg</i>
Date: 05/24/01	Date: 5/24/01

SEE INSTRUCTIONS ON REVERSE SIDE

TR-6 Revised 09-98

Local Law #11/98 Initial

INITIAL REPORT OF CRITICAL EXAMINATION, LL 11/98

**330 Wythe Avenue
Brooklyn, NY 11211**

May 23, 2001

Prepared by:

**Cader Structural Engineering
94 Dellwood Road
Edison, NJ 08820-3832**

NYC DEPT. OF CITY PLANNING
LOCAL LAW #11/98 UNIT
RECEIVED
2001 JUN - 1 P 1:19



Prepared for:

**330 Wythe Associates LLC
1 Nassau Avenue
Brooklyn, NY 11222**

Seal



Applicant:

**/Kazimierz Cader, P.E./
NYS License # - 069119**

Introduction:

This report gives an account of the current conditions observed on the exterior walls and roofs of the building located at 330 Wythe Avenue in New York, Borough of Brooklyn performed by Cader Structural Engineering between March 9, 2001 and May 21, 2001 in compliance with section 27-129 of the New York City Administrative code and the rules in relation to the periodic inspection of the exterior walls and Appurtenances of buildings (the TR-6 form included). As a result of the visual inspection of the exterior facades, and roof as well as the inside inspection of the exterior wall we have noted in this report the existing conditions at the time of the inspection and recommend to remedy what is considered safe at this time, but requires repairs or maintenance during the time frame established by this law.

Building:

Name: The Esquire

Address: 330 Wythe Avenue

Borough: Brooklyn

City: New York

Location: The building is located on the southwest corner of the intersection of South 1st Street and Wythe Avenue.

Block: 2403

Lot: 19

Landmark status: None

Owner Agent: Stephanie Eisenberg

Mailing Address: 1 Nassau Avenue, Brooklyn, NY 11222

Telephone Number: 718.384.1500

History of Building: Year built: Approximately beginning of the 20 century

Height: 150' ±

Number of stories: 8

Plan Dimensions: 112'± along Wythe Avenue and 9th, 115'± along Streets 15th and 16th

Certificate of Occupancy Number: Vacant

Building Use: Residential currently vacant

Original Building Construction:

General structural system:

The eight-story building was constructed with double floor height of 18'-4" on the north side (approximately 2/3 of the building width). The south part was built with intermediate mezzanines with floor height of 9'-2". The building originally used as flour warehouse has a heavy industrial structural framing consisting of steel columns and steel floor beams supporting 6" concrete slab both of which are cast in concrete. Exterior columns are fireproofed with the brick connected to the exterior walls. Interior brick walls of the staircase and elevator shafts are providing lateral stability to the building.

Exterior wall construction:

Self-bearing masonry brick walls were built on the outside of the building perimeter tied originally at each floor level with steel anchors. The pilasters built at each of the steel columns were originally bonded with the brick thus providing fireproofing for the exterior columns. This is essential for the exterior wall stability in order to maintain anchorage to the building's structural framing (particularly for the walls at the double floor height of 18'-4").

Exterior Appurtenances:

There are two steel canopies, one over the main entrance from Wythe Avenue and second on the west elevation.

Window types, lintel and sill:

Single glazed, industrial type steel windows. Lose lintels built with steel angles.

Parapet walls:

Brick parapet walls at roof are 42" height and built of brick with terra-cotta coping.

Review of Prior Report:

Prepared by: Cader Structural Engineering

Date: August 15, 1999

Facades excluded by Prior LL-#10 Report: None

Category under which the building was filed: Residential

Unsafe condition of building reported in prior report:

1. The exterior wall on the East Elevation from the staircase to the north corner, all double floor height is unsafe due to separation of the wall from the building structural framing.
2. The exterior wall on the North Elevation, double height floor height is separated from the building structural framing.
3. The part of the West Elevation of the exterior wall with double floor height is separated from the building structural framing.
4. All roof parapet walls are unstable.
5. All roof bulkhead walls are seriously deteriorated and unsafe.
6. All existing window lintels are seriously corroded and buckled in many locations.

Method of Examination:

Visual:

A number of site visit was made in between March 9, 2001 and May 21, 2001 by Mr. Kaz Cader, P.E. to perform a visual inspection from the street level, from every floor including the roof and from hanging scaffolding on the East Elevation facing Wythe Avenue (main entrance), the North and West Elevations.

Detailed description of close-up inspection:

Inspection of the exterior masonry wall from the hanging scaffolds on all three elevations where removal of the masonry wall took place and at the area of the masonry wall and the windows lintel repair. Inspection of the exterior wall from all floor levels during reconstruction.

Date started: March 9, 2001

Date completed: May 21, 2001

Unsafe Condition Removed:

ABR Construction removed all unsafe conditions listed above. The following items of the exterior wall system were repair or modified:

1. Structural steel framing at the roof level was partially replaced and reinforced including 4 ft. of the perimeter strip of concrete deck, providing integrity to the structural building system.
2. All structural steel framing exposed during reconstruction of the upper two floors were closely examined, repaired as required and painted.
3. Top two floors, 8th and 7th, of the exterior masonry wall, including roof parapet walls, were removed and replaced with new light gage metal framing system on all double floor height side of building which include full south elevation and partial West and East Elevations.

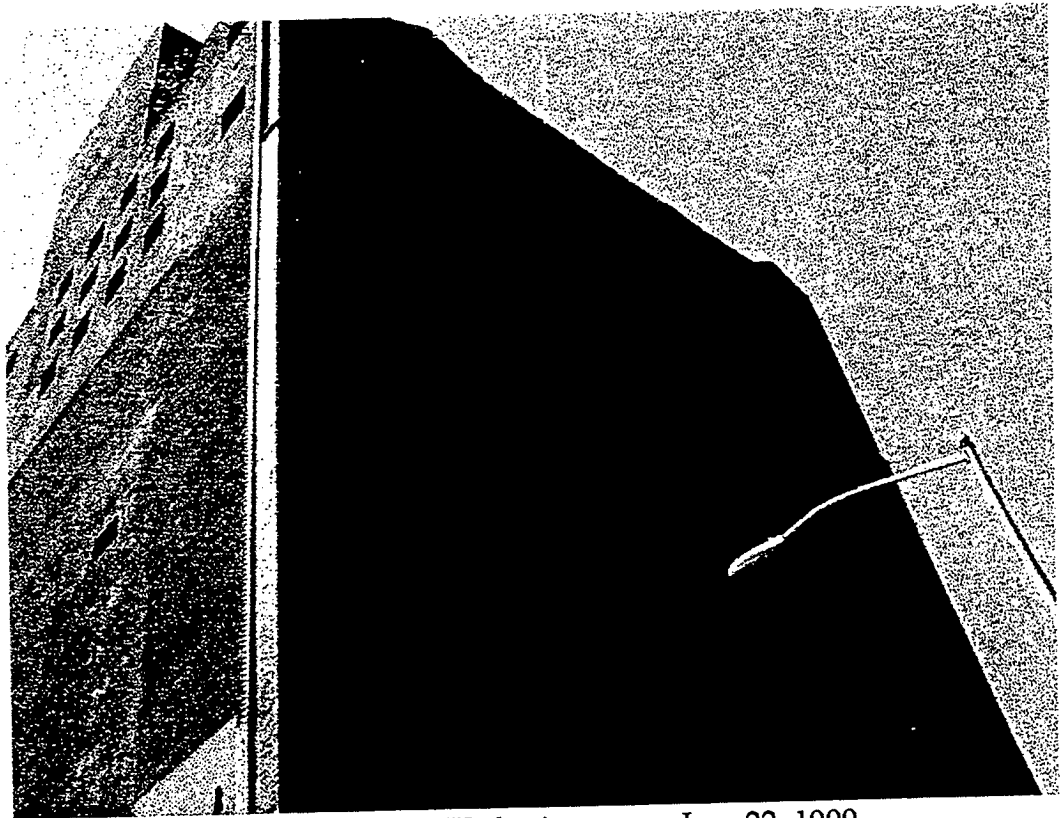
4. Upper portion of the 6th double height floor wall were rebuilt with brick masonry finished with reinforced concrete tie beam connected to the building steel framing system. The concrete tie beam is the base of the new light gage steel framing system.
5. All steel windows lintels were removed and replaced with new, properly rust proofed and waterproofed, tied to the building framing system.
6. The remaining original brick masonry walls were tied to the steel columns using 1/2" stainless steel rods spaced at 30" vertically.
7. All cracks in the exterior brick wall bigger than 1/4" were repaired with new brick tied with remaining old masonry.
8. All unsafe roof bulkheads were removed, rebuilt or repair.

In general, the exterior masonry walls on the three sides of the double height floors, which were most severely unsafe, were brought to the sound condition due to the following modifications:

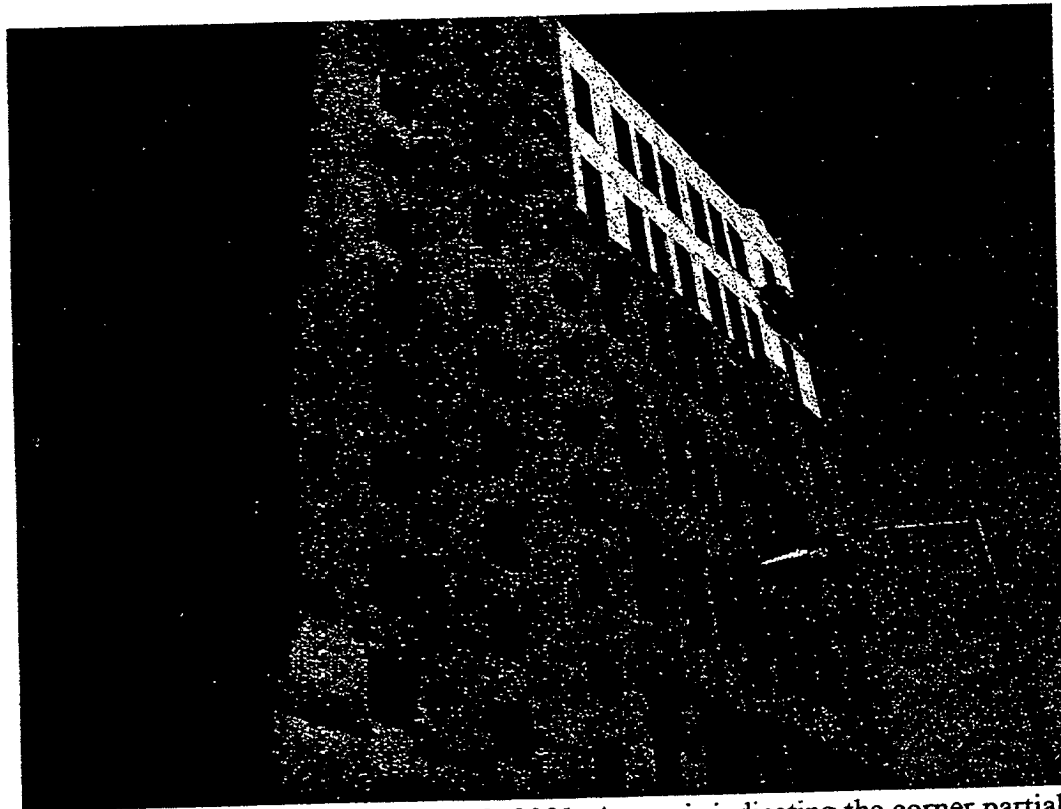
- Removal of the upper two 18 ft floors of heavy masonry walls of 100 psf weight with light gage steel framing with exterior GRFC panels weight about 20 psf.
- Rebuilding upper portion of the 6th floor with reinforced concrete bond beam at the 6th floor framing providing anchorage of the masonry wall to the building structural system, and creating solid support to the new light gage walls above.
- Replacing all window lintels with continuous steel lintels tied to the steel framing provided integrity to the building masonry enclosure.
- Removal all corroded steel inserts from the brick wall and fill the voids with brick.
- Tying the existing masonry wall at all double height floor with SS rods to the building framing columns.
- Repair all cracks with brick replacement.

The building exterior walls are still under construction, the new light gage framing walls should be covered with GRFC panels, however there is no unsafe condition in the exterior facades of the building.

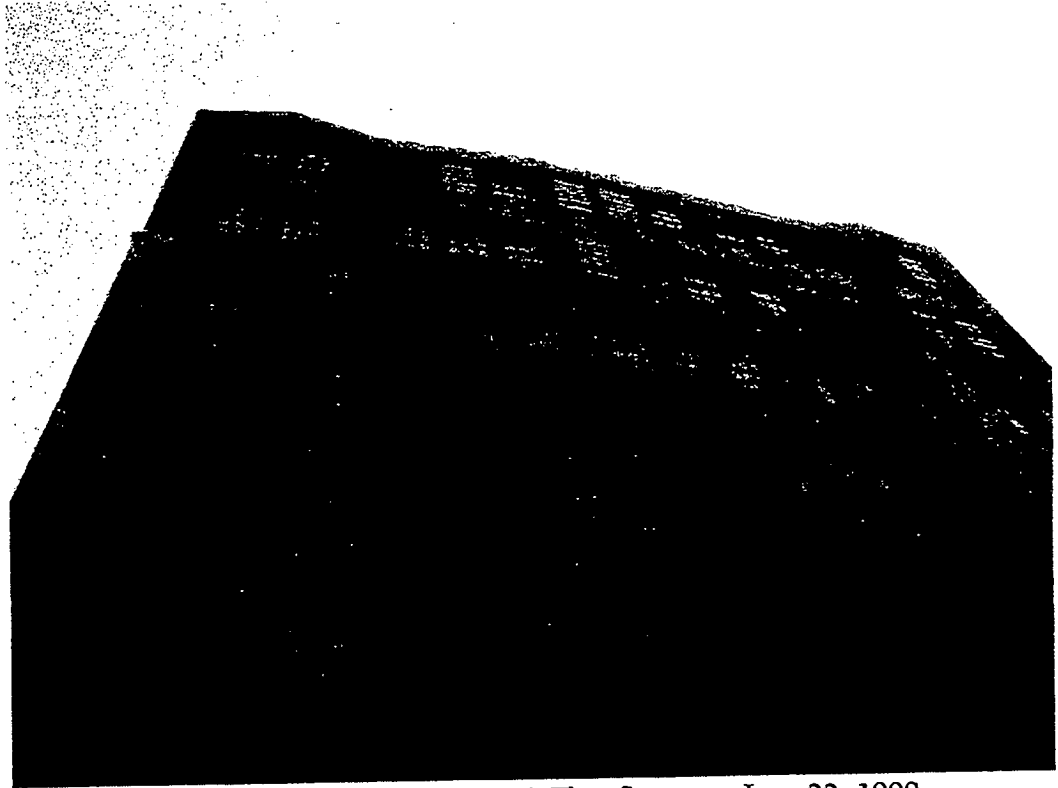
----- END OF INITIAL LL 11/98 REPORT -----



Picture #1 – East elevation facing Wythe Avenue on June 22, 1999



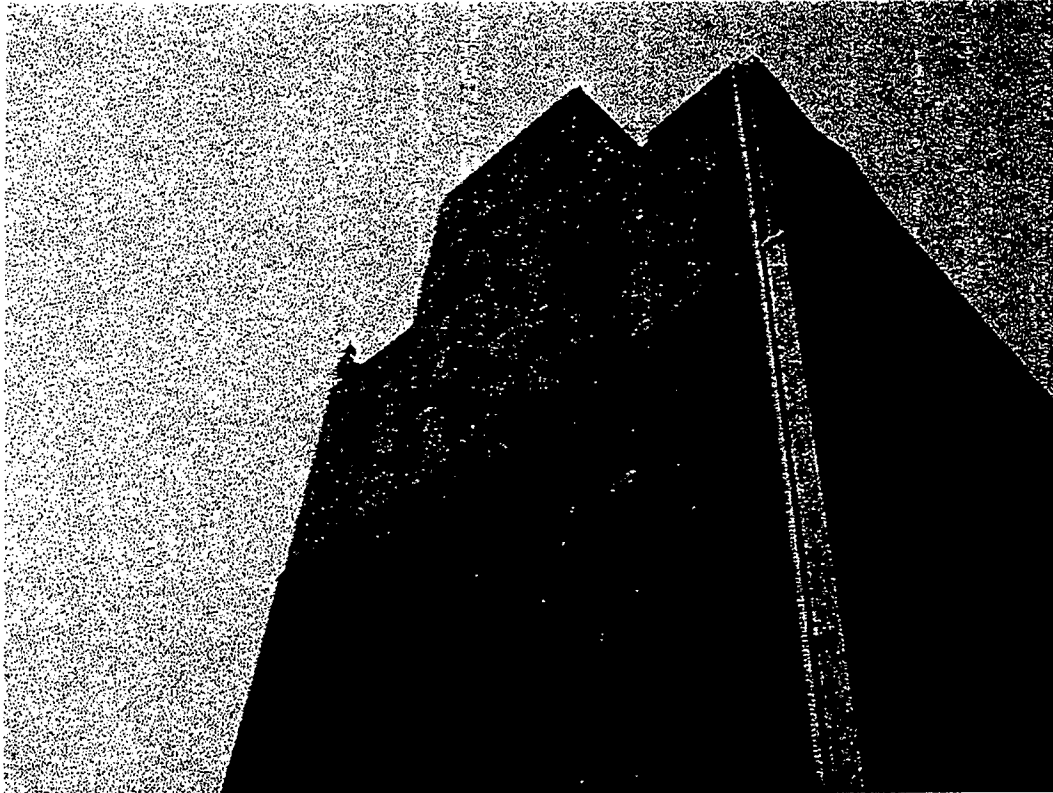
Picture #1 – East elevation on May 8, 2001, Arrow is indicating the corner partial brick reconstruction which is already completed.



Picture #3 – North elevation facing South First Street on June 22, 1999



Picture #4 – North elevation on May 8, 2001, upper two floors are ready to receive GRFC cladding panels.



Picture #5 – South elevation on June 22, 1999

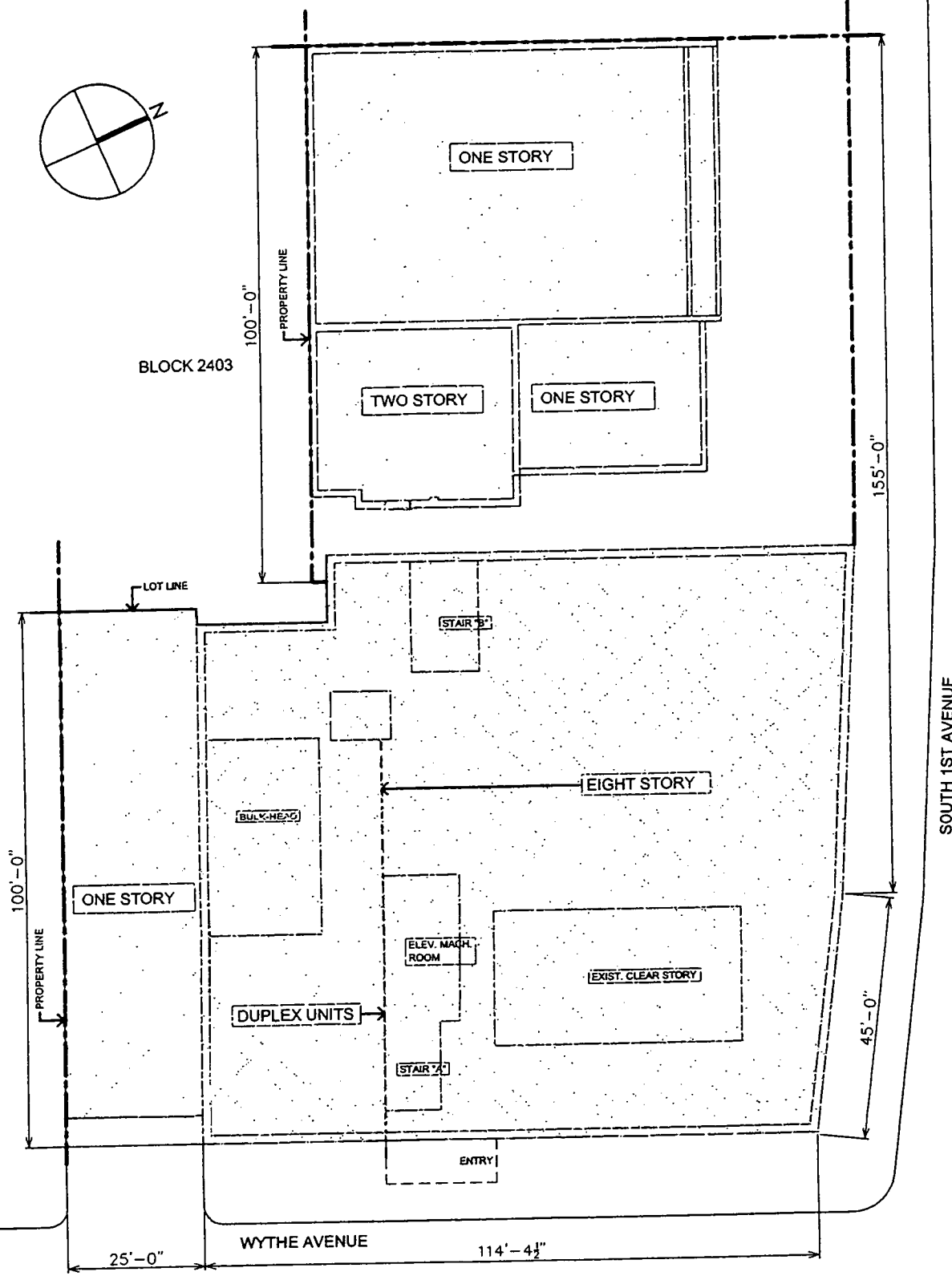
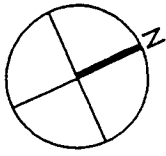


Picture #6 – South elevation on May 8, 2001

EXHIBIT B:**LIGHTING SCHEDULE**

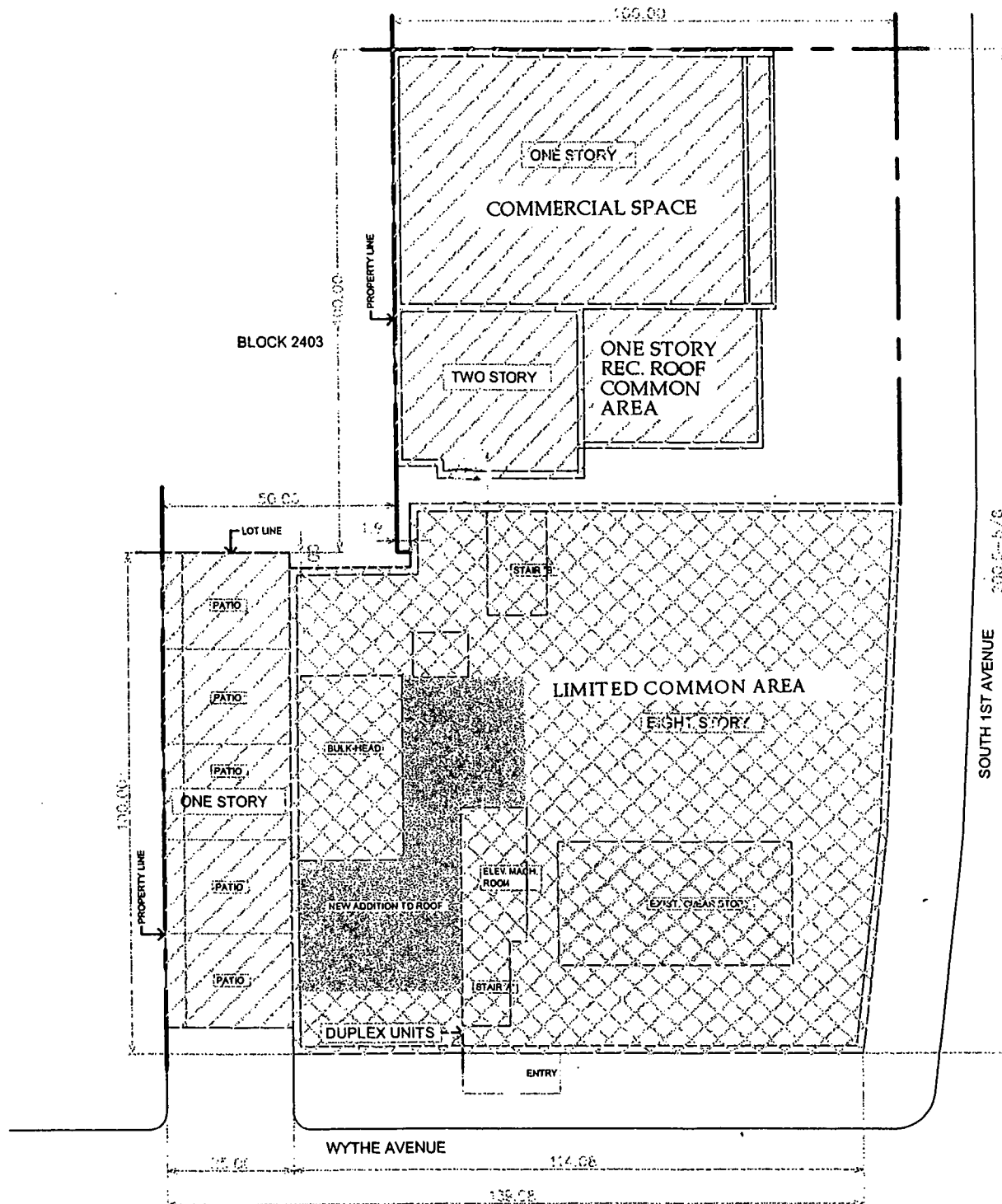
Light fixture type	Location	Manufacturer	Model#
A	Bathroom Vanity	Progress Lighting	P3298-10
B1	Apartment entry, wall sconce, living wall sconce	Progress Lighting	P3410-30
B	Kitchen	Progress Lighting	P7373-30
C	Public Hall, Wall Mounted	Progress Lighting	P7373-30
D	Ceiling Mount, Wall Mount Patient Bed Light	Progress Lighting	MP65-230-RS-A-ESB MP65-240-RS-A-ESB MP65-240-RS/8T-AESB
G	Lobby	Surface Lighting	M6-2-40-OCT
E&F	Shallow Wrap Around	Progress Lighting	M106-296-A-ESB M106-496-A-ESB M106-296-A-4LH-ESB
H	Exit Light	Progress Lighting	EC1-8SR2U EC1-SR2U
I	Exterior lights	Progress lighting	VX200DG
J	Courts for Patrols	Progress lighting	VX100DG
K	Exterior lights & Interior lights	Progress lighting	P5675-20

FLOOR PLANS FOR THE ESQUIRE BUILDING



THE ESQUIRE BUILDING
330 WYTHE AVENUE BROOKLYN, N.Y. 11211

SITE PLAN



PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

BOLEK RYZINSKI,
ARCHITECT
40 WEST 40TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-907-3040
FAX: 212-907-3044

PREPARED BY: J. STROD

NOTES

APARTMENT NUMBER

PLOT PLAN

SCALE: 1/8"=1'-0"

DATE: APRIL 23 2001

SCALE 1/32"=1'-0"

UNEXCAVATED 1 STORY BUILDING

PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

**BOLEK RYZINSKI,
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49 WEST 46TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-997-3840
FAX: 212-997-3844

PREPARED BY: J. STREB

NOTES

COMMERCIAL CELL
EXIST. CONCR. FLOOR

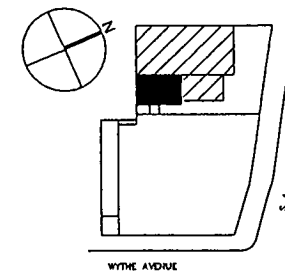
STORAGE

STORAGE

UNEXCAVATED

8" LDR UP
6235 SF

8" CONCR. BLK



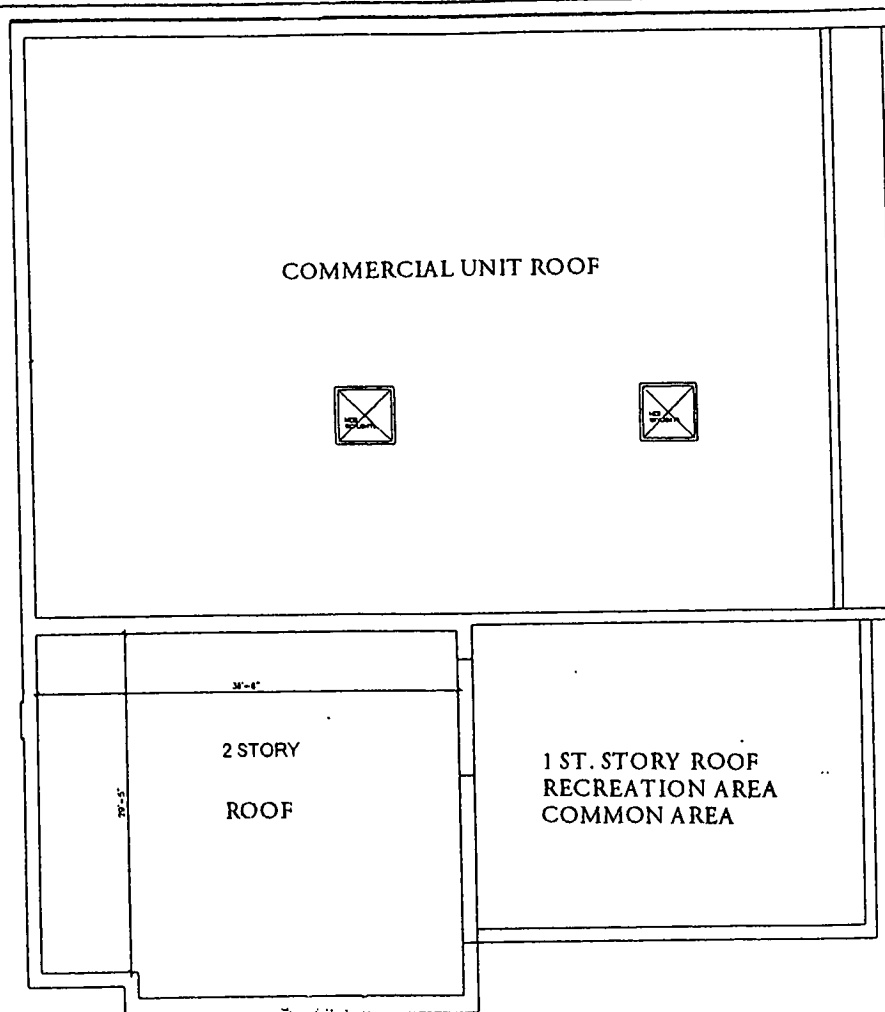
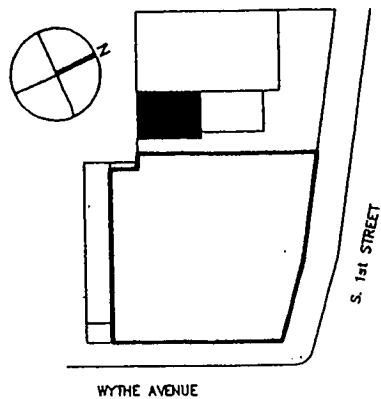
APARTMENT NUMBER

**LOW POR
OF BUILDING**

SCALE: 1/8"=1'-0"

DATE: APRIL 23 2001

SCALE 1/8"=1'-0"



PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

**BOLEK RYZYNSKI,
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PHONE: 212-997-3840
FAX: 212-997-3844

PREPARED BY: J. STREB

NOTES

**ROOF 1/2 STORY
BUILDING**

APARTMENT NUMBER

**LOW POR
OF BUILDING
REC. AREA**

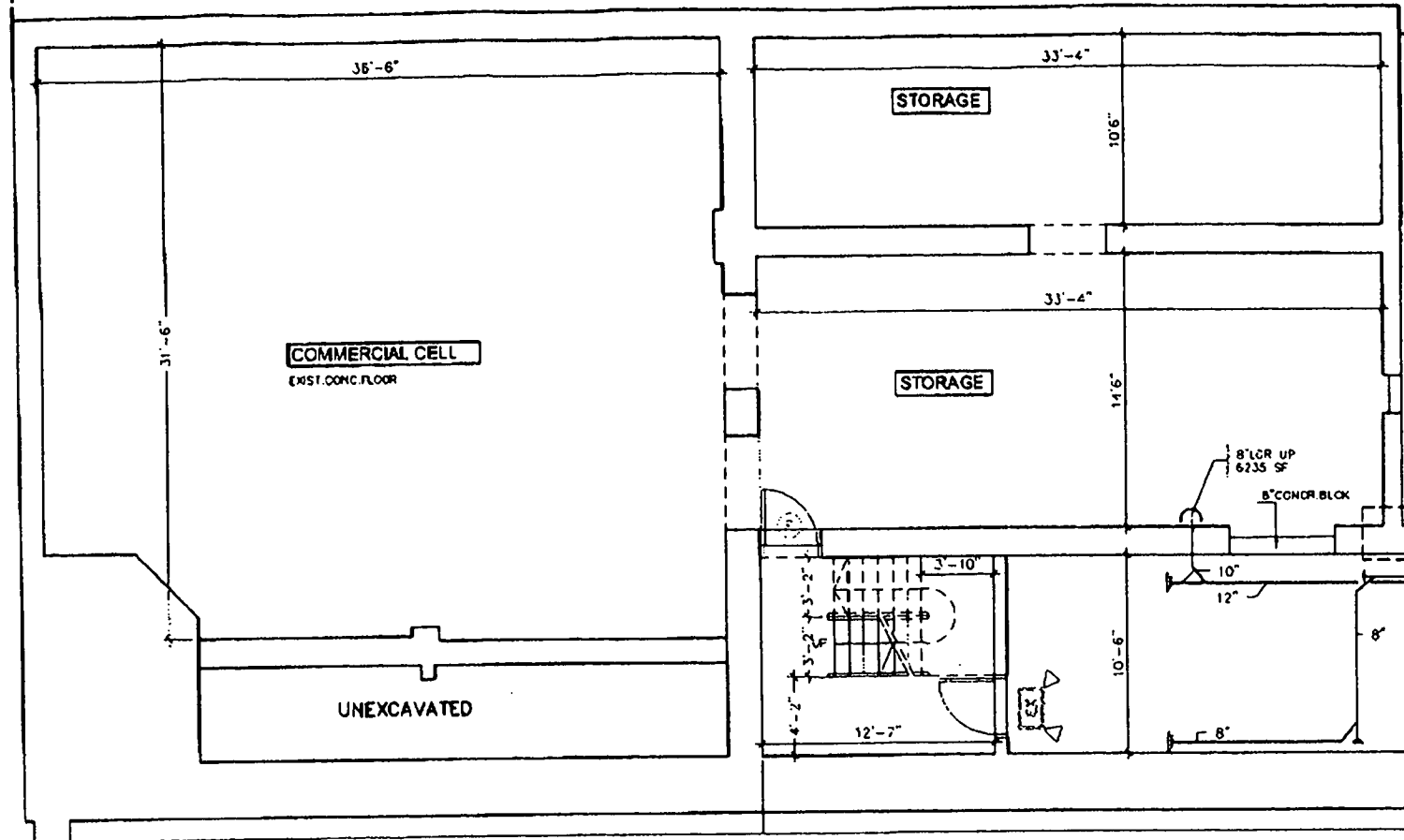
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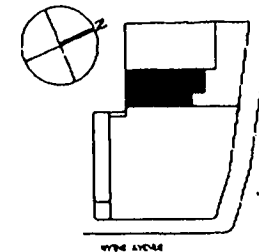
DATE:

MARCH 05-2001

UNEXCAVATED 1 STORY BUILDING



SCALE 1/8"=1'-0"



PROJECT:
**THE
ESQUIRE**
332 WEST 46TH STREET
APPROX. 1911-1912

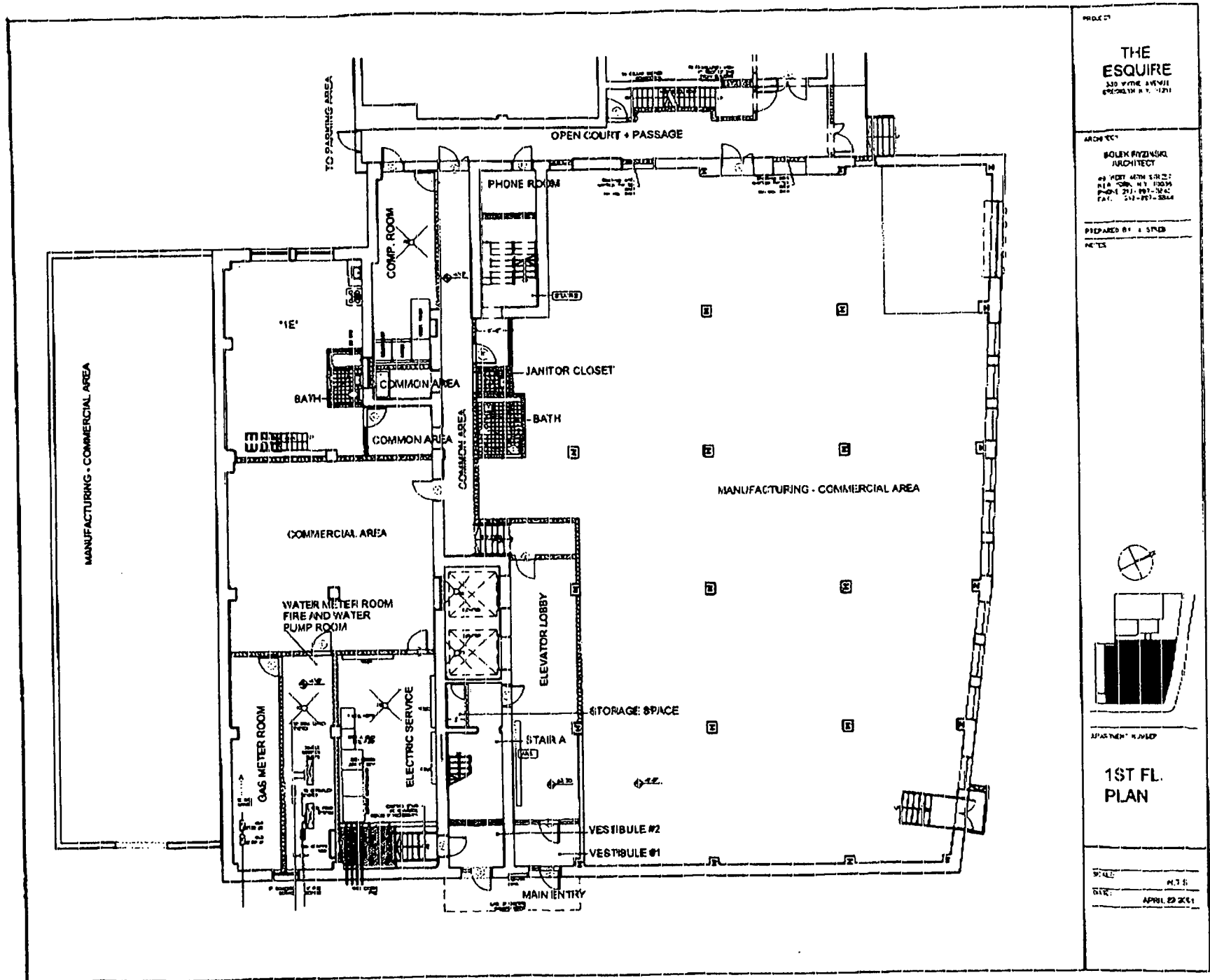
ARCHITECT:
BOLEK RYZYMSKI,
ARCHITECT
40 WEST 46TH STREET
NEW YORK, N.Y. 10036
PH: (212) 512-1100
FAX: (212) 512-1100

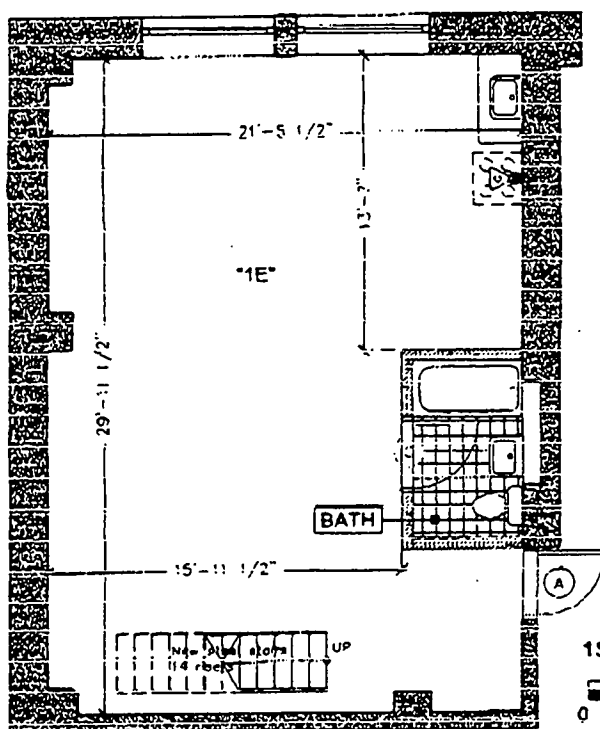
PREPARED BY: A. S. KOS
REVISED:

APPROXIMATE NUMBER

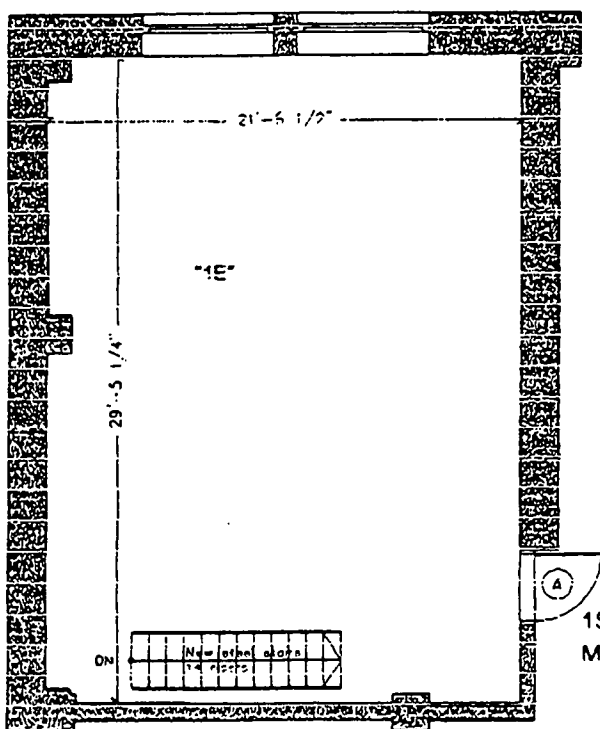
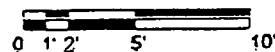
CELLAR

SCALE: 1/8"=1'-0"
DATE: APRIL 23, 2001

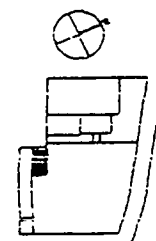
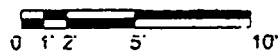


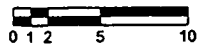
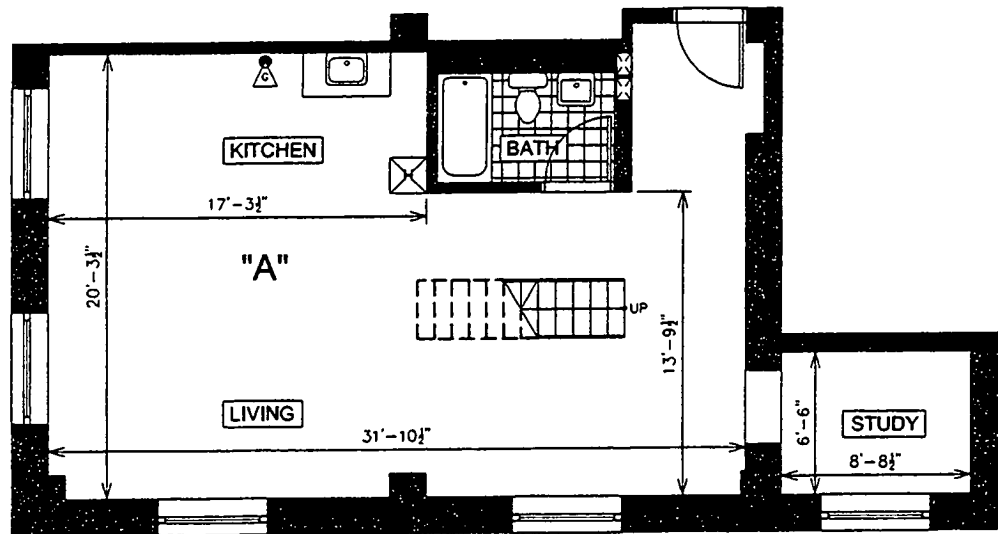


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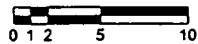
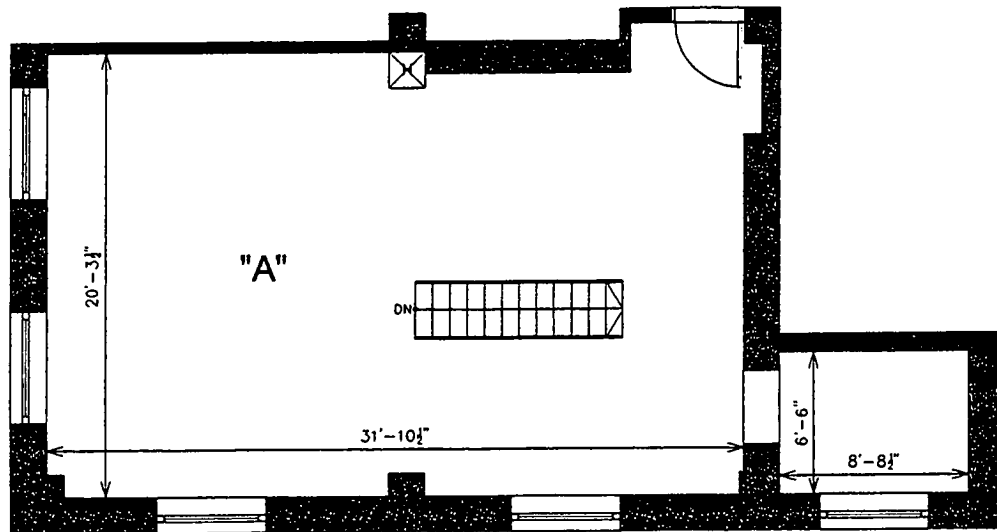


1ST. FLOOR APARTMENT "1E"
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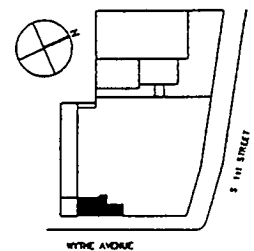




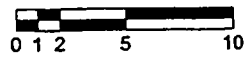
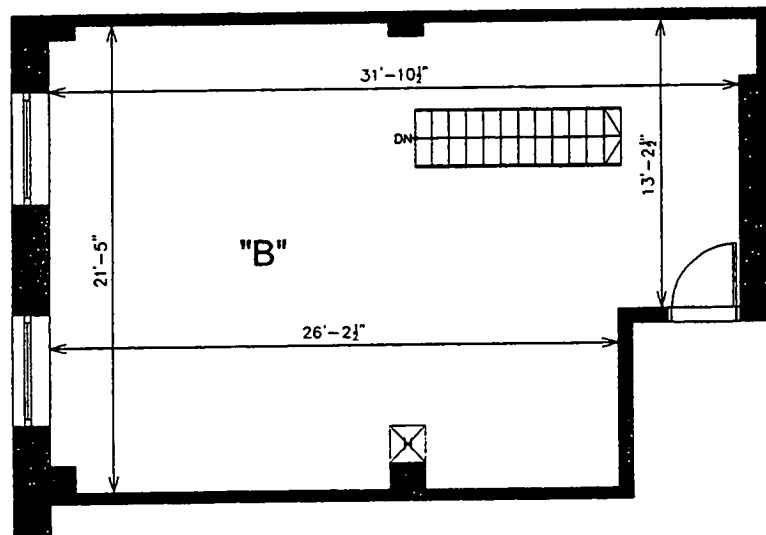
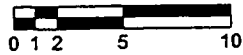
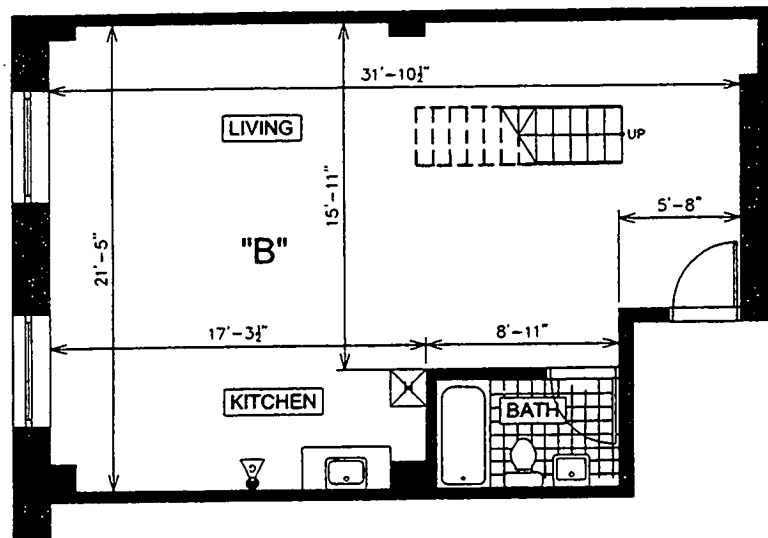
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MAIN LEVEL



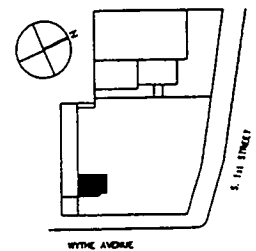
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UPPER LEVEL

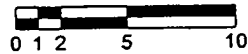
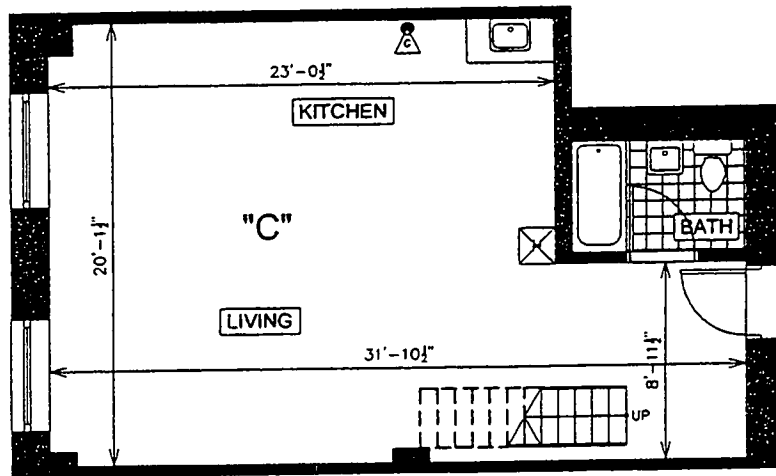


THE ESQUIRE BUILDING
330 WYTHE AVENUE BROOKLYN, N.Y. 11211

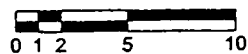
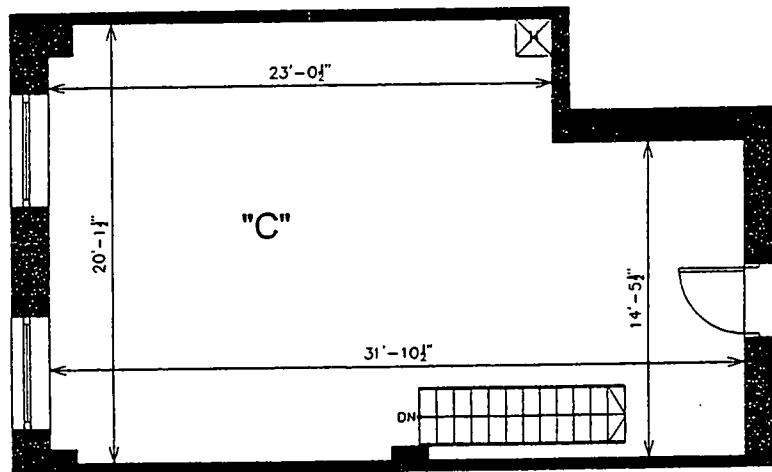


THE ESQUIRE BUILDING
330 WYTHE AVENUE BROOKLYN, N.Y. 11211



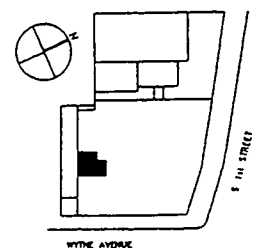


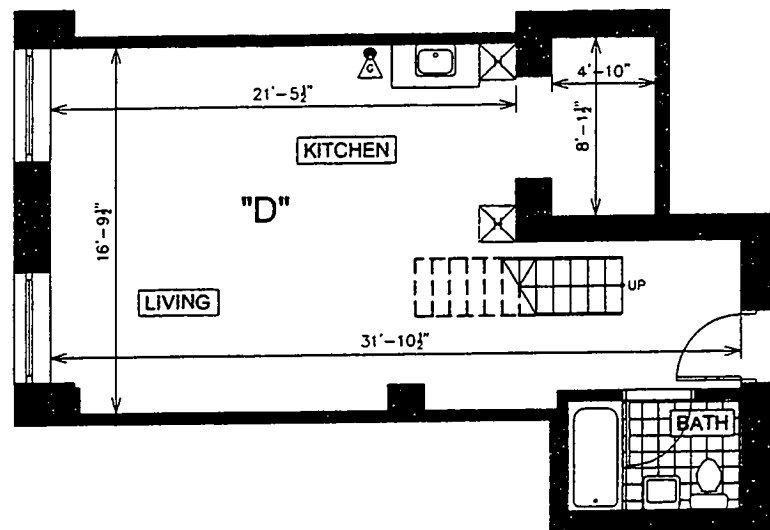
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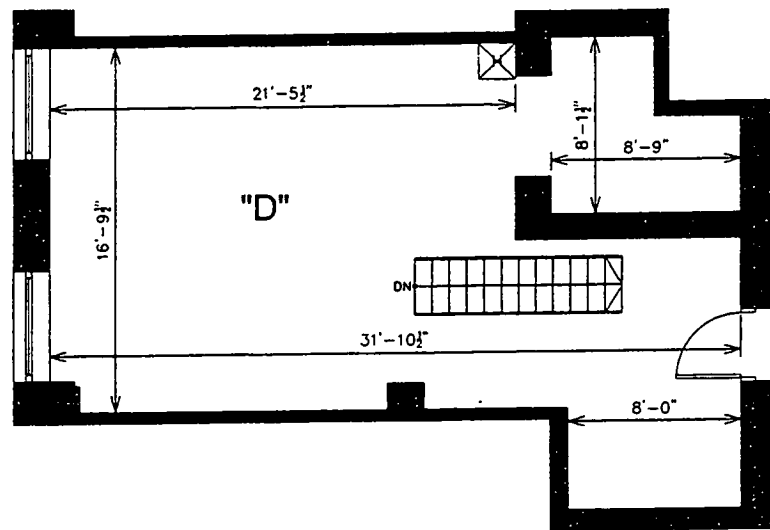
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UPPER LEVEL

THE ESQUIRE BUILDING
330 WYTHE AVENUE BROOKLYN, N.Y. 11211



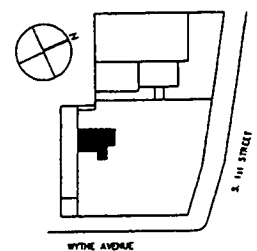


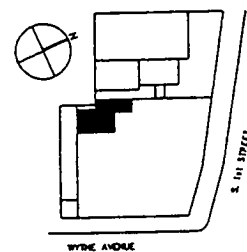
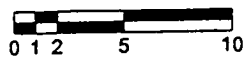
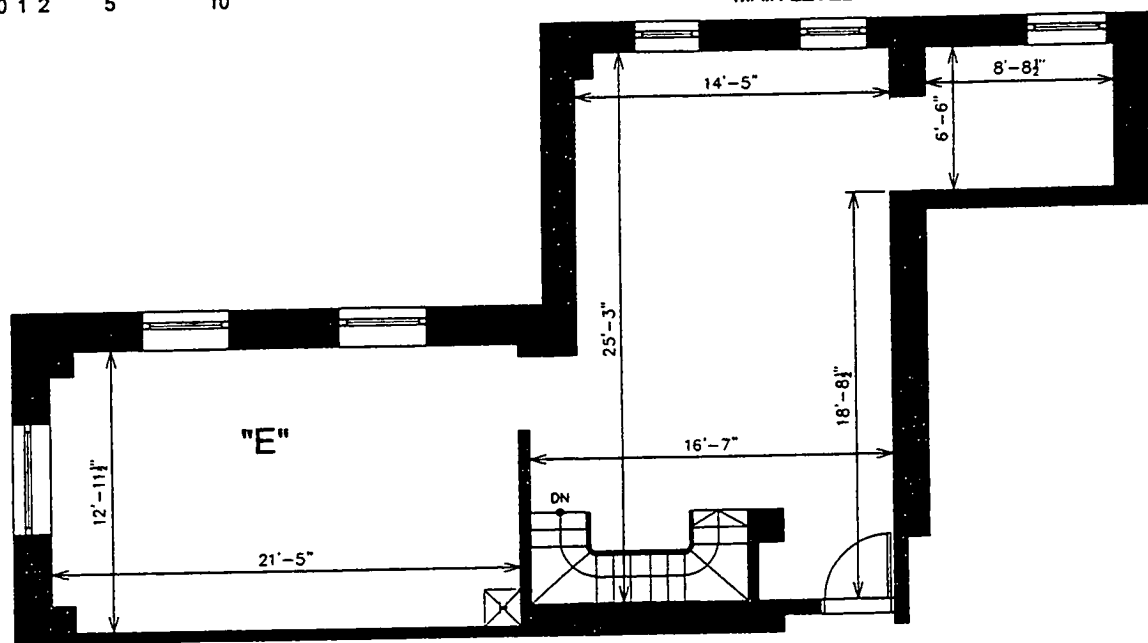
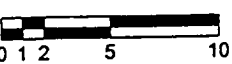
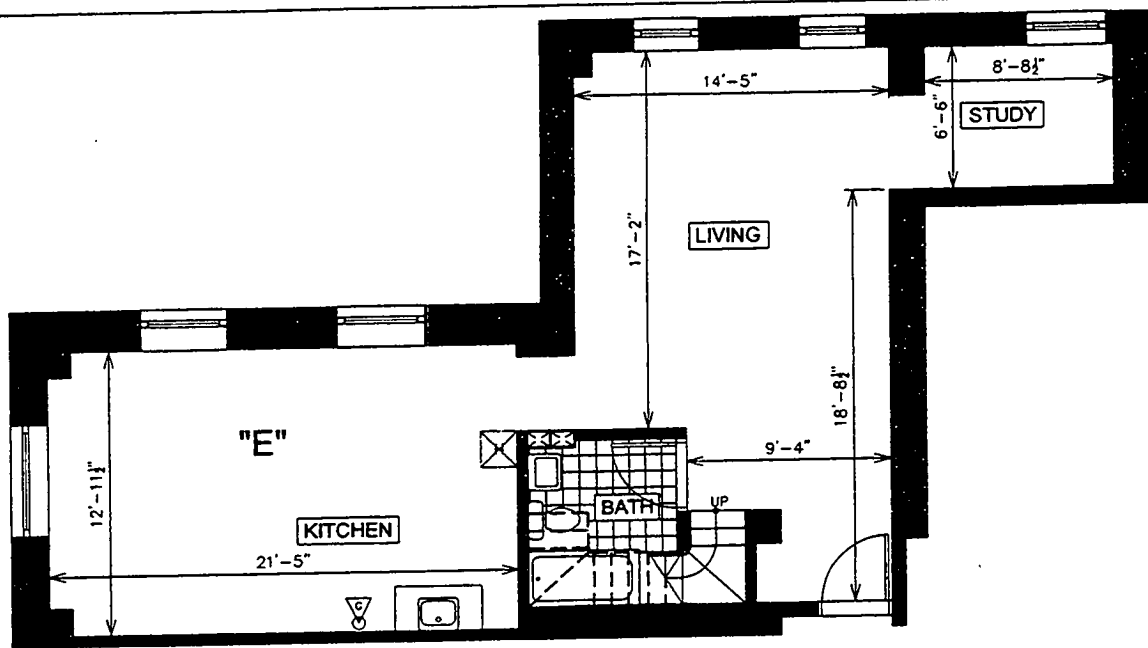
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MAIN LEVEL



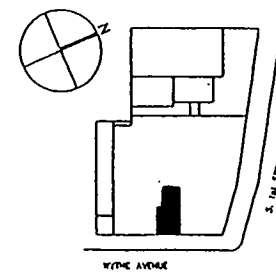
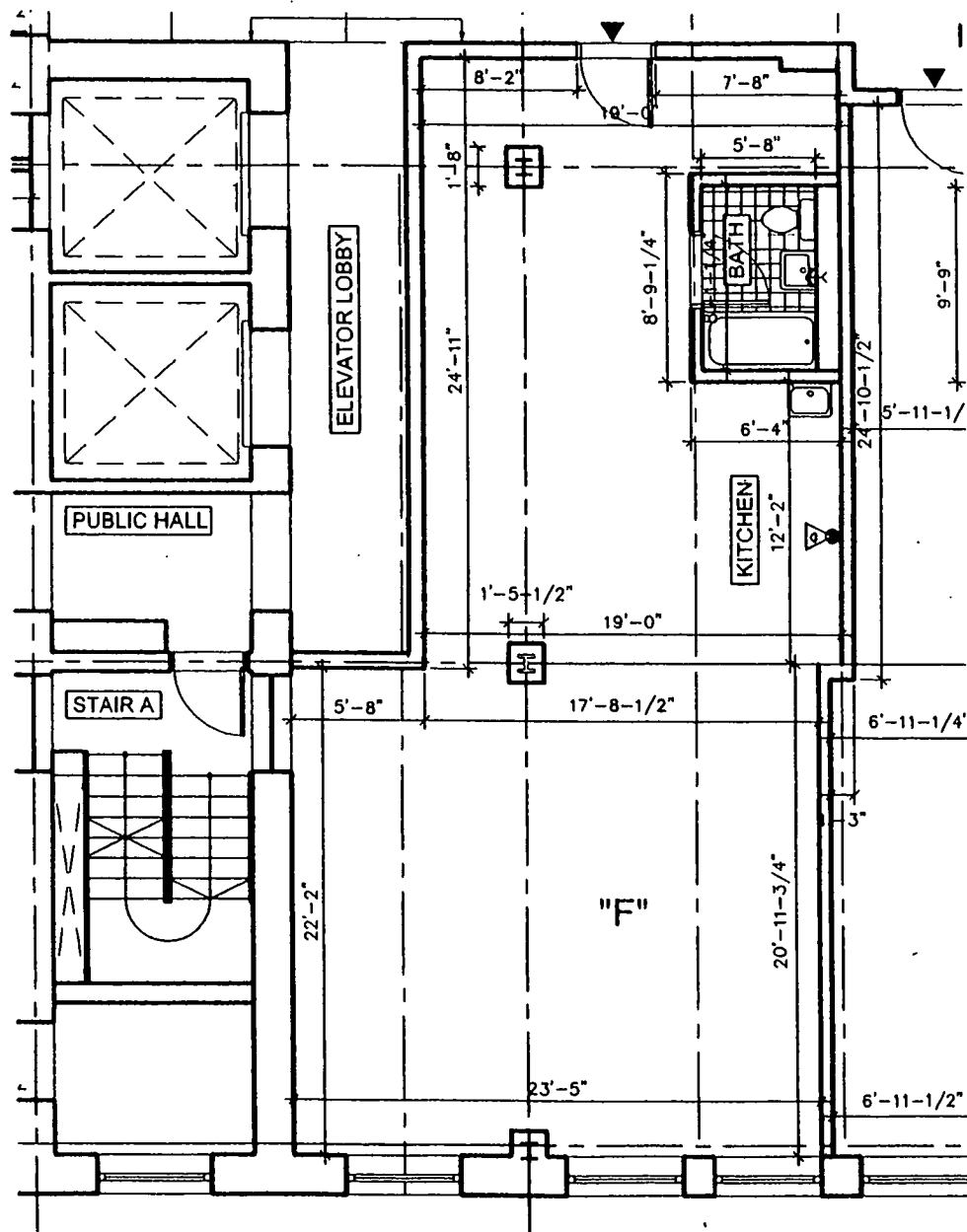
APARTMENT "D"
UPPER LEVEL

THE ESQUIRE BUILDING
330 WYTHE AVENUE BROOKLYN, N.Y. 11211





THE ESQUIRE BUILDING
330 WYTHE AVENUE BROOKLYN, N.Y. 11211



SCALE 1/8"=1'-0"

PROJECT

THE
ESQUIRE
330 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

BOLEK RYZNISKI,
ARCHITECT
40 WEST 40TH STREET
NEW YORK, N.Y. 10018
PHONE: 212-997-3840
FAX: 212-997-3844

PREPARED BY: A. STROB

NOTES

APARTMENT NUMBER

APT. - "F"

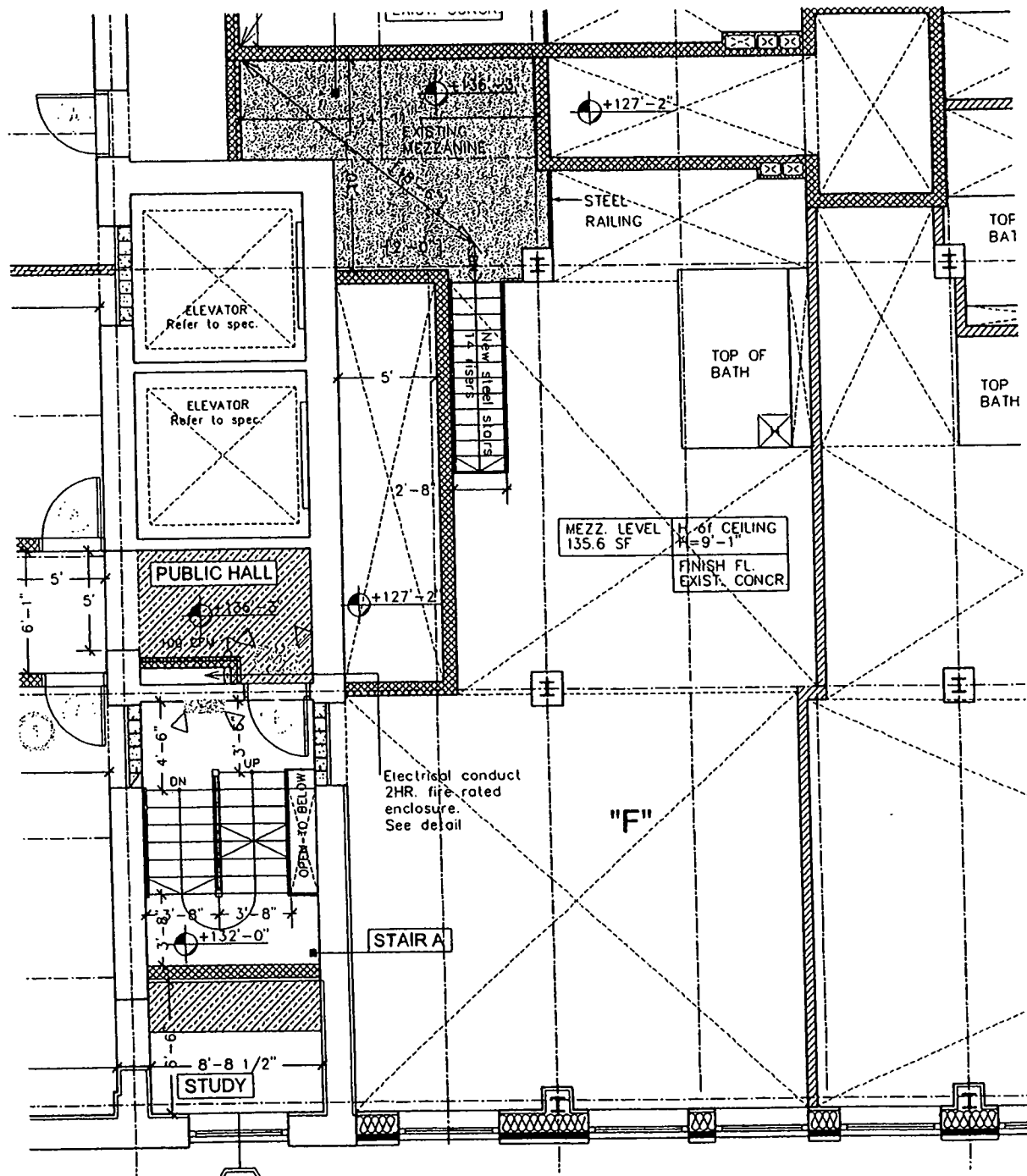
SCALE

1/8"=1'-0"

DATE

MARCH 05-2001

FLOOR TYP.



PROJECT:

**THE
ESQUIRE**
339 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

**BOLEK RYZYNSKI,
ARCHITECT**
49 WEST 45TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-907-5810
FAX: 212-907-5844

PREPARED BY: J. STREB

NOTES

APARTMENT NUMBER

**8TH FL.
MEZZ.
APT. - "F"**

SCALE: 1/8"=1'-0"

DATE: APRIL 23 2001

PROJECT:

**THE
ESQUIRE**
300 WYOMING AVENUE
BROOKLYN, N.Y. 11211

ARCHITECT:

**BOLEK RYKINSKI,
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40 WEST 44TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-247-3344
FAX: 212-247-3344

PREPARED BY: J. STREIB

NOTES

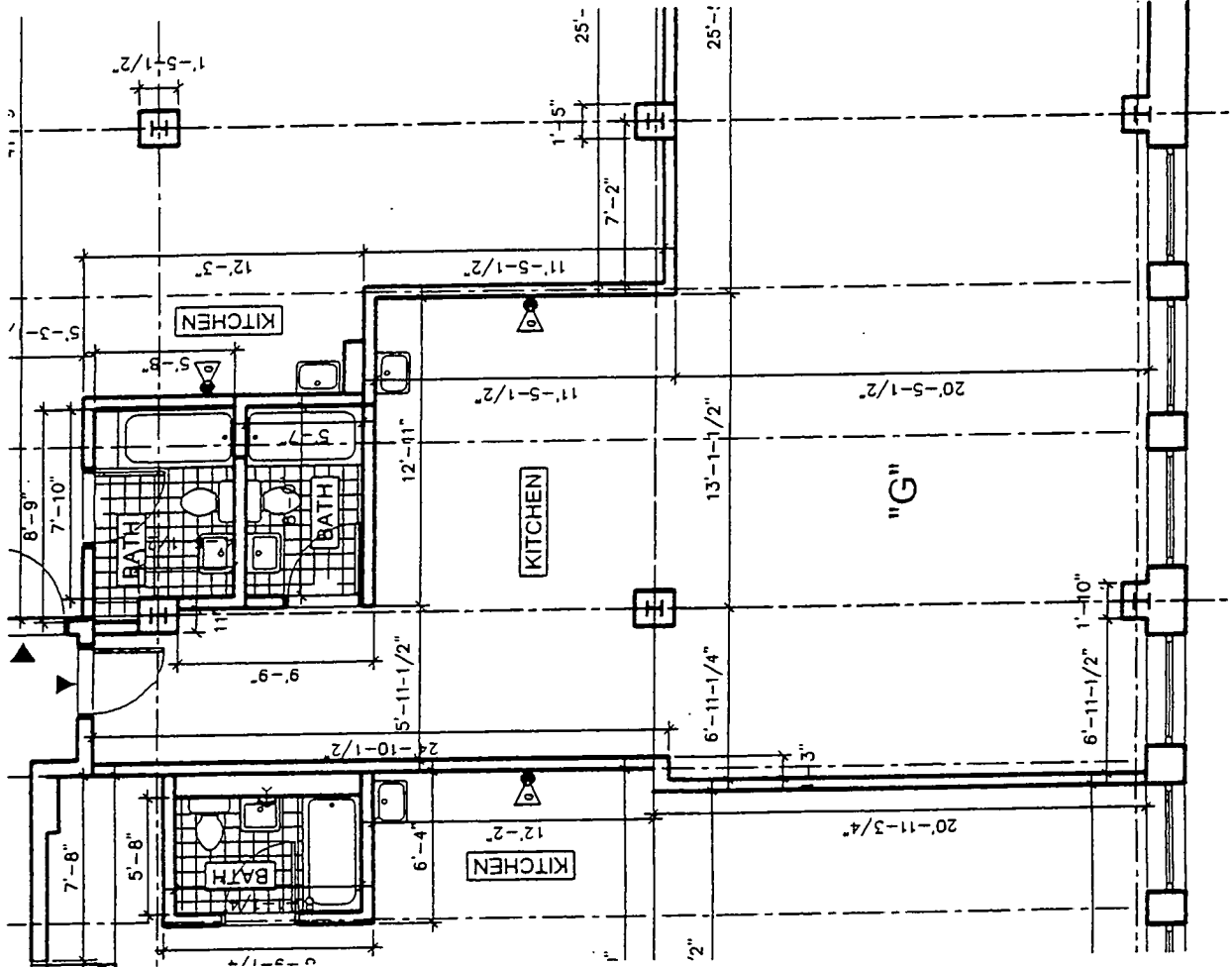
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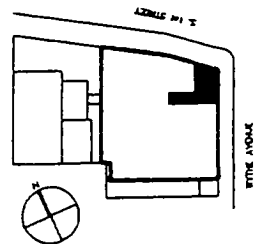
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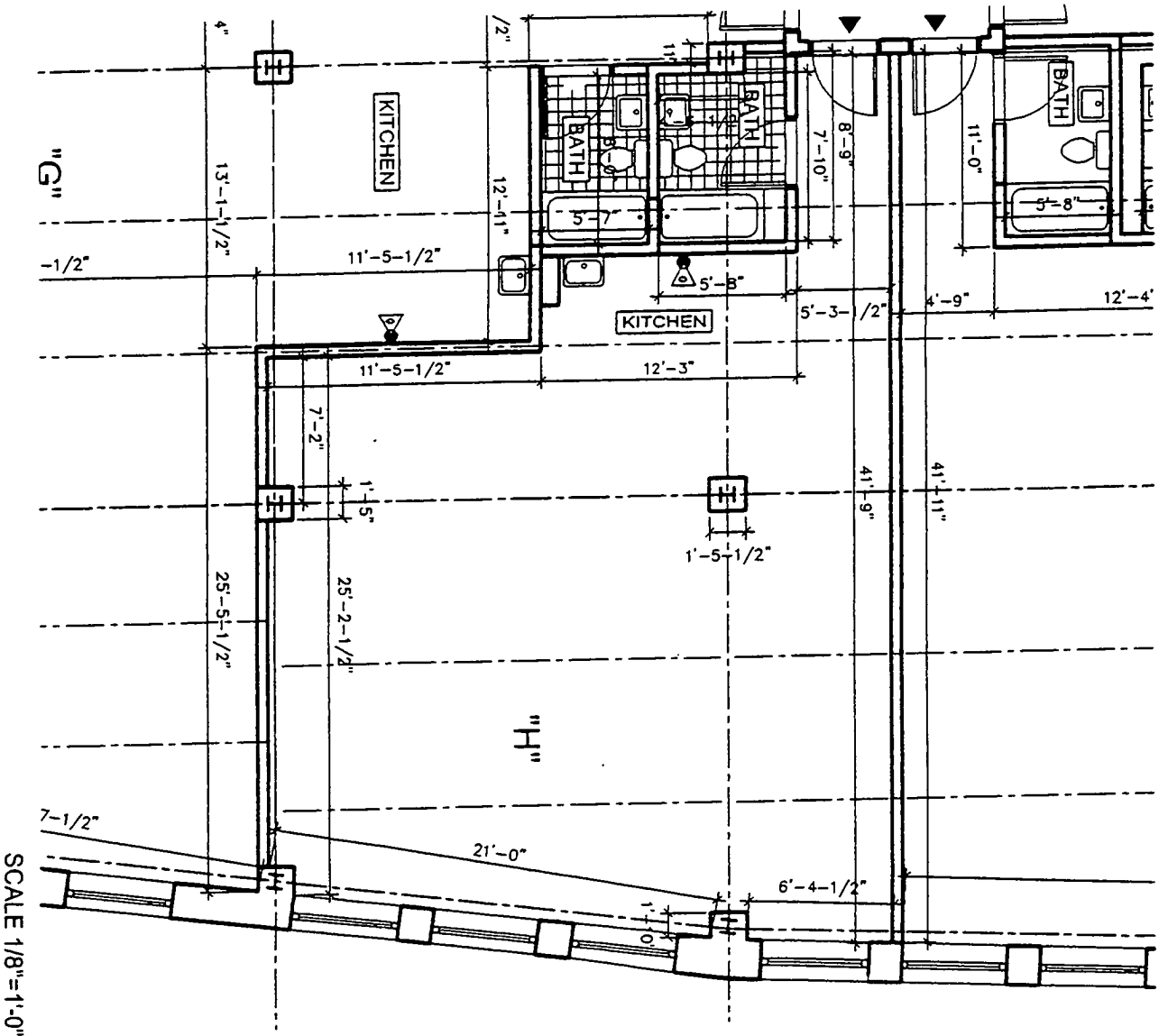
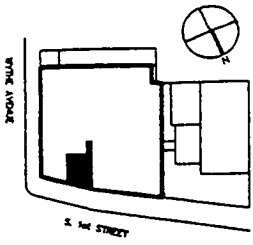
DATE: MARCH 05-2001

FLOOR TYP.



SCALE 1/8"=1'-0"





PROJECT:

THE
ESQUIRE
320 WEST AVENUE
BROOKLYN, N.Y. 11211

ARCHITECT:

BOLEK RYZANSKI,
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40 WEST 45TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-461-5000
FAX: 212-461-5044

NOTES

PREPARED BY: J. STINE

APARTMENT NUMBER

APT. - "H"

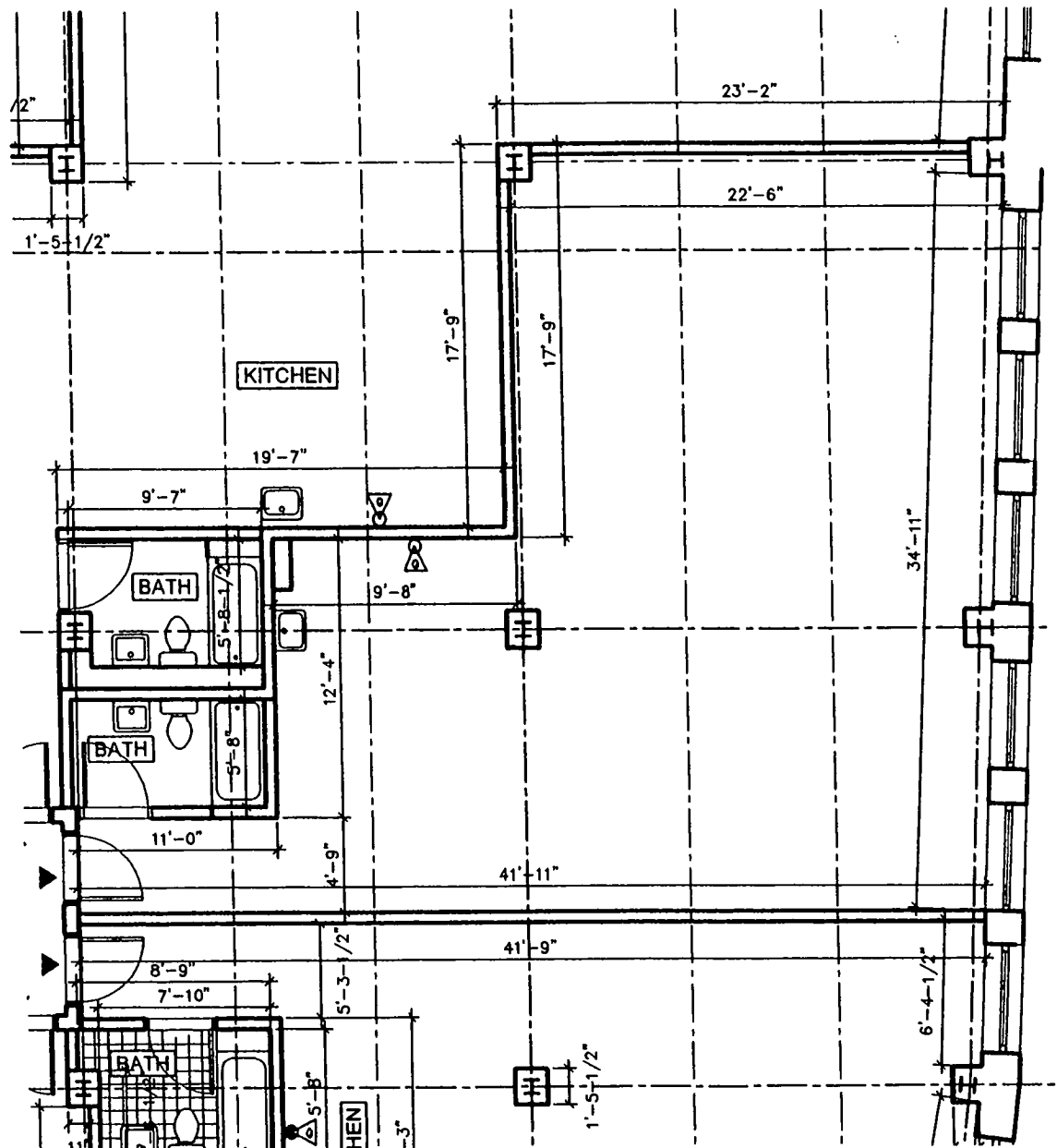
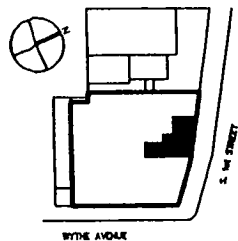
SCALE:

DATE: MARCH 05, 2001

SCALE:

DATE: MARCH 05, 2001

FLOOR PLAN



PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN, N.Y. 11211

ARCHITECT:

**BOLEK RYZYNSKI,
ARCHITECT**

48 WEST 44TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-697-3840
FAX: 212-697-3844

PREPARED BY: J. STRUB

NOTES

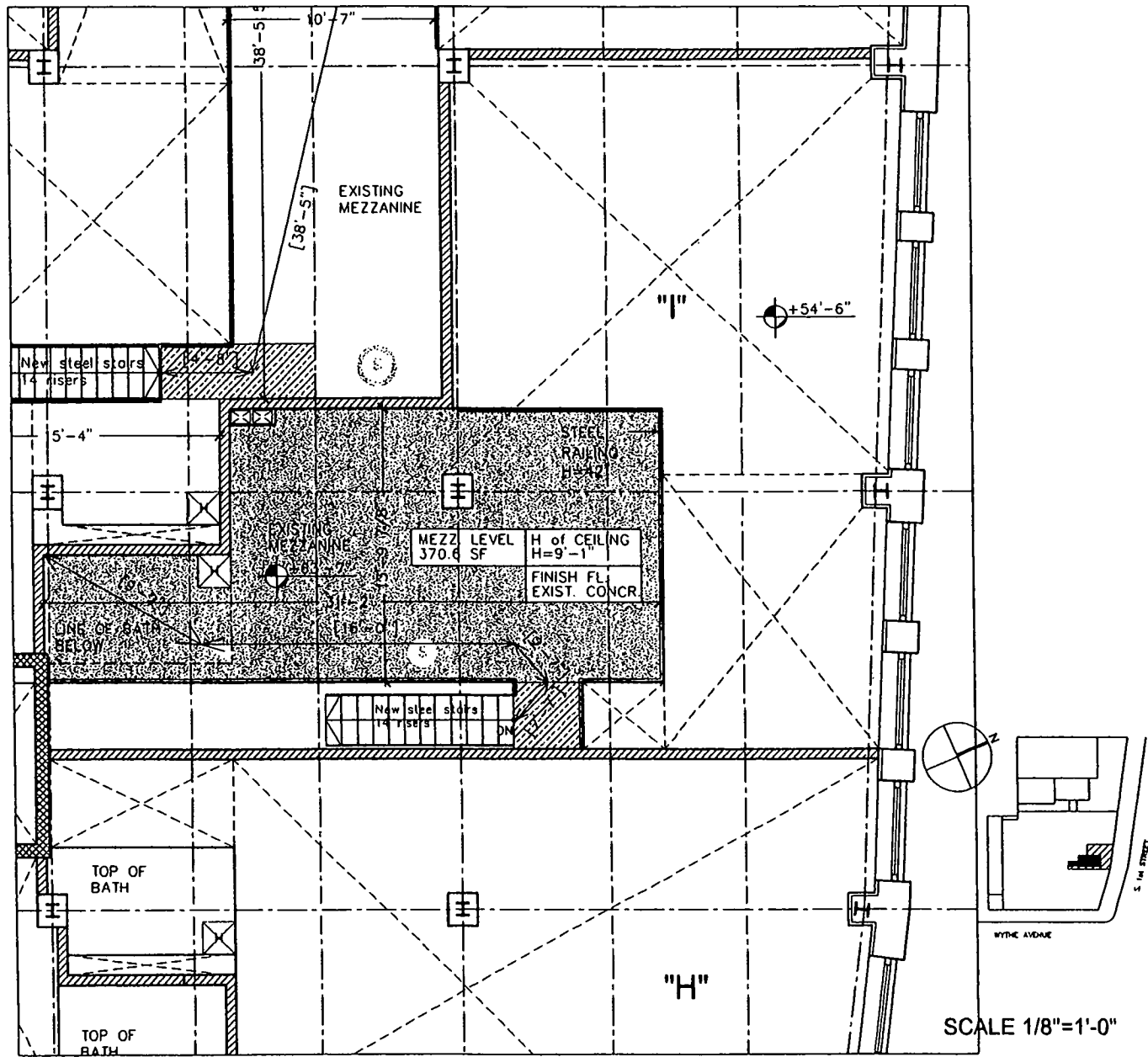
APARTMENT NUMBER

APT. - "1"

SCALE: 1/8"=1'-0"

DATE: MARCH 05-2001

FLOOR TYP.



PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

**BOLEK RYZNISKI,
ARCHITECT**
49 WEST 48TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-997-5840
FAX: 212-997-5844

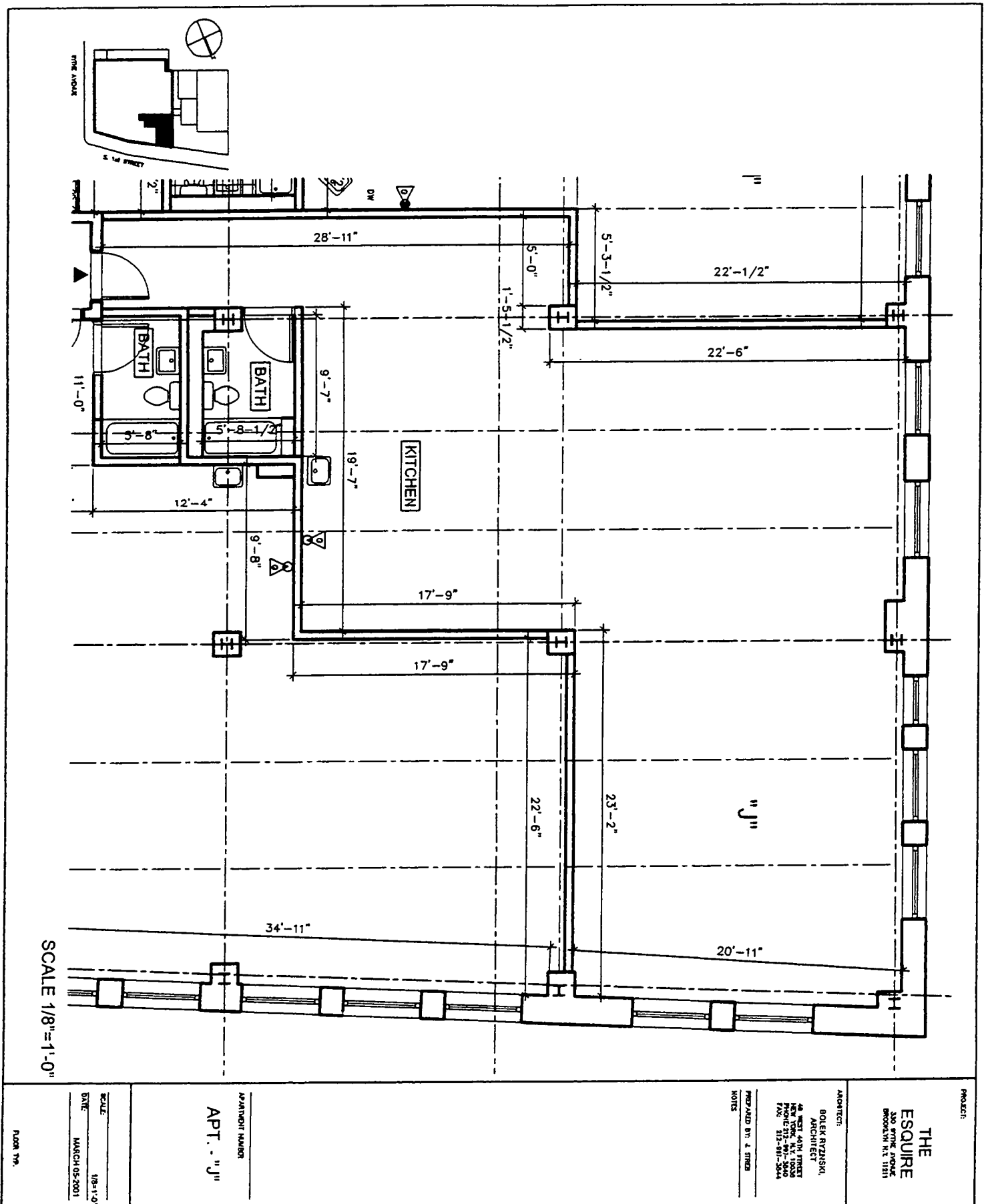
PREPARED BY: J. STREB

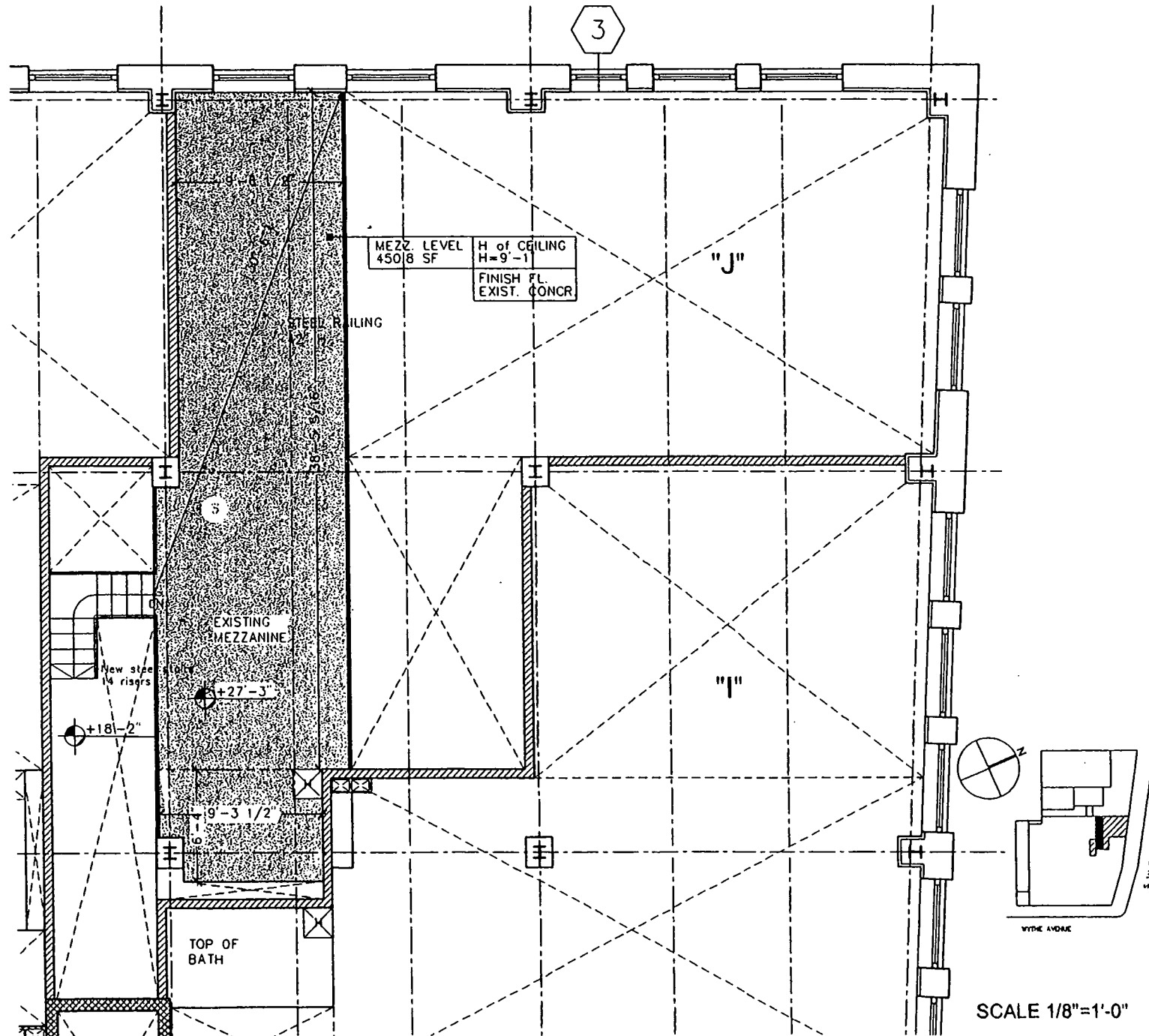
NOTES

APARTMENT NUMBER

**4TH FL.
MEZZ.
APT. - "I"**

SCALE: 1/8"=1'-0"
DATE: APRIL 23 2001





PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

**BOLEK RYZYNSKI,
ARCHITECT**
48 WEST 48TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-697-3810
FAX: 212-697-3844

PREPARED BY: J. SHEB

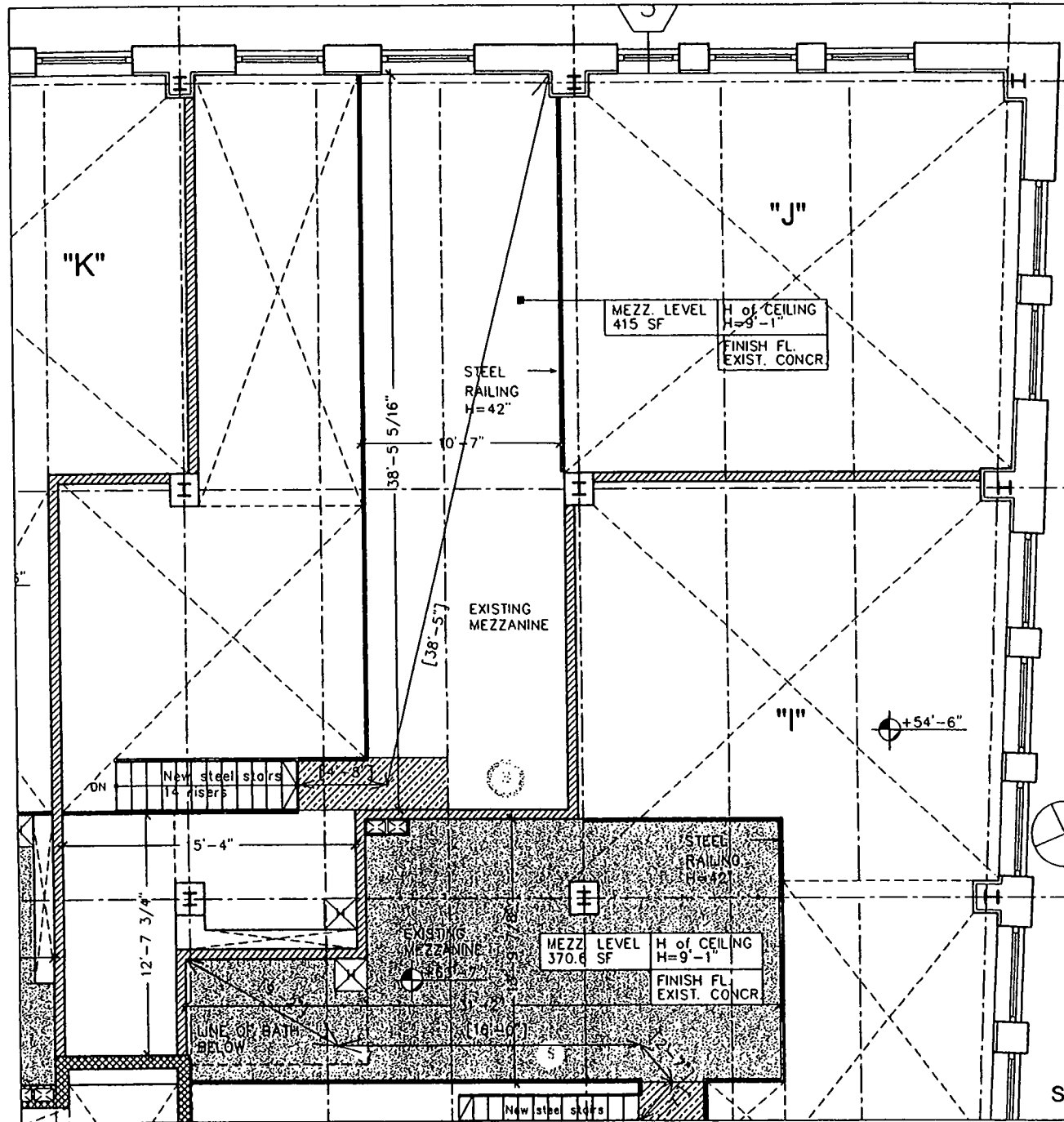
NOTES

APARTMENT NUMBER

**2ND FL.
MEZZ.
APT. - "J"**

SCALE: 1/8"=1'-0"

DATE: APRIL 23 2001



SCALE 1/8"=1'-0"

PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN N.Y. 11221

ARCHITECT:

**BOLEK RYZANSKI,
ARCHITECT**
49 WEST 46TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-997-3810
FAX: 212-997-3944

PREPARED BY: J. STREB

NOTES

APARTMENT NUMBER

**4TH FL.
MEZZ.
APT. - "J"**

SCALE: 1/8"=1'-0"

DATE: APRIL 23 2001

PROJECT:

THE ESQUIRE

330 WEST 42ND STREET
NEW YORK, N.Y. 10018
PHONE 212-697-3000
FAX 212-697-3000

ARCHITECT:

BOLEK RYDZINSKI,
ARCHITECT
40 WEST 40TH STREET
NEW YORK, N.Y. 10018
PHONE 212-697-3000
FAX 212-697-3000

PREPARED BY: J. STUBB

NOTES

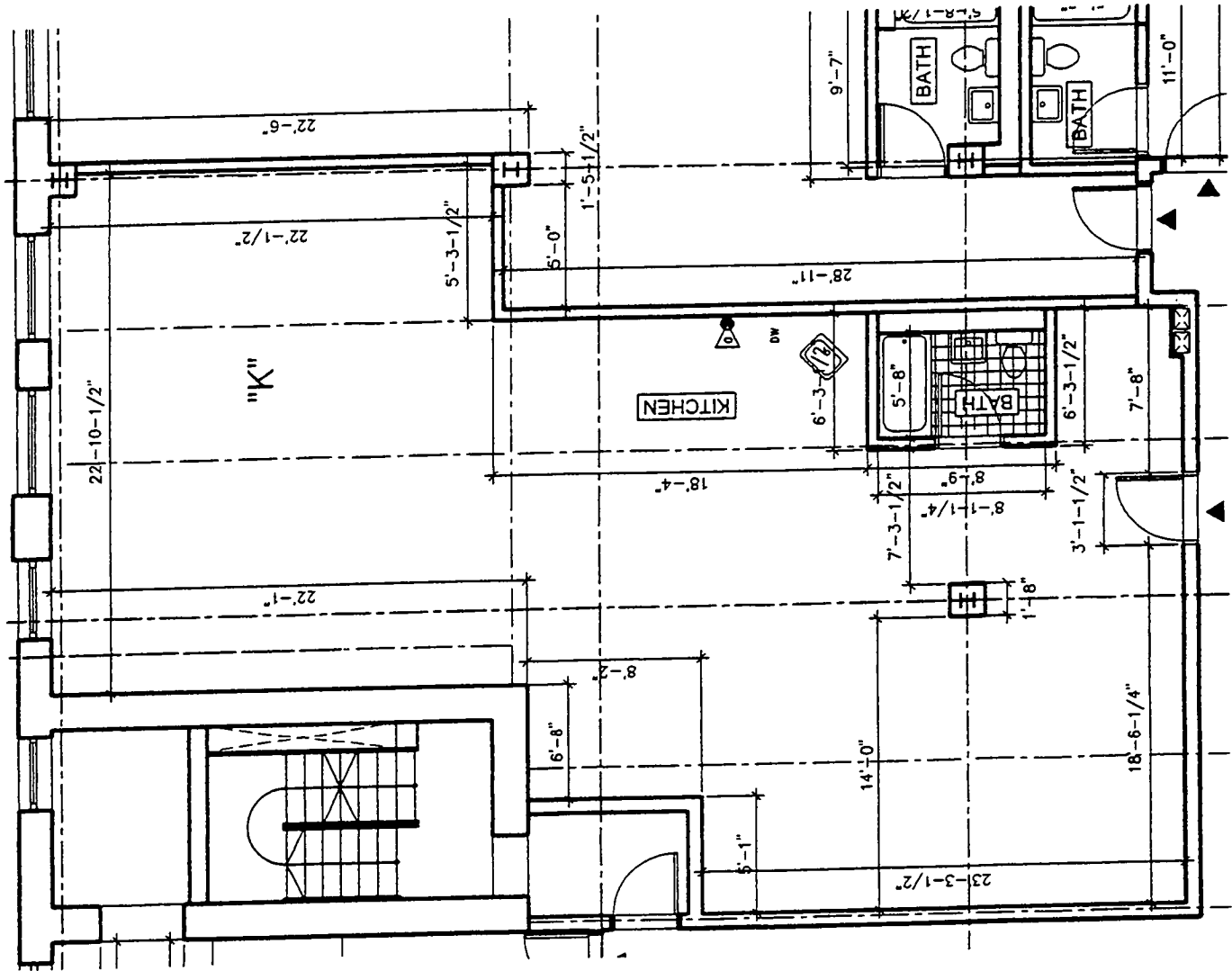
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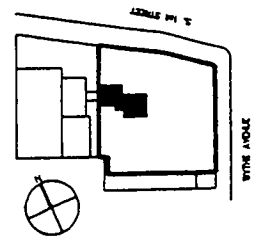
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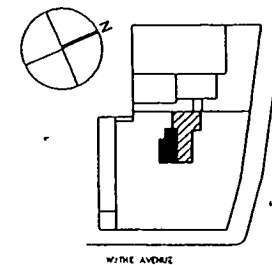
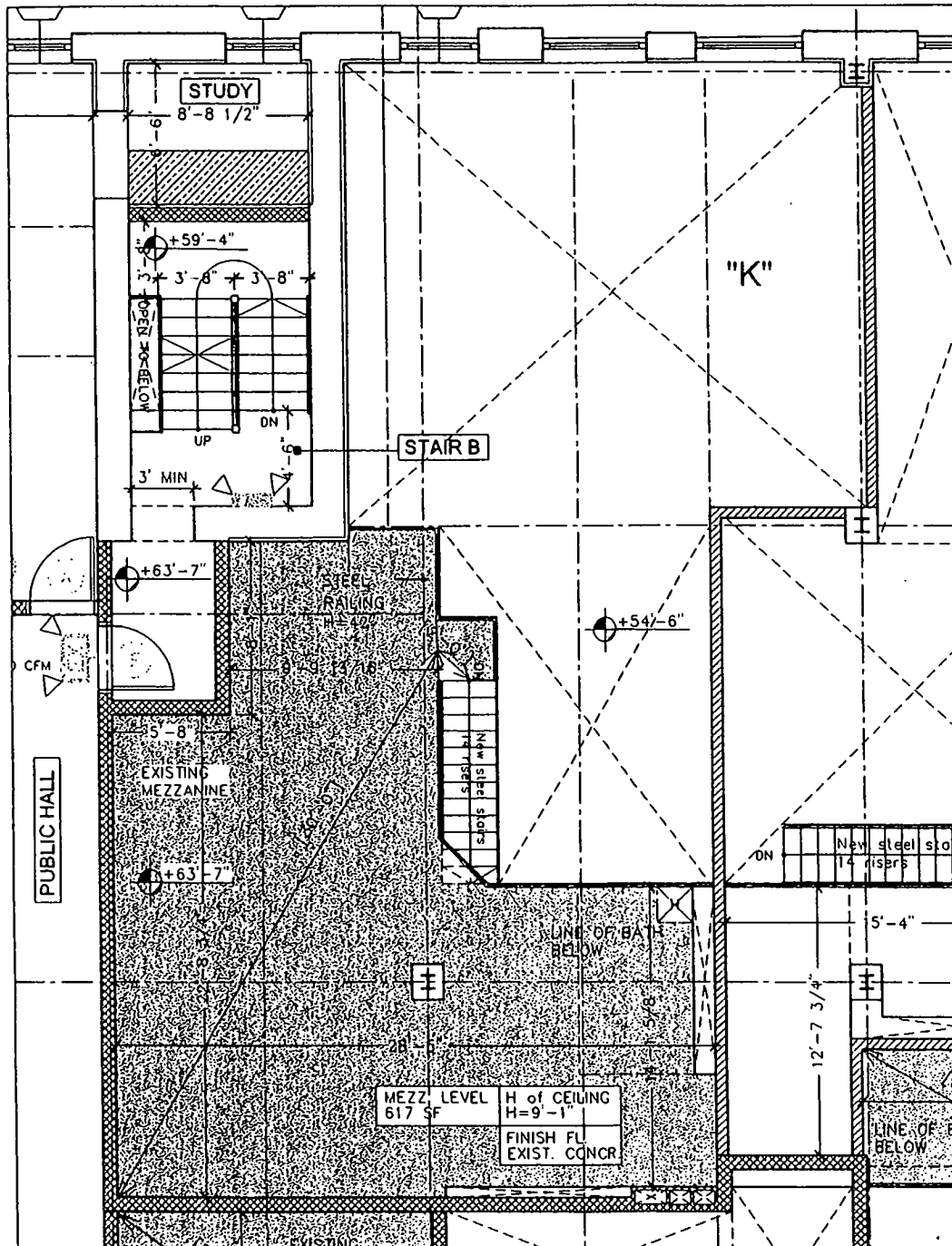
DATE: MARCH 05-2001

FLOOR TYP.



SCALE 1/8"=1'-0"





SCALE 1/8"=1'-0"

PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

**BOLEK RYZHINSKI,
ARCHITECT**
48 WEST 16TH STREET
NEW YORK, N.Y. 10011
PHONE: 212-927-3040
FAX: 212-697-3844

PREPARED BY: J. STREB

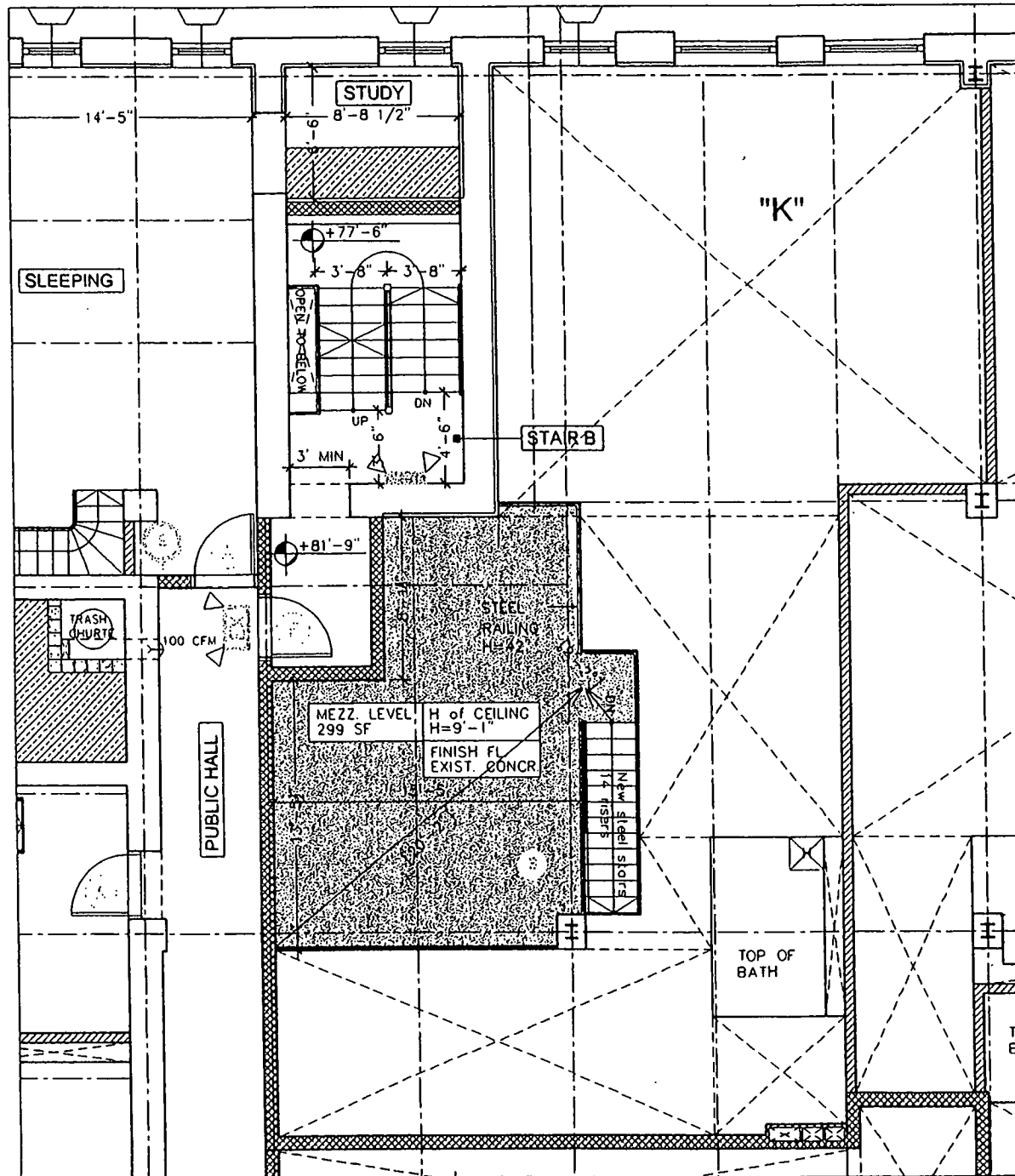
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APARTMENT NUMBER

**4TH FL.
MEZZ.
APT. - "K"**

SCALE: 1/8"=1'-0"

DATE: APRIL 23 2001



PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN, N.Y. 11211

ARCHITECT:

**BOLEK RYZHNSKI,
ARCHITECT**
49 WEST 40TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-697-3640
FAX: 212-697-3944

PREPARED BY: J. SIREB

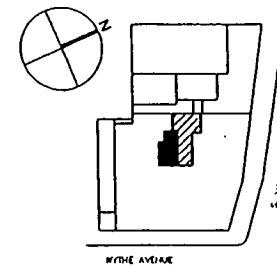
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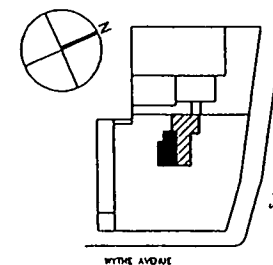
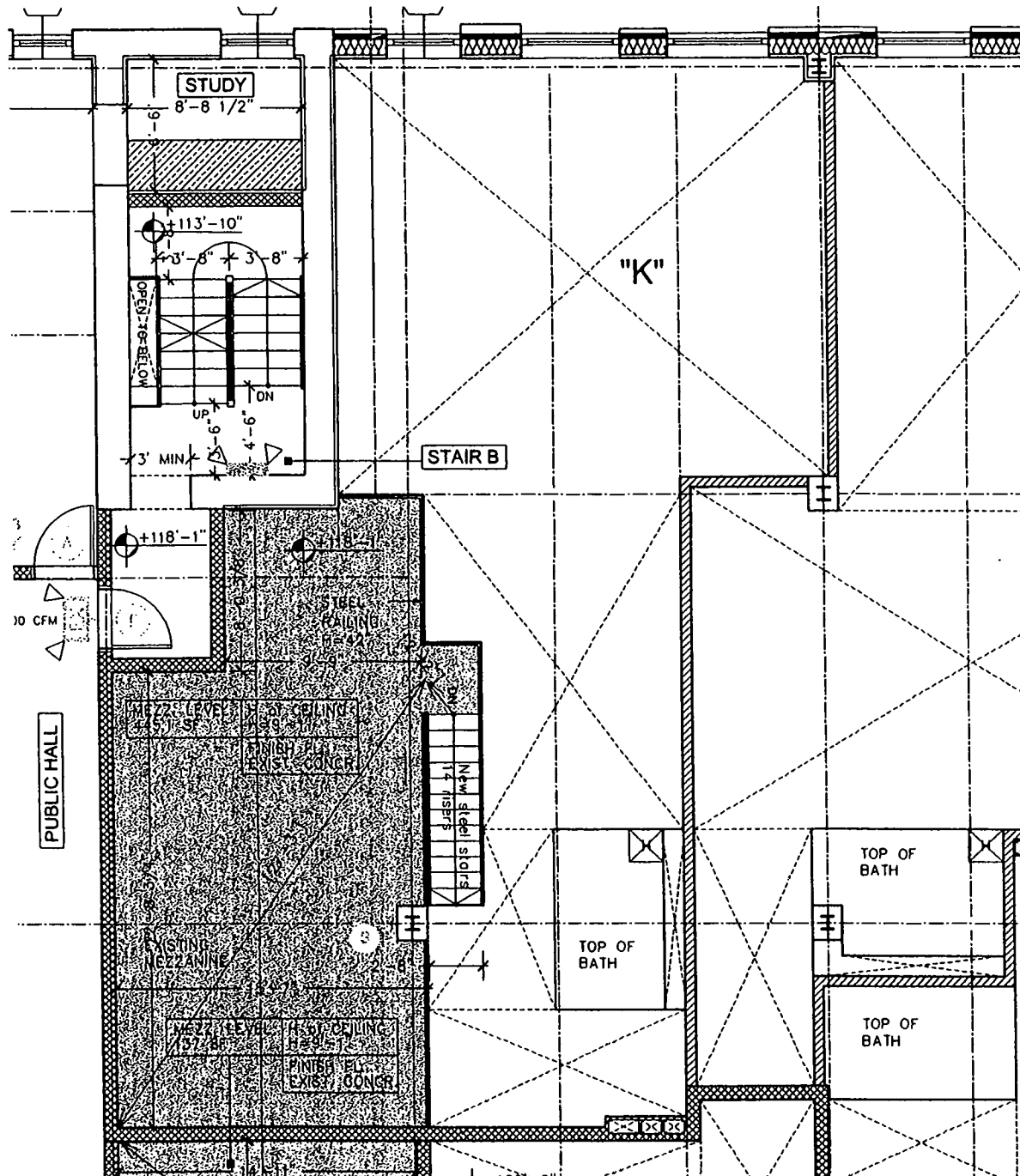
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MEZZ.
APT. - "K"**

SCALE: 1/8"=1'-0"

DATE: APRIL 23 2001



SCALE 1/8"=1'-0"



SCALE 1/8"=1'-0"

PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

**BOLEK RYZNISKI,
ARCHITECT**

49 WEST 48TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-997-3640
FAX: 212-997-3844

PREPARED BY: J. STREB

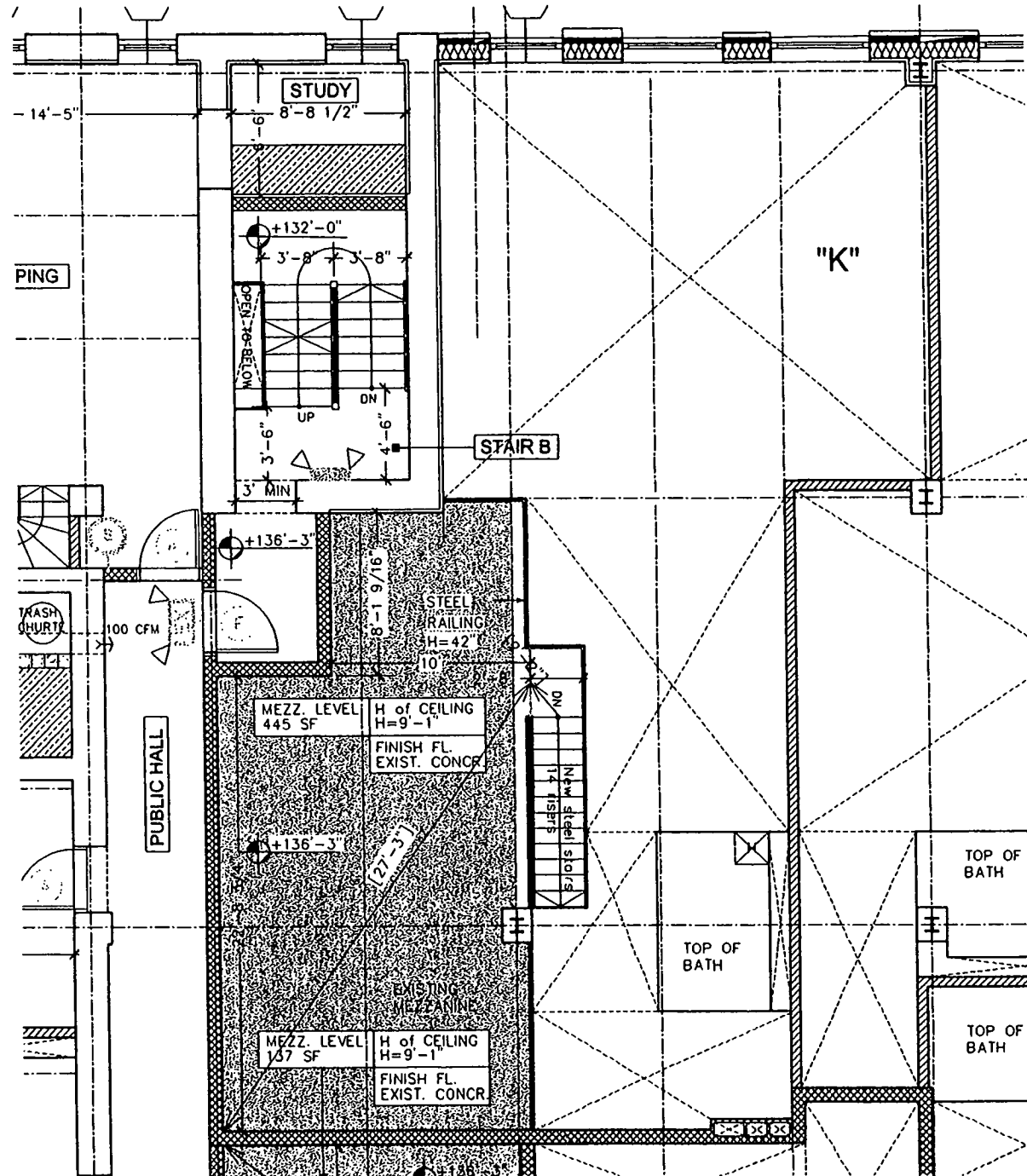
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APARTMENT NUMBER

**7TH FL.
MEZZ.
APT. - "K"**

SCALE: 1/8"=1'-0"

DATE: APRIL 23 2001



PROJECT:

**THE
ESQUIRE**
330 WYTHE AVENUE
BROOKLYN N.Y. 11211

ARCHITECT:

**BOLEK RYZNISKI,
ARCHITECT**
49 WEST 46TH STREET
NEW YORK, N.Y. 10036
PHONE: 212-593-3840
FAX: 212-597-3844

PREPARED BY: J. STREB

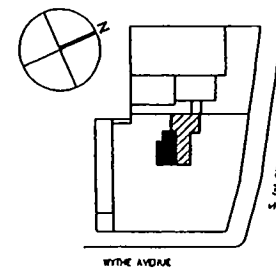
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APARTMENT NUMBER

**8TH FL.
MEZZ.
APT. - "K"**

SCALE: 1/8"=1'-0"

DATE: APRIL 23 2001



SCALE 1/8"=1'-0"

NOTES

1/8 = 120

DATE: APRIL 23 2001

DECLARATION OF CONDOMINIUM ESTABLISHING

The Esquire Building
330 Wythe Avenue
Brooklyn, New York 11211

DECLARANT: 331 Wythe Avenue Associates, LLC

DATE:

RECORDING INFORMATION: Section:
 Block:
 Lots:

County: Kings
State: New York

RECORD AND RETURN TO: Marcia E. Fokas, Esq.
 67 Wall Street, Suite 2001
 NY, NY 10005

330 Wythe Avenue Associates LLC
1 Nassau Avenue
Brooklyn, New York

_____, 2001

Formerly Known as Lots 19 & 30
Now Known as Lots _____

TABLE OF CONTENTS

Schedule A - Legal Description

Schedule B - Unit Designations, Common Interest and Related Information

Schedule C - By-Laws of Condominium

DECLARATION OF CONDOMINIUM

**The Esquire Building
330 Wythe Avenue
Brooklyn, NY 11211**

ARTICLE I

INTRODUCTORY PROVISIONS

Section 1.1 Creation of the Condominium. 330 Wythe Avenue Associates, LLC (hereinafter the "Declarant"), hereby submits the land described on Schedule A hereto (the "Land"), together with all improvements and all rights, privileges and appurtenances thereunto appertaining (the Land, together with all improvements now and hereafter constructed thereon, and all rights, privileges and appurtenances thereto appertaining, are hereinafter referred to collectively as the "Property"), to the provisions of Article 9-B of the NYS Real Property Law (the "Condominium Act").

Section 1.2 Name of Condominium. The name of the condominium project is "The Esquire Building" (hereinafter referred to as the "Condominium").

Section 1.3 Area and Location of Land. The Property is located at 330 Wythe Avenue in the City, and State of New York and County of Kings.

Section 1.4 Description of Building. The Building erected on the Land includes one mixed-use structure consisting of eight (8) floors including the ground floor. The structure and foundation walls of the Building are reinforced concrete supported by steel piles bearing on bedrock. The Building contains seventy-five (75) Residential Units, one (1) Residential Penthouse and two (2) Commercial Units.

Section 1.5 Definitions. Unless otherwise defined in this Declaration or in the By-Laws of the Condominium annexed hereto as Schedule D, all capitalized terms in the Condominium Instruments shall have the meanings specified for said terms in the Condominium Act.

"Attorney General" means the New York State Attorney General, who is the head of the New York State Department Of Law.

"Board of Managers" or *"Board"* or *"Condominium Board"* means the Board of Managers of the Condominium.

"Building" means the Building erected on the Land and all alterations and replacements made to the Building.

"By-Laws" means the By-Laws of the Condominium, which By-Laws are annexed to this Declaration, as such By-Laws may be amended from time to time.

"City Register's Office" means the Kings County Office of the Register of The City of New York.

"Common Charges" means the annual assessments payable in monthly installments by Unit Owners for the purpose of meeting Common Expenses, Assessments, both special and otherwise, will be characterized and treated as Common Charges of the Unit Owner to whom assessed, all as more fully described in Article 5 of the By-Laws. Common Charges shall be classified as General, Residential or Commercial, as described in this Declaration.

"Common Elements" means those facilities and areas of the Condominium that are not part of a Unit and which are necessary or convenient to the existence, management, operation, maintenance and/or safety of the Property, or normally in common use, and which Common Elements shall be classified as General, Residential, Commercial or Limited, as described in this Declaration.

"Common Expenses" means all costs and expenses in connection with repair, maintenance, replacement, restoration, operation of, and alteration, addition or improvement to, the Common Elements, including but not limited to insurance and establishment of reserves for repairs and replacements, which Common Expenses shall be classified as General, Residential or Commercial, as described in this Declaration.

"Common Interest" (also referred to occasionally as "percentage of interest in the Common Elements") means the proportionate undivided interest in fee simple absolute in the Common Elements allocated and appurtenant to a Unit, as set forth in the Declaration. Said interest is expressed as a numerical percentage. The total of all Common Interest percentages appertaining to all Units equals 100%.

"Board of Managers" or *"Board"* or *"Condominium Board"* means the Board of Managers of the Condominium.

"Building" means the Building erected on the Land and all alterations and replacements located at 330 Wythe Avenue, New York, New York.

"By -laws" means the By-Laws of the Condominium, which By-Laws are annexed hereto, as such By-Laws may be amended from time to time.

"City Register's Office" means the Kings County Office of the Register of The City of New York.

"Commercial Units" means those designated nonresidential areas on the first floor of the Building to be used for any lawful purpose in accordance with the Declaration, together with their Common Interest. The Commercial Units may be merged or further subdivided in accordance with the provisions of this Plan.

"Commercial Unit Owner" means an Owner of a Commercial Unit.

"Commercial Common Charges" means charges payable by the Commercial Unit Owners for the purpose of meeting Commercial Common Expenses.

"Commercial Common Expenses" means the Commercial Units' pro rata share of the all costs and expenses, if any, in connection with repair, maintenance, replacement, restoration, operation of, and alteration, addition or improvement to, the General Common Elements except for gas for cooking and hot water, utilities and water charges and sewer rents.

"Common Charges" means the annual assessments payable in monthly installments by Unit Owners for the purpose of meeting Common Expenses. Assessments, both special and otherwise, will be characterized and treated as Common Charges of the Unit Owner to whom assessed, all as more fully described in Article 5 of the By-Laws.

"Common Elements" means those facilities and areas of the Condominium that are not part of a Unit and which are necessary or convenient to the existence, management, operation, maintenance and/or safety of the Property, or normally in common use.

"Common Expenses" means all costs and expenses in connection with repair, maintenance, replacement, restoration, operation of, and alteration, addition or improvement to, the Common Elements, including but not limited to insurance and establishment of reserves for repairs and replacements.

"Common Interest" (also referred to occasionally as "percentage of interest in the Common Elements") means the proportionate undivided interest in fee simple absolute in the Common Elements allocated and appurtenant to a Unit, as set forth in the Declaration. Said interest is expressed as a numerical percentage. The total of all Common Interest percentages appertaining to all Units equals 100%.

"Condominium" means the Units and Common Elements comprising the Property. The terms "Condominium" and "Property" are used interchangeably.

"Condominium Act" means Article 9B of the New York State Real Property Law.

"Condominium Instruments" means the Declaration and the By-Laws attached thereto, as same may be amended from time to time.

"Declaration" means the Declaration of Condominium, to be recorded by Sponsor prior to conveying title to a Unit under this Offering Plan.

"Department of Law" means the New York State Department of Law, which is headed by the New York State Attorney General.

"First Unit Closing" means the first closing of a sale of a Residential Unit pursuant to this Offering Plan.

"Institutional Lender" means any domestic or foreign commercial or savings bank, any insurance company or savings and loan association whose investments are regulated by the laws of any State or of the United States, any pension fund, trust company, governmental agency or fund, any educational, religious or charitable institution, or other non-individual entity, or a consortium of any of the foregoing, in the business, among other things, of making mortgage loans secured by real property.

"Land" means the land upon which the Building is located, as more fully described in the Declaration.

"Limited Common Elements" means Common Elements that serve one or more specified Unit(s) and no other Units, and thus are restricted in use to the Owner(s) of that (those) Unit(s), as described in this Declaration.

"Mortgagee" means any Institutional Lender holding a mortgage of record encumbering a Unit. A Mortgagee shall be deemed to be a "Permitted Mortgagee" if it satisfies the criteria therefor contained in the By-Laws.

"Permitted Encumbrances" means those encumbrances to title to a Unit which a purchaser by executing a Purchase Agreement, agrees to take title subject to, as itemized in Part I of this Plan.

"Permitted Mortgagee" means a Mortgagee who has satisfied the criteria for a Permitted Mortgagee set forth in Article 8 of the By-Laws.

"Plans and Specifications" means the plans and specifications for construction of the Building prepared by Bolek Ryzinski, as same may be amended from time to time.

"Property" means the Land and the Building, as more fully described in the Declaration.

"Residential Common Charges" means charges payable by Residential Unit Owners for the purpose of meeting Residential Common Expenses.

"Residential Common Expenses" means the Residential Units' pro rata share of all costs and expenses in connection with repair, maintenance, replacement, restoration, operation of, and alteration, addition or improvement to, the General Common Elements, including but not limited to, insurance and establishment of reserves for repairs and replacements.

"Residential Unit" means each Unit designated as a Residential Unit on Schedule B to this Declaration, together with the Common Interest appurtenant to each such Unit. Two or more Residential Units are referred to as *"Residential Units."*

"Residential Unit Owner" means an Owner of a Residential Unit.

"Rules and Regulations" means the rules and regulations adopted by the Board of Managers pertaining to the use of the Condominium, as same may be amended from time to time.

"Sponsor" means 330 Wythe Avenue Associates, LLC, the Declarant hereunder, in its capacity as, and having the rights and obligations of, Sponsor as set forth in the Offering Plan.

"Tax Lot Drawings" means the drawings of the Building, certified by Bylek Ryzinski delineating the Units and the Common Elements, approved by the Real Property Assessment Department of the City of New York and filed simultaneously with the recording of this Declaration, as more fully described in Article 2 of this Declaration.

"Unit" means any space in the Building intended for independent use or ownership and designated as a Unit in this Declaration, as same may be amended from time to time, together with such Unit's Common Interest. Any two or more Units are collectively referred to as *"Units."*

"Unit Owner" or *"Owner"* means any owner of a Unit in fee simple absolute.

Section 1.6 Schedules. All Schedules referred to in this Declaration are incorporated into this Declaration as integral parts hereof.

ARTICLE 2

UNITS

Section 2.1 Schedule of Information. Annexed hereto and made a Part II hereof as Schedule B is a list of all Units in the Building, which list also contains Unit designations, location, Common Interest, approximate area and Common Elements and Limited Common Elements to which each Unit has access.

Section 2.2 Tax Lot Drawings. The approximate dimensions, classifications, area and location of each Unit in the Building, as well as the Common Elements of the Condominium, are shown on the Tax Lot Drawings.

Section 2.3 Unit Measurements (a) Residential Units. Each Residential Unit is measured as follows: (i) horizontally from the exterior face of the exterior walls to the midpoint of interior walls and the midpoint of partitions separating one Unit from another Unit, public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements or Limited Common Elements, and (ii) vertically from the top of the concrete floor slab (located under the finished flooring and sub-flooring materials) in each portion of the Unit up to the underside of the concrete floor slab forming all or part of the bottom of the Unit above it, and if there is no Unit above it, then up to the underside of the concrete floor slab forming all or part of the bottom of the floor above it, as shown on the Tax Lot Drawings. Any concrete slabs separating floors of a Unit located on more than one level and any Common Elements located in a Unit shall not be considered part of that Unit.

(b) Commercial Units. Each Commercial Unit is measured as follows: (i) horizontally from the exterior face of the exterior walls to the midpoint of interior walls and the midpoint of partitions separating one Unit from another Unit, public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements or any Limited Common Elements, and (ii) vertically from the top of the concrete floor slab (located under the finished flooring and sub-flooring materials) in each portion of the Unit up to the underside of the concrete floor slab forming all or part of the bottom of the Unit above it, and if there is no Unit above it, then up to the underside of the concrete floor slab forming all or part of the bottom of the floor above it, as shown on the Tax Lot Drawings. Any concrete slabs separating floors of a Unit located on more than one level and any Common Elements located in a Unit shall not be considered part of that Unit.

(c) Components of Units. (i) Locks on entrance doors to Residential are part of the Unit. (ii) Doors (and appurtenant locks) accessing a Commercial Unit from a Common Element or from the outdoors are part of the Unit unless otherwise specified.

(d) Rights of Owners Respecting Units. In light of the foregoing and notwithstanding anything in this Article 2 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time without the prior

consent of the Board of Managers, to install, at such Owner's sole cost and expense, in such Owner's Unit, improvements, decorations, fixtures and coverings (including, without limitation, painting, wall papering, carpeting, shelving and lighting fixtures), on the surfaces of walls, ceilings and floors that face the interior of the Unit, to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that any such installation shall not impair the structural integrity of the Unit or the Building or the proper functioning of Building systems.

(e) Excluded from Units. Except as otherwise provided in this Declaration, a Unit shall not be deemed to include foundations, columns, girders, beams, joists, supports, exterior walls, interior load bearing walls, pillars, structural floor slabs or ceilings, central installations and equipment for power, sprinklers, lights, air conditioning, heating, ventilation, and utility lines which are utilized for or serve more than one Unit.

Section 2.4 No Partition. No Unit (including the Common Interest appurtenant thereto), shall be subject to partition from the Condominium or otherwise by the Unit Owner. The foregoing shall not be deemed to prohibit division or combination of Units, provided such action is taken in accordance with procedures outlined in this Declaration and the By-Laws.

ARTICLE 3

COMMON INTEREST

Section 3.1 General. The aggregate Common Interest of all Units shall equal 100%. This provision of the Declaration may not be amended.

Section 3.2 Determination of Common Interest. The Common Interest of each Unit has been determined pursuant to Section 339-i(1)(ii) of the Condominium Act, and is based on the approximate proportion that the floor area of the Unit on the date of this Declaration bears to the aggregate floor area of all Units on such date, with such proportion reflecting the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements. Using the foregoing analysis, the Residential Units represent an aggregate Common Interest of approximately 92% and the Commercial represent an aggregate Common Interest of approximately 8%.

Section 3.3 No Separation of Common Interest. The Common Interest may not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance, encumbrance or other instrument.

ARTICLE 4

COMMON ELEMENTS

Section 4.1 Definition of General Common Elements. The General Common Elements consist of all the Common Elements except the Limited Common Elements, and include, without limitation, the following: The Land, including

sidewalks thereon or appurtenant thereto, together with all easements, rights and privileges appurtenant thereto; the canopy over the main entrance of the Building together with integral lighting installed therein; foundations, piles and footings; structural columns and pillars; girders, beams, joists and supports; structural floor slabs and ceilings and all load-bearing partitions and walls; roof of the lower portion of the one/two story structure located on South 1st Street and all parapets, fences and railings on said roof; and lighting installed in or on the Property; fire protection system; stairways, stairwells and landings; doors and doorways leading from stairways; electric switch gear room, gas meter room, water meter room, pump room, all located on the ground floor, and all meters, equipment therein; master antenna; the exterior walls of the Building, excluding windows but including all facade and structural elements of exterior walls; sanitary sewer system from the point at which the sanitary sewer line leading from a Unit connects with the Building's main sewer line, to the point at which the Building's main sewer line connects with the municipal sewer system; storm drainage system within the Building to the point at which it connects to the municipal storm sewer system; all passages and corridors, areas, rooms and other spaces, located at the Property and serving or benefitting (i) at least one Residential Unit and at least one Commercial Unit and/or (ii) at least one Residential Unit Owner and at least one Commercial Unit Owner; and all other facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, chases, conduits and lines), which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of at least one Residential Unit and at least one Commercial Unit, and/or at least one Residential Unit Owner and at least one Commercial Unit Owner.

Section 4.2 Limited Common Elements.

(a) Limited Common Elements are Common Elements of the Building that serve only a specific Unit or Units, including but not limited to the patio of Units 2A, 2B, 2C, 2D, 2E, and the entire roof of the eight-story structure as appurtenant of the Penthouse Unit, that serve only a specified Unit or Units, and thus are restricted in use to the Owner (or Owners, as applicable) of that Unit (or Units, as applicable), and/or to such other occupant(s) of the Unit(s) as the Owner(s) shall permit, subject to the right of the Board of Managers to enter upon such Limited Common Elements to make structural repairs or structural replacements thereto, and subject to the Rules and Regulations.

(b) In no event shall Limited Common Elements ever include or be deemed to include, (i) load bearing walls, or (ii) other components of the Building critical to the structural integrity of the Building.

(c) Each Unit Owner having the exclusive right to use a Limited Common Element shall have the obligation, at the Unit Owner's sole expense, for day-to-day maintenance, including, without limitation, cleaning of debris from drains and general cleaning and repair, and the at the Unit Owner's sole expense and responsibility to remove and re-install any form of addition, alteration or improvement made by the Unit Owner(s) on or to a Limited Common Element in order to access any area under such addition, alteration or improvement for maintenance or repair that is deemed the responsibility of the Board of Managers, of said Limited Common Element, in accordance with the applicable provisions of this Declaration and the By-Laws.

Section 4.3 No Severability or Partition. The Common Elements are not subject to partition nor are they severable from Units, except in accordance with the Condominium Act.

ARTICLE 5

USE OF AND ACCESS TO COMMON ELEMENTS

Section 5.1 General Use of and Access to Common Elements.

(a) The Common Elements shall be used for the benefit of applicable Unit Owners (depending on the type of Common Element involved), the furnishing of services and facilities for which the same are reasonably intended, and for the enjoyment to be derived from such proper and reasonable use. Each Unit Owner may use the Common Elements in accordance with the purposes for which they were intended and the limitations in use described in this Declaration, without hindering the exercise of or encroaching upon the rights of other Unit Owners, their tenants, licensees, invitees, clients or guests. A Unit Owner may not obstruct the Common Elements. The provisions of this Section 5.1 shall not prevent the Board of Managers or this Declaration from granting to a particular Unit Owner substantially exclusive rights or advantages in a part or parts of the Common Elements by reason of that Owner's ownership of a particular Unit or Units. Any exclusive right to use a General Common Element granted by the Board of Managers shall be effectuated by a revocable license, which license shall include, among other things, standards for revocation giving due consideration to the nature and cost of improvements made to or on the Common Elements by the Unit Owner to whom the license is granted.

(b) The Board of Managers shall, if any question arises, determine the purpose for which a General Common Element is intended to be used. The Board of Managers shall have the right to regulate access to General Common Elements and Limited Common Elements and to promulgate rules and regulations scheduling the use of the aforementioned common elements, and limiting the use of such common elements to Unit Owners, their tenants, licensees, invitees, clients, guests and employees, as well as providing for the exclusive use of a common element by a Unit Owner and such Unit Owner's guests, for special occasions. Such use may be conditioned upon, among other things, the payment by the Unit Owner (or other person or entity) seeking such use, of such assessment as may be established by the Board of Managers for the purpose of defraying the costs of such use.

(c) Notwithstanding anything in this Declaration or in the By-Laws to the contrary, a Unit Owner may gain access to any mechanical equipment rooms described as General Common Elements in this Declaration, only through clearance by the Board of Managers and under such supervision as the Board shall reasonably require.

Section 5.2 Easements for Utilities, Pipes and Conduits.

(a) Each Unit Owner and said Unit Owner's agents, contractors, invitees, licensees and employees shall have in common with all other

Unit Owners, an easement of access to all other Units and to the Common Elements, and each Unit and the Common Elements shall be subject to such easement, as may be necessary for such Unit Owner to use, install, operate, maintain, repair, rebuild, restore and replace, as necessary, such Owner's Unit including, if any, the pipes, wires, flues, ducts and conduits which are part of the Unit from the meters or equipment servicing such Unit to the Unit.

(b) Each Unit Owner shall have an easement in common with the Owners of all other Units to use, in accordance with then present use and present available facilities, all pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units and serving such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use, in accordance with then present use and present available facilities, Common Elements serving such other Units and located in such Unit.

Section 5.3 Access Easement of Board of Managers Subject to the provisions of Section 5.4 of this Declaration and the notice provisions in the By-Laws, the Board of Managers, its members, agents, contractors and employees, shall have an easement and a right of access to each Unit to (i) inspect the Unit in seeking to identify the source or cause of a plumbing, mechanical or other problem in the Building, (ii) remove violations from the Unit, (iii) maintain, repair or improve pipes, wires, ducts, cables, conduits and utility lines or other Common Element located in any Unit, (iv) make repairs to the Unit to prevent damage to the Common Elements or to any other Unit or (v) abate any violation of any law, ordinance, statute or rule of any governmental authority having jurisdiction thereof. The Board shall have an easement and right of access to all Common Elements (irrespective of the restricted nature of such Common Elements) to remove violations, to prevent harm or damage to other Common Elements or Units, Owners, occupants or users of the Property, and for inspection, maintenance, repair or improvement.

Section 5.4 Exercise of Easements.

(a) The easements authorized pursuant to Sections 5.2 and 5.3 of this Declaration shall be exercised in such a manner as will not materially or unreasonably interfere with the normal conduct of business of an Owner, tenant(s) or other occupant(s) of a Commercial Unit, in the event access is needed, or with the use of any Units (and the Limited Common Elements appurtenant thereto) or the Common Elements, for their permitted purposes. Any pipes, wires, ducts or other facilities installed, operated, maintained and/or used pursuant to said easements, if located within the normal view of the occupants, patrons, customers, tenants or other users of Common Elements, a Unit or the use or businesses located therein, shall be reasonably consistent with the aesthetic character of the Unit or Common Element (General, Residential, Commercial or Limited), in, on or through which the facility is located, and if installed, operated or maintained within a Unit, shall not be so installed, operated or maintained without the Unit Owner's prior written consent, which consent shall not be unreasonably withheld or delayed. Entry shall be permitted on reasonable prior notice to the applicable Unit Owner(s), except that notice will not be necessary in the case of an "emergency" (i.e., a condition requiring inspection, repair or replacement immediately necessary for the preservation or

safety of the Property, or for the safety of occupants or users of the Property, or required to avoid the suspension of any necessary service to the Property).

(b) If the Board of Managers requires entry into a Unit, or if one Unit Owner requires entry into another Owner's Unit, in either case during non-business hours or any other period when there ordinarily would not be security or other occupants present in the Unit, the Unit Owner whose Unit is being entered shall have the right to make reasonable arrangements for security of the Unit and its contents and oversight of the work being performed, during such period as access and entry shall continue. The cost of such security and oversight shall be borne exclusively by the party, requiring the access and entry.

(c) The Board of Managers shall not perform any work in a Unit to cure a violation or problem therein arising out of the action or failure to act of the Unit Owner or a tenant or other occupant of the Unit (except emergency work pursuant to the foregoing), unless the Board of Managers has given the Unit Owner notice of and opportunity to cure the violation or other problem emanating from Owner's Unit, in accordance with the By-Laws.

Section 5.5 Easement for Encroachments. If any portion of a Unit or the Common Elements (whether restricted in use to an individual Unit Owner or not) encroaches or shall hereinafter encroach upon another Unit or the Common Elements as a result of: (i) the reconstruction or settling or shifting of the Building, or (ii) any repair or restoration made by the Board of Managers to the Building, any Unit or the Common Elements, or (ii) any reconstruction after a partial or total destruction as a result of a fire or other casualty or as a result of condemnation or eminent domain proceedings, a valid easement for the encroachment and the maintenance of the same shall and does exist, provided, however, that the encroachment is de minimis and does not materially or unreasonably interfere with the normal conduct of business of the Owner, tenant(s) or other occupant(s) of the Unit, or Common Element being encroached upon, or with the use of the Common Element or Unit being encroached upon, for its or their permitted purposes. Such easements as provided in this Section shall exist so long as the Building shall stand.

Section 5.6 Easements of Necessity and Emergency Egress. Each Unit shall have and each Unit shall be subject to all easements of necessity and emergency egress in favor of such Unit or in favor of other Units and the Common Elements.

Section 5.7 Declarant's and Board's Easements.

(a) Declarant and/or its designee and their respective successors and assigns shall have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property for the purposes of advertising the sale or lease of any Unit owned by it or them and shall have an additional easement providing access in and to all Units and Common Elements consistent with the Offering Plan, including without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units.

(b) Declarant and/or its designee and the Board of Managers shall have the right to grant such electric, gas, steam or other utility easements or

relocate any existing utility easements in any portion of the Common Elements, as Declarant and/or its designee, or the Board of Managers, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the Owners, tenants and occupants of the Units, provided that such additional utility easements or the relocation of existing utility easements will not prevent or unreasonably interfere with the normal conduct of business of the Owner, tenant(s) or other occupant(s) of Commercial Units or with the use of the Residential Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the normal conduct of business of the Owner, tenant(s) or other occupant(s) of Commercial Units or with the use of the Residential Units for their permitted purposes.

Section 5.8 Commercial Unit Owner Easements. Each Commercial Unit Owner and said Unit Owner's respective successors and assigns, shall have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property, for the purposes of advertising the sale or lease of all or any portion of that Owner's Commercial Unit and the operation of any business of Owner or a tenant or other occupant of all or any portion of that Owner's Commercial Unit, subject in all events, however, to the provisions and conditions of the By-Laws respecting including, without limitation, the obligation to obtain the consent of the Board of Managers prior to erecting or affixing any sign.

Section 5.9 Responsibility and Indemnity. The user of any easement granted by the above subparagraphs of this Article 5 shall have the responsibility of repairing any damage to the Common Elements or to any other Unit directly or indirectly resulting from the exercise of the easement. Additional obligations respecting maintenance and repair of Units and Common Elements arising out of these access and easement rights are found in the By-Laws. Unit Owners shall be obligated to indemnify other Unit Owners and the Board of Managers, and the Board of shall be obligated to indemnify Unit Owners, in connection with loss, damage or liability arising out of that party's exercise of rights pursuant to the easements granted in this Article 5.

ARTICLE 6

CONDOMINIUM GOVERNANCE; SERVICE OF PROCESS

Section 6.1 Board of Managers. The affairs of the Condominium shall be governed and controlled by a Board of Managers, as described in the By-Laws. When in this Declaration or in the By-Laws an action is to be undertaken, or is authorized to be done by the Condominium, it shall mean the Condominium acting through its Board of Managers, unless the text clearly requires another interpretation (i.e., through a vote of the Unit Owners). When the Board of Managers is authorized or obligated to act, it shall be acting on behalf of all Unit Owners in the Condominium.

Section 6.2 Administration. The administration of the Condominium shall be in accordance with the provisions of this Declaration and the By-Laws.

Section 6.3 Service of Process. The Secretary of State is hereby designated as agent of the Board of Managers upon whom process against the Board of Managers may be served. Service of process on the Secretary of State as agent for the Board of Managers shall be made personally, by delivering to and leaving with the Secretary of State or his or her deputy, or with any person authorized by the Secretary of State to receive such service, at the office of the Department of State in Albany, New York, duplicate copies of such process together with the statutory fee, which shall be a taxable disbursement. Service of process on the Board of Managers shall be complete when the Secretary of State is so served. The Secretary of State is required under the Condominium Act to promptly send one of such copies by certified mail, return receipt requested, to the Board of Managers, at the post office address on file with the Department of State, specified for such purpose. The Board of Managers is required under the Condominium Act to file with the Secretary of State the name and post office address to which the Secretary of State shall mail a copy of any process served upon the Secretary of State, and to update such filing as necessary.

ARTICLE 7

POWER OF ATTORNEY TO BOARD OF MANAGERS

Section 7.1 Power of Attorney.

(a) Each Unit Owner at the time of closing of title to said Owner's Unit, shall grant to Declarant, to the persons who shall from time to time constitute the Board of Managers an irrevocable power of attorney, coupled with an interest (in such form and content as the Board of Managers shall determine) to, following due authorization of the Unit Owners in accordance with the By-Laws, (i) acquire or lease any Unit, together with its Appurtenant Interests (as defined in Article 8 of this Declaration), from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as set forth in the By-Laws, (ii) acquire any Unit, together with its Appurtenant Interests, whose Owner elects to surrender or abandon same pursuant to the By-Laws, and (iii) acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar judicial sale, on such terms and at such price or rental as the case may be, as the attorneys-in-fact deem proper. Any such acquisition or lease shall be in the name of the Board of Managers or their designee, corporate or otherwise, on behalf of all Unit Owners. The power of attorney shall authorize the holders thereof, after any such acquisition or lease, to convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired by them or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine.

(b) The power of attorney shall also authorize the Declarant or the Board of Managers to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium which the Declarant or the Board of Managers deems reasonably necessary or appropriate to comply with any law,

ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, or any agreement of record, applicable to the operation, maintenance, demolition, construction, alteration, repair or restoration of the Condominium, (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Declarant or the Board of Managers deems necessary or appropriate, or (iii) any instrument affecting the Unit in connection with any petition seeking administrative and judicial review of an assessment made in accordance with Real Property Law § 339-y(i) which the Unit Owner, by written authorization, may have authorized the Board of Managers to undertake.

Section 7.2 Limitation on Board and Committee Authority. The power of attorney shall explicitly prohibit the Board of Managers from acting so as to adversely affect the rights or interest of Declarant or of a Unit Owner without the prior written consent of any such adversely affected party.

Section 7.3 Recording. The Board of Managers shall cause the power of attorney to be recorded in the office of the Register of the City of New York, Kings County, at the expense of the Unit Owner immediately upon the Board of Managers' receipt thereof of a lease for all or any portion of, or the entering into occupancy of all or any portion of a Unit shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium, are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such Provisions were recited and stipulated at length in each and every deed of conveyance or lease thereof.

ARTICLE 8

AMENDMENT AND TERMINATION

Section 8.1 Amendment.

(a) Except for the rights of Declarant set forth in this Article 10 and elsewhere in this Declaration to amend this Declaration itself, and the right of the Board of Managers to cause this Declaration to be amended to reflect the alteration of Common Elements by the Board (or otherwise) and the alteration, combination or division of Unit(s) by Unit Owners (or otherwise), as discussed in this Declaration and in the By-Laws, this Declaration may be modified, altered, amended or added to only at a duly called meeting of Unit Owners, provided that:

(i) a notice of the meeting containing a full statement of the proposed amendment has been sent to all Unit Owners in accordance with Section 3.4 of the By-Laws;

(ii) Unit Owners representing at least 66-2/3% in number and Common Interest of Units, voting in person or by proxy approve the amendment at the meeting; and

(iii) the amendment, in the form approved at the meeting, is duly recorded in the City Register's Office.

(b) Notwithstanding the foregoing, while Declarant is the only Unit Owner, Declarant may amend this Declaration without the necessity of calling a meeting.

(c) Declarant and its successors and assigns shall have the further right, without the necessity of calling a meeting and without the vote or prior consent of any other Unit Owners and without the prior consent of the Board of Managers or the holders of Unit mortgages, to execute (or to require the Board of Managers to execute) and to record in the City Register's Office, an amendment to this Declaration and/or to the By-Laws annexed hereto, to reflect changes in number, size, layout, etc. in Units owned by Declarant, and any reapportionment of Common Interest necessitated by such change, and to file simultaneously with said amendment, any amendment to the Tax Lot Drawings necessitated by such change, pursuant to Declarant's rights set forth in Section 7.8 of the By-Laws and elsewhere and to reflect any related modifications arising out of such changes.

(i) Declarant, its affiliates and its successors and assigns shall also have the right, regardless of how many Units it owns or how many other Unit Owners shall exist, to amend this Declaration and the By-Laws annexed hereto, and the Tax Lot drawings, without calling a meeting and without obtaining any other party's consent, to effect changes and/or corrections consistent with Declarant's rights and obligations hereunder and under the Offering Plan.

(ii) Any amendments and filings made by Declarant pursuant to the foregoing shall be at Declarant's sole cost and expense, unless Declarant shall arrange otherwise with a party on whose behalf the modifications are being made.

(d) An instrument evidencing an amendment to this Declaration must be duly recorded in the City Register's Office. Such instrument need not contain the written consent of the required number of Unit Owners, but shall contain a certification by the Board of Managers, or Declarant, if applicable, that the consents, if any, required for such change have been received and filed with the Board of Managers. With certain exceptions discussed below, the costs and expenses of preparing and recording an amendment to the Declaration pursuant to this Article 10 shall be borne by the Unit Owners as a Common Expense. However, Declarant shall bear its costs with respect to amendments filed pursuant to Section 10(c), and Declarant shall, if applicable, bear the costs referred to in Section 10(c)(ii). Further, if an amendment is necessitated as a result of alteration work performed by a Unit Owner, the Unit Owner shall bear the expense of preparing and recording the amendment, although the Board shall bear the responsibility of recording such amendment, provided it has approved same in accordance with this Declaration and the By-Laws.

(e) Copies of amendments to this Declaration will be furnished by the Board of Managers to Unit Owners (as a General Common Expense) if the amendment is prepared and recorded by the Board of Managers and affects the Condominium as a whole. Amendments filed by the Board of Managers on behalf of

a Unit Owner shall be duplicated and distributed to all Unit Owners at the amending Unit Owner's sole cost and expense.

(f) No amendment to this Declaration may be passed which (i) adversely affects Declarant's rights hereunder with respect to the sale or leasing of Units owned by it or the making of alterations, additions and improvements to Units owned by it, or (ii) which adversely affects Declarant's rights hereunder in any way whatsoever, without Declarant's prior written consent.

Section 8.2 Termination and Withdrawal. The Condominium shall not be terminated or withdrawn from the Condominium Act except in accordance with this Declaration, the By-Laws, and all laws, ordinances and regulations applicable to the Property at the time termination or withdrawal is desired. In this regard, the Condominium may be terminated following a loss due to casualty or condemnation, as more fully described in the By-Laws. In addition, the Condominium may be withdrawn from the provisions of the Condominium Act by the affirmative vote of Unit Owners representing at least 80% in number and Common Interest of Units. If withdrawal of the Condominium from the Condominium Act is authorized as provided in this Section 10.2, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale arising out of the partition action shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of the Unit Owner's share of such net proceeds, all liens on the Unit Owner's Unit, in the order of priority of such liens.

ARTICLE 9

GENERAL

Section 9.1 Declarant's Rights and Obligations. Nothing contained in the Condominium Instruments shall be deemed to impose upon Declarant any obligation of any nature to build, construct or provide any improvements on the Property. All rights accruing to Declarant hereunder shall also accrue to an affiliate of Declarant, or any entity appointed by Declarant as its designee, or any person or entity succeeding to Declarant's rights hereunder. As used in this Declaration, an affiliate of Declarant shall be deemed to be (i) a person or entity who or which owns more than 25% of the legal or beneficial interest of Declarant, or (ii) an entity with respect to which Declarant owns more than 25% of the legal or beneficial interest, or (iii) an entity owned or controlled directly or indirectly by the principal shareholder of the general partner of Declarant.

Section 9.2 Invalidity. The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been made.

Section 9.3 Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce same, irrespective of the number of violations or breaches which may occur.

Section 9.4 Captions. The captions in the Condominium Instruments are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision thereof.

Section 9.5 Conflicts. Conflicts between this Declaration and the By-Laws attached hereto shall be resolved in favor of this Declaration. Conflicts between this Declaration and the Condominium Act shall be resolved in favor of the Condominium Act.

IN WITNESS WHEREOF, 330 Wythe Associates, LLC has caused this Declaration to be executed this ____ day of _____ 2001.

330 Wythe Avenue Associates, LLC

BY: _____
Stephanie Eisenberg, Managing Member

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

On the ____ day of ____ 20__ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

NOTARY PUBLIC

SCHEDULE A

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the westerly side of Wythe Avenue with the southerly side of South 1st Street: and

THENCE southerly, along the westerly side of Wythe Avenue, 139 feet 1 inch;

THENCE westerly on a line that runs parallel with the northerly side of South 2nd Street and on a line that forms an interior angle of 88 degrees 28 minutes 44 seconds with the westerly side of Wythe Avenue, 100 feet;

THENCE northerly on a line that forms an interior angle of 91 degrees 27 minutes 17 seconds with the last mentioned course, 25 feet;

THENCE easterly on a line that forms an interior angle of 88 degrees 32 minutes 43 seconds with the last mentioned course, 3 feet;

THENCE northerly on a line that forms an interior angle of 271 degrees 27 minutes 17 seconds with the last mentioned course, 25 feet;

THENCE westerly on a line that forms an interior angle of 268 degrees 32 minutes 43 seconds with the last mentioned course, 3 feet;

THENCE southerly on a line that forms an interior angle of 271 degrees 27 minutes 17 seconds with the last mentioned course, 1 foot 9 inches;

THENCE westerly on a line that forms an interior angle of 88 degrees 50 minutes 36 seconds with the last mentioned course, 100 feet;

THENCE northerly on line that forms an interior angle of 91 degrees 12 minutes 22 seconds with the last mentioned course, 100 feet of the southerly side of South 1st Street;

THENCE easterly along the southerly side of South 1st Street 200 feet 5-5/8ths inches to the corner at the point or place of BEGINNING.

Schedule B to Declaration

The Esquire Building

UNIT No.	Square Footage 1	No. of Rooms/ Baths 1a	Percentage of common Interest 2
2A	1352	2/1DO	1.158%
2B	1178	2/1DO	1.009%
2C	1137	2/1DO	0.974%
2D	1190	2/1DO	1.019%
2E	1323	2/1DO	1.133%
2F	1000	1/1L	0.857%
2G	1230	1/1L	1.054%
2H	960	1/1L	0.822%
2I	1050	1/1L	0.899%
2J	1925	1/1LM	1.649%
2K	1400	1/1L	1.199%

units 2a, 2b, 2c, 2d, 2e have have a patio

The Esquire Building

UNIT No.	Square Footage 1	No. of Rooms/ Baths 1a	Percentage of common Interest 2
3A	1352	2/1D	1.158%
3B	1178	2/1D	1.009%
3C	1137	2/1D	0.974%
3D	1190	2/1D	1.019%
3E	1050	2/1D	0.899%
3F	1000	1/1L	0.857%
3G	1230	1/1L	1.054%
3H	960	1/1L	0.822%
3I	1050	1/1L	0.899%
3J	1420	1/1L	1.216%
3K	1415	1/1L	1.212%

Schedule B to Declaration

The Esquire Building

UNIT No.	Square Footage 1	No. of Rooms/ Baths 1a	Percentage of common Interest 2
4A	1352	2/1D	1.158%
4B	1178	2/1D	1.009%
4C	1137	2/1D	0.974%
4D	1190	2/1D	1.019%
4E	1323	2/1D	1.133%
4F	1300	1/1LM	1.114%
4G	1230	1/1L	1.054%
4H	960	1/1L	0.822%
4I	1345	1/1LM	1.152%
4J	1940	1/1LM	1.662%
4K	2015	1/1LM	1.726%

The Esquire Building

UNIT No.	Square Footage 1	No. of Rooms/ Baths 1a	Percentage of common Interest 2
5A	1352	2/1D	1.158%
5B	1178	2/1D	1.009%
5C	1137	2/1D	0.974%
5D	1190	2/1D	1.019%
5E	1323	2/1D	1.133%
5F	1000	1/1L	0.857%
5G	1230	1/1L	1.054%
5H	960	1/1L	0.822%
5I	1050	1/1L	0.899%
5J	1420	1/1L	1.216%
5K	1745	1/1LM	1.495%

Schedule B to Declaration

The Esquire Building

UNIT No.	Square Footage	No. of Rooms/ Baths	Percentage of common Interest
	1	1a	2
6A	1352	2/1D	1.158%
6B	1178	2/1D	1.009%
6C	1137	2/1D	0.974%
6D	1190	2/1D	1.019%
6E	1323	2/1D	1.133%
6F	1000	1/1L	0.857%
6G	1230	1/1L	1.054%
6H	960	1/1L	0.822%
6I	1050	1/1L	0.899%
6J	1420	1/1L	1.216%
6K	1415	1/1L	1.212%

The Esquire Building

UNIT No.	Square Footage	No. of Rooms/ Baths	Percentage of common Interest
	1	1a	2
7A	1352	2/1D	1.158%
7B	1178	2/1D	1.009%
7C	1137	2/1D	0.974%
7D	1190	2/1D	1.019%
7E	1323	2/1D	1.133%
7F	1300	1/1LM	1.114%
7G	1230	1/1L	1.054%
7H	960	1/1L	0.822%
7I	1050	1/1L	0.899%
7J	1420	1/1L	1.216%
7K	1875	1/1LM	1.606%

Schedule B to Declaration

The Esquire Building

UNIT No.	Square Footage 1	No. of Rooms/ Baths 1a	Percentage of common Interest 2
8A	1352	2/1D	1.158%
8B	1178	2/1D	1.009%
8C	2637	2/1D	2.259%
8D	1190	2/1D	1.019%
8E	1323	2/1D	1.133%
8F	1335	1/1LM	1.144%
8G	1210	1/1L	1.037%
8H	1020	1/1L	0.874%
8I	1050	1/1L	0.899%
8J	1420	1/1L	1.216%
8K	1875	1/1LM	1.606%
Commercial 1	10235		8.768%
Commercial 2	8355		7.157%
TOTAL	116,732		100.00%

NOTES:

8C unit is a triplex

units 2a, 2b, 2c, 2d, 2e have have a patio

SCHEDULE C TO THE DECLARATION

BY-LAWS
of
The Esquire Building
330 Wythe Avenue
Brooklyn, New York 11211

Marcia E. Fokas, Esq.
Attorney for Declarant
67 Wall Street, Suite 2001
New York, New York 10005

ARTICLE I

PLAN OF CONDOMINIUM OWNERSHIP

Section 1. 1. Purpose. The purpose of these By-Laws is to set forth the rules and procedures governing the operation and conduct of the condominium project known as The Esquire Building (the "*Condominium*"). All capitalized terms used in these By-Laws and not defined herein, shall have the meanings ascribed to them in the Declaration to which they are annexed.

Section 1. 2. Unit Ownership. The Property, located in the Borough of Brooklyn, County of Kings, City and State of New York at 330 Wythe Avenue, Brooklyn, New York 11211 (herein called the "*Property*") has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the Kings County office of the Registrar of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as The Esquire Building.

Section 1. 3. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Property and to the use and occupancy thereof. The term 'Property' as used in these By-Laws shall include, in addition to the Land, the Building and all other improvements thereon (including the Units and the Common Elements and Limited Common Elements), all easements, rights and appurtenances belonging thereto, and all other property, personal or otherwise intended for the use in connection therewith, all of which are intended to be submitted to the provisions of the Condominium Act. The Condominium Units are hereinafter sometimes referred to as "Unit" or "Units".

Section 1. 4. Application. All present and future owners, mortgagees, lessees, and occupants of the Units and their employees, agents (and/or licensees) and any other persons who may use the facilities of the Property in any manner re subject to these By-Laws, the Declaration and the Rules and Regulations, each as amended from time to time. The acceptance of a deed or conveyance or the entering into (or acceptance of assignment) of a lease or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the

provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 1. 5. Title to Units. Title to Units may be taken in the name of an individual or in the names of two (2) or more persons, as tenants in common or as joint tenants or as tenants by the entirety or in the name of a corporation, limited liability company, partnership, fiduciary or trust, estate, unincorporated association, organization, syndicate, joint venture, government or any department or agency thereof, or any other entity. The term "Unit Owner" as used in these By-Laws shall include and person, group of persons, association or entity taking title as set forth in this Section. The above shall not constitute consent or condonation of any activity not permitted under existing certificate of occupancy, zoning requirements or other applicable law or regulation.

Section 1. 6. Office. The office of the Condominium and of the Board of Managers shall be located at the Property.

ARTICLE 2.

BOARD OF MANAGERS.

Section 2. 1. Number and Qualification.

(a) The affairs of the Condominium shall be governed by a Board of Managers ("Board"). The Board of Managers shall comprise representatives of both the Residential and Commercial Owners. The initial Board of Managers shall consist of three persons designated by the Sponsor. These individuals shall hold office until their successors shall have been installed at the first annual meeting of Unit Owners pursuant to Section 2 of these By-Laws, at which time a nine (9) member Board of Managers shall be established in accordance with these By-Laws. Of these nine (9) members, seven (7) shall be elected by the Residential Unit Owners and two (2) individuals shall be elected by the Commercial Unit Owners as their representatives.

(b) All members of the Board of Managers, shall be Unit Owners or spouses of Unit Owners (in the case of individual Unit Owners), or shall be the designee of a Permitted Mortgagee of a Unit. In the case of partnership Owners or mortgagees, the Board member shall be a general partner of such partnership (and, if the general partnership is a corporation, partnership, shall be an officer, director, shareholder or partner of such corporate or partnership general partner, as applicable). In the case of corporate Unit Owners or mortgagees, the Board member shall be an officer, director or shareholder of such corporation. In the case of limited liability company Owners or mortgagees, the Board member shall be a member of such company or a principal of a member of the company. In the case of fiduciary Unit Owners or mortgagees, the Board member shall be the fiduciary or an office of such fiduciary. With respect to any other type of Unit Owner or mortgagee, the Board member shall be an individual principal, member or other authorized designee of the Unit Owner or mortgagee. With respect to multi-party Residential Unit Owners, only one person per Unit may be a member of the Board of Managers.

To be authorized to vote as a Board member, a Unit Owner must not be in default of any payment of Common Charges and other assessments.

(c) If a member of the Board of Managers ceases to meet the qualifications for membership set forth in the previous paragraph, he or she shall be deemed to have resigned from the Board effective as of the date such ownership, stock ownership, partnership, mortgage or other qualifying interest ceased.

Section 2. 2. Term of Office

(a) The term of office of membership of the Board of Managers representing the Residential Units, elected at the first annual meeting of the Unit Owners shall be three (3) years for three (3) members, two (2) years for two (2) members and one year for two (2) members, or until their respective successors are elected or appointed. The three (3) candidates receiving the highest number of votes shall serve the three-year terms, and in descending order of highest votes, the next two (2) candidates shall serve the two-year terms and the other two candidates shall serve the one-year terms. Thereafter at all annual meetings, candidates will be elected for two-year terms.

(b) The term of office of members of the Board of Managers representing the Commercial Units shall be for one (1) year

(c) Members of the Board of Managers may serve for more than one term.

Section 2. 3. Resignation and Removal of the Board of Managers.

(a) Members of the Board of Managers may resign at any time by giving notice in writing to the Board. Unless otherwise stated in the notice, the resignation shall be effective immediately.

(b) At any regular or special meeting of the Board of Managers, any one or more of the members of the Board, may be removed with or without cause by a majority of the Unit Owners and a successor may then and thereafter be elected by the Board to fill the vacancy thus created, provided notice of such proposed removal was given to the Board member and in the notice of the meeting. Any member of the Board of Managers whose removal has been proposed shall be given an opportunity to be heard at the meeting. Only the Commercial Unit Owners shall have the right to designate a replacement for a member of who has been removed from the Board.

Section 2.4. Vacancies. Subject to the provisions of Section 2.3 above, vacancies in the Board of Managers caused by any reason shall be filled by vote of a majority of the remaining Board members at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Managers for the remainder of the term of the predecessor member and until a successor shall be elected.

Section 2.5. Powers and Duties. Board of Managers

1. **Generally:** The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. All determinations with respect to administration of the affairs of the Condominium include, without limitation, determinations which (i) relate to or affect the General Common Elements (including, but not limited to, establishment of General Common Charges), shall be made by the Board of Managers. The powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

2. General Common Elements.

(a) Operation, care, upkeep, maintenance, repair, replacement and cleaning of the General Common Elements.

(b) Determination of the General Common Charges required to pay for the General Common Expenses of the Condominium, and determination of the portion of General Common Expenses to be paid by the Residential Unit Owners as part of their Residential Common Charges and the portion of General Common Expenses to be paid by the Commercial Unit Owners as their Commercial Common Charges provided that the increases are based on original budget line items adjusted for inflation, except as otherwise provided for in the By-Laws.

(c) Collection of delinquent General Common Charges and other assessments from Unit Owners and expenditure of same to pay General Common Expenses.

(d) Employment and dismissal of the personnel necessary for maintenance and operation of the General Common Elements.

(e) Adoption and amendment of the Rules and Regulations covering operation and use of the Property and seeking of damages and impositions of fines from Unit Owners for violations of Rules and Regulations.

(f) Opening and maintaining of bank accounts on behalf of the Condominium and designating the signatories required therefor.

(g) Purchasing or leasing or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, Residential or Commercial Units offered for sale or lease, and Residential or Commercial Units surrendered by their owners to the Board of Managers.

(h) Purchasing a Residential or Commercial Unit at foreclosure or other judicial sale in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.

(i) Acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the Property.

(j) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board of Managers), or otherwise dealing with Residential or Commercial Units acquired by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

(k) Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Residential or Commercial Units or rights and interests in real and personal property.

(l) Procuring and maintaining insurance for the Property, pursuant to the provisions of Article 6 hereof.

(m) Making ordinary repairs, restorations, additions and improvements to or alterations of the General Common Elements and making repairs to and restoration of the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(n) Borrowing money and thereby incurring debt on behalf of the Condominium in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, improvements or additions to or alterations of, the General Common Elements, working capital, bad debts and unpaid Common Charges, depreciation, obsolescence or similar purposes, or otherwise in connection with any permitted action or activity of the Board. However, (i) the consent of Unit Owners representing at least a majority in number and Common Interest authorized to vote and present in person or by proxy and voting at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of \$50,000 in any one fiscal year (regardless of the balance of loans outstanding from previous years) and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant Common Interest without the consent of the Owner of the Unit so affected, subject to the provisions of subparagraph (o) below. If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph (n) or elsewhere in these By-Laws is not repaid by the Board, a Unit Owner who pays to the creditor such Unit Owner's proportionate share of the sum based on such Unit Owner's Common Interest, shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to Me against the Unit Owner's Unit. The foregoing sentence shall be deemed incorporated into each and every loan agreement or promissory note entered into or made by the Board of Managers pursuant to the authority granted it in the Condominium Instruments.

(o) In addition, in connection with a debt incurred by it pursuant to the foregoing paragraph, the Board of Managers, on behalf of the Unit Owners, may (i) assign to the lender the Board's rights in and to future General Common Charges, (ii) create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that the Board holds, (iii) agree that, to the extent of any amounts due under any provisions of the agreements pursuant to which the debt was incurred, and subject to the provisions of Section 339-1 of the Condominium Act, all Common Charges received and to be received by the Board of Managers, and the right to receive such funds, shall constitute trust funds for the purpose of paying such debt and such funds shall be

expended for such purpose before expending any part of the same for any other purpose, and (iv) agree that at the lender's direction the Board will increase General Common Charges to the extent necessary to pay any amount when due under any of the provisions of the agreements pursuant to which the debt was incurred. The foregoing sentence shall not be construed to authorize the Board of Managers to create a lien on any Common Elements. Any such assignment may provide, subject to the provisions of subparagraph (n) above, that in the event of a default, the lender shall have the right of the Board of Managers to file liens in the lender's name on Units for unpaid General Common Charges in accordance with these By-Laws and Section 339-Z and 339-AA of the Condominium Act, and to foreclose such liens pursuant to Section 339-AA of the Condominium Act and pursuant to these By-Laws.

(p) Levying fines or taking other action against Unit Owners for violations of the Rules and Regulations governing the operation and use of the Property. Fines shall be considered General Common Charges payable by the Unit Owner against whom they are assessed.

(q) Adjusting and settling claims under insurance policies obtained pursuant to Article 6 hereof, and executing and delivering releases upon settlement of such claims on behalf of all Unit Owners.

(r) Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Board of Managers deems appropriate or necessary to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Board of Managers deems necessary or appropriate.

(s) Prepare, execute and record, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

(t) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units as agent for each Unit Owner who has given appropriate written authorization (and to retain counsel in connection therewith on behalf of all such Unit Owners), provided that each such Unit Owner indemnifies the Board of Managers from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

(u) Determining to license portions of the Common Elements for use by Unit Owners as storage areas, to charge a fee for such use, to treat such fee as an assessment by the Board and to enter into a license agreement with any Unit Owner desiring to use such space, setting forth the terms of the license.

(v) **Limitations During Period of Sponsor Control:** Notwithstanding anything to the contrary contained in these By-Laws, until Sponsor or its designee conveys title to all Residential Units offered pursuant to the Offering Plan, but for no longer than a period of five (5) years after the date of the First Unit Closing under the Offering Plan, the Board of Managers may, without the prior written consent of Sponsor and its designee(s), (i) make or permit to be made any addition, alteration or improvement to the General Common Elements or Limited Common Elements appurtenant to Residential Units, or to any Unit owned by Sponsor, or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund (however, Sponsor will not unreasonably withhold consent to additions to any contingency reserve provided for in Schedule B to the Offering Plan to the extent the aggregate amount of said reserve does not in any one fiscal year of the Condominium exceed 3% of the operating expenses of the Condominium for that year), or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent the existing reserves are insufficient), or (iv) amend the Declaration or By-Laws so as to affect Sponsor and/or its designees adversely in any way, or (v) increase the number of employees from those described in Schedule B to the Offering Plan. Sponsor's consent to the foregoing shall not be withheld for expenses required (a) to comply with applicable law or regulations, (b) to remedy any violation which it is the responsibility of the Board of Managers to cure, or (c) to remedy any work order of an insurer. Subject to the foregoing, Sponsor and its designee shall have the right to withhold its consent to any of the foregoing actions.

Section 2.6. Managing Agent and Manager. The Board of Managers may employ for management of the Condominium a managing agent and/or a manager at a compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to the manager or managing agent the power in subdivision A(f), of Section 2.5 of these By-Laws, provided that the Board retains the power to designate the signatories on any account opened pursuant thereto, and may delegate such other tasks as hiring and firing employees, obtaining insurance policies, forming corporations and entering into contracts and leases for services and repairs to Common Elements, provided the Board retains the right to consent to the action or contract prior to execution of the task or contract.

Section 2.7. Organizational Meeting. The first meeting of the members of the Board of Managers following each annual meeting of the Unit Owners shall be held either immediately following the adjournment of the annual meeting or within ten (10) days thereafter at such time and place as shall be fixed by a majority of the members of the Board of Managers and no notice shall be necessary to the newly elected members of the Board of Managers in order legally to constitute such meeting, provided a majority of the whole Board of Managers was present at the time the date was selected, or is present at the meeting itself.

Section 2.8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Managers, but at least six (6) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of

Managers shall be given to each member of the Board of Managers, as applicable (i.e., depending on the meeting being called), personally or by mail, telephone or telegraph, at least three (3) business days prior to the day named for such meeting.

Section 2.9. Special Meetings. Special meetings of the Board of may be called by the President on not less than three (3) business days' notice to each member of the Board of Managers, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers also shall be called by the President or Secretary (in like manner and on like notice), on the written request of at least four (4) members of the Board of Managers.

Section 2.10. Waiver of Notice; Telephone Participation.

(a) Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers, in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him or her of the time and place thereof.

(b) Any one or more members of the Board of Managers or any committee of Board may participate in a meeting of the Board, or other committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

(c) If members representing a quorum of the Board of Managers, as applicable, are present at any meeting of the Board, respectively, no notice shall be required and any business may be transacted at such meeting.

Section 2.11. Quorums, Determinations and Adjournments.

(a) Except as otherwise set forth in these By-Laws, all determinations of the Board of Managers shall be made at a meeting of the Board at which a quorum is present. At all meetings of the Board of Managers, six (6) members thereof shall constitute a quorum for the transaction of business. The vote of a majority of the members of the Board of Managers present at a Board meeting at which a quorum is established, shall constitute the decision of the Board of Managers except as otherwise provided in the By-Laws.

(b) If at any meeting of the Board of Managers there shall be less than a valid quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjournment meeting at which a valid quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

(c) Any action required or permitted to be taken by the Board of Managers or any committee of the Board, may be taken without a meeting if all members of the Board, or the committee, consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the minutes of the proceedings of the Board or the committee.

Section 2.12. Fidelity Bonds. The Board of Managers shall obtain adequate fidelity bonds for all members of the Board of Managers, officers of the Board of Managers, and employees of the Condominium and of the managing agent handling or responsible for Condominium funds. The premiums on such bonds shall constitute a General Common Expense.

Section 2.13. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such unless the Unit Owners amend these By-Laws to provide otherwise. However, these By-Laws shall not be amended to provide otherwise while Sponsor or its designee owns at least one Unit.

Section 2.14. Liability of the Board of Managers and Officers of the Condominium.

(a) The members and officers of the Board of Managers shall not be liable to the Unit Owners except for their own individual willful misconduct or bad faith actions or bad faith failures to act. The Unit Owners shall indemnify and hold harmless each of the members and officers of the Board of Managers against all loss, damage or liability that a Board member, Committee member or officer incurs arising from his or her acts as, or by reason of the fact that such person was, a member of the Board of Managers, an officer of the Condominium, except with respect to liability arising from willful misconduct, bad faith actions or bad faith failures to act.

(b) Members of the Board of Managers shall have no personal liability with respect to any contract made by them as the Board of Managers within the scope of their authority or believed by them in good faith to be within the scope of their authority. The liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to the Unit Owner's proportionate share of the total liability based on the Unit Owner's Common Interest.

(c) Every agreement made by the Board of Managers or by the managing agent or by the manager on behalf of the Condominium shall provide or be deemed to provide that the members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners, if applicable), and that any liability of a Unit Owner thereunder shall be limited to such proportion of the total liability thereunder as computed in accordance with said Unit Owner's Common Interest, or in accordance with said Unit Owner's Residential Allocation Percentage if it concerns a Residential Unit, and to such percentage of liability as the Owner's Common Interest bears to the aggregate Common Interest of all other Commercial Units, if it concerns a Commercial Unit.

Section 2.15. Executive Committees. The Board of Managers may, by resolution duly adopted, meet as an Executive Committee. Such Executive Committee shall have and may exercise all the powers of the Board of Managers in the management of the business and affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the

General Common Charges and General Common Expenses required for the affairs of the Condominium, (b) to adopt or amend the Rules and Regulations, or (c) to exercise any of the powers set forth in subdivisions g, h, i, j, n, o, q, r, s and t of Section 2.5(A) of these By-Laws.

Section 2.16. Other Committees. The Board of Managers may by resolution create such other committees as they shall deem appropriate and such committees shall each consist of at least two members of the Board and shall each have such powers and authority as the Board of Managers shall vest therein. The members of any such committee shall be appointed by the President of the Condominium. Such committee shall not have the power to do any act which the Executive Committee may not do under Section 2.15 of these By-Laws.

Section 2.17. Rules and Regulations. Rules and Regulations concerning the use of the Units and the Common Elements may be promulgated and amended from time to time by the Board of Managers provided that copies are furnished to each Unit Owner not less than 5 days prior to the time that they become effective. Any rule or regulation may be rescinded by vote of a majority of the Unit Owners at a meeting duly called for that purpose. *The initial Rules and Regulations are attached as Exhibit A to these By-Laws for convenience, and are not thereby made part of these By-Laws.* The Rules and Regulations may thus be expanded or otherwise modified by the Board of Managers in the ordinary course of business, without the formality of amending the By-Laws. Each Unit Owner must comply strictly with the By-Laws and the Rules and Regulations, and the resolutions and decisions adopted pursuant thereto. Failure to comply with any of same shall be grounds for action to recover sums due, for damages or injunctive relief, or both, by the Board of Managers, or in a proper case, by an aggrieved Unit Owner. In the case of repeated or flagrant violations, the Board may ask the offending Unit Owner for sufficient surety for future compliance.

ARTICLE 3

UNIT OWNERS

Section 3.1. Annual Meetings.

(a) Within approximately 90 days after the earlier of (i) conveyance of title by Sponsor to 37 of the 73 Residential Units offered for sale under the Offering Plan, or (ii) the second annual anniversary date of the First Unit Closing under the Offering Plan, Sponsor shall call and conduct the first annual meeting of the Unit Owners. Sponsor reserves the right, however, to call the first annual meeting at such earlier date as Sponsor shall in its discretion select. Thereafter, annual meetings of the Unit Owners shall be held within approximately three weeks of the anniversary of the first annual meeting.

(b) The Unit Owners may transact such other business at annual meetings as may properly come before them.

Section 3.2. Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3.3. Special Meetings. It shall be the duty of the President of the Board of Managers to call a special meeting of all Unit Owners or the Residential Unit Owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by not less than 25% in Common Interest, in the aggregate, of all Unit Owners, with respect to calling meetings of all Unit Owners, or not less than 25% in number and Residential Allocation Percentage, in the aggregate, of the Residential Unit Owners, with respect to calling meetings of Residential Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 3.4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners at least ten but not more than forty days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the Property or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least fifteen days prior to such meeting and the notice shall be accompanied by the text of the proposed amendment. The mailing of a notice of meeting by regular mail or by certified mail return receipt requested in the manner provided in this Section shall be considered service of notice.

Section 3.5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not attended, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than three (3) business days from the date the original meeting was scheduled. Notice of the date, time and location of the adjournment meeting shall be given to each Unit Owner in writing by mail, telegraph or personal delivery, at least three business days prior to the date of the adjournment meeting. At any such adjournment meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 3.6. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Managers.
- (f) Reports of committees.
- (g) Election of inspectors of election (when so requested).

- (h) Election of members of the Board of Managers (when so required).
- (i) Unfinished business.
- (j) New business.

Section 3.7. Voting.

(a) Each Unit Owner (except the Board of Managers or its designee voting at a meeting to elect members of the Board of Managers), shall be entitled to cast one vote either in person or by proxy for each .0001% of Common Interest attributable to said Owner's Unit(s), for each item voted upon at each meeting of all Unit Owners. Accordingly, the total number of votes that may be cast at meetings of all Unit Owners, is 1,000,000. Votes attributable to one Unit may not be cumulated or split.

(b) Each Residential Unit (except the Board of Managers or their designee) shall be entitled to cast one vote either in person or by proxy for each .0001% of Residential Allocation Percentage attributable to said Unit Owner's Unit(s), for each item voted upon at all meetings of Residential Unit owners. Accordingly, the total number of votes that may be cast at all meetings of Residential Unit owners is 1,000,000. Votes attributable to one Unit may not be split or cumulated.

(c) Each Commercial Unit Owner (except the Board of Managers, or their designee) shall be entitled to cast one vote for each .0001% of the Unit's proportionate Commercial allocation percentage (i.e., which percentage is derived by dividing the Unit's Common Interest by the aggregate Common Interest allocated to all Commercial Units. Accordingly, the total number of votes that may be cast at meetings of Commercial Unit Owners is 10,000. Votes attributable to one Unit may not be split or cumulated.

(d) Each Unit Owner or a party designated by the Unit Owner to act as proxy on the Unit Owner's behalf, shall be entitled to cast the votes attributable to said Unit Owner's Unit at meetings of Unit Owners. Those owning a Unit jointly or in common must act unanimously and may not cast more than one vote for each .0001% of Common Interest or Residential Allocation Percentage or Commercial allocation percentage attributable to the Unit, and may not split or cumulate said votes.

Section 3.8. Proxies. Each Unit Owner shall be entitled to vote by proxy at any meeting of Unit Owners. The designation of any such proxy shall be in writing and shall be filed with the Secretary at or prior to the meeting in which the same is to be used. Such proxy shall be valid only for such meeting or subsequent adjournment meetings thereof. Such proxy shall, however, be revocable at any time (i) by written notice to the Secretary by the Owner(s) who designated the proxy, or (ii) by verbal notice given in person to the Secretary. A notation of such proxy(ies) shall be made in the minutes of the meeting. If a Unit is owned jointly or otherwise in common, the co-owner who is present must hold a proxy for each co-owner not present at the meeting where the proxy is to be used. Alternatively, one single proxy holder holding the proxies of all co-owners (who need not be a co-owner himself or

herself), may vote the votes appurtenant to said Unit at the meeting. The holder of a Unit Owner's proxy need not be a Unit Owner.

Section 3.9. Majority of Unit Owners. As used in these By-Laws the term "majority of Unit Owners" shall mean those Owners of Units representing more than 50% of the total authorized votes of all Unit Owners. The term a "majority of Residential Unit Owners" shall mean those Owners of Residential Units representing more than 50% of the total authorized votes of all Residential Unit Owners. The term a "majority of Commercial Unit Owners" shall mean those owners representing more than 50% of the total authorized votes of all Commercial Unit Owners. In all cases, such majority must be present in person or by proxy and voting in favor of one position at any meeting of the Unit Owners in accordance with the provisions of Section 3.7 of these By-Laws in order to constitute a valid vote of a majority of the Unit Owners (or of the Residential Unit Owners or of the Commercial Unit Owners, as the case may be), when such vote is required.

Section 3.10. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners representing 50% of the total authorized votes of all Unit Owners shall constitute a quorum at meetings of all the Unit Owners, the presence in person or by proxy of Residential Unit Owners representing 50% of the total authorized votes of all Residential Unit Owners shall constitute a quorum at all meetings of Residential Unit Owners and the presence in person or by proxy of Commercial Unit Owners representing 50% of the total authorized vote of all Commercial Unit Owners shall constitute in quorum at all meetings of Commercial Unit Owners.

Section 3.11. Binding Nature of Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, (a) at all separate meetings of Residential Unit Owners the vote of a majority of Residential Unit Owners present in person or by proxy at a meeting at which a quorum is established, shall be binding upon all Residential Unit Owners for all purposes, (b) at all separate meetings of Commercial Unit Owners the vote of a majority of Commercial Unit Owners present in person or by proxy at a meeting where in quorum has been established, shall be binding upon all Residential Unit Owners for all purposes, and (c) at meetings of all Unit Owners the vote of a majority of Unit Owners present in person or by proxy at a meeting at which a quorum is established, shall be binding on all Unit Owners for all purposes.

Section 3.12. Action Without Meeting.

(a) Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law consents in writing to the adoption of a resolution authorizing such action and the writing is filed with the records of the Condominium.

(b) When Residential Unit Owners and the Commercial Unit Owners, each acting separately in accordance with this Article 3, have made the same determination as to any matter which is required or permitted to be determined by all Unit Owners, such determination shall constitute the determination of all Unit

Owners and no joint meeting of all Unit Owners shall be necessary for any such determination to be made by all Unit Owners.

ARTICLE 4

OFFICERS

Section 4.1. Designation and Qualification. The principal officers of the Condominium shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. All officers except the Secretary must satisfy the standards to be a Board member contained in Section 2.1 of these By-Laws. The Secretary may be a Unit Owner, or spouse of a Unit Owner, or an employee of the Managing Agent, but in any event need not be a member of the Board of Managers. The Board of Managers may appoint such other officers as in its judgment may be necessary.

Section 4.2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Managers at the organizational meeting of each new Board of Managers, and shall hold office at the pleasure of the Board of Managers.

Section 4.2. Removal, Resignation and Other Vacancies.

(a) Any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose, provided notice of the proposed removal was given to the officer and in the notice of the meeting. Any officer whose removal has been proposed shall be given an opportunity to be heard at the meeting.

(b) Officers may resign at any time by giving notice in writing to the Board. Unless stated otherwise in the letter of resignation, the resignation shall be effective immediately.

(c) Vacant offices caused by removal, resignation, death or otherwise, shall be promptly filled by vote of the Board of Managers.

Section 4.3. President. The President of the Condominium shall be the chief executive officer of the Condominium. He or she shall preside at all meetings of Unit Owners and of the Board of Managers. The President shall have all of the general powers and duties as would be incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among the Unit Owners from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 4.4. Vice-president. The Vice-President shall take the place of the President and perform the President's duties as either head of the Condominium whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Managers shall appoint some other member of the Board of to act in the place of the President on an interim basis. The

Vice-President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Managers or by the President.

Section 4.5. Secretary. The Secretary of the Condominium shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers. The Secretary shall have charge of such books and papers as the Board of Managers may direct. He or she shall, in general, perform all the duties as would typically be performed by a secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 4.6. Treasurer. The Treasurer of the Condominium shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements. The Treasurer shall be responsible for the preparation of all required financial data, for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the Managing Agent, as applicable, in such depositories as may from time to time be designated by the Board of Managers. He or she shall, in general, perform all the duties as would typically be performed by a treasurer of a stock corporation organized under the Business Corporation Law of the State of New York. Notwithstanding anything in the foregoing discussion to the contrary, the Board of shall have the right to engage accountants, bookkeepers and other appropriate professionals to perform one or more of the tasks described as the Treasurer's responsibility in this Section 4.7. In the event such professional is engaged, it shall be the Treasurer's responsibility to oversee and examine the work performed by the professional, to ensure accuracy, timeliness and complete performance.

Section 4.7. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium and all agreements, contracts, deeds, leases shall be executed by any two officers of the Condominium or by such other two (or more) persons as may be designated by the Board of Managers.

Section 4.8. Compensation of Officers. No officer shall receive compensation from the Condominium for acting as such, unless the Unit Owners amend these By-Laws to provide otherwise.

ARTICLE 5

COMMON EXPENSES, CHARGES AND ASSESSMENTS DETERMINATION, PAYMENT, COLLECTION AND ACCOUNTS

Section 5.1. Determination of Common Expenses and Fixing of Common Charges; Special Assessments.

(a) (i) The Board of Managers shall from time to time, and at least annually, prepare a budget to meet the General Common Expenses of the Condominium, determine the overall amount of General Common Charges payable by the Unit Owners to meet the General Common Expenses of the Condominium and

determine the portion of General Common Expenses to be paid by Residential Unit Owners as part of their Residential Common Charges and the portion of General Common Expenses to be paid by the Commercial Unit Owners as part of their Commercial Common Charges. The Board, however, shall have the right to determine General Common Charges on a different basis than Common Interest. Specifically, the Board may compute General Common Charges for a Unit based on the estimated amount by which a particular expense item benefits or is used by the Unit or the Unit Owner, provided the allocation is fairly attributable to the Unit and reasonable under the circumstances.

(ii) If a Commercial Unit Owner objects to any such allocation as between that Commercial Unit Owner and other Unit Owners, and the dispute cannot be resolved among the Board members, the dispute shall be submitted to a court of competent jurisdiction in accordance with these By-Laws.

(iii) The Board of Managers shall advise the Residential Unit Owners and the Commercial Unit Owners promptly, in writing, of the amount of General Common Charges payable by the Residential Unit Owners and the Commercial Unit Owners, respectively, as determined by the Board of Managers, and shall furnish copies of each budget on which such Common Charges are based, at least ten (10) days prior to the adoption thereof. That portion of the Common Charges, which is allocated by the Board of Managers to principal payments on indebtedness or for capital improvements, shall be treated upon the books of the Condominium as capital contributions.

(b) The Board of Managers shall from time to time and at least annually prepare a budget to meet Residential Common Expenses and shall allocate and assess to the Residential Unit Owners, pro rata in accordance with their Residential Allocation Percentages, Residential Common Charges to meet Residential Common Expenses. The Board shall advise all Residential Unit Owners promptly in writing of the amount of Residential Common Charges payable by each of them and shall furnish copies of each budget on which such Residential Common Charges are based to all Residential Unit Owners, at least ten (10) days prior to the adoption thereof.

(c) The Board of Managers shall from time to time and at least annually prepare a budget to meet Commercial Common Expenses and shall allocate and assess to the Commercial Unit Owners, Commercial Common Charges to meet Commercial Common Expenses in such proportion as the Board shall determine. The Board shall advise all Commercial Unit Owners promptly in writing of the amount of Commercial Common Charges payable by each of them and shall furnish copies of each budget on which such Commercial Common Charges are based to all Commercial Unit Owners, at least fifteen (15) days prior to the adoption thereof.

(d) Assuming the Board of Managers determines to commence collection of General Common Charges as of the date of the First Unit Closing, Sponsor or its designee shall be responsible for all Common Charges assessed against each Unit owned by it from the date of the First Unit Closing, until such Unit is sold or otherwise conveyed to a purchaser. However, the Board in its sole discretion shall have the right to waive Unit Owners' obligations to pay General Common Charges for a period of time determined by the Board, and accordingly to commence collection of General Common Charges at a later date than the date of the

First Unit Closing, provided Sponsor agrees to pay the basic operating costs of the Condominium (exclusive of reserves) during this period. The Board of Managers shall have the right to waive Residential Unit Owners' and Commercial Unit Owners' obligations for Residential and Commercial Common Charges, respectively, for such period as Sponsor is paying the basic operating costs of the Condominium. Sponsor shall become responsible for all Common Charges assessed against Units owned by it only from and after the date the Board determines to commence collection of General Common Charges.

(e) (i) The General Common Expenses shall include, among other things, the cost of insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of these By-Laws. The General Common Expenses may also include such amounts as the Board of Managers may deem proper for repairs, reserves, replacements, improvements, betterments, maintenance and other operating expenses of the Property, including, without limitation, an amount for working capital for the Condominium, for a general operating reserve, for a reserve fund for replacement, and an amount to cover any deficit in the General Common Charges collected for any prior year. The General Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit which is to be sold at a foreclosure or other judicial sale. General Common Expenses shall also include other items stated in the Declaration or these By-Laws to be General Common Expenses.

(ii) In the event of casualty to the Common Elements for which insurance proceeds under policies maintained by the Board are forthcoming, the Board may levy and assess as a special assessment an amount anticipated to be needed to repair or restore the Common Elements, prior to receipt of such proceeds. Upon receipt of such proceeds, the Board will reimburse Unit Owners the amount they paid as a special assessment, or such lesser amount as shall be necessary to compensate for the Board's receipt of insurance proceeds in an insufficient amount to cover the cost of repair or restoration. In addition, to the extent insufficient insurance proceeds are received to cover the actual cost of repair or restoration, the Board may levy and assess as a special assessment the amount needed to cover such shortfall in insurance proceeds.

(f) Except as otherwise provided in these By-Laws, all Residential Common Expenses shall be determined by the Board and shall be borne solely by the Residential Unit Owners. Residential Common Expenses may include, without limitation, such amounts as the Board may deem proper for repairs, reserves, replacements, improvements, betterments, maintenance and other operating expenses of the Residential Area, as well as a general operating reserve, a working capital fund, a reserve for replacements with respect to the Residential Common Elements, and such amounts, determined by the Board, as may be required for the purchase, lease or sublease by the Board of Managers, or its designee, corporate or otherwise, on behalf of Residential Unit Owners, of any Residential Unit whose Owner has elected to sell, lease, transfer or convey such Unit. Residential Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Residential Common Expenses.

(g) Assessments other than and in addition to Common Charges, include without limitation, water charges pursuant to sub-meter as described below, and any other assessments imposed upon Unit Owners for any reason, shall be levied against and paid by Unit Owners in the same manner as provided in these By-Laws for Common Charges. Failure to pay any such water charges, or any other assessments, shall be treated in the same manner as failure to pay Common Charges. It is anticipated that the Board of Managers will receive a single invoice from New York City reflecting all water consumption measured by the master meter, which includes Residential Unit usage, Residential Common Element, and General Common Element usage. The Board of Managers will pay this water bill to New York City.

(h) Electricity shall be supplied by the public utility company serving the area directly to each Unit (Residential and Commercial) through separate meters and each Unit Owner shall be required to pay the bills for electricity consumed or used in said Owner's Unit directly to the utility company.

(i) In addition, Unit Owners are advised that the Property is equipped with a master water meter for the Building with sub-meters; respecting the Commercial Units. It is anticipated that the Board of Managers will receive a single invoice from the City of New York for all water consumed at the Property, together with associated sewer charges. The Board of Managers will bill Commercial Unit Owners for water consumed in their Units, together with associated pro-rata sewer charges, based on the usage reflected on the sub-meter for that particular Commercial Unit. Commercial Unit Owners shall be required to pay this invoice directly to the Board of Managers, in the same manner as Common Charges. A Commercial Unit Owner's failure to pay water and sewer charges assessed against the Unit, will be treated in the same manner as failure to pay Common Charges. Accordingly, the Board of Managers will have the same rights and remedies respecting a Unit Owner's failure to pay water and sewer charges as the Board has for non-payment of Common Charges. The balance of water usage and sewer charges not billed to Commercial Unit Owners will be deemed attributable to the Residential Area and will be payable by Residential Unit Owners as a Residential Common Expense.

Section 5.2. Accounts. The receipts and expenditures of the Condominium shall be General Common Charges and General Common Expenses and shall be credited and charged to accounts deemed by the Board to be reasonably necessary for the prudent operation of the Property.

Section 5.3. Reserves.

(a) The Board shall not be obligated to expend all the revenues collected in any one accounting period. Said entities may maintain reasonable reserves for, among other things, repairs, replacements, emergencies, contingencies of bad weather or uncollected accounts.

(b) The Board shall not be obligated to segregate physically the funds held in such reserve accounts but may, in their sole discretion, maintain the funds in one or more consolidated accounts.

Section 5.4. Payment of Common Charges and Assessments; Liability of Grantee and Grantor After Transfer of Unit.

(a) Residential Unit Owners and Commercial Unit Owners shall be obligated to pay General Common Charges and other assessments at such time or times (but not less than monthly) as the Board of Managers shall determine. All Residential Unit Owners shall be obligated to pay Residential Common Charges and other assessments at such time or times (but not less than monthly) as the Board determines. All Commercial Unit Owners shall be obligated to pay Commercial Common Charges and other assessments at such time or times (but not less than monthly) as the Board determines. Unless otherwise determined, all Common Charges shall be payable monthly, in advance, on the first day of each month.

(b) Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property shall not be grounds for withholding or failure to pay Common Charges or any other assessments. Likewise, no Unit Owner shall deem itself or be deemed by the Board of Managers or any Committee thereof, to be exempt from the obligation to pay Common Charges or other assessments for any reason, including without limitation, waiver of use or enjoyment of the Common Element, abandonment of Unit Owner's Unit, or by claiming the quantity or quality of services are not worthy of such payment or are not as were expected by such Owner at the time of acquisition of the Unit or at any other time.

(c) No Unit Owner shall be liable for the payment of Common Charges or other assessments assessed against such Owner's Unit from and after the date of sale, transfer or other conveyance of the Unit made by such Unit Owner in accordance with the Declaration and these By-Laws, and applicable only to the period subsequent to the sale, transfer or other conveyance.

(d) The grantee of a Unit shall be jointly and severally liable with grantor for unpaid Common Charges and other assessments assessed against such Unit and due up to the date of conveyance, without prejudice to the grantee's right to recover from the grantor any amounts paid by the grantee therefor. Accordingly, a purchaser acquiring title through an arms-length transaction or as a gift or donation, a mortgagee or other party acquiring title to a Unit through foreclosure or by deed in lieu of foreclosure, a creditor of a Unit Owner acquiring title to a Unit through a sale or other proceeding arising out of the bankruptcy of a Unit Owner, or any other grantee whatsoever, shall be liable for the payment of Common Charges and other assessments assessed against that Unit prior to that party's acquisition of the Unit. Accordingly, a Unit shall, upon transfer, always be subject to a lien for unpaid Common Charges that were assessed against the Unit and due and payable prior to the transfer.

(e) Any party acquiring a Unit through foreclosure or by deed in lieu of foreclosure, through a Unit Owner's bankruptcy or liquidation, through purchase, gift or donation, or through any other means, shall be liable for all Common Charges and assessments assessed against the Unit for the period on and after, and due from and after, the date of that party's acquisition of title to the Unit.

(f) If a petition in bankruptcy is filed by or against a Unit Owner, or if a trustee, receiver or similar official is appointed to administer a Unit Owner's assets, the Unit Owner, trustee, receiver or other official shall remain

obligated to pay, and the Unit shall continue to be subject to, Common Charges and assessments for the entire duration of any bankruptcy or other reorganization proceeding.

Section 5.5. Default in Payment of Common Charges and Assessments.

(a) If any Common Charge or other assessment imposed by the Board of Managers, or any installment thereof, or any Residential Common Charge or other assessment imposed by the Board or any installment thereof, or any Commercial Common Charge or other assessment or installment thereof is not paid by the due date, then such payment shall be deemed delinquent, and the Unit Owner shall be in default under these By-Laws for such non-payment.

(b) The Board of Managers shall impose a late charge in the amount of not less than 2% of the overdue payment, or such other amount as the Board deems reasonable, provided such late charges are uniformly applied, with respect to Common Charges or other assessments not paid within 10 days after the due date.

(c) In addition to late charges, if the Common Charge or assessment (or installment thereof with respect to any assessment payable in installments), is not paid within thirty (30) days after the due date, then (i) such Common Charge or assessment shall bear interest from the due date in the amount of not less than 2% over the prime rate then announced by The Chase Manhattan Bank (or its successor, if applicable), but in no event more than the highest legal rate, (ii) the Board may accelerate the remaining installments of any assessment payable in installments, and (iii) the Board may bring legal action against the delinquent Unit Owner, foreclose the lien on such Unit granted under these By-Laws and/or by the Condominium Act, or otherwise seek to recover the amounts due to the Condominium. The expenses, including without limitation, attorneys' fees and disbursements, incurred by the Board in any proceeding brought to collect such unpaid Common Charges or assessments, shall be added to the amount of such delinquent Common Charge, assessment or installment thereof, together with late charges and interest.

(d) Any amounts collected on account of past due Common Charges or other assessments through foreclosure or otherwise, shall be applied in the following order: attorneys' fees and disbursements, other costs of collection, interest, late charges and Common Charges or assessments, beginning with the Common Charge or assessment due for the longest period.

Section 5.6. Collection of Common Charges and Assessments.

The Board of Managers shall take prompt action to collect any General Common Charge and/or other assessment previously imposed by the Board which remains unpaid for more than 30 days from the due date for payment thereof.

Section 5.7. Unpaid Common Charges and Assessments: Personal Obligation of Unit Owner and Lien on Unit.

(a) All sums assessed as General Common Charges, or as Residential Common Charges or as Commercial Common Charges, as well as any other assessments made by the Board of Managers, (including, but not limited to, assessments for electricity and/or water and sewer costs attributable to the Unit), but unpaid, together with late charges as may be established by the Board of Managers, interest thereon at such rate as may be fixed by the Board of Managers and reasonable attorneys' fees and other costs and expenses incurred in efforts to collect such past due Common Charges and/or other assessments, shall be the personal obligation of the Unit Owner. Such sums shall constitute a lien upon the Unit prior to all other liens except (i) any lien for past due and unpaid real estate taxes, and (ii) any lien for sums unpaid on a first mortgage of record against that Unit.

Section 5.8. Foreclosure of Lien for Common Charges and Assessments; Liability of Grantee in Foreclosure.

(a) Any lien for past due General Common Charges and/or other assessments may be foreclosed by the Board of Managers in accordance with the laws of the State of New York, in like manner as a mortgage on real property, and the Board of Managers shall also have the right to recover all costs incurred in foreclosing on such lien, including but not limited to reasonable attorney's fees and disbursements, as set forth in these By-Laws.

(b) Any lien for past due Residential Common Charges and/or other assessments may be foreclosed by the Board in like manner as a mortgage on real property, and the Board shall have the right to recover all costs incurred in foreclosing on such lien, including but not limited to reasonable attorneys' fees and disbursements, as set forth in these By-Laws. Any lien for past due Commercial Common Charges and/or other assessments may be foreclosed by the Board in like manner as a mortgage on real property, and the Board shall have the right to recover all costs incurred in foreclosing on such lien, including but not limited to reasonable attorneys' fees and disbursements, as set forth in these By-Laws. The Board of Managers shall bring the foreclosure action for non-payment of Residential Common Charges or for non-payment of Commercial Common Charges, as applicable, in its own name.

(c) Notwithstanding anything to the contrary in these By-Laws or in the Declaration, once an action to foreclose a lien for Common Charges or other assessments is commenced, if the Owner of the Unit being foreclosed has not previously been deemed to have resigned from the Board of Managers (or any Committee thereof), if indeed she or he was a member, her or his membership on the Board or Committee shall be deemed terminated.

(d) In the event the proceeds of any foreclosure sale for non-payment of Common Charges or other assessments are not sufficient to pay such unpaid Common Charges, assessments and related expenses, the Board of shall commence an action for the deficiency (if not yet commenced) against the Unit Owner who had failed to pay the Common Charges or other assessments. Following suit for a deficiency judgment, if the amounts collected are insufficient to pay outstanding costs, the remaining balance may be charged (i) to all Unit Owners as a General Common Expense, if the unpaid Common Charges or assessments were

General Common Charges or assessments, (ii) to the Residential Unit Owners as a Residential Common Expense if the unpaid Common Charges or assessments were Residential Common Charges or assessments or (iii) to the Commercial Unit Owners if the unpaid Common Charges or assessments were Commercial Common Charges or assessments.

Section 5.9. Proceedings to Foreclose Common Charge Liens or Otherwise Collect Unpaid Common Charges and Assessments; Unit Rentals.

(a) In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges or other assessments, the Unit Owner shall be required to pay a reasonable rental for the use of said Unit Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same.

(b) The Board of Managers, acting on behalf of all Unit Owners shall have power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to (other than for the election of members of the Board of Managers), convey or otherwise deal with the same.

(c) A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing, filing or waiving the lien securing the same, and foreclosure may be maintained despite the pendency of a suit to recover a money judgment.

Section 5.10. Statement of Monies Owed. Upon the written request of a Unit Owner, lessee or Mortgagee with respect to the Unit owned by such Owner, leased by such lessee or upon which such Mortgagee holds a mortgage, or any prospective purchaser, lessee, mortgagee or title insurer of such Unit, the Board of Managers acting through the manager or the managing agent, shall promptly furnish a certificate in writing setting forth with respect to such Unit as of the date of such certificate, (i) whether or not the Common Charges due have been paid, (H) the amount of such Common Charges, including interest and costs, if any, due and payable, and (iii) whether any amounts or charges are owing to the Condominium, e.g., for the cost of extinguishing a violation of the Declaration, By-Laws or Rules and Regulations. A reasonable charge, as determined by the Board of Managers may be made for the issuance of this certificate. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated as between the Board of Managers and any bona fide purchaser or lessee of, or lender on, or tide insurer of, the Unit with respect to which the request was made.

ARTICLE 6

INSURANCE

Section 6.1. Generally.

(a) The Board of Managers shall be required to obtain and maintain (i) all-risk property coverage insuring the Common Elements and (ii) liability insurance.

(b) (i) The all-risk policy shall cover the interests of the Board of Managers and all Unit Owners and Permitted Mortgagees, as their interests may appear. Coverage shall be for the full replacement value of the Common Elements, without deduction for depreciation (and in any event in an amount sufficient to prevent the Board of Managers from becoming a co-insurer). The Board of Managers shall review the amount of such insurance annually.

(ii) The all-risk policy shall contain, among other provisions, a waiver by the insurer of any right to claim by way of subrogation against Unit Owners, Permitted Mortgagees, the Board of Managers and members of the Board of Managers, and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured. It shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all Permitted Mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Permitted Mortgagees of Units upon their written request therefor, and their payment of the cost of obtaining copies.

(c) The Board of Managers shall also be required to obtain and maintain, to the extent obtainable and/or to the extent required by law (i) fidelity insurance covering all employees of both the condominium and managing agent who handle Condominium funds, (ii) workers' compensation insurance, (iii) rent insurance in an amount equal to at least the annual aggregate of the Common Charges payable to the Board of Managers, and (iv) public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, and each Unit Owner and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements. Such general liability coverage shall also cover cross liability claims of one insured against another. The Board of Managers shall review such limits once each year.

(d) The Board of Managers shall have the right, pursuant to § 339-bb of the Condominium Act, to charge a Unit Owner a higher amount of the Condominium's insurance expense than said Owner's Common Interest would otherwise dictate, should the cost of the Condominium's insurance premium be based in part, specifically on the use to which the Unit in question is put.

(e) Residential Unit Owners are required to carry, at their own expense, liability and casualty insurance covering occurrences in their Units. Each such policy shall contain a waiver by the insurer of the right to claim by way of subrogation against the Board of Managers, members thereof and other Unit Owners, and shall provide that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of such insurance carried by the Unit Owner.

(f) Each Commercial Unit Owner shall obtain and keep in full force and effect during the period of its ownership, a policy of commercial general liability insurance including contractual liability coverage under which the insurance company waives subrogation against the Condominium, its Board of Managers and Unit Owners in the Condominium, the Commercial Unit Owner is named as the insured and the Board of Managers as agent for the Unit Owners is named as an

additional insured. The Commercial Unit Owner agrees to indemnify and hold the Board harmless from and against all cost, expense and/or liability arising out of or based upon any and all claims, accidents, injuries and damages caused by the Commercial Unit Owner's conduct and/or use or misuse of the Commercial Unit and any Limited Common Element appurtenant thereto. Such policy shall not be cancelable with respect to the Board without at least thirty (30) days' prior written notice to the Board by certified mail, return receipt requested, which notice shall contain the policy number and the names of the insured and additional insureds. A certificate thereof shall be delivered to the Board. Failure to deliver said certificate shall not absolve the Commercial Unit Owner of liability or render the Board liable. The limits of liability shall be a combined single limit with respect to each occurrence in an amount of not less than \$2,000,000 for injury (or death) and damage to property. All insurance required to be carried by the Commercial Unit Owners pursuant to the terms of the Declaration and/or these By-Laws shall be effected under valid and enforceable policies issued by reputable and independent insurers admitted and licensed to do business in the State of New York and rated by Best's Insurance Reports or any successor publication of comparable standing, as carrying a rating of A or better or the equivalent of such rating.

(g) A current copy of each Unit Owner's insurance policy must be maintained by the Unit Owner with the Board of Managers at all times.

Section 6.2. Repair or Reconstruction After Fire or Other Casualty.

(a) Damage to or destruction of any portion of the Common Elements as a result of fire or other casualty shall promptly be repaired and reconstructed by the Board of Managers, as nearly as practicable to the condition and utility it was in before the casualty, using the proceeds of casualty insurance on the Property and/or other funds for that purpose, subject to the following conditions and subject to the provisions of Section 6.5 of these By-Laws:

(i) if the cost of repair and reconstruction is \$200,000 or less, the Board may and shall perform and complete the repair and reconstruction promptly, without the consent of any Unit Owner or Mortgagee; and

(ii) if the cost of repair and reconstruction is more than \$200,000 and if insurance proceeds will cover less than 90% of the cost of repair and reconstruction, the Board may not proceed with the repair and reconstruction without the consent of Unit Owners representing in the aggregate at least 66-2/3% in Common Interest. Notwithstanding the foregoing, no consent of Unit Owners or Mortgagees shall be required for the Board of Managers to undertake repair and reconstruction where insurance proceeds will cover at least 90% of the cost of repair and reconstruction. In addition, no consent of Unit Owners or Mortgagees shall be required for the Board of Managers to undertake repair or reconstruction necessary to cause the Building to be in compliance with applicable codes, regulations and ordinances, provided the cost of same does not exceed \$1,000,000 in the aggregate. If the cost to perform repair and reconstruction work sufficient to cause the Building to be in compliance with applicable codes, regulations and ordinances exceeds \$1,000,000 in the aggregate, the Board may not proceed with such repair and reconstruction without the consent of Unit Owners representing in the aggregate at least 66-2/3% in Common Interest.

(b) When and if the Board is authorized or otherwise required to proceed with repair and reconstruction, the Board of Managers shall arrange for and commence such work promptly, shall diligently prosecute same to completion, and shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. In anticipation of receipt of insurance proceeds, the Board may levy and assess as a special assessment, prior to receipt of such proceeds, the amount anticipated to be necessary to repair or reconstruct the Property. Upon receipt of the proceeds, the Board will reimburse Unit Owners any amounts they paid as special assessments as will not be needed to pay the cost of repair and restoration. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a General Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of their General Common Charges. When applicable, insurance proceeds in excess of those needed for repair and reconstruction of the Property following a casualty, shall be distributed among Unit Owners in proportion to their respective Common Interests.

(c) Damage to or destruction of a Unit or the Limited Common Elements appurtenant thereto, as a result of fire or other casualty, shall promptly be repaired and reconstructed by the Owner of the affected Unit(s) in compliance with all applicable laws as nearly as practicable to the Unit's condition and utility before the casualty. Notwithstanding the preceding sentence, if the damage in question does not affect (i) other Units, (ii) areas generally visible from Common Elements, other Units or streets or sidewalks, (iii) Unit Owners (other than the Owner of the damaged Unit), (iv) or any tenants or other occupants of the Building, then the Unit Owner may elect not to restore the Unit to its condition and utility before the casualty, but shall, however, repair and rebuild the Unit so it does not constitute a hazard to any other Unit Owner or other occupants and users of the Building, and so it does not otherwise adversely affect any other Unit Owners or other occupants or users of the Building, and does not adversely affect the value, use or operation of any other Units or the Property generally.

Section 6.3. Unit Owner Failure to Rebuild. If the Unit Owners have not voted to terminate the Condominium as provided in Section 6.4 of these By-Laws, and if a Unit Owner fails to comply with the obligations to repair and reconstruct set forth in Section 6.2 of these By-Laws, and if the Unit Owner's failure to repair and reconstruct has an adverse effect on any other Unit or the Common Elements (such adverse effect including, without limitation, reduction in value), the Board of Managers may cause the Unit to be repaired and reconstructed in accordance with these By-Laws, and the cost in connection therewith shall be charged to the defaulting Unit Owner as a special assessment.

Section 6.4. Termination of Condominium Following Damage or Destruction. If as the result of fire or other casualty, at least 75% of the Property is destroyed or substantially damaged, a special meeting of the Unit Owners shall be called in accordance with these By-Laws, at which meeting the Unit Owners shall be asked to decide if the Building should be repaired or reconstructed. The Building shall be repaired and reconstructed unless pursuant to the vote held at that meeting, Unit Owners representing at least 75% in number of Units and in Common Interest affirmatively determine not to proceed with repair or restoration. If Unit Owners

representing at least 75% in number of Units and in Common Interest affirmatively determine not to proceed with repair or restoration, then, and in such event, the Building will not be repaired and the Property, or such portion of the Property as shall remain, shall be subject to an action for partition at the suit of any Unit Owner or lienor as if owned in common, in accordance with the provisions of the Condominium Act. The net proceeds of sale, together with the net proceeds of insurance policies maintained by the Board for coverage of the Common Elements, shall be divided by the Board of Managers among and paid to the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on said Owner's Unit, in the order of the priority of such liens.

Section 6.5. Construction Manager and General Contractor. In the event of damage due to fire or other casualty affecting the Common Elements and/or one or more Units where the decision has been made to rebuild, the Board of Managers may engage a reputable and independent construction manager or general contractor to supervise the restoration work required to be done by the Board. The construction manager or general contractor will coordinate the Board's restoration work with the Unit Owner's restoration work, as necessary, so the work and scheduling may proceed expeditiously and efficiently. All such coordination work shall be performed in accordance with good construction practices, without priority or preferences for particular Unit or Unit Owners. The cost of the construction manager or general contractor shall be a General Common Expense.

ARTICLE 7

THE CONDOMINIUM PROPERTY USE, OPERATION, PRESERVATION, MAINTENANCE AND REPAIR

Section 7.1. Maintenance and Repairs that are the Responsibility of the Board of Managers. All painting, decorating, landscaping, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, to the General Common Elements, shall be made by the Board of Managers. The cost of all such maintenance shall be charged to all the Unit Owners as a General Common Expense (unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case the expense shall be charged to such Unit Owner as described below).

Section 7.2. Maintenance and Repairs Which Are a Unit Owner's Responsibility.

(a) Except as otherwise provided in the Declaration or By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, in or to any Unit (other than to the Common Elements contained therein) shall be made by the Owner of such Unit, at the Unit Owner's sole cost and expense. Each Unit Owner shall be responsible for all damage to any and all other Units and/or to the Common Elements in said Unit Owner's Unit or elsewhere in the Condominium, that said Unit Owner's failure to make necessary repairs or replacements or perform necessary maintenance may

engender, or which are caused by said Unit Owner's actions, inactions, negligence, misuse or neglect.

(b) (i) Windows (including, without limitation, panes, casements and frames) located in Residential Units are considered Residential Common Elements. Windows (including, without limitation, louvers, plate glass, panes, casements and frames) located in a Commercial Unit are considered part of the Unit. The interior and exterior surfaces of windows in both Residential and Commercial Units are to be cleaned by the Unit Owner at the Unit Owner's sole cost and expense. Broken window glass or broken window frames in a Residential Unit shall be replaced by the Unit Owner at the Unit Owner's sole cost and expense, unless the breakage was caused by the Board of Managers, at its sole cost and expense.

(ii) Locks on entrance doors to Residential Units and locks on doors accessing Residential Units from appurtenant terraces, are part of the Unit. The doors themselves are Residential Common Elements. Doors (and appurtenant locks) directly accessing a Commercial Unit from the outdoors or from a Common Element, shall be considered part of the Unit. All doors that are part of a Unit shall be maintained and repaired by Unit Owners themselves, in accordance with applicable laws, regulations, these By-Laws and/or architectural standards established by the Board of Managers. Doors that are Residential Common Elements shall be maintained and repaired by the Board.

(iii) Each Unit Owner shall be responsible for the maintenance, repair and replacement of its own heat and air conditioning cooling system in his or her Unit. The Condominium shall have no responsibility whatsoever for such maintenance, repair or replacement of the aforementioned equipment.

(c) (i) Each Commercial Unit Owner at said Unit Owner's expense, shall keep said Owner's Unit in good order, shall cause the Unit, the street level entrance door or doors and all street level glass surfaces and storefronts, and any service entrance area, to be maintained in a first class manner. Commercial Unit Owners shall cause these items and areas to be cleaned at regular intervals, shall not at any time sweep any refuse, rubbish or dirt into the gutters or streets, and shall cause any portion of the Unit used for storage, preparation, service or consumption of food or beverages to be exterminated against infestation by vermin, roaches or rodents regularly, and in addition, whenever there shall be evidence of any infestation.

(ii) The washing, maintenance, repair and replacement of storefront and window systems in a Commercial Unit, including, without limitation, frames, doors, signage, louvers, glazing, metal panels, etc., shall be the sole responsibility of the Commercial Unit Owner owning that Unit.

(iii) Any and all dumpsters or other trash receptacles used by a Commercial Unit Owner and/or the tenants or other occupants of a Commercial Unit, must be maintained within the Unit, and placed outdoors only at the time of trash collection scheduled by a private carting company, if any, engaged by the Commercial Unit Owner and/or the tenant(s) of the Commercial Unit for trash removal, and then, only if the carting company requires same to be placed on the street. All trash generated by a Commercial Unit Owner and/or tenants or other

occupants of a Commercial Unit shall be carted only during regular business hours. Dumpsters and trash receptacles may not, in any event, be maintained on a permanent basis on any streets abutting the Property.

(iv) Each Commercial Unit Owner shall cause all refuse and rubbish to be removed as determined by commercial usage, from the Building, and shall not suffer or permit said Unit Owner's employees or any persons making deliveries to or from the Unit or removing refuse therefrom, to leave any food, refuse and rubbish containers or other matter standing upon the streets.

(d) Any maintenance, repair or replacement necessary to preserve the appearance and value of the Property made pursuant to Section 7. 1 above but which is occasioned by the action, regardless of whether same be a negligent or willful act or omission of (i) a Unit Owner, or (ii) any agent, licensee, contractor, employee, family member, guest or tenant of such Unit Owner, or (iii) an agent, employee, licensee, contractor, family member or guest of the tenant or licensee of such Unit Owner, or (iv) a guest of (1) any member of such Unit Owner's family or (2) any family member or employee of the tenant of such Unit Owner, shall be made at the cost and expense of such Unit Owner. If such maintenance, repair or replacement is undertaken and paid for by the Board of Managers it shall not be regarded as a Common Expense, but rather shall be considered a special assessment allocable to the specific Unit and

may encroach on another Unit or a Limited Common Element or on the Common Elements. Sponsor shall not be liable to any other Unit Owner, or the Board of Managers, or to any tenant or licensee of a Unit or Unit Owner, for any damages (including but not limited to interference with business operations) incurred in connection with the foregoing, except for damages caused by the negligence of Sponsor, or any of Sponsor's agents or employees. In no event, however, may scaffolding be installed in a manner or location that will prevent access to a Unit.

Section 7.5. Violations of Maintenance Obligations. In the event any Unit Owner, after receipt of written notice from the Board of Managers fails or neglects in any way to perform any obligations with respect to the painting, decorating, maintenance, repair or replacement of said Unit Owner's Unit as provided in this Article 7 or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board of Managers may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within five days after receiving notice of such default, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board of Managers and shall, for all purposes hereunder, constitute General Common Charges, Residential Common Charges or Commercial Common Charges, as applicable, payable by such Unit Owner.

Section 7.6. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) Residential Units may be used only as a residence or for any legal home occupation or other purpose permitted under the certificate of occupancy for the Building, zoning classification for the Property and other applicable laws, regulations and ordinances. Any Residential Unit may also be used as a professional office by a resident therefore, provided such professional use does not violate zoning regulations and provided further that the prior consent of the Board of Managers is obtained. Notwithstanding the foregoing that while the Sponsor or its designee owns any Unit, it shall have the right to use such Unit for general, leasing and sales office purposes.

(b) Each Commercial Unit (or any portion thereof) or any Commercial Units resulting from the subdivision thereof, may be used for any lawful purpose provided such use is permitted under the certificate of occupancy for the Building, zoning classification and project approvals for the Property, the Restrictive Declaration, Special Permit, and other applicable documents, laws, regulations and ordinances. A Commercial Unit Owner must use, occupy and maintain (or cause to be used, occupied and maintained) said Owner's Unit, during the period of said

Owner's ownership in a manner that will not detract from the character or appearance of the Condominium and will not adversely affect the Residential Units.

(c) Each Commercial Unit Owner, at its sole expense, shall comply with all laws, orders and regulations of federal, state and municipal authorities and with any direction of any public officer or officers, pursuant to law, and all rules, orders, regulations or requirements of the New York Board of Fire Underwriters, or any other similar body which shall impose any violation, order or duty upon the Condominium, its Board of Managers or the Unit Owner, with respect to said Commercial Unit as a result of (i) any authorized or unauthorized use or occupation thereof by said Unit Owner or its tenant(s) or licensee(s), or (H) the conduct by the Unit Owner or its tenant(s) or licensee(s) of business in the Commercial Unit. A Commercial Unit Owner shall not do or permit to be done any act or thing in or upon the Unit or Common Elements of the Condominium which will invalidate or be in conflict with any insurance policies covering the Condominium and fixtures and property therein, and shall not do, or permit anything to be done in or upon the Unit, or bring or keep anything therein, except as now or hereafter permitted by the New York City Fire Department, New York Board of Fire Underwriters, New York Fire Insurance Rating Organization or other authority having jurisdiction. In addition, Commercial Unit Owner shall contract for private carting service for removal of its trash and rubbish, and shall not be permitted to dispose of its trash and rubbish with the trash and rubbish of the Residential Area. Dumpsters and rubbish bins utilized by a Commercial Unit Owner are required to be kept within the confines of the Owner's Unit and placed on the sidewalks adjacent to the Building only at the time scheduled by the carting company for trash collection. Dumpsters and rubbish bins may not be maintained on the sidewalks on a permanent basis.

(d) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No Owner, tenant or other occupant of a Unit shall do, suffer or permit to be done in any Unit, activities of a pornographic, illegal or unlawful nature. No Owner, tenant or occupant of a Unit shall do, suffer, or permit to be done, anything in any Unit which would impair the soundness or safety of the Building, or which will result in the cancellation of insurance applicable to the Building, or which would be noxious, offensive or hazardous or an interference with the peaceful possession and proper use of any other Unit, or which would require an alteration to any of the Common Elements in order to comply with any applicable law or regulation, or which would otherwise be in violation of law.

(e) No offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with by and at the sole expense of the Unit Owners, the Board of Managers shall have the obligation to maintain or repair such portion of the Property.

(f) No portion of a Residential Unit (other than the entire Unit) may be rented, and no transient tenants may be accommodated therein.

(g) A Unit Owner shall not at any time use or occupy or suffer or permit anyone to use or occupy said Owner's Unit or do anything in said Owner's Unit or the Building, or suffer or permit anything to be done in said Owner's Unit or the Building, in violation of any temporary or permanent certificate of occupancy issued for the Unit and/or the Building, and in the event that any department of the City or State of New York shall at any time contend and/or declare by notice, violation, order or in any other manner whatsoever that the Owner's Unit is used for a purpose which is a violation of such certificate of occupancy, the Unit Owner shall, upon ten (10) days' written notice from the Board of Managers, immediately discontinue such use of the Unit.

(h) A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments), may only be occupied or used as a residence (and for permitted home occupations) by said individual, or an officer, director, stockholder, member or employee of such corporation or limited liability company, or a partner or employee of such partnership, or said fiduciary (including directors, officers, stockholders of employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, respectively, or members of the immediate family or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Residential Unit by such family members or guests). Residential Units may only be leased or sold in accordance with the By-Laws and the Rules and Regulations.

(i) Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Sponsor or its designee may, without the permission of the Board of Managers, use or grant permission for the use of any Unit owned by Sponsor or its designee, until such time as the same may have been sold or otherwise conveyed (i.e., an "Unsold Unit"), as models, sales, leasing, promotion and/or production offices in connection with the sale or rental of Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations. In addition, while Sponsor owns at least one Unit, Sponsor shall be entitled to erect one or more signs and banners at the Building, including but not limited to signs and banners affixed to the windows of Units owned by Sponsor, the Building facade, etc., advertising Units for sale or lease.

(j) Except as otherwise provided for in the declaration and the By-Laws, no zoning variances with respect to use of any Common Element, Limited Common Element or Residential Unit may be applied for by a Unit Owner. Any such application shall be made only by or through the Board of Managers. However, the Board shall be under no obligation to apply for zoning variances with respect to Common Elements, Limited Common Elements or Units.

(k) Subject to the rights of Sponsor set forth above, no Owner, tenant or occupant of a Unit shall, without the prior written approval of the Board of Managers, which approval may be withheld for any reason or no reason, place or suffer to be placed or maintained (i) within any Unit, any sign or advertising material which shall be visible from the exterior of the Unit or (ii) on the exterior of a Unit or on any window belonging to the Unit or on any Common Element adjacent to the

Unit, any sign, awning, canopy, decoration, lettering or advertising matter or other thing of any kind.

(l) No Owner, tenant or occupant of a Unit shall repair, alter, replace or move any of the General Common Elements, Residential Common Elements, or the Residential Limited Common Elements in or appurtenant to said Owner's Unit, without the prior written consent of the Board, which consent may be withheld for any reason or no reason. A Unit Owner shall not obstruct the Common Elements.

(m) The Units shall be used in a manner appropriate to the design of the building systems and for which adequate elevator, stair, ventilation, plumbing and similar and related facilities exist. A Unit Owner's use of electricity and other systems in the Unit shall not at any time exceed the capacity of any electrical conductors and other equipment in or otherwise serving the Property.

(n) Unit Owners shall maintain their Units and any Limited Common Elements appurtenant thereto, in a manner, which will not interfere with the use of the Building by others.

(o) If the Owner of a Commercial Unit applies to the Board of Managers for consent to install security grilles in the Unit, the Board of Managers shall have no authority to consent to the alteration unless the security grilles are to be installed on the interior of the Building, behind the face of the exterior glazing. All provisions of these By-Laws relative to procedures to be followed by Unit Owners in conjunction with alterations shall in all events be adhered to in conjunction with the foregoing potential alteration.

(p) A Unit may in no event be used for purposes, even though lawful, that create, result in, or generate excessive noise, vibration, vermin or insects in, through or on the Property. No broadcast, amplified or otherwise, of live or recorded words, music or other audio from a Unit that is audible from the exterior of the Building to pedestrians and others outside of the Building shall be permitted.

(q) With the exception of signs installed by Sponsor or an affiliate of Sponsor or any designee of Sponsor, any signage to be installed on a Commercial Unit or otherwise shall be subject to prior approval by the Board of Managers.

(r) Signage on Office Units shall be restricted in all events to installation on entry doors.

Section 7.7. Additions, Alterations or Improvements by Board of Managers.

(a) Subject to the provisions of Section 2.5 of Article 2 of these By-Laws, whenever in the judgement of the Board of Managers the General Common Elements shall require additions, alterations or improvements (but not ordinary and necessary maintenance) costing in excess of \$10,000.00, and the making of of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost

thereof as a Common Charge. (i) Any additions, alterations or improvements costing \$10,000.00 or less may be made by the Board of Managers without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses.

(b) If the Board of Managers determines that a proposed addition, alteration or improvement of a General Common Element (or Limited Common Element, if applicable) is general in character, the cost thereof shall be a General Common Expense, shared by all Unit Owners in accordance with the By-Laws, subject to the requirements of Section 7.2(d) of these By-Laws. If the Board of Managers determines that an addition, alteration or improvement is exclusively or substantially for the benefit of the Unit Owner that requested it, the cost shall be a special assessment against such Owner. If more than one Unit Owner requested the addition, alteration or improvement, the cost shall be assessed in such proportion as the Board of Managers shall determine to be fair and equitable. The foregoing shall not prevent the Unit Owners affected by such addition, alteration or improvement from agreeing in writing, before or after the assessment is made, to be assessed in different proportions.

(c) Notwithstanding the foregoing, until Sponsor or its designee shall have conveyed title to all Residential Units, or for a period of five years following the closing of title to the first Residential Unit by Sponsor under the Offering Plan, whichever is earlier, the Board of Managers may not make any addition, alteration, or improvement to the General Common Elements without Sponsor's prior written consent.

Section 7.8. Additions, Alterations or improvements by Unit Owners.

(a) (i) The provisions of this Section 7.8 which require the approval of the Board of Managers in connection with a structural addition, alteration, or improvement or repair which affect the exterior of the Building or the value of other Units shall not apply to Units owned by the sponsor or its designee and shall not apply with respect to any Limited Common Element for which the sponsor or its designee has exclusive use. All other provisions of this section 7.8 shall apply to all Units

(ii) Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair to a Unit or the Limited Common Elements appurtenant thereof, that adversely affects the the exterior of the Building, the Building's structural integrity or systems, including but not limited to, plumbing, electrical and mechanical, without the prior written approval from the Board of Managers, which approval shall not be unreasonably withheld or delayed. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair to a Unit or the Limited Common Elements appurtenant thereof, the Board may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including without limitation, the days and hours during which any work may be done.

(iii) All Unit Owners, including the Commercial Unit Owners, shall be required to obtain their own individual work permits and file separate alteration applications with the appropriate authorities, prior to the

commencement of any alterations, additions being performed in their Unit. Such Unit Owner, including the Commercial Unit Owner, shall be responsible for the cost and expense of obtaining all required sign-offs from the appropriate authorities in connection with any open building permits or alteration applications filed for such Unit. All structural alterations, additions, improvements or repairs made by Unit Owners shall be made in compliance with all laws, rules and ordinances and regulations of all governmental authorities having jurisdiction thereof and be free from mechanics' liens or other liens. A Unit Owner making or causing to be made structural alteration, addition, improvement or repair to a Unit or the Limited Common Elements appurtenant thereto, shall agree, and shall be deemed to have agreed, to hold the Board, all other Unit Owners the Sponsor and or its designee harmless from any liability arising therefrom Awnings and exterior lighting may not be installed without the prior consent of the Board of Managers, which consent may be withheld for any reason.

(iv) Subject to the foregoing, each Commercial Unit Owner shall have the right with respect to a Commercial Unit owned by that Unit Owner, without the prior consent of but with prior notice to the Board of Managers, which shall not be unreasonably withheld to, (i) make non-structural alterations, additions or improvements to the Commercial Unit, (ii) change the layout of or number of rooms in the Commercial Unit, (iii) change the size and/or number of Commercial Units by subdividing the Commercial Unit into two or more separate Commercial Units, combining separate Commercial Units (including those resulting from sub-division or otherwise) into one or more Commercial Units, altering boundary walls between Commercial Units or otherwise, and (iv) if appropriate, reapportion among the Commercial Units affected by such changes, their Common Interest. In no event may the sub-division or combination of Units result in a different total aggregate Common Interest than existed for the Commercial Unit(s) being sub-divided or combined before the sub-division or combination. In each of the foregoing instances a Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction, shall cause the Declaration to be amended, if necessary, and shall hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. Under no circumstances shall a Commercial Unit Owner make any changes to a Commercial Unit which will affect the Common Elements and/or the structural integrity of the Building without the prior written consent of the Board of Managers. Application for such consent shall be made by the Commercial Unit Owner in accordance with this Section 7.8(a)(ii) and the Board shall respond in accordance with the procedures set forth in that Section .

(v) (i) The sponsor has exclusive right to use and develop the entire roof of the eight-story structure. The development of the roof will be one Penthouse Unit for the Sponsor's use, consisting of the existing 695 sq. ft. bulkhead, with a two-story 2910 sq. ft. addition that does not exceed the height of the bulkhead, a deck or terrace and fencing, and the installation of exterior grade furnishings and plantings subject to compliance with all applicable zoning and building codes to insure that the Building's structure and systems will not be adversely affected by such construction. The roof of the Penthouse Unit is a Limited Common Element appurtenant thereto. There are no future rights to develop the roof of the Penthouse. It is anticipated that work on the Penthouse Unit will commence within the first year after the filing of the Plan and mat take up to six months to complete. (ii) Sponsor

will not conduct activity or use on the roof that would void or jeopardize the roof warranty. (iii) Any such work shall be at the sole cost and expense of the sponsor, that all work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and workman's compensation insurances (certificate for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations, or improvements, shall be maintained in their entirety by sponsor who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to any Unit or Common Elements where repairs become necessary, due to additional stress caused by structural alteration, addition or improvement, or due to improper design or construction of the structural alteration, addition, or improvement. (iv) The Board of Managers may only regulate or impose conditions relating to the construction on the roof by the sponsor, including, but not limited to, any one or more of the following: time periods during which work may be performed; manner on which construction debris should be handled, security measures that are to be taken during construction; interruption of services during construction; and insurance requirements. (v) At such time the Sponsor may exercise the right to develop a two-story 2910 sq. ft. addition to the existing 695 sq. ft. bulkhead, for use as one penthouse unit by the Sponsor located on the roof of the eight-story structure, and such construction would require a zoning variance, the Sponsor will be solely responsible for the costs and expenses of filing an application with the Board of Standards and Appeals and all cost and expenses that may be incurred by the Condominium with respect to the allocation of Common Interest for the addition. The Board of Managers shall not unreasonably withhold its consent to the variance. (vi) The provisions of this subparagraph iii, iv and v, may not be amended or modified with respect to the Sponsor without the written consent of the Sponsor for as long as the Sponsor retains ownership of the Penthouse Unit, comprised of the 695 sq. ft bulkhead with a two-story 2910 sq. ft. addition, located on the roof of the eight-story structure. (vii) In the event that the Sponsor shall sell the Penthouse Unit, comprised of the 695 sq. ft. bulkhead with a two-story 2910 sq. ft. addition, the rights of the Sponsor with respect to this subparagraph cannot be assigned, and the Unit Owner(s) will be bound by all the provisions of the declaration and By-Laws applicable for all Residential Unit Owners as provided in the Plan, without limitation.

(b) The Board shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement, or repair in or to a Unit within thirty (30) days after such request is received, and failure to do so within the stipulated time shall constitute the Board of Managers' consent to the proposed alteration, addition, improvement or repair. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit or the Limited Common Elements appurtenant thereto, the Board of Managers may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board of Managers setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including without limitation, the days and hours during which any work may be done. The Board shall have the right to impose additional reasonable requirements as it deems appropriate.

(c) The cost of any proposed alteration, improvement, division or combination (including but not limited to the cost incurred by the Board to engage architects, lawyers and other professionals to review the plans and specifications for the proposed construction work and, if applicable, the proposed amendment to the Declaration), shall be borne by the Owner(s) of the Units being altered, improved, divided or combined.

(d) Any alteration, improvement, division or combination by a Unit Owner shall be performed in compliance with all laws, codes, ordinances and regulations, and the provisions of these By-Laws governing alterations generally. Any division or combination of a Unit shall become effective only upon the recording of the amendment to this Declaration prepared by and at the expense of the Unit Owner with the prior approval of the Tax Lot Drawings with the necessary architectural certification affixed. The foregoing amendments to the Declaration and to the Tax Lot Drawings shall be recorded and filed respectively by the Board of Managers, upon the Unit Owner's completion of construction and at the expense of the Unit Owner combining, dividing or otherwise altering the Unit(s), provided the Board consented to the amendment prior to the Unit Owner's alteration work, in accordance with the procedures contained in the Declaration and By-Laws.

(e) Both Residential and Commercial Unit Owners proposing alteration work shall have the obligation to submit the name and address of their contractor(s), together with a telephone number and contact person for each contractor who will be working in the Unit, in writing to the Board of Managers at least five (5) business days before the work is scheduled to begin. For insurance purposes, electrical and plumbing work in both the Commercial and Residential Units must be performed by licensed contractors. Further, all contractors must carry liability insurance coverage in such minimum amounts as the Board shall from time to time establish. Proof of license and insurance coverage must be submitted to the Board of Managers at the time the contractor's name is given to the Board. A contractor's liability insurance policy must be in full force and effect at the time the work is performed and must be issued by a reputable insurance company licensed to do business in New York. The contractor shall deliver a certificate of insurance, satisfactory to the Board of Managers, naming the Board of Managers of the Condominium, the Managing Agent of the Condominium and all Unit Owners, including but not limited to Sponsor, as additional insureds. The determination as to whether an application is complete shall be in the sole discretion of the Board.

(f) Any application to any department of or governmental agency of the City of New York or to any other governmental authority for permits or certificates necessary to make an addition, alteration or improvement in or to any Unit shall be executed by the Unit Owner. The cost of obtaining any such permits or certificates, as well as the cost of professional fees, if any, incurred by the Board of Managers in evaluating the proposed construction plans, shall be borne by the Owner of the Unit in which the addition, alteration or improvement is to be made. Any Unit Owner who combines two or more Units into one or more Units, and any Unit Owner who divides a Unit into two or more Units, shall be obligated, at said Unit Owner's sole cost and expense, to obtain the services of a registered architect or engineer to (i) file such drawings and make such applications as may be necessary to obtain, and (ii) if required by law and/or by the Board of Managers, actually obtain,

an amended certificate of occupancy for the Building reflecting the changes made by said Unit Owner.

(g) The provisions of Sections 7.8(a)-7.8(g) of these By-Laws, shall not apply to any Unit or Limited Common Elements owned by Sponsor or its designee. Sponsor or its designee shall have the right, without the consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, with respect to Units owned by Sponsor to (i) make alterations, additions or improvements, structural and non-structural, ordinary and extraordinary, interior and exterior, in, to and upon any Unit owned by it, (ii) reverse or change the layout of any Unit and make adjustments in interior dimensions of Units, (iii) change the number of rooms in any Unit, (iv) change the size and/or number of Units by subdividing one or more Units into two or more separate Units, combining separate Units (including those resulting from such sub-division or otherwise) into one or more Units, altering the boundary walls between Units or otherwise, including, without limitation, incorporating any wall, hallway or portion thereof, or any space or other area abutting a Unit or Units into one or more of said Units, or otherwise, and (v) if appropriate, reapportion among the Units affected by such change their appurtenant Common Interests and Residential Allocation Percentages, provided, however, that Common Interest and Residential Allocation Percentage need not be reapportioned if a portion of the public hallway is incorporated into a Unit or Units as described above. In each of the foregoing instances the Sponsor or its designee shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction, and shall cause the Declaration to be amended, if necessary.

(h) Any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such installation or structural addition, alteration or improvement made by Sponsor or its designee, or by any other Unit Owner, to any Unit, if necessary, is the sole responsibility of the Sponsor and its designee or the Unit Owner. A copy of any such application or document required shall be given to the Board by the applicable party.

Section 7.9. Use of Common Elements and Facilities.

(a) A Unit Owner shall not place or cause to be placed in the common areas or common facilities, other than the areas designated as storage areas, any furniture, packages or objects of any kind.

(b) The Common Elements and facilities shall be used only for the furnishing of the services and facilities for which they are reasonably suited and capable. No Unit Owner shall make any addition, alteration, improvement or change in or to any Common Element without the prior written consent of the Board of Managers.

(c) While Sponsor or its designee owns any Unit it shall have the right to maintain general and sales and leasing offices on or about the Property, to have its employees, contractors and agents present on the Property, to use the Common Elements and to do all things necessary or appropriate to sell or lease Units, including, without limitation, the right to erect and maintain signs on exterior portions of the Building and elsewhere on the Property. Sponsor shall be obligated to

repair and maintain the portions of the Property used by it for such purpose so long as such use by Sponsor or its designee shall continue.

Section 7.10. Right of Access. By acceptance of a deed to Unit, a Unit Owner shall be deemed to have granted a right of access to said Unit Owner's Unit and the Limited Common Elements appurtenant thereto, to the Board of Managers, the managing agent and/or any other person authorized by the Board of Managers, for the purpose of making inspections or for the purpose of correcting any condition originating in said Unit Owner's Unit or the Limited Common Elements appurtenant thereto, and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in said Unit Owner's Unit or the Limited Common Elements appurtenant thereto, or elsewhere in the Building or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner and, further, provided that such right shall be exercised in such a manner as will not unreasonably interfere with the use of the Unit for which it was intended. No prior notice shall be required in the event that the Board of shall determine that action is immediately necessary for the preservation or safety of the Building or for the safety of the residents or Unit Owners of the Condominium or other persons, or required to avoid the suspension of any necessary service to the Condominium. In case of emergency, such right of entry shall be immediate, whether or not a Unit Owner is present.

Section 7.11. Water Charges and Sewer Rents. Water shall be supplied to the Building through a single metered building main. The cost of water usage, together with all related sewer charges arising therefrom, shall be paid by Residential Unit Owners as a Residential Common Expense. The Board of Managers shall make payment to the City of New York for the Residential Units' water and sewer costs for the Building. The Commercial Units shall have their own water meter.

Section 7.12. Electricity.

(a) Each Residential and Commercial Unit will be separately metered for electricity consumed in their Units and will pay electricity costs directly to the utility company.

(b) If the Board of Managers applies for and receives permission from the Public Service Commission to purchase electricity at a discounted rate, any and all savings obtained by the Board shall be passed through to Unit Owners.

Section 7.13 Gas. Gas for cooking and hot water in the Residential Area shall be supplied to the Property by a master meter and the cost therefor shall be paid by Residential Unit Owners as a Residential Common Expense. Payment of the bill shall be made by the Board to the utility company. Gas supplied to Commercial Units will be metered by the utility company and the cost therefor shall be paid by the Commercial Unit Owner directly to such company.

ARTICLE 8

MORTGAGES

Section 8.1. Notice to Board of Managers. A Unit Owner who mortgages a Unit shall notify the Board of Managers of the name and address of the Mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers. The Board of Managers shall maintain such information in a book entitled "Mortgages on Units".

Section 8.2. Notice of Unpaid Common Charges or Other Default. The Board of Managers, whenever so requested in writing by a Mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of such Unit Owner's default, including non-payment of Common Charges or other default, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto. The Board shall also, in the event the Unit has been leased, have the right to provide to the Mortgagee, copies of notices to tenants, as described in Section 9.2(e) of these By-Laws

Section 8.3. Notice of Default.

(a) The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers, provided the Mortgagee has requested of the Board in writing that it be notified of such default(s) (i.e., pursuant to the agreement referred to in Section 8.2 above). A Mortgagee who is entitled to receive notices of default by a Unit Owner in accordance with the foregoing, shall also be entitled to cure said default, in accordance with the following paragraph.

(b) (i) The Mortgagee shall have the right, but not the obligation, for a period of thirty (30) days following receipt of a copy of a default notice, to cure the default in the name and on behalf of the Unit Owner.

(ii) To facilitate the foregoing, for a period of thirty (30) days following the giving of notice to a Mortgagee of a default by a Unit Owner in payment of Common Charges, neither the Board of Managers will commence a proceeding to foreclose its lien for said Unit Owner's non-payment of Common Charges or other assessments. If the Mortgagee fails to cure said default within said thirty (30) day period by paying the requisite Common Charges or other assessments (plus late payment charges and interest thereon as per these By-Laws), the Board of Managers shall be free to commence a proceeding to foreclose its lien at its discretion.

Section 8.4. Permitted Mortgagees to Notify Board of Managers, of Unit Owner's Default. Upon the happening of a default under the terms of a Mortgage which would permit the holder to declare the entire principal sum due, notice of the intention of the holder to do so shall be given in writing to the Board of Managers, prior to instituting a foreclosure action.

Section 8.5. Board of Managers Shall Be Notified in All Mortgage or Other Lien Foreclosures; Right to Bid. The Board of Managers shall be notified in writing of every action brought to foreclosure any mortgage or other lien affecting a Unit. The Board of Managers shall be entitled to bid at any sale, whether the Board of Managers is a plaintiff or a defendant, and to purchase any Unit at such sale (in its name or in the name of a nominee) for such amount as shall be approved by the applicable Unit Owners in accordance with these By-Laws, taking into consideration the amount due the plaintiff, the costs and disbursements, and all other charges affecting the Unit. The Board of Managers shall not, however, be limited in their bidding to such amount or total but may bid any higher sum that they find necessary in order to protect the interests of the other applicable Unit Owners.

Section 8.6. Receivers. Notwithstanding anything to the contrary in these By-Laws or the Declaration, in the event a receiver is appointed in connection with an action to foreclose a mortgage against a Unit, said receiver shall, upon appointment, be obligated to pay to the Board of Managers all Common Charges and other assessments owed by the defaulting Unit Owner, together with any late charges, interest and penalties assessed thereon. Further, upon the appointment of a receiver, the Unit Owner whose Unit is being foreclosed loses all rights accorded a Unit Owner in these By-Laws or the Declaration in connection with the operation of the Condominium, including but not limited to the right to appoint or vote for members of the Board of Managers, and the right to be a member of any Board appointed committee or an officer of the Condominium and the receiver shall succeed to all such rights as the Unit Owner.

ARTICLE 9

SALES AND LEASES OF UNITS

Section 9.1. Sales.

(a) No Residential Unit Owner may sell said Owner's Residential Unit or any interest therein except by complying with the following provisions:

(i) Any Residential Unit Owner who receives a bona fide offer (hereinafter called an "Outside Offer") for the sale of said Owner's Residential Unit together with: (x) the Common Interest appurtenant thereto, (y) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers or its designee, on behalf of all Unit Owners (or on behalf of all Residential Unit Owners, as applicable), or the proceeds of the sale thereof, if any, and (z) the interest of such Unit Owner in any other assets of the Condominium; as defined in the Declaration (hereinafter collectively called the "Appurtenant Interests"), which said Owner intends to accept, shall give written notice to the

Board of Managers of such offer and of such intention, the name and address of the proposed purchaser, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, including without limitation, a credit report and other financial information respecting the proposed buyer, and such assurances and security as are referred to in Section 1.5(e) of these By-Laws, if applicable, and shall offer to sell such Unit, together with the Appurtenant Interests, to the Board of Managers on behalf of the Owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer, to the Board of Managers on behalf of the other Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within thirty (30) days after receipt of such notice, the Board of Managers may elect, by notice to such Unit Owner, (1) to purchase such Unit, together with the Appurtenant Interests, (or to cause the same to be purchased a different designee, corporate or otherwise), on behalf of all other Residential Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner, or (2) to produce a purchaser who will purchase such Unit, together with the Appurtenant Interests, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

(ii) In the event the Board of Managers shall elect to purchase a Unit, together with the Appurtenant Interests, or to cause the same to be purchased a different designee, corporate or otherwise, title shall close at the office of the attorneys for the Condominium (or at such other location as the Board of Managers specifies) in accordance with the terms of the offer but not sooner than thirty (30) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner shall convey the Unit and Appurtenant Interests to the Board of Managers or to its designee, on behalf of all other Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all other transfer taxes arising out of such sale. Real estate taxes and Common Charges shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of the closing date.

(iii) In the event the Board of Managers or its designee shall fail to accept such offer or to produce a purchaser within thirty days as aforesaid or fails to act within said thirty-day period, the offering Unit Owner shall be free to sell and convey such Unit, together with the Appurtenant Interests, within ninety days after the expiration of the period in which the Board of Managers or its designee might have accepted such offer, to the maker of the Outside Offer (hereinafter the "Outside Offeror"), on the terms and conditions set forth in the notice from the offering Unit Owner to the Board of Managers of such Outside Offer. In the event the offering Unit Owner shall not, within such 90-day period, sell and convey such Unit, together with the Appurtenant Interests, to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall contract to sell said Owner's Unit and the Appurtenant Interests within such ninety day period, but such sale shall not be consummated pursuant to the terms of such contract within said 90-day period, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, to the same or another Outside Offeror on the same or other terms and conditions, the offering

Unit Owner shall be required to again comply with all of the terms and provisions of this Section 9. 1.

(iv) Any deed to an Outside Offeror shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, including the By-Laws annexed thereto, and the Rules and Regulations, as all of the same may be amended from time to time.

(v) The Board shall have the right to require Residential Unit Owners (except for Sponsor and/or its designee) to pay a fee to the Board and/or the Condominium's Managing Agent to cover expenses in conjunction with the processing of an application for the sale of a Residential Unit.

(b) Any purported sale of a Unit in violation of this Section shall be voidable at the election of the Board of Managers.

(c) There shall be no restrictions on the right of a Commercial Unit Owner to sell said Owner's Commercial Unit, except as may be included elsewhere in these By-Laws.

Section 9.2. Leases.

(a) A Commercial Unit Owner (including a Mortgagee who acquires title through foreclosure or by deed in lieu of foreclosure), may lease said Owner's Commercial Unit, without any notice to or consent of the Board. However, a Commercial Unit Owner must regularly advise the Board of Managers in writing of the name of each tenant in its Unit, together with the name, telephone number and address of an individual who is authorized to take action or make decisions respecting the tenant, who may be contacted in event of emergency. Commercial Unit Owner also must provide the Board of Managers with the name, address and telephone number of the Unit Owner's own representative who may be contacted in event of emergency or other problem.

(b) No Residential Unit Owner may lease said Owner's Unit except by complying with the following provisions:

(i) Any Residential Unit Owner who receives a bona fide offer for a lease of said Owner's Residential Unit which said Owner intends to accept, shall give notice to the Board of Managers of such offer and such intention, together with the name and address of the proposed lessee, the terms of the proposed lease, references, and such other information as the Board may reasonably require, including without limitation a credit report and other financial information respecting the proposed tenant. The Board of Managers may from time to time prescribe a form upon which the aforementioned information shall be listed.

(ii) Leases of Residential Units must contain terms of at least twelve (12) consecutive months, except with the express written provision of the Board of Managers. No lease of a Residential Unit shall be made without the prior written consent thereto of the Board of Managers. The Board shall, within thirty (30) days after receipt of a fully completed application for the lease of a Residential Unit as specified in subparagraph (i) , either consent or refuse to consent, to the proposed lease. The Board's refusal to consent to a lease must be based upon either (a) the Board of Managers agreement to lease such Unit(s) upon the same

terms, conditions and rental offered by the proposed lessee, or (b) the Board of Managers production of a lessee who will lease the Unit(s) on the same terms, conditions and rental offered by the proposed lessee, or (c) the fact that the proposed lease does not comply with the minimum lease term provisions set forth above, or (d) does not meet credit standards that may be established by the Board of Managers. If the Board affirmatively consents to the lease, or does not lease such Unit(s) on behalf of all Residential Unit Owners or produce a lessee for such Unit(s) and does not otherwise refuse to consent to said lease pursuant to the foregoing, within thirty (30) days after receipt of a fully completed application form, the Unit Owner shall have the right to consummate the lease on the terms submitted to the Board of Managers.

(iii) The consent of the Board of Managers to a lease shall not be construed to relieve the Unit Owner from obtaining the consent of the Board to another lease, and a Unit Owner who subsequently desires to lease such Unit(s) shall be required again to comply with all the terms and provisions of this Section 9.2.

(c) The Board of Managers shall have the right to require Residential Unit Owners (except for Sponsor or its designee) to pay a fee to the Board and/or the Managing Agent to cover expenses in connection with applications for the lease of a Residential Unit.

(d) Any lease shall be consistent with and shall be deemed to incorporate by reference these By-Laws and to provide that (in the case of Residential Unit leases only), the tenant shall not sublet the demised premises, or any part thereof, and that the Board of shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant. The form of any such lease for a Residential Unit shall be the then current form of apartment lease recommended by The Real Estate Board of New York, Inc.

(e) Each lease for a Residential Unit and any lease for all or part of a Commercial Unit entered into from and after the date the Declaration is recorded, whether such lease has been entered into in accordance with these By-Laws or otherwise, shall be deemed to have incorporated into it the following provisions:

(i) In the event the Owner of the Unit forming all or part of the demised premises under the lease shall be in default in payment of Common Charges for more than 30 days, the Board of Managers shall have the right to notify the tenant of the Unit Owner's default, and in said notice to direct tenant to pay all rent that would otherwise be due under the lease, directly to the Board of Managers. Upon receipt of such rental income the Board shall apply it against Common Charges owed by the defaulting Unit Owner.

(ii) In the event, however, that the Unit Owner has made an assignment of rents to a Mortgagee in connection with a Mortgage, and the Mortgagee has previously provided written notice to that effect to the Board of Managers, the Board of Managers shall endeavor to send a copy of the notification of the Unit Owner's default to the Mortgagee, at the same time as same is sent to the tenant. In such event, the Board shall refrain for a period of 30 days after giving a tenant notice of the Unit Owner's default, from directing tenant to pay its rent

directly to the Board, in order to allow the Mortgagee to enforce its assignment of rents. If the Mortgagee notifies the Board in writing during such 30-day period that it has enforced its assignment of rents, the Mortgagee shall be required to make payments of Common Charges attributable to the Unit to the Board of Managers. If the Mortgagee shall not provide notice to such effect to the Board of Managers, then, at the expiration of the 30-day period following the Board's written notice to the tenant and the Mortgagee of the Unit Owner's default, the Board shall be entitled to direct tenant to pay rent directly to the Board as described above.

Section 9.3. Consent of Unit Owners to Purchase or Lease of Units by Board of Managers. The Board of Managers shall not exercise any option to purchase or lease any Unit without the prior approval of a majority in number and Residential Allocation Percentage of Residential Unit Owners.

Section 9.4. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to said Owner's Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interest so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 9.5. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 9.1 and 9.2 of these By-Laws may be released, terminated or waived by the Board of Managers, in which event the Unit, together with the appurtenant Interests, may be sold, leased or otherwise conveyed free and clear of the provisions of such Sections.

Section 9.6. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 9.1 or Section 9.2, as applicable, of these By-Laws have been met by a Unit Owner, or have been duly waived by the Board of Managers and that the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers and the Unit Owners in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 9.1 and 9.2 of these By-Laws or in respect to whom the provisions of such Sections have been waived, upon request.

Section 9.7. Financing of Purchase of Units by Board of Managers. Acquisition or lease of Units by the Board of Managers, or its designee, on behalf of all Unit Owners may be made from the working capital and Common Charges in the hands of the Board of Managers, or if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner in proportion to said Owner's Common Interest or Residential Allocation Percentage, as applicable, as a

Common Charge, which assessment shall be enforceable as a special assessment in accordance with these By-Laws, or the Board of Managers, in its discretion, may borrow money to finance the acquisition of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, so to be acquired by the Board of Managers.

Section 9.8. Exceptions. The restrictions set forth in the provisions of Sections 9.1 and 9.2 of these By-Laws shall not apply with respect to (a) any sale, lease or other conveyance by a Unit Owner of said Unit Owner's Unit, together with the Appurtenant Interests, to said Unit Owner's spouse or to any of the Unit Owner's adult children or to the Unit Owner's parent or parents or to the Unit Owner's grandparents or grandchildren or to the Unit Owner's adult siblings, or any one or more of them, or (b) the sale or lease of any Unit owned by Sponsor or a designee or affiliate of Sponsor or any Units resulting from the subdivision or combination thereof, or (c) the acquisition or sale of a Unit, together with the Appurtenant Interests, by a mortgagee or any other bidder at a foreclosure sale, who shall acquire title to such Unit by foreclosure, or (d) the acquisition or sale of a Unit acquired by deed in lieu of foreclosure. The term "spouse" as used in this Section 9.8 and elsewhere in these By-Laws, shall mean any adult person of the same or opposite sex to whom the Unit Owner is married, or an adult lifetime partner whose relationship with the Unit Owner is long-term and characterized by emotional and financial commitment and interdependence.

Section 9.9. Gifts and Devises, etc. Any individual Unit Owner shall be free to convey or transfer his or her Unit and Appurtenant Interests by gift, or to devise his or her Unit and Appurtenant Interests by will, or to pass the same by intestacy, without restriction.

Section 9.10. Such Units as Are Acquired by the Board of Managers, or Its Designee, on Behalf of All Unit Owners as Tenants in Common. In the event that a Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants in common, may not partition with respect to such Unit, except as specifically provided in the New York Real Property Law.

Section 9.11. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease said Owner's Unit, unless and until said Owner shall have paid in full to the Board of Managers all unpaid Common Charges and other assessments theretofore assessed by the Board against said Owner's Unit and until said Owner shall have satisfied all unpaid liens against such Unit. In addition, each Unit Owner (except the Board of Managers, Sponsor and any affiliate, principal, partner or designee thereof), shall be obligated to pay any fee authorized by the Board of Managers for services performed in connection with processing an application for the sale or lease of said Unit.

ARTICLE 10

CONDEMNATION

Section 10.1. Action to Contest Condemnation. The Board of Managers shall have the exclusive right to contest any condemnation or eminent domain proceeding which is directed at taking any portion of the Common Elements or which touches upon, concerns or affects the use of the Common Elements. No Unit Owner or tenant of a Unit shall impair or prejudice the action of the Board of Managers in contesting such condemnation. Such restriction or prohibition shall not preclude a Commercial Unit Owner (or a tenant of all or substantially all of a Commercial Unit, if permitted in such tenant's lease), from contesting the taking in such condemnation or eminent domain proceeding, through the Board of Managers, of said Owner's Unit, or of any trade fixtures or other equipment installed or located in the Unit. In any action contesting a taking by condemnation or eminent domain proceeding, the Board of Managers shall request the court to set forth the allocation of the condemnation award among the Unit Owners affected, taking into account their respective Common Interests, the effect of the taking on each Unit affected thereby, and any other relevant factors.

Section 10.2. Obligation to Restore. In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements or any Unit, the Board of Managers shall be obligated to restore the Common Elements and all Unit Owners shall be obligated to restore their Units and, provided the Board makes available to the Unit Owners the applicable proportionate share of the condemnation proceeds, any Limited Common Elements appurtenant to their Units. The foregoing obligation of the Board shall not be applicable, however, if the Property is subject to an action for partition in accordance with law or these By-Laws or the Declaration. All condemnation awards shall be used for restoration and reconstruction of the interest taken. The Board of Managers may engage a construction manager or general contractor to coordinate the work necessary to complete the restoration of the Unit(s), Limited Common Elements and the Common Elements as in the case of a casualty, and the cost thereof shall be a General Common Expense.

Section 10.3. Distribution of Condemnation Awards.

(a) Except (i) as provided in Section 10.3 above, and (ii) with respect to any award obtained by a Commercial Unit Owner for said Owner's Commercial Unit or for any trade fixtures or other equipment as further provided in Section 10.1 above, in the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to an insurance trustee selected by the Board of Managers if the award is more than \$50,000.00 and to the Board of Managers if the award is \$50,000.00 or less. This \$50,000.00 limit shall automatically increase each calendar year by 5% over the limit of the previous year. The Board of Managers or the insurance trustee, as the case may be, shall arrange for the repair, restoration or replacement of such Common Elements to the extent reasonably possible, and shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate

progress payments, in the same manner as if the Common Elements were destroyed by casualty, as described in Article 6 of these By-Laws.

(b) If there shall be a surplus of such proceeds or if the Board of Managers or insurance trustee cannot reasonably repair, restore or replace the Common Elements taken, the proceeds shall be distributed among the Unit Owners, and the Common Interests of the Condominium shall be reallocated among the remaining Units as the court shall have directed or as the Board of Managers shall equitably determine if there was no direction by the court, taking into account in the latter event the respective Common Interest of the Units affected thereby, the effect of the taking on each Unit affected thereby after the completion of any repair, restoration or replacement by the Board of Managers or insurance trustee, and any other relevant factors. Any court direction as to such distribution shall be final. Any Residential Unit Owner who wishes to contest a determination by the Board of Managers as between itself and another Residential Unit Owner, shall do so by submitting the matter to a court of competent jurisdiction for a determination of a fair and proper distribution, or reallocation of Common Interest, as the case may be, which shall be binding on the Board of Managers, and on all Residential Unit Owners.

(c) After any determination of reallocation of Common Interest, the Board of Managers, on behalf of all Unit Owners, shall promptly prepare, execute and record an amendment to the Declaration reflecting such reallocation.

Section 10.4. Temporary Taking. If the temporary use or occupancy of all or any part of a Unit or the Common Elements shall be taken by condemnation or in any other manner for any public or quasi-public purpose, (a) a Unit Owner shall be entitled, except as hereinafter set forth, to receive that portion of the award or payment for such taking which represents compensation (i) for the use and occupancy of the Unit, (ii) for the taking of any property of the Unit Owner or tenants of the Unit Owner in the Unit, and (iii) for moving expenses, and (b) the Board of Managers shall be entitled to receive that portion which represents the cost of restoring any Common Elements, whether located in the Unit, or elsewhere. A Unit Owner shall remain responsible for complying with all obligations under the Declaration and By-Laws, to the extent same are not affected by the taking, and shall also remain responsible for payment in full of Common Charges and any and all additional charges payable pursuant to the Declaration and By-Laws. Any monies received by the Board as, or as part of, an award for temporary use and occupancy, shall be received, held and applied by the Board on account of Common Charges becoming due under the By-Laws.

Section 10.5. Insurance Trustee. The term "insurance trustee" as used in these By-Laws shall mean an Institutional Lender, which has a capital and surplus account as of its last published statement in excess of One Hundred Million Dollars (\$100,000,000). All administrative fees charged by the insurance trustee shall be a General Common Expense unless the insurance trustee is acting exclusively for one or more Unit Owners, in which event the cost of the insurance trustee shall be paid or shared by the Unit Owner(s), as applicable.

ARTICLE 11

RECORDS AND AUDITS

Section 11.1. General. The Board of Managers shall be required to keep detailed records of the actions of the Board of Managers and the managing agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures arising from the operation of the Property, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges and other assessments against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. Such records and vouchers authorizing payments shall be available for examination by Unit Owners at convenient weekday hours. An annual report of the receipts and expenditures of the Condominium audited by an independent public accountant, shall be rendered by the Board of Managers to all Unit Owners, promptly after the end of each fiscal year. The cost of such report shall be paid by the Board of Managers as a General Common Expense.

Section 11.2. Examination of Books. Each Unit Owner and each Permitted Mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times and upon reasonable notice, on business days, but not more often than once a month.

ARTICLE 12

GENERAL

Section 12.1. Notices.

(a) All notices required or desired to be given hereunder shall be sent by registered or certified mail. All notices to the Board of Managers shall be sent to them at the Property or to such other address as any of the foregoing entities or persons may hereafter designate from time to time, in writing. All notices to any Unit Owner shall be sent by registered or certified mail to the Building or to such other address as may have been designated by said Unit Owner from time to time, in writing, to the Board of Managers. All notices to Permitted Mortgagees of Units shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Managers. All notices shall be deemed to have been given five (5) days after mailing, except notices of change of address which shall be deemed to have been given when received.

(b) Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof, in writing, signed by the person(s) entitled to such notice, whether before or after the times stated therein, shall be deemed the equivalent thereof.

Section 12.2. Real Estate Taxes.

(a) During any interim period following recording of the Declaration when individual tax lots legally will be established of record for each Unit but during which time separate real estate tax assessments and real estate tax bills for each tax lot have not yet been issued (the "Interim Period"), real estate taxes shall be allocated to each Unit based on real estate taxes assessed against the entire Property. During this Interim Period (i) each Residential Unit's proportionate share of real estate taxes will be based on the Proportionate Valuation attributable to that Unit multiplied by the portion of the total Property assessment attributable to Residential Units and (ii) each Commercial Unit's proportionate share of real estate taxes will be based on the Unit's aliquot share of the portion of the total Property assessment attributable to Commercial Units, all as estimated by Sponsor in consultation with its professional real estate tax advisors. "Proportionate Valuation" as used in this Section 12.2 shall mean the ratio that the Unit's offering price, as set forth in Schedule A to the Offering Plan, bears to the projected gross sell-out price of all Residential Units offered under the Offering Plan. The Proportionate Valuation for each Residential Unit is set forth on Schedule C to the Declaration. If at the time the Units are separately assessed, it is determined that the assessing authority used a method of allocation of the Property assessment among all Units substantially different than the foregoing, the allocations made during the Interim Period will be adjusted to incorporate the method of assessment used by the assessing authority and any necessary reimbursements shall be made

(b) (i) Until the Units are separately assessed, the Board of Managers will collect from each Unit Owner, and will place in escrow, an amount equal to the Unit Owner's estimated proportionate share of real estate taxes projected to be due for the entire Property on the next upcoming tax payment due date, based on the foregoing allocation method. Escrows for real estate taxes will be billed and collected monthly with Common Charges, based upon the then current tax rate (or a higher rate to hedge against a possible increase in -rate at the beginning of a new tax year, if the new rate has not yet been set). The Board of Managers will pay all taxes allocable to Units not owned by Sponsor, at the time such taxes are due, from the tax escrow account.

(ii) If the actual taxes due for any period for which the Board of Managers collected escrows are higher than the amount collected and held in escrow, the Board of Managers shall pay the difference and shall bill Unit Owners for their proportionate share of any necessary reimbursement, as a special assessment. If any Unit Owner fails to pay said Owner's pro rata share of real estate taxes when due, by Common Charge billing, special assessment billing, or both, the Board of Managers will have a lien on such Owner's Unit for non-payment thereof, as if such charges were Common Charges. If the actual taxes due are lower than the amount collected and held in escrow by the Board of Managers, the Board shall pay the tax bill and return to Unit Owner, Owner's proportionate share of any excess. At such time as the Unit is separately assessed, the Unit Owner will pay taxes directly to the taxing authority. If the Units are separately assessed with tax payments to commence during a period for which the Board of Managers holds escrow funds, the Board will return the funds to each Owner and the Owner will pay said Unit Owner's own tax bill.

(c) The Board of Managers shall have the right accorded boards of managers in Section 339-y of the Condominium Act to act as an agent for each Unit Owner who gives the Board written authorization to seek administrative and judicial review of the real estate tax assessment for such Owner's Unit. The Board accordingly may retain legal counsel on behalf of the Unit Owners for which it is acting as agent, and charge all such Unit Owners a pro rata share of expenses, disbursements and legal fees, for which charges the Board shall have a lien as if for Common Charges, pursuant to Section 339-z of the Condominium Act.

Section 12.3. Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other rights set forth in these By-Laws, upon reasonable notice to the Unit Owner, (a) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that no prior notice shall be required in the event that the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property or for the safety of the residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium), or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 12.4. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 12.5. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 12.6. Plurals. The use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 12.7. Waiver. No restriction, condition, obligation, or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

ARTICLE 13

AMENDMENTS TO BY-LAWS

Section 13.1. General.

Except as hereinafter provided otherwise, these By-Laws may be modified or amended by vote of at least 75% in number and in Common Interest of all Units at a meeting of Unit Owners duly held for such purpose.

Section 13.2. Sponsor's Rights.

(a) Sponsor shall have the right, without the calling of a meeting and without the vote or consent of other Unit Owners, the Board of Managers, or the holders of Unit mortgages, to execute (or to require the Board of Managers to execute), and to record in the City Register's Office, an amendment to these By-Laws to reflect changes in Units owned by Sponsor and the reapportionment of Common Interest in and among such Units, in accordance with the provisions of Section 7.8 of these By-Laws, and related changes arising out of such modifications. All expenses in connection with the preparation, recordation and filing of such amendment shall be paid by Sponsor or its designee, unless Sponsor shall otherwise arrange with the party on whose behalf the modifications are being made.

(b) The following provisions of these By-Laws may not be amended, without the consent in writing of Sponsor or its designee so long as Sponsor or its designee shall be the owner of one or more Units:

(i) Section 2.1 insofar as it provides that Sponsor or its designee has the right to appoint a specific number of members of the Board under the circumstances and for the period of time specified therein;

(ii) Section 2.5(F) insofar as it provides that the Board of Managers may not exercise certain powers without Sponsor's prior written consent;

(iii) Sections 2.15 and 2.16 insofar as they provide for representation of and control by Sponsor or its designee on the Executive Committee or any other committee created by the Board of Managers.

(iv) Section 7.6(a) and 7.6(i) insofar as it provides for Sponsor to have the right to use any Unit for general, leasing and sales office purposes, and permits Sponsor signage rights.

(v) Section 7.8(g) insofar as it provides that the provisions of Sections 7.8(a)7.8(f) are inapplicable to Sponsor, and accords Sponsor certain specified rights regarding alteration, combination and subdivision of Units.

(vi) Section 7.9(c) insofar as it provides, among other things, for Sponsor to have the right to maintain general, sales and leasing offices on the Property, to have employees, contractors and agents on the Property, to use the Common Elements in connection with sales and leasing, and to erect and maintain signs on exterior portions of the Building and elsewhere on the Property

(vii) Section 9.8 insofar as it provides that the provisions of Sections 9. 1 and 9.2 shall not apply with respect to a sale or lease of any Unit owned by Sponsor or its designee or any Units resulting from the subdivision or combination thereof;

(viii) Article 2 with respect to Sponsor's rights in connection with removal of its designated members on the Board of Managers;

(ix) All provisions concerning Sponsor's rights with respect to alterations, additions and improvements of Units owned by it;

(x) All provisions requiring that the By-Laws may not be amended so as to adversely affect Sponsor; and (iii) This Article 13.

Section 13.3. Use of Units. Notwithstanding anything to the contrary herein contained, no provision of these By-Laws or the Declaration to which they are appended relating to the use of the Units may be amended without the consent of every Unit Owner affected by such amendment.

ARTICLE 14

CONFLICTS

Section 14.1. Generally. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

RULES AND REGULATIONS OF THE ESQUIRE BUILDING

1. The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of the Building shall not be obstructed or used for any other purpose than ingress to and egress from the Units.
2. No article (including, but not limited to, garbage containers, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung, shaken from any doors, windows, balconies, patios or roofs or placed upon the windowsills. No awnings, fans or other projections shall be attached to the outside of the Residential Area of the Building without the prior written approval of the Board of Managers.
3. Neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibule, corridors or stairways.
4. No public hall or public elevator vestibule shall be decorated or furnished by any Unit Owner in any manner.
5. Each Unit Owner shall keep his, hers, or its Unit and its appurtenant Limited Common Elements, if any, in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown there from, or from the doors or windows thereof, any dirt or other substance.
6. No window guards or other window decorations shall be used in or about any Residential Unit, unless otherwise required by law, except such shall have been approved in writing by the Board of managers of the Condominium, which approval shall not be unreasonably withheld or delayed.
7. No radio, television aerial or satellite dish shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the Residential Area of the Building except such as are permitted pursuant to the Declaration, the By-Laws or shall have been approved in writing by the Board of Managers, nor shall anything be projected from any windows without similar approval.
8. No ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval from the Board of Managers.
9. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.
10. No baby carriages, bicycles, scooters or similar vehicles shall be allowed to stand in the passages, public hall, vestibules, corridors or other public areas.
11. No Residential Unit Owner shall make or permit any disturbing noises or activity or do or permit anything to be done therein, which will interfere with the rights,

comforts or convenience of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a stereo or radio or television set or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 6:00 P.M., unless such construction or repair work is necessitated by an emergency or shall have been approved in writing by the Board of Managers.

12. Unit Owners are responsible to pad and protect the elevator and hallways where necessary, in advance of any construction or repair work to a Unit, delivery of appliances, furniture and during a move-in or move-out and are responsible for repairs for damages that such activity may cause to a Common Element.

13. Pets are allowed on the Property. All pets must be leashed and under control by their owners or any one designated by their owners, in all of the public and common areas of the Building. This house rule may only be amended by Unit Owners holding more than 75% in Common Interests.

14. All trash and refuse shall be properly disposed of according to signage located on each floor

15. Water closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water closets or other apparatus in a Unit shall be repaired and paid for by Unit Owner.

16. No occupant of the Building shall send any employee of the Board of Managers, the Condominium or of the managing agent thereof out of the Building on any private business. In addition, any Condominium employee to whom any property shall be entrusted by or on behalf of a Unit Owner shall be deemed to be acting as said Unit Owner's agent with respect to such property and neither the Condominium nor the Board of Managers nor its agents, shall be liable for any damage to property of said Unit Owner or of other entrusted to employees of the Condominium nor for the loss of, damage to, any property of the Unit Owner by theft or otherwise.

17. The agents of the Board of Managers or the managing agent, and any contractor or worker authorized by the Board of Managers or the managing agent may enter any room or Unit or Limited Common Element at any reasonable hour of the day, on at least one day's prior notice to Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

18. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors. All removals or the carrying in or out

of any safes, freight, furniture or bulky matter of any description must take place in the manner and during the hours which the Board of Managers shall designate, and with payment to the Board of Managers of any costs it incurs in connection therewith. All work in connection with the moving of any such safe, machinery, equipment, freight, etc., must comply with the Administrative Code of the City of New York and all other laws and regulations applicable thereto. Notwithstanding, any consent of the Board of Managers to the movement of such safe, machinery, etc., the Commercial Unit Owner shall indemnify the Board of Managers for, and hold the Board harmless from, damages sustained by persons or property and for any damages paid out by the Board of Managers in settlement of any claims or judgments, as well as for all expenses and attorneys' fees incurred in connection therewith and all costs incurred in repairing any damage to the Building or appurtenances, caused by movement of any safes, freight, furniture, heavy machinery, or bulky matter of any sort into or out of the Building.

19. Complaints regarding the service of the Building shall be made in writing to the Board of Managers or to the managing agent.

20. Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Board of Managers, at any time by resolution of said Board.

21. Except as permitted under the Declaration and By-Laws, Unit Owners and their families, guests, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roofs of the Building.

22. Unit Owners shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

23. No Unit Owner or any of the Unit Owner's agents, employees, licensees or visitors shall at any time use or bring into or keep in the Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

24. If any key or keys are entrusted by a Unit Owner or by any member of a Unit owner's family or by a Unit Owner's agent, employee, licensee or visitor, directly to an employee of the Board of Managers or directly to the managing agent or an employee of the managing agent, whether for such Unit Owner's Unit or an automobile, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board nor the managing agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith (unless, however, the managing agent was entrusted directly with the key, in which case the agent shall be liable for such damages).

25. Nothing shall be done or kept in any Residential Unit or the Limited Common Elements appurtenant thereto, or in the Common Elements which will increase the rate of insurance of the Condominium or the contents thereof without the prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done which will result in the cancellation of insurance on the Property or which

would be in violation of any law. No waste shall be committed in the Common Elements.

26. The Board shall have the right from time to time to relocate or reallocate any space in the Residential Area of the Building devoted to service purposes.

27. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Board of Managers.

28. In the event that any Unit is used for home occupation purposes permitted by law, clients or other invitees shall not be permitted for any purpose to wait in any lobby, public hallway or vestibule, unless such lobby, hallway or vestibule is part of the Unit

29. No Residential Unit Owner shall install any plantings on any Common Element deck or terrace without the prior written approval of the Board of Managers

30. Plantings on patios and roof shall be contained in suitable containers that provide for drainage. The Unit Owner shall maintain the containers in good condition. Plantings on patios and the roof of the eight-story structure may not exceed a live load of 100 lbs. per square foot. The Board of Managers may promulgate specific weight limits as well, with the exception of the Sponsor, who shall not install plantings or such that would be harmful to the roof of the eight-story structure, the roof of the bulkheads or the roof of the Penthouse Unit. Any damage to the Building or to the personal property of another Unit Owner or occupant of the Building caused by a Unit Owner's patio or plantings, and by the Sponsor's deck or plantings on the roof of the eight-story structure, the roof of the bulkheads or the roof of the Penthouse Unit or improper maintenance thereof, shall be the responsibility of the Unit Owner whose plants caused the damage, to repair. If the Unit Owner fails to repair the damage, the Board of Managers may cause the damage to be repaired and shall assess the Unit Owner for all costs incurred in connection therewith.

31. The Board of Managers reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Building or the preservation of good order therein, or the operation or maintenance of the Building or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

32. As long as the Sponsor owns the Penthouse Unit, Sponsor shall maintain in the entirety, the installed deck or terrace on the roof of the eight-story structure and shall be responsible to repair any damage to the roof of the eight-story structure, the roof of the bulkheads, or the roof of the Penthouse Unit, which is caused by extraordinary wear and tear, any activity or use on said roofs.

MARCIA E. FOKAS
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67 WALL STREET, SUITE 2001
NEW YORK, NEW YORK 10005

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July 16, 2001

330 Wythe Avenue Associates, LLC
330 Wythe Avenue
Brooklyn, New York 11211

Re: Offering Plan for The Esquire
330 Wythe Avenue, Brooklyn, NY 11211

Gentlemen:

As owner of the property known as The Esquire, located at 330 Wythe Avenue, Brooklyn, NY 11211 (the "Property") and sponsor ("Sponsor") of the offering plan filed with the New York State Department of Law to establish the Property as a condominium (the "Offering Plan" or "Plan"), you have requested my opinion as to deductibility for Federal, New York State and New York City income tax purposes of mortgage interest and real estate taxes paid by a person who purchases a "Residential Unit" (as defined in the Plan) upon establishment of the Property as a condominium (the "Condominium"), and thus becomes a "Residential Unit Owner" (also as defined in the Plan) at the Condominium.

In connection with this opinion I reviewed the Plan (including the schedules and exhibits that are part of the Plan) and all documents contained in the Plan.

The opinions expressed in this letter are based upon the assumptions that the Plan becomes effective and is consummated in accordance with its terms, a condominium regime is established at the Property upon the recording of a condominium declaration and by-laws (collectively, the "Declaration") and the filing of the "Tax Lot Drawings" (as defined in the Plan), and the legal consequences of ownership of a Unit are as described in the Plan. Specifically my opinion is based on the assumptions that:

- A. a Residential Unit Owner and a Commercial Unit Owner (as respectively defined in the Plan) (individually, a "Unit Owner" and

- collectively, the "Unit Owners") will own fee title to a Residential Unit or a Commercial Unit (as respectively defined in the Plan) (individually, a "Unit" and collectively, the "Units"), as the case may be, including an undivided interest in the "Common Elements" (as defined in the Plan) appurtenant to the Unit;
- B. each Unit, including its appurtenant undivided interest in the Common Elements, will be a separate tax lot for purposes of New York City real estate taxes and the Unit Owner will be directly liable for the real estate tax assessment with respect to that Unit Owner's Unit, but not with respect to any other Unit;
 - C. subject to certain restrictions contained in the Declaration, a Unit Owner may mortgage the Unit as the Unit Owner wishes, and the Unit will not be subject to the lien of any mortgage placed on any other Unit; and
 - D. a Unit Owner may convey that Owner's Unit, subject, with certain exceptions, to certain rights of the Board of Managers (defined below) contained in the Declaration.

Pursuant to the Declaration, the Condominium will be managed by a Board of Managers (the "Board of Managers") whose members will be elected by the Unit Owners (including Sponsor, to the extent Sponsor owns Units). I understand that the Board of Managers will operate the Condominium as an unincorporated association under New York Law. The Declaration provides that expenses incurred in the operation and maintenance of the Condominium exclusive of the Units themselves shall be borne by the Unit Owners and assessed (in accordance with the Declaration) and collected by the Board of Managers on behalf of the Unit Owners.

Based upon the foregoing, it is my opinion that an individual Residential Unit Owner who uses the Residential Unit as said Owner's principal residence or specifically selected secondary residence (each a "Qualified Residence") and who itemizes deductions will be entitled under present tax laws and regulations, to deduct from adjusted gross income, for Federal, New York State and New York City income tax purposes, certain costs associated with ownership of the Residential Unit. Specifically, the Residential Unit Owner may deduct, subject to certain limitations on itemized deductions, (i) real estate taxes assessed against Owner's Residential Unit, and (ii) subject to the limitations identified in the next sentence, interest on indebtedness incurred in acquiring, constructing, or substantially improving a Qualified Residence that is secured by such Qualified Residence ("Acquisition Indebtedness"), and interest on indebtedness (other than Acquisition Indebtedness) secured by a Qualified Residence ("Equity Indebtedness"), but only to the extent the aggregate amount of such Equity Indebtedness does not exceed the fair market value of the Qualified Residence less Acquisition Indebtedness with respect to such Qualified Residence.

However, the aggregate amount treated as Acquisition Indebtedness for any period (on both a principal residence and a specifically selected secondary residence) may not exceed \$1,000,000 (\$500,000 in the case of a married individual filing a separate return), and the aggregate amount treated as Equity Indebtedness for any period (on both a principal residence and a specifically selected secondary residence) may not exceed \$100,000 (\$50,000 in the case of a separate return by a married individual). (See Sections 163 (interest) and 164 (taxes) of the Internal Revenue Code of 1986, as amended (the "Code"), and Rev. Rul. 64-31, 1964-1 (Part 1) C.B. 300.)

The expenses discussed above will be deductible when paid or accrued by the Residential Unit Owner depending upon the Residential Unit Owner's method of accounting. However, any Residential Unit Owner required to compute Federal income tax liability pursuant to the Federal alternative minimum tax, will not be entitled to deduct real estate taxes paid or accrued with respect to such Owner's Residential Unit or interest on Equity Indebtedness.

Generally, a person who purchases a Residential Unit for use in a trade or business will be entitled under present tax laws and regulations to deduct from gross income for Federal income tax purposes (i) real estate taxes assessed against such Owner's Residential Unit, and (ii) interest on indebtedness incurred or continued in connection with the conduct of such trade or business, subject, however, to the limitations of Section 469 of the Code relating to "passive activity" losses and Section 465 of the Code relating to the "at-risk" rules.

The status of the Condominium for Federal income tax purposes (and accordingly for New York State and New York City income tax purposes) as an aggregation of Unit Owners or as an entity for income tax purposes is not clear, and accordingly I express no opinion with respect to this matter.

If the Condominium is treated for tax purposes simply as an aggregation of the Unit Owners, the income received by the Board of Managers (such as rents on any Units owned and leased by the Board of Managers or interest earned on the Condominium's funds) and the expenses incurred by the Board of Managers on behalf of the Unit Owners in deriving such income, would be deemed to be income and expenses of the Unit Owners in proportion to their respective Common Interests (as defined in the Plan), and the amount of such income less such expenses would be taxable to the Unit Owners. In such a case, however, the Common Charges (as defined in the Plan) would not be considered income to the Unit Owners,

and the expenditures incurred in maintaining the Common Elements would not be deductible by the Unit Owners.

If, on the other hand, the Condominium is treated as an entity for income tax purposes, then under relatively new Treasury regulations dealing with the classification of entities for income tax purposes, the Condominium would be classified as a partnership for such purposes absent an election to classify the entity as a corporation. As a partnership, the Condominium itself would not be subject to income tax (other than possibly the New York City unincorporated business tax). Instead, the taxable income or loss of the Condominium would be passed through to the Unit Owners, each of whom would be required to report such Unit Owner's distributive share of such income on such Unit Owner's income tax return. The manner in which such income or loss would be computed is not entirely clear, but it would presumably be computed in a manner similar to that described below for a condominium electing to be classified as a corporation for income tax purposes.

However, as it is anticipated that the Condominium will treat itself as an entity for income tax purposes and will make an election to be classified as a corporation for such purposes, although no assurance can be given in this regard, the remainder of this discussion assumes that the Condominium will be classified as a corporation for income tax purposes. In such event, the Condominium would be subject to Federal corporate income tax (as well as to the New York State and New York City corporate franchise (income) tax) on its taxable income. See Rev. Rul. 74-99, 1974-1 C. B. 131. For these purposes, the Condominium's taxable income would be the excess of its gross income over its deductible expenses. Gross income would include, among other things, any rental income or investment income received by the Condominium and all Common Charges paid by Unit Owners. However, any portion of the Common Charges segregated and used to finance specified capital expenditures or reserves for such capital expenditures should generally not be required to be included in gross income. See Rev. Rul. 75-371, 1975-2 C.B. 52; Rev. Rul. 75-370, 1975-2 C.B. 25; Rev. Rul. 74-563, 1974-2 C.B. 38. Deductible expenses would generally include the Condominium's Common Expenses other than capital expenditures.

Notwithstanding the foregoing, if the Condominium satisfies the requirements of Section 528 of the Code, the Condominium, as a condominium management association, may elect to be exempt from Federal income taxes on Common Charges collected from Unit Owners.

The Section 528 requirements for exemption are as follows:

- (i) the association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of association

property; (ii) 60 percent or more of the association's gross income must consist of assessments from unit owners ("exempt function income"); (iii) at least 90 percent of the association's expenditures must be for the acquisition, construction, management, maintenance, and care of association property; (iv) no part of the net earnings can inure to the benefit of any member or private individual other than by the acquisition, construction, management, maintenance and care of association property or by rebates of excess assessments; and (v) substantially all units (i.e., at least 85 % of the total square footage of all units) must be used by individuals as residences. The pertinent Treasury Regulations appear to focus on residential use by individuals, rather than ownership by individuals, and also provide that a unit that has never been occupied will be deemed to qualify under Section 528 or, if qualified, fails to elect Section 528 tax treatment in any year, it could be subject to the regular Federal corporate income tax on its taxable income as described above.

I express no views as to any tax consequences other than those explicitly discussed in this opinion. Specifically, I express no views as to the tax status of the Condominium as such or the computation of the Condominium's income and franchise tax liabilities (if any), nor does this opinion address the tax consequences which result from ownership of a Unit in connection with a Unit Owner's trade or business or for the production of income (including the possible application of the passive loss rules and the at-risk rules), or the ownership of a Commercial Unit generally, other than those explicitly expressed herein. I strongly advise each person contemplating the purchase of a Unit to consult his or her own tax advisor as to all tax matters (including, without limitation, the tax matters discussed in this opinion).

The opinions expressed above are based on my interpretation of existing tax laws, the applicable regulations and rules of the Treasury Department and court decisions construing such rules and regulations. Although I believe my opinions are well founded, they are not intended, and should not be construed, as warranties. No assurances can be given that the Internal Revenue Service or state and local tax authorities will accept any or all of the views stated above or that the tax law upon which counsel based its opinion will not change. In no event will Sponsor, Sponsor's counsel, the Selling Agent or any other person be liable if there are changes in the facts on which I relied in issuing this opinion, or if there are changes in the applicable statutes, regulations, decisional law or rulings on which I relied. Finally, I have not passed upon the accuracy of any figures or estimates contained in the Plan and do not warrant the amount deductible for any period, assuming such tax deductions are allowed, or the amount that Unit Owners may save in Federal, New York State and New York City income taxes, if any, as a result of such deductions.

I make no warranty that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will accept any or all of the views stated above. In addition, the Federal, New York State and New York City tax laws and regulations (and the rulings and decisions thereunder) may change, possibly even retroactively, and thereby affect, in whole or in part, the results outlined above.

I consent to the incorporation of this opinion into the Plan.

Very truly yours,

A handwritten signature in cursive script, reading "Marcia E. Fokas". The signature is written in dark ink and is positioned above the printed name.

Marcia E. Fokas

BEN ROTTENSTEIN ASSOCIATES, LLC

REAL ESTATE TAX CONSULTANTS

November 13, 2000

330 Wythe Avenue Associates, LLC
c/o Stephanie Eisenberg
1 Nassau Avenue
Brooklyn, New York 11222

Re: The Esquire Building, 330 Wythe Avenue, Brooklyn, NY
Block 2403 Lots 19, 30

Dear Ms. Eisenberg:

You have described a proposed project which would renovate the referenced property resulting in a Class "A" Multiple Dwelling, and have requested information regarding eligibility for, and the amount of, J-51 real estate tax benefits.

Based on the information you have provided, the conversion of the existing vacant factory is permitted as of right,* and the construction costs will be approximately \$7,500,000. The resulting structure will contain 77 apartments, and the cubic content of the building will not be increased.

The current (2000/01) assessed value is as follows:

	<u>Land</u>	<u>Total</u>
Actual	163,575	191,340
Transitional	120,915	182,115

Assuming compliance with all the requirements of the J-51 Program, and based on the information you have provided, it is our opinion that the property will qualify for J-51 abatement and exemption benefits.

The assessed value of the building will be increased due to this renovation. The J-51 exemption benefit will exempt 92% of this increase from taxation for 10 years. Thereafter, the exemption amount will decrease 20% per year for four years. Based on your estimate of an increase in the building assessed value of \$4,350,000, the J-51 exemption would total \$3,375,000.

* See special approval

We estimate that the total J-51 abatement will be approximately \$1,155,000 allowing a maximum annual abatement of \$96,250, until 90% of the abatement is utilized, up to a maximum of 20 years.

Based on the above projections, we estimate, but do not guarantee, that there would be a small real estate tax liability for the first 10 years of the benefit period.

A.V.	\$4,350,000
J-51 Exemption	\$3,375,000
Taxable A.V.	\$ 975,000
Tax Due	
(rate of 11.15%)	\$ 108,713
J-51 Abatement	\$ 96,250
Estimated Tax	\$ 12,463

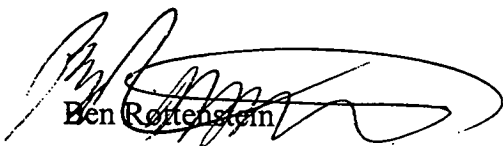
Following the first 10 years of exemption benefits, the exemption will be reduced by 20% per year for 4 years. This will result in real estate taxes being owed in the 11th year, as follows:

A.V.	\$4,350,000
J-51 Exemption	\$2,700,000 (\$3,375,000 x 80%)
Taxable A.V.	\$1,650,000
Tax Due	
(based upon a tax rate of 11.15%)	\$ 183,975
J-51 Abatement	\$ 96,250
Estimated Tax	\$ 87,725

There will be a proportionate increase for each of the following 3 years.

The above estimates are based on information you have provided to this firm. These estimates are in no way to be construed as a guarantee or warranty that the property will be eligible for J-51 benefits or that the property will obtain these estimated benefits. This firm will not be held liable if the property does not qualify for J-51 benefits, or if the benefits obtained are less than the estimated above.

Very truly yours,


Ben Rotenstein

ESCROW AGREEMENT FOR CONTRACT DOWN PAYMENTS

**The Esquire Building
330 Wythe Avenue
Brooklyn, NY 11211**

AGREEMENT made this ____ day of _____, 2001, between 330 Wythe Avenue Associates, LLC having an address at 1 Nassau Avenue, Brooklyn, New York 11222 ("Sponsor") and Marcia E. Fokas, Esq., having an address at 67 Wall Street, Suite 2001, NY, NY 10005 ("Escrow Agent")

WHEREAS, Sponsor is the Sponsor under the offering plan (the "Offering Plan") for the sale of condominium units (the "Units") at The Esquire Building, 330 Wythe Avenue, Brooklyn, NY 11222 (the "Premises"); and

WHEREAS, Sponsor will enter into agreements to sell Units to purchasers under the Offering Plan (individually a "Purchase Agreement" and collectively the "Purchase Agreements"); and

WHEREAS, Escrow Agent has been requested by Sponsor to act as an escrow agent under the Offering Plan in accordance with General Business Law ("GBL") Section 352e(2-b) and the Attorney General's regulations promulgated thereunder (the "Regulation") with respect to down payments made by purchasers (the "Purchaser") pursuant to Purchase Agreements entered into with Sponsor to purchase Units at the Premises.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereto agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

Escrow Agent shall establish an escrow account for the purpose of holding deposits or payments made by Purchasers under Purchase Agreements entered into pursuant to the Offering Plan (the "Escrow Account"). As set forth in the Offering Plan, the Escrow Account in which contract down payments will be deposited will be located at Chase Manhattan Bank, N.A. (the "Bank") at its branch at 281 Broadway, New York, NY. The account number is to be provided by Escrow Agent to Sponsor upon receipt.

The name of the Escrow Account will be 'Marcia E. Fokas', Attorney Trust Account for The Esquire Building".

Marcia E. Fokas will be the sole signatories on the Escrow Account.

The Escrow Account shall be an interest-bearing account as disclosed in the Offering Plan. Escrow Agent will arrange for interest earned on monies deposited in the Escrow Account to be paid to the party entitled to the interest as disclosed in the Offering Plan.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

All funds received from Purchasers prior to closing under their Purchase Agreements, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be delivered by Sponsor to Escrow Agent to be deposited in the Escrow Account. All instruments to be deposited into the Escrow Account shall be made payable to the order of "Marcia E. Fokas, as Escrow Agent". Any instrument payable other than as required hereby, and which cannot be deposited into the Escrow Account, shall be returned to the prospective Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by Escrow Agent (or if applicable, within five (5) business days after said instrument has been returned to Escrow Agent by the depository as unpayable). Delivery shall be deemed made if the instrument is delivered to Purchaser personally or mailed to Purchaser at the address set forth in the Purchase Agreement, whether or not it is actually received by Purchaser. Delivery shall be deemed made on the date mailed. In the event of such return of funds, the instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

Within ten (10) business days after tender of the deposit submitted by a Purchaser with a Purchase Agreement, provided Escrow Agent has received the funds, Escrow Agent shall notify Purchaser of the deposit of such funds in the Bank and shall provide the account number. If Purchaser does not receive notification of such deposit within fifteen (15) business days after the tender of the deposit and Purchase Agreement countersigned by Sponsor, Purchaser may cancel the purchase and rescind the Purchase Agreement. Any such rescission must be exercised no later than ninety (90) days after approval of Purchaser in accordance with the Approval Procedures. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with the foregoing and requisite notice was timely mailed to Purchaser.

3. RELEASE OF FUNDS.

Escrow Agent shall not release the escrowed funds of a defaulting Purchaser until after consummation of the Offering Plan as defined in the Attorney General's regulations. Consummation of the Offering Plan shall not relieve Sponsor of Sponsor's fiduciary obligations pursuant to GBL Section 352-h.

Escrow Agent shall continue to hold the funds in escrow until the earlier of. (a) closing under a Purchase Agreement, in which event the funds may be paid to Sponsor (or anyone Sponsor designates or directs) without final authorization of Purchaser required, or (b) Purchaser's permitted rescission of a Purchase Agreement, in which case the funds will be paid to Purchaser, (c) Sponsor's termination of the Purchase Agreement following Purchaser's continuing default under the Purchase Agreement after delivery to Purchaser by Sponsor of a notice of default and expiration of the applicable cure period (in which event the funds may be paid to Sponsor), (d) otherwise directed in writing signed by both Sponsor and Purchaser directing disposition of such funds, (e) otherwise directed by a determination of the Attorney General pursuant to the dispute resolution procedures in the Regulations,

(f) otherwise directed by a judgment or order of a court of competent jurisdiction directing disposition of such funds, (g) the Escrow Agent is changed in connection with a transfer of funds to a new escrow agent in accordance with this Agreement, (h) funds which were deposited prior to acceptance of the Purchase Agreement are returned to the Purchaser after rejection of the Purchase Agreement by Sponsor, (i) released pursuant to the Regulations of the Attorney General pertaining to release of escrowed funds, as incorporated below, or (j) Sponsor's abandonment of the Plan.

Sponsor shall not object to the release of the escrowed funds to (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Plan or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

If there is no closing under a Purchase Agreement and there is no written agreement between the parties to release the escrowed funds, or if release is not otherwise authorized pursuant to the provisions of 13.2 or 13.3 of this Agreement, Escrow Agent shall not pay the funds to Sponsor until Escrow Agent has sent Purchaser at least ten (10) business days prior written notice to the last address listed in the Purchase Agreement. For purposes of this provision, notice shall be deemed given if actually delivered to Purchaser or Purchaser's counsel at the address set forth in the Purchase Agreement, whether or not it is actually received, and shall be deemed given five (5) business days after the day mailed. Thereafter, the funds may be paid to Sponsor unless Escrow Agent has received prior written notice from Purchaser that Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Regulations and has so notified Escrow Agent in accordance with such provisions. Escrow Agent shall be entitled to act upon any document believed by it in its reasonable judgment to be genuine.

4. RECORD-KEEPING.

Escrow Agent shall maintain all records concerning the Escrow Account for seven years after release of funds. Sponsor agrees that Escrow Agent shall make available to the Attorney General, upon his or her request, all books and records of Escrow Agent then available relating to funds deposited and disbursed hereunder. Sponsor shall pay all expenses and costs incurred by Escrow Agent arising out of the provisions of this Agreement.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

Escrow Agent shall maintain the Escrow Account called for in this Agreement under the direct supervision and control of Escrow Agent. Escrow Agent is familiar with the provisions of GBL § 352-h and § 352-e(2-b). Escrow Agent shall be permitted to act as counsel for Sponsor in any dispute as to the disbursement of any deposits or payments or any other dispute between the parties, whether or not Escrow Agent is in possession of such deposits or payments and whether or not Escrow Agent continues to act as Escrow Agent.

6. RESPONSIBILITIES OF SPONSOR.

Sponsor agrees that Sponsor and its agents, including any selling agents, shall immediately deliver to Escrow Agent all deposits and payments received by them prior to closing of an individual transaction.

Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and compliance with the Regulations.

7. INDEMNITY AND DISPUTES.

In the event Escrow Agent, before the release of escrow funds attributable to a particular Purchase Agreement in accordance with this Agreement, receives or becomes aware of conflicting demands or claims with respect to said escrow funds or the rights of any party with respect thereto, or any funds, securities, property or documents deposited herein or affected hereby, or if Sponsor becomes indebted to Escrow Agent, or for any other reason in its sole discretion, Escrow Agent shall have the right to discontinue any and all further acts on its part until such conflict is resolved to its satisfaction.

Escrow Agent shall have the further right but not the obligation to commence or defend any action or proceeding for the determination of such conflict. Sponsor agrees to indemnify Escrow Agent and pay all costs, damages, judgments and expenses, including attorneys' fees and disbursements, suffered or incurred by Escrow Agent in connection with or arising out of this Escrow Agreement, including, but without limiting the generality of the foregoing, a suit in interpleader brought by Escrow Agent, or proceedings or actions brought by any Purchaser(s) or the New York State Department of Law, or the expenses of maintaining or administering the Escrow Account in accordance with this Agreement (including, without limitation, the aliquot portion of Escrow Agent's expenses for overhead, staff and equipment in connection with such activities), and such other expenses as may be determined by Escrow Agent. In the event Escrow Agent files a suit in interpleader, Escrow Agent shall thereupon be fully released and discharged from all further obligations to perform any and all duties or obligations imposed upon Escrow Agent by this Agreement.

Escrow Agent is hereby given a lien on all right, title and interest of Sponsor in the escrowed funds in the Escrow Account and monies arising therefrom, to protect, indemnify and reimburse Escrow Agent for all costs, expenses and liabilities arising out of this Agreement.

8. LIABILITY OF ESCROW AGENT.

Escrow Agent shall not be liable for any error of judgment or for any act done or omitted by it in good faith, or for anything which it may in good faith do or refrain from doing in connection with its obligations under this Agreement, nor for any negligence other than its gross negligence, nor shall Escrow Agent be answerable for the default or misconduct of its agents, attorneys or employees if they are selected with reasonable care, or the banking institution in which the escrow funds are deposited. No liability will be incurred by Escrow Agent if, in the event of any dispute or question as to its duties or obligations hereunder, it acts in accordance with written advice of legal counsel. Escrow Agent is authorized to act upon any

document believed by it to be genuine and to be signed by the proper party or parties, and will incur no liability in so acting.

Escrow Agent shall not be liable to Sponsor for any loss occasioned by any right of rescission accruing to a Purchaser and arising out of Escrow Agent's performance or failure of performance hereunder.

9. TERMINATION OF AGREEMENT.

This Agreement shall remain in effect unless and until it is cancelled:

(a) By written notice given by Sponsor to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity; or

(b) By the resignation or withdrawal of Escrow Agent upon written notice to Sponsor. Sponsor agrees to file an amendment to the Offering Plan to describe the occurrences described in this Agreement immediately upon their occurrence, but the failure to file such amendment shall not prevent the effectiveness of such cancellation, resignation or withdrawal; or By virtue of all Apartments offered pursuant to the Offering Plan having been sold and all sales transactions having been consummated.

Upon termination of the duties of Escrow Agent as described above, Escrow Agent shall deliver any and all funds held by it in escrow and any and all Purchase Agreements and associated documents maintained by Escrow Agent to the new escrow agent, if there be one, or to a court of competent jurisdiction, as applicable.

10. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon Sponsor and Escrow Agent and their successors and assigns.

11. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York. Sponsor and Escrow Agent agree to the jurisdiction and venue of the courts located in the County and State of New York.

12. ESCROW AGENT'S COMPENSATION.

Sponsor agrees that Escrow Agent's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to Escrow Agent, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance, unless and until Sponsor becomes entitled to such funds pursuant to the provisions of this Agreement.

13. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other

circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

14. MISCELLANEOUS

Wherever delivery is required herein of a notice or check to Purchaser, it shall also be deemed delivered to Purchaser if actually delivered to Purchaser's attorney or if mailed to Purchaser's attorney, whether or not it is actually received by Purchaser's attorney, with the date of receipt being deemed to be five (5) business days after the date mailed, postage prepaid. Conflicts between this provision and other provisions in this Agreement shall be resolved in favor of this provision.

15. ENTIRE AGREEMENT.

This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's Regulations, constitutes the entire agreement between Sponsor and Escrow Agent with respect to the subject matter hereof.

16. COUNTERPARTS.

This agreement may be executed in any number of counterparts and each counterpart, when taken together with all other counterparts, shall constitute one and the same document.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

330 Wythe Avenue Associates, LLC

By: _____
Stephanie Eisenberg, Member

Marcia E. Fokas, Escrow Agent

**FORM OF APPLICATION TO THE
ATTORNEY GENERAL FOR A DETERMINATION
ON THE DISPOSITION OF DOWNPAYMENTS**

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: The Esquire Building
330 Wythe Avenue
Brooklyn, NY 11211

File Number:

Application is made to the Attorney General to consider and determine the disposition of downpayments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant
2. Address of Applicant
3. Name, Address, and Telephone Number of Applicant's Attorney (if any)
4. This is an application for
5. The project is The Esquire Building and this application is for a return of downpayment forfeiture of downpayment.
6. The project is structured as a rehabilitated condominium
7. Name and Address of Sponsor: 330 Wythe Avenue Associates, LLC, 1 Nassau Ave., Brooklyn, NY 11222.
8. Name and Address of Escrow Agent: Marcia E. Fokas, 67 Wall Street, Suite 2001, NY, NY 10005.
9. If downpayments are maintained in an escrow account:
 - (a) Name and address of bank
 - (b) Account number (if known)
 - (c) Initial interest rate (if known)
 - (d) Name of account
10. If downpayments have been secured by bonds: N/A
 - (a) Name and address of bond issuer or surety:
 - (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain: N/A
11. If downpayments have been secured by a letter of credit: N/A
 - (a) Name and address of bank which issued the letter of credit:
 - (b) Date of expiration of the letter of credit, if known:

12. Plan information:

- (a) Date of filing of plan:
- (b) Plan has been declared effective. Approximate date: has not been declared effective.
- (c) If effective, the plan has closed or the first unit has closed. Approximate date:
 - (i) has not closed.
 - (ii) don't know.
- (d) Downpayments are secured by escrow account.

13. Contract information:

- (a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)
- (b) Date on which purchase agreement was signed:
- (c) Date(s) of downpayment(s):
- (d) Total amount of downpayment(s):
- (e) Names and addresses of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature:

Date:

Name (Printed):

Telephone: (Home)

(Business)

Mailing Address:

CERTIFICATION BY SPONSOR

330 Wythe Avenue Associates, LLC
1 Nassau Avenue
Brooklyn, New York 11222

July 10, 2001

Bureau of Real Estate Financing
New York State Department of Law
120 Broadway
New York, New York 10271

Re: The Esquire Building
330 Wythe Avenue
Brooklyn, New York 11211

The undersigned does hereby state:

330 Wythe Avenue Associates, LLC is the Sponsor of the Offering Plan for the Sale of Condominium Units in The Esquire Building, 330 Wythe Avenue, Brooklyn, New York 11211 (the 'Plan'). The undersigned are the Sponsor and the principals of the Sponsor of the Plan.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General in Part 20 and such other laws and regulations as may be applicable.

We have read the entire Plan. We have investigated the facts set forth in the Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Plan does, and that documents submitted hereafter by us which amend or supplement the Plan will:

- (i) set forth the detailed terms of the transaction and be complete, current and accurate;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;
- (v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase sale;
- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing conditions;
- (vii) not contain any representation or statement which is false, where we:

knew the truth ,
with reasonable effort could have known the truth,
made no reasonable effort to ascertain the truth, or
did not have knowledge concerning the representation or statements
made.

This certification is made under penalty of perjury for the benefits of all persons to
whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the
General Business Law and Penal Law.

330 Wythe Avenue Associates, LLC

by: Stephanie Eisenberg
Stephanie Eisenberg, Managing Member

Stephanie Eisenberg
Stephanie Eisenberg, Member

Paul Eisenberg
Paul Eisenberg, Member

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO SECTION 20 OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED

May 31, 2001

Re: 330 Wythe Ave,
New York, 11211

The Sponsor of the Offering Plan for Condominium ownership of the captioned property retained our firm to prepare a report disclosing the condition of the project when rehabilitated (the "Report"). I visually inspected the property on May 30, 2001 and examined the specifications undated and building plans that were prepared by Thomas Rochon Associates, and approved by the Department of Buildings on May 14, 1985. I prepared the Report dated November 15, 2000, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on Report.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulation promulgated by the Attorney General in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. I certify the Report does:

- (i) set forth in detail the condition of the entire property as it will exist upon completion of rehabilitation, provided rehabilitation is in accordance with the plans and specifications that I examined;

- (ii) afford potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of the rehabilitation, provided the rehabilitation is in accordance with the plans and specifications that we examined;
- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;
- (v) not contain any Fraud, deception, concealment, or suppression
- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or
- (vii) unwarranted by existing circumstances' not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statements made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil penalties of the General Business Law and Penal Law.

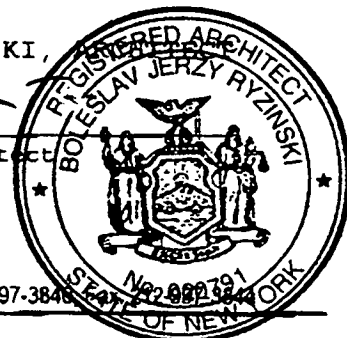
We consent to the use of this Certification as part of the Offering Plan.

Sworn to me this

Maureen Bonal
Notary public

BOLEK RYZINSKI,

Register Architect



49 West 46th Street 5th Fl. New York, NY 10036

Phone: 212-997-3840 Fax: 212-997-3844

MAUREEN BONAL
NOTARY PUBLIC, State of New York
No. 41-4725421
Qualified in Queens County
Cert. filed in Queens County
Commission Expires March 30, 19

**CERTIFICATION OF EXPERT ON ADEQUACY OF
BUDGET PURSUANT TO SECTION 20.4 (d)
OF THE REGULATIONS ISSUED PURSUANT
TO GENERAL BUSINESS LAW, ARTICLE 23-A
AS AMENDED**

July 16, 2001

NYS Department of Law
Real Estate Financing Bureau
120 Broadway
New York, NY 10271

RE: 330 Wythe Avenue

The sponsor of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule(s) B, B-1 and C, containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes: Fifteen (15) years as a professional property manager. For the last twelve years I have been a principal in the firm of Advanced Management Services LTD which manages approximately 150 Cooperative and Condominium apartment buildings in NYC.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Office of the Attorney General in Part 20 insofar as they are applicable to Schedule(s) B, B-1 and C.

We have reviewed the Schedule(s) and investigated the facts set forth in the Schedule(s) and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule(s) B, B-1 ~~and C~~ appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule(s):

- (i) sets forth in detail the projected income and expenses for the first year of condominium operation.
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

AMS

ADVANCED MANAGEMENT SERVICES

26 Court Street, Suite 804
Brooklyn, New York 11242
Phone: (718) 852-5310
Facsimile: (718) 852-5312

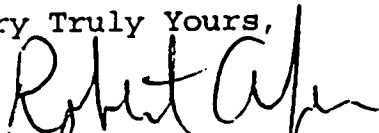
Page 2

- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where we:

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very Truly Yours,



Robert Alper, Vice President
Advanced Management Services LTD

RA:la

CERTIFICATION OF EXPERT ON ADEQUACY OF
COMMON CHARGES PAYABLE BY COMMERCIAL
UNIT OWNERS PURSUANT TO SECTION 20.4 (d)
OF THE REGULATIONS ISSUED PURSUANT
TO GENERAL BUSINESS LAW, ARTICLE 23-A
AS AMENDED



ADVANCED MANAGEMENT SERVICES

26 Court Street, Suite 804
Brooklyn, New York 11242
Phone: (718) 852-5310
Facsimile: (718) 852-5312

July 6, 2001

NYS Department of Law
Real Estate Financing Bureau
120 Broadway
New York, NY 10271

RE: 330 Wythe Avenue

The sponsor of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule B which includes projections of common charges payable by the owners of the commercial unit(s). My experience in this field includes: Fifteen (15) years as a professional property manager. For the last twelve years I have been a principal in the firm of Advanced Management Services LTD which manages approximately 150 Cooperative and Condominium apartment buildings in NYC.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Office of the Attorney General in Part 20 insofar as they are applicable to the commercial unit(s) listed in Schedule B.

We have reviewed the Schedule as it impacts upon the commercial unit(s) and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for common charges payable by the owners of commercial unit(s) appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit(s) for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit(s) reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial unit(s):

- (i) set forth in detail the projected common charges

for the commercial unit(s) for the first year
of condominium operation;

- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial unit(s);
- (iii) do not omit any material fact;
- (iv) do not contain any untrue statement of a material fact;
- (v) do not contain any fraud, deception, concealment, or suppression;
- (vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) do not contain any representation or statement which is false, where we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This

AMS

ADVANCED MANAGEMENT SERVICES

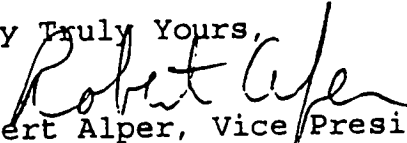
26 Court Street, Suite 804
Brooklyn, New York 11242
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Page 3

statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit(s) for the first year of the condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very Truly Yours,


Robert Alper, Vice President
Advanced Management Services LTD

RA:1a

